

# Draft Medium-Term Financial Strategy

## 2025/26 to 2029/30

**Sandwell Metropolitan Borough Council**



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## Introduction

The Medium-Term Financial Strategy (MTFS) represents the Council's approach to resourcing the Council Plan 2024 to 2027. The MTFS extends through to 2030 to ensure the approach is presented as a set of sustainable proposals in the medium term.

The Council must set a balanced annual budget. To achieve this requirement, all financial proposals must be robust. This means they are not only financially sound but are also subject to adequate engagement, scrutiny and approval. Officers of the Council implement the financial strategies once approved by the elected members.

To achieve a balanced budget the Council has created proposals that ensure income is sufficient to match forecast expenditure. Financial pressures come from demand for services, complexity of local needs and increases in costs driven by inflation and interest rates on borrowing. Such pressures are made affordable through service efficiencies that decrease costs, initiatives that reduce demand, alongside increases in income from local taxation and direct charges for services.

The financial outlook for public services, including local government, is challenging. This means Councillors throughout England are making difficult decisions that impact on the day-to-day services provided to residents. It is important that the Council maintains statutory services and protects vulnerable residents as a priority.

This MTFS outlines financial proposals that prioritise services in a sustainable way. But to achieve this it also includes proposals that will impact on services and increase the financial contribution required from local residents. All the proposals are detailed within this report and consultation has been completed seeking views from stakeholders. Feedback from the consultation process assists the Council in making decisions on its financial plans. The Council is also responding to important announcements on local funding made by Central government. Several proposals have been modified during the consultation period. This includes uplifts in Adults and Children's Social Care budgets and increased spending on communications and support related to changes in waste collection services. The Council is also proposing new activities associated with Children's Social Care Prevention Grant and Recovery Grant.

The Council is establishing a track record of strong financial management. Overspending is being mitigated promptly and the current spending controls will continue. There is ongoing transformation activity such as automation of processes and achieving best value from the Council's assets.

Managing the risk of financial failure is essential. Several Councils in England have been subject to intervention when financial plans have become unachievable. The Sandwell Council MTFS includes financial proposals that support the Council Plan, offers opportunities to address deprivation and retains adequate reserves to deal with potential risks.

Alex Thompson  
Executive Director Finance and Transformation (Section 151 Officer)

February 2025

## **The Medium-Term Financial Strategy and Plan - Form and Purpose**

1. The Medium-Term Financial Strategy (MTFS) sets out the way the Council gathers, organises and deploys financial resources to achieve the priorities of the Council Plan.
2. The Medium-Term Financial Plan (MTFP) contains the latest assumptions and financial limits formed by the relevant constraints of local government funding. These are updated on a regular basis. This report reflects the impact of updated financial assumptions since the draft 2025/26 MTFP was published in October 2024. It reflects the impact of the Finance Settlement for 2025/26. There is an explanation of the changes made to the MTFP position at Annex 2.
3. The MTFP outlines why there is ongoing risk of a funding gap and provides detail on the proposals that can close the gap. All proposals put forward to balance the budget for 2025/26 are set out in Annex 3.
4. The 2025/26 MTFP has been subject to extensive and detailed review. This has identified a requirement to address a budget deficit of £19.328m in 2025/26. The proposals in this report result in a balanced position for 2025/26 if they are all implemented in full. £4.533m of the proposals relate to funding through Council Tax: £2.758m through adopting the 2% additional council tax increase (previously the Adult Social Care Precept). And £1.775m is from revisions to the Local Council Tax Reduction Scheme as approved by Full Council on 10<sup>th</sup> December 2024. The remaining £14.795m are efficiency proposals within service directorates.
5. The movement between the forecast deficit for 2025/26 as at February 2024 and the balanced budget position for 2025/26 are shown in Annex 2 and include the following changes.
  - a. Additional efficiencies identified.
  - b. Adjustment and stress testing of anticipated efficiencies following a review of the underlying assumptions.
  - c. The challenging and adjustment of cost pressures previously admitted to the MTFP.
  - d. The impact of both the Provisional Finance Settlement and the Final Finance Settlement for 2025/26, received on the 18<sup>th</sup> December 2024 and 3<sup>rd</sup> February 2025 respectively.
6. New financial pressures and the adjustment of original assumptions are subject to a robust challenge process. Only pressures that are considered unavoidable are included within the MTFP.
7. In accordance with the MTFP model, the Council must select ongoing efficiencies amounting to £19.328m to balance the 2025/26 budget.
8. Efficiencies required to balance the budget reflect a blend of:
  - a. Efficiencies based on improved processes and implementing best practice.
  - b. Adjustments to service levels including suspension or cessation of previous service levels or changes to criteria to access the service.
  - c. Transformational changes where outcomes will be achieved in a different way to the current service offer.
  - d. Price increases to users of relevant services that reduce the requirement to subsidise such services from Council Tax income.
9. It is important to state that the estimates in this report relating to the 2026/27 financial year and beyond will be subject to ongoing review. The economy, management of risks and

government announcements are all factors that can impact on funding available to support councils. The MTFS (and MTFP) will be updated for subsequent meetings of Cabinet, the Scrutiny function and Full Council in the financial year 2025/26.

10. The Council has taken steps to achieve a transformational approach to providing a balanced budget. A transformation programme to implement Oracle Fusion, a corporate Enterprise Resource Planning (ERP) system, is nearing completion. In addition, a Transformation Strategy has been prepared, and a Corporate Transformation Board has been established to guide and control the use of transformational approaches. Transformation will develop better value for service users and enhance the focus on the Council's customers.
11. The Council undertook a resident engagement exercise through the Summer and Autumn of 2024, consulted with trade unions and business groups, and held two full day sessions with the Council's Budget and Corporate Scrutiny Management Board who challenged portfolio holders and council directors on proposals to balance the budget deficit.

### **Guiding Principles**

12. In February 2024, the Council adopted a set of guiding principles ('The Principles'). The principles were based on sound management and professional practice and have assisted with the development of the proposals for the 2025/26 budget. Looking ahead, the Council will continue to assess its approach to sound financial management. This will involve assessment and reporting against the standards of the CIPFA Financial Management Code.

## **Report of the Chief Finance Officer (s.151 Officer) (Section 25 Report)**

### **Introduction**

13. Section 25(1) of the Local Government Act 2003 requires that members give due regard to the report of the Chief Finance Officer when making decisions about the calculations and decisions within the budget. This report is structured around the following matters:
  - a. the robustness of the estimates made for the purposes of the calculations, and
  - b. the adequacy of the proposed financial reserves.
14. This report focuses on how activity within the Council's financial cycle provides assurances around financial stability and arrangements for managing financial risks and opportunities through an appropriate reserves strategy. The backdrop to setting the 2025/26 budget is that the local government sector faces a range of challenges from increasing population, complexity of resident needs as well as general economic factors such as inflation and interest levels. These challenges within Sandwell are further impacted by the high levels of deprivation and the local impact on the cost of living. These collectively place pressure on financial and budgetary arrangements for the Council.
15. Sandwell Metropolitan Borough Council has developed a strong track record of financial management and control. This approach is embedded within the values of the Council and there is a strong narrative to 'being brilliant at the basics'. This is enabling the Council to direct support towards achieving the strategic aims of the Council as laid out in the Council Plan. This places the Council in a positive position, especially relative to some local authorities where expenditure is exceeding income and where reserves are low.
16. In assessing the Council's financial standing I have reviewed a range of controls, decision-making processes and monitoring frameworks to assure myself that this track record is being maintained and is sustainable. This report also highlights several opportunities to further improve financial management in support of the Council's aims.

### **Financial Management within the Financial Cycle**

17. The Council has established and manages a rolling budget cycle. In-year financial monitoring and year-end reporting inform the next year's financial planning. The Council has made improvements to financial reporting in 2024. As at 31st March 2024 the financial accounts for 2021/22 onwards remained incomplete and unaudited. However, work across the Finance Team and other linked departments have enabled the completion of the 2021/22 accounts and 2022/23 accounts, with audit sign-off provided in August 2024 and December 2024 respectively. In addition, the accounts for 2023/24 have also been referred to external audit. Despite the implementation of the back-stop approach to statutory accounts the Council has adequate assurance that the classification of income and expenditure and the balances of reserves have been reported properly. This forms a reliable basis for assessing the Council's financial status and recent financial performance.
18. The Council has also made improvements to in-year monitoring in 2024/25. Monthly reporting is comprehensive and the Council tracks progress against all budget decisions. The Council has maintained additional financial controls and restrictions around procurement, via Value for Money (VFM) Panels, as well as controls on consultancy spend and recruitment. These controls are managed by senior peers with the inclusion of the Chief Executive and Chief Finance Officer where appropriate. These controls have contributed to an in-year forecast underspend on Council revenue expenditure of £2.128m as at Quarter 2 without the requirement for any unplanned use of reserves. The in-year

position is reported to Cabinet on a quarterly basis and is supported by an appropriate audit plan that is approved by the Audit and Risk Committee.

19. During the year the Council transitioned to Oracle Fusion as its core operating system. Transitioning to this Enterprise Resource Planning (ERP) software was a major strategic project and part of the Council's transformation programme. Further improvements in financial management and processes must now be facilitated by this modern system. This includes ensuring that the 2024/25 accounts are completed on time and address any outstanding assurance issues that may be associated with the accounts having previously being prepared under backstop arrangements. This integrated software platform offers further opportunities to develop a more strategic approach to HR and Procurement functions.
20. Financial planning takes place throughout the year and assurance on the robustness of this process is related to the level of timely professional advice alongside stakeholder engagement and effective monitoring arrangements. The February 2024 Medium Term Financial Strategy (MTFS) identified financial deficits from 2025/26 onwards. Officers of the Council use professional networks, economic forecasts, in-year performance, peers and engagement with government officials to understand the latest financial forecasts. During the summer of 2024, this process identified a potential deficit of £20m in 2025/26. To address this position, officers of the Council worked with Cabinet members to develop proposals via Star Chamber meetings. The Cabinet then published proposals in October 2024 that could achieve a balanced budget. These proposals were subjected to public consultation via face-to-face interviews, stakeholder panels, on-line surveys and public scrutiny by committee. There were in the region of 3,000 participants in these engagement opportunities. The feedback is included within the MTFS report and is considered a reasonable level of engagement to support members in their decision making.
21. The financial planning cycle has been flexible enough to deal with important government announcements related to local government policy and funding. Increases in National Insurance Contributions and National Minimum wage impact on Council spending. This is most significant in care services, but the local government finance settlement provided additional social care funding that has enabled the Council to mitigate this risk. The settlement has also provided additional funding for children's social care prevention and a new recovery grant. The Council's process and approach to achieving ongoing value for money enables this new funding to be directed towards projects to address the underlying causes of deprivation. This is appropriate in responding to long term needs, but also in considering the short-term nature of the settlement. It is an approach that will support the Council Plan and shows ambition to improve jobs, housing and lifestyle opportunities within the borough. The Government's commitment to multi-year settlements in future is welcome. If funding continues to focus on deprivation this can further enhance the opportunities for the Council to focus on creating sustainable change.
22. The Council has developed an affordable capital programme, and the financial appraisal and due diligence is appropriate. The development of capital proposals and wider balance sheet analysis needs to be a more prominent feature of the financial cycle though. The process has set parameters on the affordable level of capital spending but the ongoing strategic alignment and analysis of whole life costs can be improved. Debt related to borrowing and residents and business payments is transparent and proposals within this budget do show attention being directed towards ensuring this is adequately controlled.

### **Housing, Schools and Wholly Owned Company**

23. The Council's Housing Revenue Account (HRA) and Dedicated Schools Grant (DSG) benefit from financial management and controls that align with the approach to the General Fund. Both remain within balance and maintain adequate aligned reserves.

Within the HRA, 2024/25 saw a review of the capital spend. Despite material overspending on specific high-rise projects, that have been well reported publicly, the review has led to improved processes and has rebalanced the medium term HRA capital programme. The Housing regulator has rated the Council's services at level C3, indicating that serious failings have been identified in how the Council is delivering the outcomes of the recently adopted Social Housing Consumer Standards. Responding to this assessment is a priority and is now a feature of the HRA financial proposals. So far, the response to this assessment is not unbalancing the medium-term forecasts. Transformation projects in this area are being developed to achieve more responsive value for money services that will improve external assessment and provide better services to tenants.

24. Forecasts show the Dedicated Schools Grant remaining in balance in the medium term. However, there is significant risk at a national level that funding for the High Needs Block, related to Special Educational Needs and Disability (SEND), is insufficient. Some councils are dealing with large scale deficits that can impact the general fund. Sandwell Council is not in this position, but this is an immediate risk without prompt action. Transformation of the operating model in this area is being developed to improve outcomes and mitigate the risk of local impact on the general fund. Capital spending on education services is appropriate but sufficiency planning can improve to ensure that Sandwell Council continues to meet demand for all types of education requirements.
25. The wholly owned Sandwell Children's Trust is experiencing over-spending and there is a cumulative balance sheet deficit of approximately £17m forecast by 31st March 2025. Contract negotiations have focused on strategies that can manage rising placement costs and put in place additional interventions. This may reduce numbers of children and young people having to rely on expensive care arrangements but still achieving positive outcomes. The Trust does not hold reserves, and further negotiations must focus on addressing the deficit within the Council's Group financial strategy and aligned accounts. Governance arrangements will be reviewed to ensure this issue is being transparently managed by officers and members.

### **Risk Management**

26. The Council's Audit and Risk Committee, Strategic Leadership Team and Performance Board receive regular strategic risk reports. Reporting is prepared by the Internal Audit team and engages senior officers as risk owners. This process allows regular review of whether the risks continue to be relevant, whether the severity or likelihood has changed, as well as reporting on mitigation activity.
27. The Council has developed business cases for all financial proposals that include a structured approach to risk. This has prompted amendment to several budgets where in-year performance was not achieving target. This has been most visible in the reduction of several unachievable income targets. This is important in ensuring the overall budget is transparent, shows no optimism bias and is therefore robust.

### **Assessment of the Robustness of Future Estimates**

28. The Council has a sound approach to setting its financial strategy. The financial controls in place should continue though. The controls are designed to eliminate waste, enhance efficiencies and improve focus on long term outcomes. Over time these must become embedded within service design and with automated controls. The ongoing programme of transformation is also critical to creating longer term sustainability.
29. The processes and governance arrangements in place at Sandwell give adequate opportunity for professional advice and due diligence as well as stakeholder engagement. This allows decision makers to be properly informed and supports them in making

achievable proposals in agreeing the final budget. My view is that the estimates in this report are therefore robust.

### **Management of Reserves**

30. The Council has introduced a reserves strategy for 2025/26 that defines the reasons for holding reserves and the approach to reviewing reserve levels. The MTFS is not dependant on the use of General Reserves which is a positive position. Earmarked reserves are held for varied reasons and are aligned to managing specific material risks as well as holding balances to support service change. These reserves require further review under the new strategy to ensure they align to the strategic aims of the Council Plan. The strategy aims to enhance the transparency and clear purpose of reserve balances.

### **Assessing the Adequacy of the Proposed Financial Reserves**

31. In-year financial performance has enabled reserves to continue to be used for their intended purpose and not be re-purposed to cover overspending or emerging risks. The approach to managing risk and responding to national policy and local spending within this MTFS provides assurance that this will continue. On this basis reserves continue to be adequate at Sandwell Council.

### **Conclusion**

32. The financial pressure on the local government sector and increasing demand for services is widely reported. Some councils are suffering severe financial stress. The importance of ensuring financial proposals are robust and that the financial strategy is backed by adequate reserves has never been greater. My professional opinion is that the estimates within Sandwell Council's budget are robust and that the reserves are adequate.
33. It is encouraging that the Council has set a clear Council Plan, is ambitious about addressing local deprivation, and has an MTFS that can resource its activities. There is no space for any level of complacency. The Council must engage with national reviews of business rates, adult social care, SEND and reviews of the wider funding formula to ensure the benefits of the Council's ambition can continue to be funded. With ongoing support and continued strong financial controls the Council should be able to create longer term sustainable budget forecasts. Backed by effective transformation this will allow achievement of lasting benefits to the residents of the borough.

## **Governance & Decision Making**

34. The following arrangements apply for decision making in order to set the 2025/26 budget during February 2025.
- a. Consultation and engagement with stakeholders took place throughout the Autumn of 2024 to provide insight and feedback to the financial proposals identified to October 2024.
  - b. The Budget & Corporate Scrutiny Management Board held Budget enquiry and review meetings to consider the draft budget proposals on 21<sup>st</sup> and 23<sup>rd</sup> January 2025.
  - b. Cabinet received the recommendations from the Budget & Corporate Scrutiny Management Board at its meeting on 5 February 2025; and
  - c. Full Council will consider the setting of the 2025/26 budget on 25 February 2025 following a decision of Cabinet to recommend the draft budget to Full Council.

## **Consultation & Engagement**

35. The views of Sandwell's residents, businesses, communities and any other stakeholders are integral to the development of a MTFs that reflects the priorities of the Borough. A two phased approach to engagement and consultation was devised to support the development of the 2025/26 budget and the MTFP. This was designed to align to the Council's Consultation Principles:
- a. Consultation lies at the heart of effective public policy development and service to the public. It should be a first thought and not an afterthought.
  - b. Consultation should never be used to communicate decisions already taken, and the outcome of consultation should never be pre-determined.
  - c. Consultation should be inclusive. Whenever possible, it should involve all stakeholders, including children and young people, who can contribute to or are affected by the outcome of the consultation.
36. Consultation on the budget efficiencies of £19.8m, as presented to the Cabinet on 16<sup>th</sup> October 2024, ran from 16<sup>th</sup> October 2024 to 21<sup>st</sup> November 2024 and resulted in the largest response to a budget consultation exercise to date. Engagement with key stakeholders included:
- a. Face to face survey of a representative sample of 1,100 residents from across the Borough;
  - b. Open on-line survey aimed at residents, partners, voluntary and community sector, businesses and children and young people. This survey attracted 1,575 responses.
  - c. Meeting with Trade Unions
  - d. Meeting with Business Ambassadors (15 attendees)
  - e. Meeting with Voluntary and Community Sector (24 organisations)
  - f. 1-2-1 meetings with four key strategic partners.
  - g. Meeting with young people as part of UK Parliament (40 young people)

37. Almost 20,000 accounts saw the 15 budget consultation posts on the Council's social media channels and a consultation video was viewed 14,500 times across all channels.
38. The video is the Council's best performing YouTube video with the majority of viewers watching most or all of it.
39. Following the press release for the launch of the consultation, there were four separate pieces of coverage in the local press. The Sandwell Herald also features a double page spread regarding the budget and the call to complete the consultation. This was distributed to all households (146,526), 7,000 businesses, 2,119 care home residents.
40. The budget consultation webpage on the Council's website had 3,650 hits.
41. The Council has complied with its obligations under statute in all respects in undertaking consultation. The Section 151 Officer uses evidence of consultation to support the determination of the robustness of the financial proposals.
42. Annex 1 details the results of the public consultation engagement.

### **Equality Impact Assessments**

43. Where efficiency proposals relate to a change of approach to service delivery in 2025/26, service leads have completed an Equality Impact Assessment screening assessment for each proposal to determine whether a full Equality Impact Assessment was required. The Equality Impact Assessment enables Service Leads to fully understand the implications of removal, reduction, or a change in services currently provided. This has been undertaken in parallel to the consultation process.
44. Many budget variations for 2025/26 can be achieved through reduction in budgets that are no longer required to provide services or through increasing income targets. These are effectively just revised forecasts of net expenditure based on the current service offer. Such proposals do not require a full Equality Impact Assessment.
45. Where a full Equality Impact Assessment has been undertaken, a small number of efficiency proposals have been identified as having a potentially negative impact on some protected groups. Where groups will be potentially negatively impacted, actions have been identified to mitigate the impact on residents and service users. These actions are documented in the Equality Impact Assessments and will be reviewed by services through existing governance processes.
46. There are several efficiencies that impact on the Council's staffing structures which will be subject to the Council's policies and procedures. As far as possible, these efficiencies will be achieved through deletion of vacant posts.
47. The outcome of the Equality Impact Assessments, alongside the findings of the consultation process, have been assessed and used to prepare final recommendations that are presented to Cabinet in February for approval. The Section 151 Officer has used evidence within such assessments to support the determination of the robustness of the financial proposals.

### **The National Financial Background**

48. The National economy is affected by international economic events, not least the impact of wars, ongoing issues with international supply chains and the long-lasting impact of the

Covid-19 pandemic. Such issues led to high levels of inflation in energy, food and other services, products and commodities. To counter these increases in costs, the UK has also seen increasing interest rates. These economic factors both impact on the Council's financial standing. High inflation causes price rises in the Council's day-to-day activities and interest rate increases cause higher costs on the debt incurred from previous capital spending on infrastructure and regeneration projects. The recent inflationary pressure has not been seen in the UK economy since the very high levels experienced during the late 1970s and early 1980s. CPI has returned to levels close to the target rate of 2.0% with a low of 1.7% in September 2024 but increased to 2.6% in November 2024 before seeing a slight reduction to 2.5% in December 2024. The increases in costs during the period of high inflation are now a permanent feature of the prices paid for items and services.

49. In recent years, local government has received a much higher proportion of additional funding from local taxation and charges to users than from national taxation. The UK Government has articulated a position where it must improve the balance between income and expenditure in public services. This is a challenging outlook compared to the levels of support afforded to communities and businesses during and following the pandemic and energy crisis.
50. The result is that much of the financial pressure must be managed at a local level. The Council's regional partners are equally affected. This means that the Council must respond by ensuring that changes to the direct costs of providing services are affordable based on access to locally sourced income. Large scale reviews of budgets across the local government sector will continue. Some local authorities are severely affected by such financial issues and have declared that their forecast expenditure cannot be met by their forecast resources. Sandwell MBC is not in this position but must take positive decisions now to mitigate any risk of this happening in the future.

### **General Budget Planning Assumptions**

51. The following paragraphs set out a suite of headline planning assumptions which inform the construction of the MTFP:

#### **Council Tax**

52. The Provisional Local Government Finance Settlement 2025/26, set the referendum threshold for Council Tax increases to an overall total of 2.99% and an additional amount for Adult Social Care of 2% for upper tier councils such as Sandwell MBC. Annual increases at this level are also included within the Council's Core Spending Power assumptions. The Council Tax income included within the MTFP for 2025/26 allows for an increase of 4.99% including the additional 2% increase for adult social care. Future years of the MTFP reflect a 2.99% increase only due to the uncertainty of the adult social care allowance.
53. A change to the requirements for information displayed on Council Tax bills for 2025/26 is that councils should no longer separately identify the increase for Adult Social Care as a separate amount. Therefore for 2025/26 onwards, the bills will show a single line for Sandwell MBC for both percentage increases.
54. The level of Council Tax is a decision for Full Council in each year. The fact that the Chancellor's budget highlights an increase of 4.99% points to a clear assumption that councils are required to make such increases to afford local services. Sandwell MBC

should not take an alternative approach to that of maximising potential increases. Any lower assumptions could imperil the Council's ability to sustain statutory services at a reasonable level.

55. Sandwell MBC has a large proportion of properties falling within Band A or Band B, with 76% of chargeable properties falling within the two lowest bands. The impact of a 4.99% increase on the Council's element of the Council Tax is shown below:

<b>4.99% increase</b>	<b>Band A (43% of properties)</b>	<b>Band B (33% of properties)</b>
2024/25 Council Tax (Sandwell MBC element only)	£1,158.05	£1,351.06
2025/26 Proposed Council Tax (Sandwell MBC element only)	£1,215.84	£1,418.48
Increase per year	£57.79	£67.42
Increase per week	£1.11	£1.30

56. It is also a requirement to calculate a forecast surplus or deficit on the collection fund for council tax, as actual income will almost certainly be different from assumed income when the budget for council tax income was set. For 2024/25, it estimated that there will be a deficit on the collection fund of £2.373m. This is charged to the General Fund budget in 2025/26.

#### **National Non-Domestic Rates (NNDR)**

57. The Government has for some years been considering reform of the NNDR system amid concerns from the business sector that the rate imposes an unwarranted burden on the commercial sector. Indications are now that there will be a consultation in the new financial year with an assumed reset of business rates from 2026/27. The MTFP has included the assumed impact to the council of the reset. The Council is assuming that it will be fully compensated through grant income for any loss of business rate income as a result of the reset.
58. In addition, for Sandwell, the Devolution Deal negotiated between the West Midlands Combined Authority and Government from 2024/25 envisages maintenance of the existing NNDR arrangements in the West Midlands. These arrangements are expected to be to the advantage of the Council from the inception of the Devolution Deal.
59. The establishment of the Sandwell Levelling Up Zone through the Devolution Deal is a unique opportunity to take full advantage of the benefits created by the completion of the Wednesbury to Brierly Hill Metro Extension. The designation of a Growth Zone will allow the retention of business rates growth on selected sites within the Metro corridor and reinvestment in regeneration and economic growth.
60. The NNDR1 statutory return (estimate of Business Rates income and reliefs awarded) has shown there to be significant growth from 2024/25.
61. Similarly to Council Tax, the council is required to estimate the closing surplus or deficit on the collection fund for business rates. The forecast closing position for 2024/25 is a deficit of £1.082m which is charged to the General Fund in 2025/26. Reasons for this deficit are due to differences in the amounts of reliefs being granted compared with original assumptions.

62. However, the growth in forecast business rates for 2025/26 will be used to fund the deficit charge along with the Council Tax deficit, removing the need for drawing from business rates volatility reserves held.

### **Housing Revenue Account**

63. The Housing Revenue Account manages all of the financial activity associated with providing the Council-owned housing stock of approximately 28,000 dwellings, provided to meet social housing needs. Approximately 88% of the cost of running the Housing Revenue Account is funded from the rental income it receives from its properties, with the residual amount funded from other contributions and charges levied for services and facilities.
64. To maintain an appropriate level of funding to deliver the service, which does not receive central government support, the setting of rents is governed by a Government Guideline Policy which allows for rents to be increased by CPI+1% each year (using the September CPI value each year for the forthcoming year).
65. September CPI was reported as 1.7% and therefore the rent increase for HRA dwellings for 2025/26 has been set at 2.7% in line with Government policy. This was approved at the Council meeting on 10<sup>th</sup> December 2024.
66. Annex 11 of the MTFs incorporates the forward estimates of rental income and costs of maintaining the HRA with the proposed revenue budget at paragraph 10 and capital programme proposals at paragraph 20.
67. The HRA Business Plan has also been refreshed based on revised cost and income projections. The updated Business Plan demonstrates that the HRA is sustainable over the 30-year projections and is included at sub-annex 1 of Annex 11.

### **The Capital Programme**

68. The Capital Programme relates to creating new assets or extending the life of existing assets. It is frequently related to large scale one-off expenditure that is funded from government grants, borrowing or other contributions such as those from developers.
69. In February 2024, the Council set out a set of 'Capital Planning Principles'. The principles were based on sound management and professional practice and continue to be used in forming the Capital Programme.
70. Details of the General Fund capital programme are presented at Annex 10. As of February 2025, the programme was considered to cost £152.8m in 2025/26, based on the latest profiling of expenditure against the approved programme. The annual cost of servicing new and existing debt is assumed to be £22.1m in 2025/26. Any proposed changes to capital programme will be subject to due diligence, including identification of new funding streams, to ensure that the programme remains affordable.
71. The Council's General Fund debt service costs reflect interest payments on the debt portfolio but also amounts set aside for repayment of principal amounts of historic borrowing. In 2024/25, the forecast figure of £20m is about 6% of the Council's net budget. The fact that this percentage is relatively modest compared with similar authorities is a significant factor in the budget shortfall for Sandwell MBC being lower compared to some authorities. A key factor in assessing affordability of funding future capital

programme proposals through prudential borrowing will be ensuring that the overall percentage of debt costs compared with net budget remains at acceptable levels for the period of the MTFs.

72. The Capital Strategy and Capital Financing Strategy are included at Annex 13 and 14 respectively.

### **Reserves**

73. In recent years, the Council has reduced its reliance on the use of reserves to support service delivery. This approach ensures that the Council holds sufficient resources should it face the prospect of having to manage strategic risks at some future point. The 2025/26 MTFP does not include the draw down of reserves to fund day-to-day spending. This allows reserves to be retained to manage financial risks and emergencies. Planned draws from reserves are included in directorate budgets where the use of reserves will fund one-off costs.

74. A new Reserves Strategy has been included in this MTFP and is at Annex 12 for approval.

### **Fees & Charges**

75. The Council's portfolio of fees and charges has been updated using a figure of 2%, unless charges are specified by Government or there are other relevant constraints. In several cases, charges are proposed to increase beyond a 2% adjustment factor to ensure that there is full cost recovery for delivery of the service. A full list of fees and charges is included at Annex 6.

### **The Local Government Finance Settlement 2025/26**

76. The Provisional Local Government Finance Settlement for 2025/26 was issued on 18<sup>th</sup> December 2024, with the Final Settlement issued on 3<sup>rd</sup> February 2025.

77. The key outcomes of the Settlement are:

- a. New Homes Bonus - Government has been considering reform or phasing out of New Homes Bonus for some years but it remains in 2025/26. But there is now a clear indication that the system will be reformed for 2026/27. The amount due to be received in 2025/26 is £0.379m, a reduction of £0.398m from the previous year.
- b. Services Grant – No grant is to be received for 2025/26. This is in line with the assumptions in the October MTFP and is a reduction of £0.710m when compared with 2024/25.
- c. Council Tax Referendum Principles – It was confirmed that for councils with adult social care responsibility that increases in council tax could be up to 5% (being 3% core increase and additional 2% due to adult social care responsibilities). The 2025/26 budget proposals include an increase of 4.99%. As there is no commitment for the additional 2% allowance for future years, the Medium-Term Financial Strategy does not include the uplift and remains with the 2.99% core increases for 2026/27 onwards.

- d. The Business Rates Retention Arrangements – there were no changes to the existing arrangements as expected. The Council therefore remains an authority with increased business rates retention arrangements (thereby forgoing Revenue Support Grant).
- e. Social Care Grant – In 2025/26 there were increases locally and nationally with the Social Care Grant increasing to £55.391m for Sandwell MBC; an increase of £8.779m (18.8%). Nationally an increased allocation of £5.924bn was provided, which represents an increase of 17.5%.
- f. The Adult Social Care Discharge Fund remains cash flat nationally and for Sandwell. Sandwell's allocation of £5.379m has now been rolled into the Local Authority Better Care Grant (previously improved Better Care Fund).
- g. The Adult Social Care Market Sustainability Improvement Fund also remained cash flat with the allocation for this Council being £8.085m.
- h. Local Authority Better Care Grant (previously known as the improved Better Care Fund - iBCF) – this grant now includes the Adult Social Care Discharge Fund which has been rolled in for 2025/26. The local and national allocation of the Better Care Grant is equal to the combined funding allocations for iBCF and Adult Social Care Discharge Fund for the previous year and therefore no new funding has been allocated within the Settlement. Sandwell's allocation stands at £28.401m, which includes the rolled in grant of £5.379m Adult Social Care Discharge Fund.
- i. Children's Social Care Prevention Grant – The Government's intention for this new grant (£270m nationally with £3.555m allocated to this Council) is for investment in children's social care prevention. Conditions associated with the use of this grant have been released with the Final Settlement announcement. The MTFS has assumed that there will be new cost burdens matched to the amount of funding allocated.
- j. Recovery Grant – The Government has introduced a new grant worth £600m nationally. The indication was that this grant was to be distributed to council areas with greater need and demand for public services based on the indices of multiple deprivation. Sandwell has been allocated £11.784m in recognition of the challenges faced locally in respect of deprivation. A small element of the grant funding is required to fund additional costs that will be incurred by the Council due to the increase to employer's national insurance costs from 2025/26, however most of the new funding (£11.500m) is available to develop and coordinate initiatives designed to address deprivation in the borough.

The level of deprivation within the borough is significant as the statistics below indicate:

- Education, skills and training deprivation – 52% of local super output areas (LSOA's) in Sandwell are within the 20% most deprived areas in England, whilst 21% were also in the 10% most deprived areas too
- Health deprivation – 52% of LSOAs are in the 20% most deprived nationally
- Employment deprivation – 51% of LSOAs in Sandwell are in the 20% most deprived in England and 20% within the worst 10% most deprived nationally.
- Living Environment deprivation - 62% of LSOAs in Sandwell are in the 20% most deprived areas and 23% in the top 10%
- Fuel Poverty – 20.6% (27,389) of Households were Fuel Poor in 2021 and that figure will have increased

The approach to addressing deprivation has been reactive due to the funding settlements received by the local authority over the past 15 years. The Council has taken positive decisions to mitigate the worst impacts of the cost of living crisis for many residents. But the short-term approach to local government funding settlements has meant that this approach does not have the sustainability of an approach that addresses the fundamental root causes of deprivation and poverty. There is no indication from government that the Recovery Grant will continue to be a feature of future local government settlements. But the sum allocated to Sandwell is significant and provides an opportunity to take a longer-term view on positive work that can be undertaken by the Council and its partners to break the cycle of deprivation in the borough.

The Council Plan, which was approved in July 2024, states the authority's ambitions for the borough over a three-year period and has explicitly highlighted the following outcomes to address deprivation:

- Residents have resilience to achieve real change in financial circumstances
- Safe and affordable homes & Good homes that are well connected
- Encourage a positive environment where businesses and our community and voluntary organisations are supported to grow; and investment into the borough is maximised, creating job opportunities for local residents
- Health outcomes for Sandwell's most vulnerable groups are improved and health inequalities are reduced.

Those areas that have made the most impact in addressing deprivation have had the same strategic focus and have aligned resources to support that ambition. The prudent approach to managing the Council's finances in recent years, combined with the focus to continue to deliver services according to the principles of best value, means that with the Recovery Grant allocation, Sandwell is now well positioned to make the same decision to aligned financial resources to address deprivation and implement preventative measures that will make a difference and break the cycle. It is proposed that the Recovery Grant be allocated to a reserve to tackle deprivation which will be underpinned by a strategy informed by data and local intelligence to address the root causes of deprivation and will be informed by approaches that will have the most impact in making long-term change that will reduce dependency on public services that arise through individual circumstances of poverty caused by deprivation. This strategy, which will be underpinned by workstreams to drive forward improvements in educational attainment, apprenticeships, skills and jobs, better housing and healthier lifestyles is now in development and will be considered by the Cabinet later in the year. The objective for recovery should be to make Sandwell a fairer place, where everyone is able to live their best life, prosperous and fulfilling, free from deprivation and inequality.

- k. Domestic Abuse Grant – The allocation of £1.093m for Sandwell is an increase of £0.216m compared with 2024/25, representing an approximate increase of 24%, being similar to the national increase in funding available. The Domestic Abuse Grant has now been rolled into the Settlement and becomes part of the Council's Core Spending Power.
- l. Employer National Insurance Contribution Grant – As part of the Final Settlement, the government published individual allocations of total funding of £502m to local authorities for national insurance contributions pressures. The Employer National Insurance Contribution Grant is a new grant for 2025/26, that has been initiated by the government in response to the budget pressure that will be created in relation to

increased employer national insurance contributions as set out within the Chancellor’s budget announcement in October 2024. Increased national insurance contributions for employers will come into effect from April 2025.

Individual local authority allocations are based on published Revenue Outturn data for 2023/24. The Council’s allocation of the new grant is £3.529m. This grant is unlikely to be sufficient to offset the budget pressure relating to direct staffing costs, and certainly will not be sufficient to fund any additional contract costs that result from the change to employer national insurance contributions.

- m. Extended Producer Responsibility Grant – Although the Extended Producer Responsibility Grant (EPR) does not form part of the Local Government Settlement, receipt of the grant from 2025/26 represents a significant change to local government funding. EPR seeks to increase the amount of packaging that is recycled, and the delivery of effective waste management services by local authorities is a key aspect of achieving this aim. The Council’s allocation of £7.109m in 2025/26 has been guaranteed by the Government, but funding in future years is not guaranteed and is subject to change. For the purposes of the MTFS, the Council has assumed that all funding received in 2025/26 will be one-off and will be required to fund transformation of waste collection services. A project plan is being developed to determine how best to use the grant to improve the efficiency and effectiveness of the waste management services, and the plan will be brought forward for approval in due course

### **Budget Efficiencies**

- 78. The Council has assembled a list of opportunities for net budget reductions, in order to mitigate the current forecast net budget deficit of £19.328m in 2025/26, and has undertaken consultation and engagement on these. As a result of this process, efficiencies of £19.328m are recommended for implementation and these are set out in Annex 3. It should be noted that, should the efficiency proposals set out in Annex 3 be adopted in full, it is considered at the time of writing that the budget for 2026/27 will also be brought into balance.

### **Achieving Efficiencies in 2024/25**

- 79. Efficiencies approved and included within the base budget for 2024/25 are regularly reviewed and reported to the Council’s Strategic Leadership Team and to Cabinet. At present, the Council is monitoring the delivery of £14.357m ongoing budget efficiencies required in 2024/25. The table below provides a breakdown of the £14.357m total.

<b>Description of Efficiencies</b>	<b>£000</b>
New efficiencies agreed within Budget Report presented to Council on 20 <sup>th</sup> February 2024	11,935
2023/24 efficiencies not delivered	534
2023/24 efficiencies achieved on a one-off basis	1,889
<b>Total Ongoing Efficiencies Required in 2024/25</b>	<b>14,357</b>

80. As at Quarter 2, forecast delivery of the required efficiencies by directorate was as follows:

	£000	£000	£000	£000	£000
Directorate	Has Been Delivered on an Ongoing Basis	Likely to be Delivered on an Ongoing Basis by Year End	Will Not be Delivered In Year	Delivered In Year on a One-Off Basis Only	Total
People - Adult Social Care	3,881	518	-	-	4,399
People - Children & Education	2,104	-	-	-	2,104
People - Public Health	64	-	-	-	64
Place - Environment	1,459	-	1,154	198	2,811
Place - Housing	248	-	103	-	351
Place - Regeneration & Growth	1,706	-	277	912	2,895
Assistant Chief Executive	195	39	250	-	484
Finance & Transformation	732	-	517	-	1,250
<b>Total</b>	<b>10,388</b>	<b>557</b>	<b>2,301</b>	<b>1,110</b>	<b>14,357</b>
<b>% Delivery</b>	<b>72%</b>	<b>4%</b>	<b>16%</b>	<b>8%</b>	<b>100%</b>

81. The above analysis shows that the majority of efficiency targets will be achieved during the year, with a small proportion being delivered on a one-off basis. There remains a risk that budget growth will be required in the future to offset any plans that are not deliverable in the medium term. The continual review of the delivery of efficiencies assists in building a robust and prudent MTFP.

### Transformation Programme

82. The Council's Transformation Programme includes the following workstreams.

- a. Adult Social Care:
  - i. Development of a future Target Operation Model and organisational design.
  - ii. Process review, system adoption and implementation
  - iii. Utilisation of digital solutions and AI to facilitate transformational change across adult social care
- b. Governance and Decision Making:
  - i. Delivery of a modern constitution with clear governance arrangements.
  - ii. Facilitation of agile decision-making and enhanced accountability
- c. Children and Education:
  - i. SEND Transport
  - ii. Placements for Cared for Children and Young People
- d. Customer Focus:
  - i. Designing a shared model of customer service centres.
- e. Fleet Review:
  - i. A review of the Council's fleet and approach aligned to the Climate Change priorities.
- f. Housing:
  - i. Definition, development and implementation of a new Target Operating Model.
  - ii. Development of a Transformation Programme incorporating all Housing Directorate services.
- g. Oracle Fusion

- i. Cloud based system set to revolutionise our Finance, HR, Payroll and Procurement processes – launched Summer 2024
  - h. Property and Assets:
    - i. Implementation of a Corporate Landlord model for future property estate managements.
    - ii. Integration with the Regeneration and Growth directorate.
  - i. Strategic Leisure Review:
    - i. A review of the leisure facilities provision across the Borough.
  - j. Value Realisation:
    - i. Improve productivity and efficiency to drive positive outcomes for our residents and communities.
  - k. Waste Management:
    - i. Consideration of alternative waste collection regimes to support the council's Carbon Action plan.
    - ii. Focus on increasing recycling rates, especially for high-rise accommodation.

83. The Corporate Transformation Board, chaired by the Executive Director of Finance and Transformation, has oversight of all transformation projects across the council. Responsibilities include maintaining an overview of the project management pipeline, reviewing progress of projects, addressing escalations and commissioning actions to resolve any issues or concerns.

### **Flexible Use of Capital Receipts**

84. In 2025/26, the Council may wish to make use of the facility - if offered by Government - to use capital receipts to fund revenue expenditure incurred to further business change and transformation. An updated Flexible Use of Capital Receipts Strategy is included at Annex 5 to this report.

### **The Medium-Term Financial Plan (MTFP)**

85. The Council's MTFP is shown in Table 1. The MTFP is the product of (i) detailed technical analysis (ii) detailed discussion with the directorates and their respective management teams regarding the pressures identified and (iii) further engagement to assist the directorates to identify efficiencies to bridge the budget shortfall identified.

86. The movement in the MTFP from February 2024 to October 2024 (last MTFS update) and to February 2025 is shown in Annex 2.

Table 1: Medium Term Financial Plan 2025/26 to 2029/30 (updated Council Feb 25)

	2025/26 £m	2026/27 £m	2027/28 £m	2028/29 £m	2029/30 £m
<b>Opening Forecast Net Expenditure</b>	<b>333.008</b>	<b>380.578</b>	<b>386.088</b>	<b>403.720</b>	<b>421.683</b>
Reversal of one-off efficiency in 2024/25 for vacancy management	7.000	-	-	-	-
Forecast increase in salary budgets (pay inflation)	7.723	4.791	4.935	5.083	5.214
Recovery Fund - assume one year only (grant income included in "Forecast Funding Available")	11.500	(11.500)	-	-	-
Budget pressures and growth on service delivery	38.460	12.924	11.868	12.017	11.053
Technical adjustments (e.g. treasury management and change in use of reserves)	(4.516)	(0.705)	0.829	0.863	0.920
Changes in government funding within directorates	(12.597)	-	-	-	-
<b>Revised Forecast Net Expenditure</b>	<b>380.578</b>	<b>386.088</b>	<b>403.720</b>	<b>421.683</b>	<b>438.870</b>
Forecast funding available (Council Tax, Business Rates and other Government Grants)	(365.783)	(368.601)	(379.027)	(390.419)	(402.267)
<b>Forecast Net Budget Deficit Before Efficiencies</b>	<b>14.795</b>	<b>17.487</b>	<b>24.693</b>	<b>31.264</b>	<b>36.603</b>
Directorate Efficiencies proposals	(14.795)	(17.487)	(17.907)	(18.387)	(18.867)
<b>Revised Forecast Budget (Surplus)/Deficit</b>	<b>-</b>	<b>-</b>	<b>6.786</b>	<b>12.877</b>	<b>17.736</b>

Note: the forecast funding available row in the above table includes the efficiency proposals for revisions to the Local Council Tax Reduction Scheme and adopting the additional 2% increase in council tax relating to Adult Social Care.

### Governance & Reporting

87. The MTFP will continue to be updated on a rolling basis from this point forward and will be reported periodically to Cabinet, Scrutiny Management Boards and Full Council. This will enable stakeholders to receive regular briefing on observed changes to the forecasts that are from time to time observed.

### Risk Assessment & Management

88. The Council has a need to develop structured arrangements to manage risk with regard to strategic and operational dimensions of its operations. The principal risks associated with maintenance of the Council's services within the financial constraints identified in the MTFs and associated MTFP together with headline mitigations are set out in Annex 4.

## Summary

89. This document has set out the MTFS and the embedded MTFP and the acceptance and application of these documents can be summarised as follows:
- a. The Council recognises the challenging financial pressures on the 2025/26 budget and beyond and has understood the issues that this presents. Risk management and engagement have been a feature of the budget process.
  - b. The Council has taken effective action to identify a portfolio of potential budget efficiency opportunities of £19.328m to balance the 2025/26 budget. Should the efficiency proposals set out in Annex 3 be adopted in full, it is considered at the time of writing that the budget for 2026/27 will also be brought into balance.
  - c. The Council understands the potential changes to funding streams including Council Tax. Analysis of options and scenarios as well as liaison with partners and central government is an ongoing process. This will continue to inform financial planning assumptions in the MTFS and MTFP.
  - d. MTFP planning assumptions will continue to be refined and reviewed on an ongoing basis based on in-year monitoring and prior year reporting. It is anticipated that the figures contained in this report will continue to change in the medium term as the forecasts are updated but that the Council is prepared to demonstrate ongoing flexibility and decision making to deal with this.
  - e. The Council has taken a responsible approach to additional finding with the Local Government Finance Settlement. Targeted activity in Children's Social Care Prevention and use of the Recovery Grant to respond to deprivation levels reflects addresses local issues without committing to unsustainable activities with potentially short-term funding.

### Feedback from the Budget Consultation 2024

#### Introduction

The text below sets out the methodology used to capture the views of residents and representatives of communities across Sandwell on the budget options put forward by the Cabinet to address the anticipated budget shortfall of £19.8m. Consultation ran from 16<sup>th</sup> October to 21<sup>st</sup> November 2024. The Council received the biggest response to a budget consultation to date. The consultation involved the following:

- Face to face survey of a representative sample of 1,100 residents from across the Borough
- Open online survey across the Borough aimed at residents; partners; voluntary and community sector; businesses and children and young people. The survey attracted 1,575 responses.
- Meeting with Trades Unions
- Meeting with Business Ambassadors (15 attendees)
- Meeting with Voluntary and Community Sector (24 organisations)
- 121 meetings with four key strategic partners
- Meeting with young people as part of UK Parliament (40 young people)

#### Consultation Communications

- Almost 20,000 accounts saw the Council's 15 budget consultation posts on the Council's social media channels.
- The budget consultation video was viewed 14,500 times across all online channels.
- The video is the Council's best performing YouTube video, with the majority of viewers watching most or all of it.
- The budget consultation was featured on every page of the Council website over a two-week period.
- Following the press release, there were four separate pieces of coverage in local press.
- The Sandwell Herald featured a double page spread regarding the budget and the call to complete the consultation – This was distributed to all households (146,526) plus 7,000 businesses, 2,119 care home residents and 500 to Council premises including libraries and front-facing offices.
- The budget consultation webpage on sandwell.gov.uk had 3,650 hits.

#### Open Online Survey

- The online survey ran from 16th October to the 18th November. It was open to all residents and stakeholders including community and voluntary groups, partners, businesses, and young people. There was a tremendous response with 1,575 returns. **73%** of responders were non-BME and **26%** were BME. **54%** were women and **39%**

were men. The majority were aged between 35 and 64. **47%** were employed; **23%** retired and **9%** working part time.

- **Just under half agreed** with the Council Tax reduction scheme with **37%** disagreeing. However, the vast majority said they did not benefit from the scheme. A separate more detailed consultation took place on this proposal.
- **59%** disagreed with the increase in Council Tax with **24%** agreeing.
- Rationalising the Council's assets was a very popular proposal with **94%** agreeing.
- Responses to increasing income varied according to the specific proposal with more in favour of fees and charges for Appointeeship services and birth registrations, as well as an increase in building control fees, increase in planning pre-application charges and introduction of charges for demolition applications. Less popular were increased charges for green waste, increased fees for cremation and burial and meals on wheels.
- The proposal to introduce alternate weekly bin collections was fairly balanced with **53%** disagreeing, **37%** agreeing and **10%** neutral. In terms of commentary, the largest proportion wanted the Council to enforce recycling. An increase in flying tipping was the biggest concern raised, as well as the worry about increased vermin. There was also a call for bigger bins.
- In terms of the proposals contained in the Sport and Leisure services review, namely: close the Harry Mitchell Leisure centre; explore transferring the Hadley Stadium to a third party; develop a new operating model for Tipton Sports Academy - **64%** agreed and **8%** disagreed.
- Supporting people to live independently received substantial support with **66%** agreeing.

### Face to Face Residents' Survey

- **73%** disagreed with the proposed increase in Council Tax and **13%** agreed. **14%** neither agreed nor disagreed. Half of residents surveyed opposed the Council Tax reduction scheme proposal (**52%**) with **32%** agreeing and **16%** neither agreeing nor disagreeing.
- **79%** supported the rationalisation of assets with only **8%** disagreeing.
- There was a majority opposition to all proposed increase in charges, with those affecting buildings garnering less opposition than those more directly affecting people's day to day lives.
- Just over half (**54%**) of Sandwell residents surveyed opposed the proposed move towards a sustainable waste collection model. More than a quarter (**27%**) supported this proposal, while one in five (**20%**) had a neutral view.
- Although the sport and leisure proposal did not receive majority support, it did attract more support than opposition. Just over two in five (**44%**) supported all of the leisure centre proposals, with around a third (**35%**) neutral. One in five (**21%**) opposed the proposal.
- Two thirds (**66%**) agreed with the proposal to improve independence, with just under one in five (**18%**) against.

### Summary

- In total, more than **2,800** residents, businesses, community groups and young people contributed to the overall consultation for the 25/26 budget.



# Sandwell Council Budget Survey

Key Findings Report  
November 2024



# Research objectives and method



In October and early November 2024, M·E·L Research interviewed a randomly selected sample of 1,100 Sandwell residents.

The purpose of this research was to explore the views of residents on the various options Sandwell Council is considering in order to deliver the required savings to balance its budget for 2025/26.

This fresh data on local priorities, and preferences for delivering further council savings will be taken forward into the budget setting process.



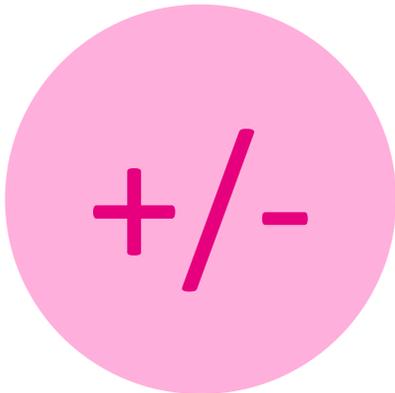
A stratified random locational sampling approach was used. In each ward, Census Output Areas (COAs) were ranked by the Index of Multiple Deprivation (IMD). COAs were then selected at random as sampling points. The number of sampling points selected was proportional to the interviewing target for each ward. All addresses for each COA sampling point were made available to interviewers, with a target of 10 interviews set per sampling point.

At ward level, quotas were set by age and gender to ensure that the sample reflected the characteristics of the borough's population. Quotas were set using Census 2021 data.

# Data weighting and confidence level



In total 1,100 interviews were completed. While the application of quotas at ward level ensured a diverse mix of residents were interviewed, the final dataset was weighted. This weighting eliminated the effect of differential response rates by geography and between demographic groups so that the resulting data is fully representative of the borough. The final data has been weighted by ward, age and gender, using 2021 Census population data.



The sample size of 1,100 means that this dataset has a maximum confidence level of +/- 2.95 at the borough level (at a 95% level of confidence). This means that we can say with 95% confidence that the responses reported will be no more than 2.95 percentage-points different than if all residents of the borough were interviewed.

Sub-group analysis i.e., comparing responses from particular resident groups or from specific locations within the borough will have higher confidence intervals.

# Spatial Analysis

The sample size of this research does not allow robust analysis at ward level. In order to analyse the data at a more statistically robust geographies, wards have been grouped into towns. These towns, as defined by the table on the right, will be used throughout the analysis.

Town	Ward
Oldbury	Bristnall
	Langley
	Old Warley
	Oldbury
Rowley Regis	Blackheath
	Cradley Heath and Old Hill
	Tividale
	Rowley
Smethwick	Abbey
	Smethwick
	Soho and Victoria
	St Pauls
Tipton	Great Bridge
	Tipton Green
	Princes End
Wednesbury	Friar Park
	Wednesbury North
	Wednesbury South
West Bromwich	West Bromwich Central
	Hateley Heath
	Greets Green and Lyng
	Newton
	Great Barr with Yew Tree
	Charlemont with Grove Vale
	Newton
	West Bromwich Central
	Newton
Charlemont with Grove Vale	

**Towns and Wards in Sandwell**



Contains Ordnance Survey data. © Crown copyright and database right 2018.

# Sample profile

The tables below summarise the profile of the survey sample by key demographic prior to the application of corrective weighting.

Age	Count	%
18 to 24 years	80	7%
25 to 34 years	234	21%
35 to 44 years	215	20%
45 to 54 years	198	18%
55 to 64 years	140	13%
65 to 74 years	138	13%
75+ years	95	9%

Employment Status	Count	%
Employed full-time (30 hours or more a week)	407	37%
Employed part-time (less than 30 hours a week)	111	10%
Employed zero-hours	2	*%
Seasonal or casual worker	1	*%
Self-employed or Company Director	35	3%
Unemployed & looking for work	71	6%
Retired	243	22%
Student	37	3%
Looking after family home	94	9%
Long term sick	73	7%
Not working (other)	13	1%
Prefer not to say	13	1%

Gender	Count	%
Male	526	48%
Female	574	52%
Other	0	0%
Prefer not to say	0	0%

Tenure	Count	%
Owned (outright or with a mortgage)	627	57%
Rent (Council)	246	22%
Rent (Housing association / social housing)	33	3%
Rent (private landlord)	177	16%
Other rented/living rent free	8	1%
Part rent and part mortgage	0	0%
Don't know	2	*%
Prefer not to say	7	1%

Health condition/chronic illness	Count	%
Yes	282	26%
No	805	73%
Prefer not to say	13	1%

ACORN	Count	%
Luxury Lifestyles	0	0%
Established Affluence	17	2%
Thriving Neighbourhoods	86	8%
Steadfast Communities	353	32%
Stretched Society	285	26%
Low Income Living	355	32%
Not private households	4	*%

Ethnic Origin	Count	%
English/Welsh/Scottish/Northern Irish/British	615	56%
Irish	4	*%
Gypsy or Traveller	0	0%
Any other White background	56	5%
Black Caribbean & White	12	1%
Black African & White	1	*%
Asian & White	1	*%
Any other Mixed background	5	*%
Indian	179	16%
Pakistani	64	6%
Bangladeshi	28	3%
Chinese	2	*%
Any other Asian background	25	2%
African	40	4%
Caribbean	46	4%
Any other Black background	3	*%
Any other ethnic group	11	1%
Prefer not to say	8	1%

Town	Count	%
Oldbury	178	16%
Rowley Regis	179	16%
Smethwick	200	18%
Tipton	137	12%
Wednesbury	133	12%
West Bromwich	273	25%

# ACORN analysis overview

To enhance the analysis of the survey responses ACORN segmentation has been added to the survey data. This matching has been done via the postcodes at which interviews were completed.

In some places in the report analysis will be shown using the 7 ACORN categories defined overleaf.

**Acorn is a powerful consumer classification tool that segments the UK population. By analysing demographic data, social factors, population and consumer behaviour, Acorn provides an understanding of different types of people at both a postcode and household level.**

## Features

Acorn categorises every postcode and household in the UK to make it easier to understand consumers' demographic and lifestyle characteristics as well as understanding the needs of neighbourhoods.

Acorn segments the population into:



## Why Acorn?

- Innovative AI techniques to improve segment discrimination
- Over 1 billion data items used to build the classification
- New powerful updateable data sources
- Microsite with Acorn Explore dashboards to support the segmentation
- A common currency across brands, agencies and survey panels
- Rebuilt annually with the most up to date data sources

## Applications

- Gain insight into customers and prospects
- Deliver intelligence on local populations
- Improve proposition development
- Target campaigns more effectively
- Optimise branch or retail networks
- Assess local demand for products and services
- Provide knowledge and mitigate risk for expansion planning
- Benchmark your customers against the underlying population
- Target online display

## Knowledge



# ACORN category key characteristics

	Description	Proportion of UK	Proportion of Sandwell	Predominant housing type	Predominant Housing Tenure	Saving and investments
<b>Luxury Lifestyles</b>	The most affluent people in Britain, confident consumers with high levels of savings and investments, living in the most expensive properties.	<b>3%</b>	<b>0%</b>	<b>Detached or apartments</b>	<b>Owned</b>	<b>High</b>
<b>Established Affluence</b>	Wealthy and successful people living in large houses which they own in affluent, high status areas of the country.	<b>12%</b>	<b>2%</b>	<b>Detached</b>	<b>Owned</b>	<b>High</b>
<b>Thriving Neighbourhoods</b>	Comfortable, stable families and empty nesters who have a good standard of living, on an income above the UK average.	<b>22%</b>	<b>8%</b>	<b>Semi or detached</b>	<b>Owned</b>	<b>Average</b>
<b>Steadfast Communities</b>	This category contains much of middle of the road Britain with working families on incomes just below the UK average.	<b>26%</b>	<b>32%</b>	<b>Semi detached</b>	<b>Privately rented</b>	<b>Below average</b>
<b>Stretched Society</b>	Traditional working class areas of Britain containing younger families, flat sharers and students privately renting their homes.	<b>21%</b>	<b>26%</b>	<b>Terraced</b>	<b>Privately rented</b>	<b>Low</b>
<b>Low Income Living</b>	This category contains the most deprived areas of towns and cities across the UK, with the lowest incomes. It contains a higher proportion of single people across the age groups, socially renting their flats.	<b>16%</b>	<b>32%</b>	<b>Flats</b>	<b>Socially rented</b>	<b>Very low</b>

# Contextual information given to respondents



Each year, the council is legally required to set a balanced budget. Like all local authorities, Sandwell Council faces financial pressure from the rising demand for services at the same time as costs are going up due to inflation.

As the Council sets its budget for 2025/26 there is gap of £20m. This means some difficult decisions have to be made. This gap must be filled by reducing Council spending, increasing income, or a combination of both. We would like your views on the options the Council is considering.

## **The Council's Finances**

Your Council have formulated savings proposals totalling nearly £20 million. They are consulting on these proposals because of their potential impact on residents and those who use these services.



# Council Tax



# Council Tax: contextual information given to respondents



## Council Tax

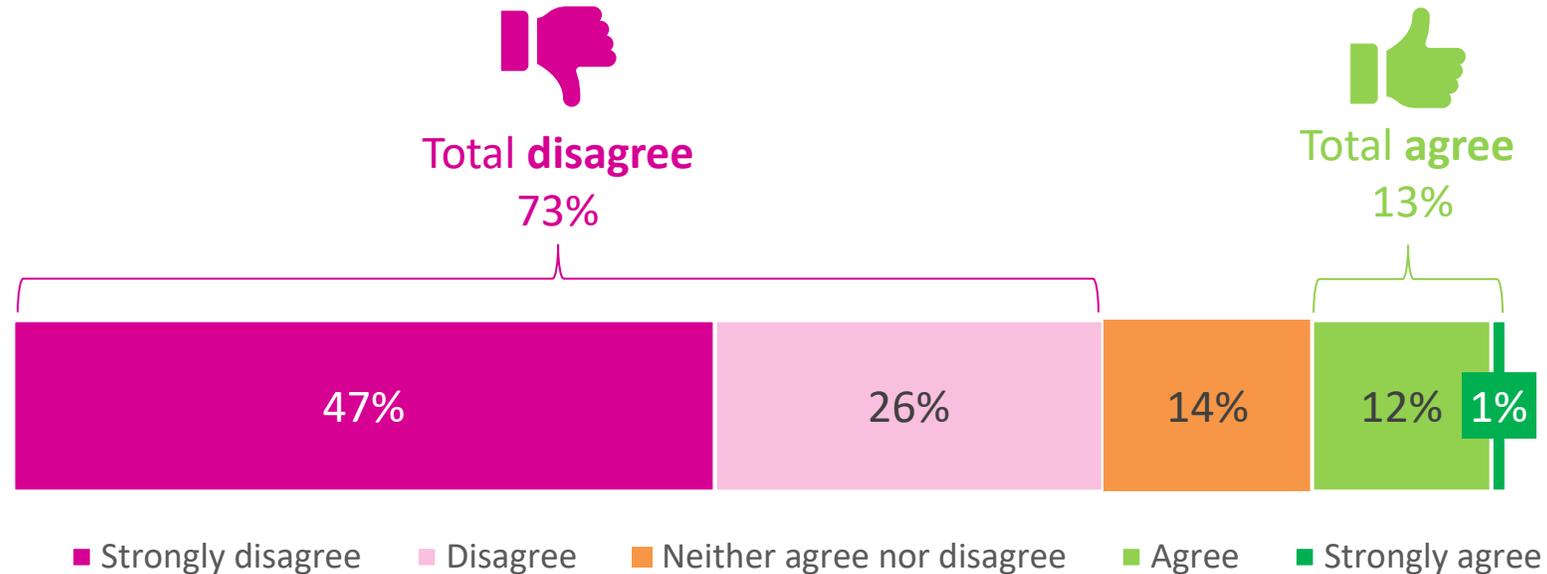
The Westminster Government only allows Councils to increase Council Tax by a maximum of 4.99% per year. If Sandwell Council was to increase Council Tax by 4.99% it would be able to protect more services.



# The proposed 4.99% increase to Council Tax in 2024/25 is opposed by majority of Sandwell residents

Almost three-quarters (73%) of the Sandwell population are against the proposal with nearly half (47%) strongly against this.

Proposal: Council Tax increase by 4.99%

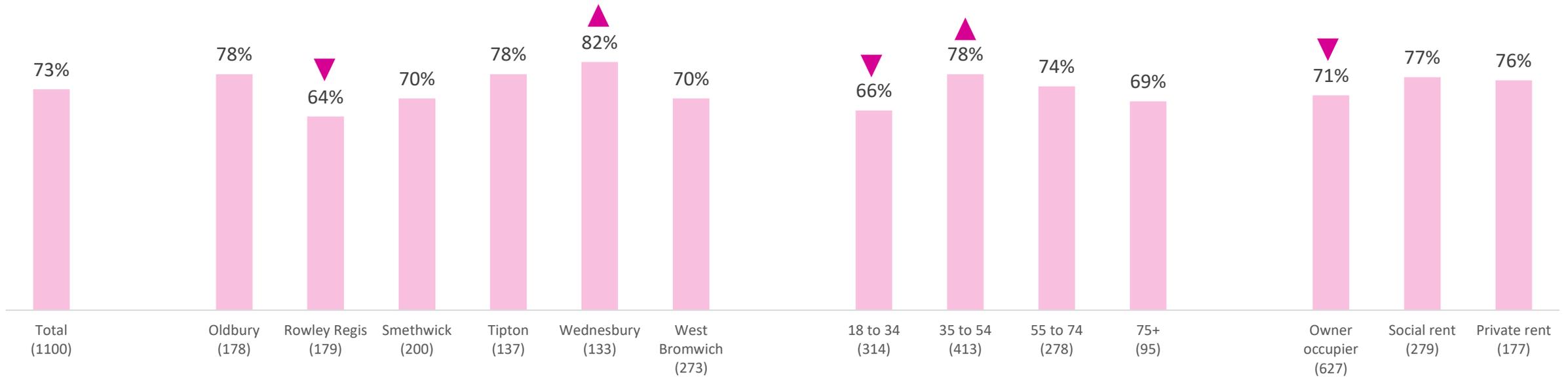


# Residents living in Wednesbury and those aged 35-54 are most strongly against the proposed increase in Council Tax

While a majority of all groups oppose a 4.99% increase in Council Tax, residents aged 18-34 and owner occupiers are less likely to be opposed compared to the overall population

Proposal: Council Tax Increase by 4.99%

Showing the % that **strongly disagree** and **disagree** with a 4.99% increase in Council Tax



Q1. What is your view on a 4.99% increase in Council Tax for 2024/2025?  
Unweighted sample bases shown in parentheses

▲ ▼ Denotes significantly higher or lower than total sample at a 95% level of confidence

# Opposition to a proposed increase in Council Tax is strongest among the minority ethnic population and those not currently benefitting from the Council Tax Reduction Scheme

Proposal: Council Tax Increase by 4.99%

Showing the % that **strongly disagree** and **disagree** with a 4.99% increase in Council Tax



Q1. What is your view on a 4.99% increase in Council Tax for 2024/2025?

Unweighted sample bases shown in parentheses

\* Denotes base size lower than 50, use statistics with caution

▲ ▼ Denotes significantly higher or lower than total sample at a 95% level of confidence

# Council Tax Reduction Scheme: contextual information given to respondents



## Council Tax Reduction Scheme

The council spends nearly £32million supporting lower income households by reducing their Council Tax bill. Sandwell Council are currently consulting on proposed changes to this scheme. The proposals would not affect people of pension age but would affect working age households. You can respond to this consultation separately at [Sandwell Consultation Hub](#).

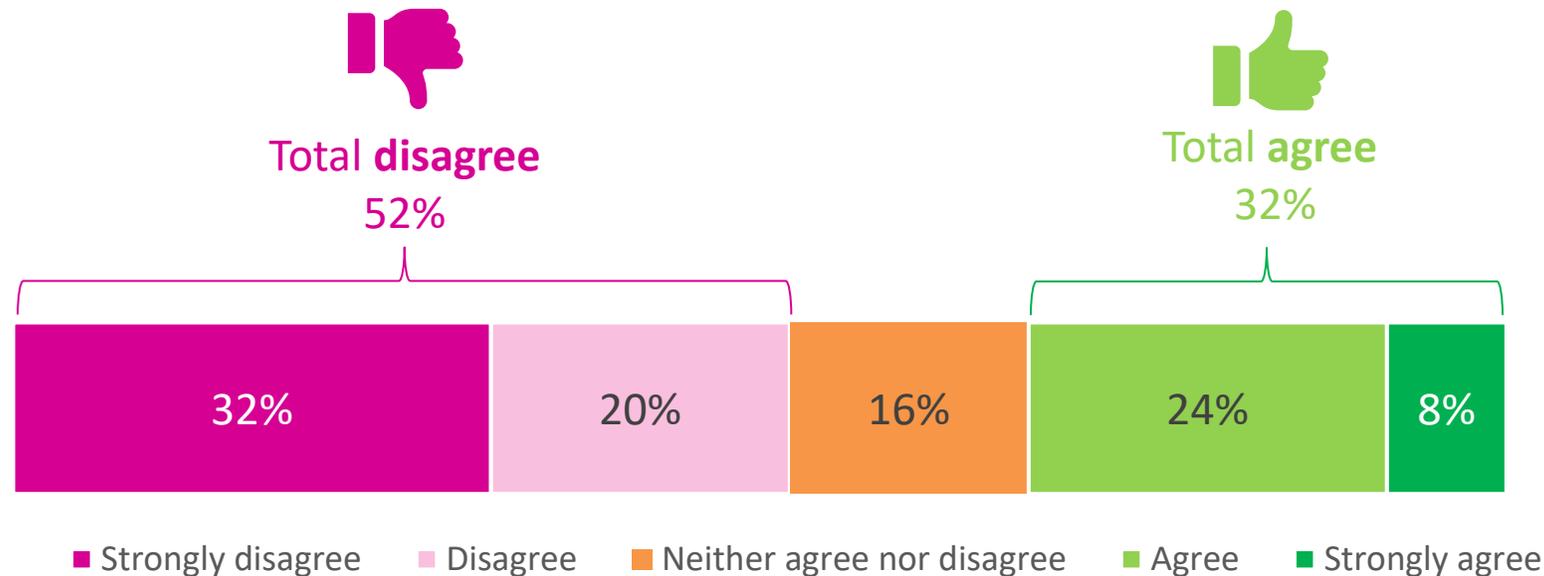
By reducing the level of Council Tax Reduction support this will save around £1.7m on the cost of the scheme and this will affect about 18,000 residents. Sandwell will still have a generous support scheme compared to other local authorities.



# Half of residents (52%) oppose the proposed changes to the Council Tax Reduction Scheme. This option is more favourable compared to an increase in Council Tax

Support for this proposal is found among a third (32%) of Sandwell residents, so although the proposal is not popular overall, it is more palatable to some than a rise in Council Tax. This is possibly because this proposal affects a smaller number of residents compared to a Council Tax rise, which would affect almost all residents.

## Proposal: Reduce Council Tax Reduction Support

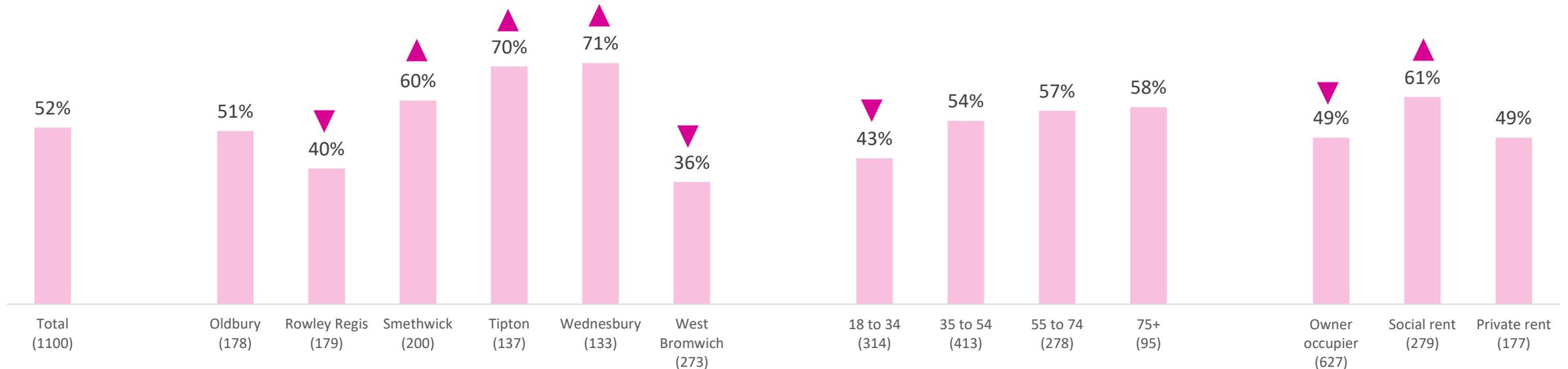


# Residents living in Wednesbury, Tipton and Smethwick and those living in social rented housing most strongly oppose a cut to Council Tax reduction support

Within the sample, those aged 18-34 and owner occupiers are much less likely to currently benefit from the Council Tax Reduction Scheme compared to the rest of the sample, which may help to explain why they are less likely to be opposed to this proposal. Residents in Tipton and those in social rented housing are much more likely to currently benefit from the scheme, which may go some way to explain their greater opposition.

## Proposal: Reduce Council Tax Reduction Support

Showing the % that **strongly disagree** and **disagree** with reduced Council Tax Reduction support

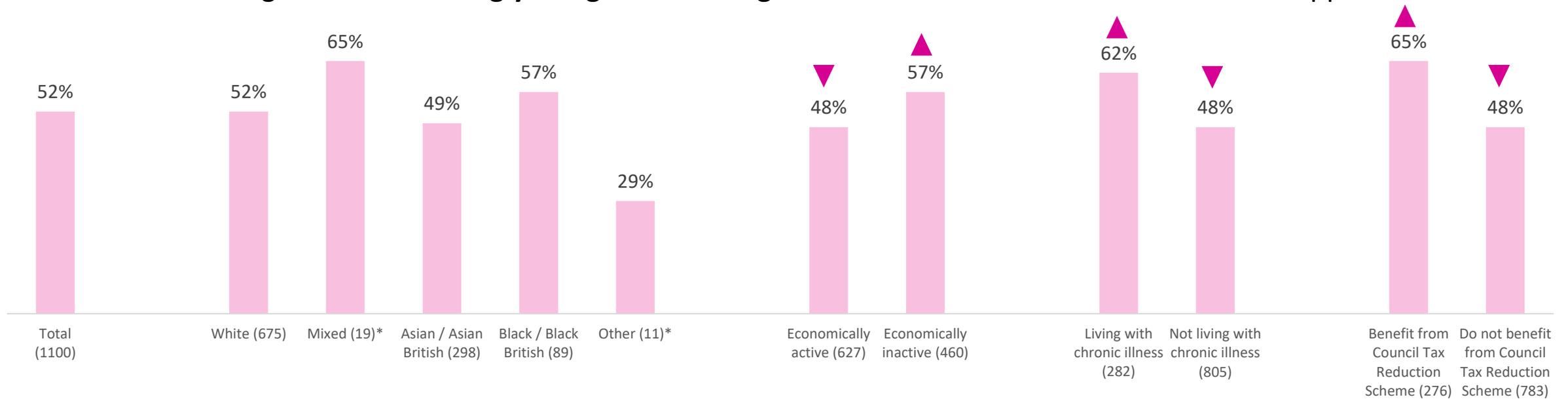


# Almost two thirds (65%) of current recipients of Council Tax reduction support oppose the proposed changes to this scheme

Residents who currently utilise the scheme, those not working and those living with chronic illness, i.e. residents likely to be on the lowest incomes, are more likely to disagree with the proposed cuts to this scheme.

## Proposal: Reduce Council Tax Reduction Support

Showing the % that **strongly disagree** and **disagree** with reduced Council Tax Reduction support



Q2. Given the need to save money, do you agree or disagree with this proposal?

Unweighted sample bases shown in parentheses

\* Denotes base size lower than 50, use statistics with caution

▲ ▼ Denotes significantly higher or lower than total sample at a 95% level of confidence

# Asset rationalisation



# Contextual information given to respondents



## **Rationalise the Council's Assets**

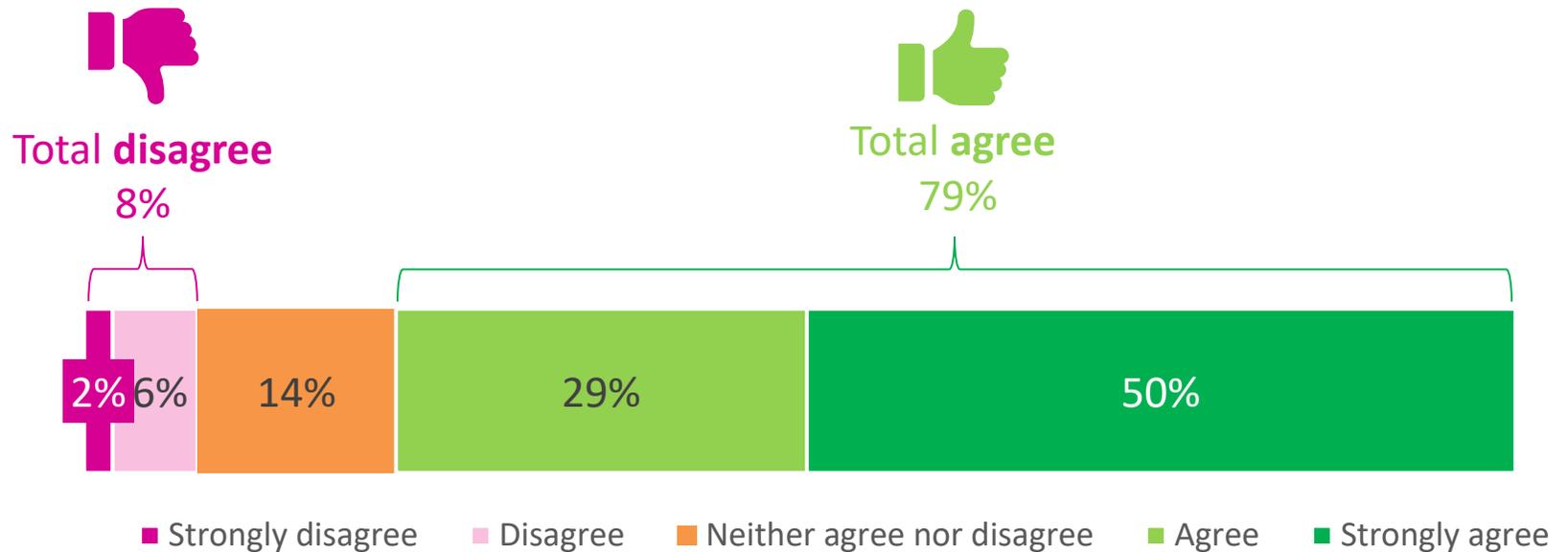
Another option is for Sandwell Council to sell buildings that the Council does not need any more. This would save running costs of £840,000.



# The proposal to sell buildings that the Council no longer needs receives majority (79%) support. Support for this proposal is ten times greater than the opposition to it (8%)

Proposal: Asset Rationalisation

Opposition is in line across all demographics with the exception of Tipton residents, where opposition to this proposal rises to 14%



# Proposals for increasing income



# Three quarters (76%) of residents oppose increased charges for Meals on Wheels. Two thirds (66%) oppose plans to increase birth registration fees

Opposition to both proposals is higher among the residents of Wednesbury, the Asian population, those in social housing and those living with chronic illness

## Proposal: Paying more for Council Services (1)

### Meals on Wheels

To increase charges for Meals on Wheels by 10% from £4.80 to £5.28 per meal. This would generate £19,000.



■ Don't know / not sure ■ No - Keep current level of charges ■ Yes - Increase charges

### Birth Registrations

7% increase for birth registration in line with similar charges in the region.



■ Don't know / not sure ■ No - Keep current level of charges ■ Yes - Increase charges

### Notable variations in opinion

Residents MOST OPPOSED to proposal	Residents LEAST OPPOSED to proposal
Wednesbury (83%)	Rowley Regis (69%)
Aged 35-54 (81%)	Aged 18-24 (71%)
Living with chronic illness (81%)	Not living with chronic illness (74%)
Asian (81%)	White (73%)
Social rented housing (83%)	Owner occupier (72%)

Residents MOST OPPOSED to proposal	Residents LEAST OPPOSED to proposal
Wednesbury (86%)	Rowley Regis (58%)
Tipton (74%)	Smethwick (55%)
Females (69%)	Males (63%)
Living with chronic illness (72%)	Not living with chronic illness (64%)
Asian (73%)	White (61%)
Social rented housing (74%)	Owner occupier (60%)
	Benefit from Council Tax Reduction (60%)



Q5/Q6. For each of these options please say if you think the proposed increase in charges should be made. We are interested in your views even if you have not used these services previously.

Unweighted sample base: 1100

# Over three quarters (77%) of residents oppose increased burial and cremation charges

Opposition to both proposals is higher among residents of Wednesbury and Tipton, those aged 55-74, those living with chronic illness, those living in social housing and not working.

## Proposal: Paying more for Council Services (2)

### Burial & Cremation

Increase charges by 7% for cremation and 10% for burial in line with similar charges in the region.



■ Don't know / not sure ■ No - Keep current level of charges ■ Yes - Increase charges

Increase the weekend surcharge from +15% to +30% of the normal charge for Burial and Cremation Services and Include New Fee for Ashes Scattering and Exhumation.



■ Don't know / not sure ■ No - Keep current level of charges ■ Yes - Increase charges

### Notable variations in opinion

Residents MOST OPPOSED to proposal	Residents LEAST OPPOSED to proposal
Wednesbury (89%) Tipton (84%) Aged 55-74 (83%) Living with chronic illness (85%) Economically inactive (81%) Social rented housing (84%)	Smethwick (65%) Not living with chronic illness (75%) Economically active (75%) Owner occupier (75%)

Residents MOST OPPOSED to proposal	Residents LEAST OPPOSED to proposal
Wednesbury (85%) Tipton (85%) Aged 55-74 (85%) Living with chronic illness (84%) Black (88%) Economically inactive (81%) Social rented housing (84%)	Smethwick (67%) Aged 18-34 (73%) Not living with chronic illness (76%) White (76%) Economically active (75%) Owner occupier (75%)



Q5/Q6. For each of these options please say if you think the proposed increase in charges should be made. We are interested in your views even if you have not used these services previously.

Unweighted sample base: 1100

# Opposition to proposed demolition and planning application charges is less strong, although still the majority opinion.

Opposition is strongest among residents in Wednesbury, which reflects their overall opposition to all proposals generally

## Proposal: Paying more for Council Services (3)

### Introduce Charges for Demolition Applications

Other local authorities charge a fee of approximately £100 per for a property demolition application. Sandwell have approximately 30 applications per year so could raise an additional £3,000 per year if this was introduced.



■ Don't know / not sure ■ No - Keep current level of charges ■ Yes - Increase charges

### Increase in Planning Pre-Application Charges

To align our charges with other local authorities it is proposed to increase the fee for some planning categories and add new fee categories, this would generate £16,000.



■ Don't know / not sure ■ No - Keep current level of charges ■ Yes - Increase charges

### Notable variations in opinion

Residents MOST OPPOSED to proposal	Residents LEAST OPPOSED to proposal
Wednesbury (73%) Aged 55-74 (53%) Living with chronic illness (53%) Asian (59%) Social rented housing (53%)	Rowley Regis (32%) Smethwick (36%) Not living with chronic illness (46%) White (42%) Owner occupier (44%)

Residents MOST OPPOSED to proposal	Residents LEAST OPPOSED to proposal
Wednesbury (77%) Asian (68%) Not benefitting from Council Tax Reduction (55%) ACORN Steadfast Communities (59%)	Rowley Regis (40%) Smethwick (43%) White (45%) Benefitting from Council Tax Reduction (46%)



Q5/Q6. For each of these options please say if you think the proposed increase in charges should be made. We are interested in your views even if you have not used these services previously.

Unweighted sample base: 1100

# Half of residents (50%) oppose an increase in building control fees, with three quarters (75%) opposing an increase in green waste subscription fees

Green Waste Subscription fee increases have greatest opposition among Wednesbury and West Bromwich residents.

## Proposal: Paying more for Council Services (4)

### Increase Building Control Fees up to 10%

Following a review of Building Control Fees some categories of fees could be increased by up to 10%. This would generate £40,000 worth of income.



■ Don't know / not sure ■ No - Keep current level of charges ■ Yes - Increase charges

### Green Waste Subscription

Increase green waste subscription fees by £5. This would take this cost of this service from £35 to £40 per annum at £40 the Council would still be offering a subsidy for this service unlike many Councils. This would generate £200,000.



■ Don't know / not sure ■ No - Keep current level of charges ■ Yes - Increase charges

### Notable variations in opinion

Residents MOST OPPOSED to proposal	Residents LEAST OPPOSED to proposal
Wednesbury (76%) Asian (63%)	Rowley Regis (38%) Smethwick (41%) Aged 75+ (39%) White (44%) ACORN Thriving Neighbourhoods (37%)

Residents MOST OPPOSED to proposal	Residents LEAST OPPOSED to proposal
Wednesbury (92%) West Bromwich (80%) Females (78%) Living with chronic illness (82%) Asian (80%) Social rented housing (82%)	Rowley Regis (66%) Smethwick (66%) Aged 18-34 (70%) Males (72%) Not living with chronic illness (73%) White (72%) Owner occupier (72%) ACORN Thriving Neighbourhoods (66%)

Q5/Q6. For each of these options please say if you think the proposed increase in charges should be made. We are interested in your views even if you have not used these services previously.

Unweighted sample base: 1100

**Whilst around six in ten (58%) oppose fees for appointeeships and winding up, one in three (32%) are unsure. This suggests that residents were perhaps unable to digest this very detailed and specific proposal in a doorstep interview**

**Proposal: Paying more for Council Services (5)**

**Appointeeship services and a one off Winding Up Fee**

The Council helps individuals with their financial affairs if the courts think this is necessary. To recover the costs of this service Sandwell could introduce a £10pw fee for Appointeeships in residential accommodation (£15pw if in the Community) and £365 one off fee for Administrative winding up or exit from Appointeeship and Deputyship.



■ Don't know / not sure ■ No - Keep current level of charges ■ Yes - Increase charges

**Notable variations in opinion**

Residents MOST OPPOSED to proposal	Residents LEAST OPPOSED to proposal
Oldbury (76%)	Smethwick (45%)
Rowley Regis (70%)	Tipton (40%)
West Bromwich (68%)	Wednesbury (34%)
Asian (65%)	Aged 35-54 (53%)
Privately rented housing (68%)	White (54%)
ACORN Steadfast Communities (63%)	

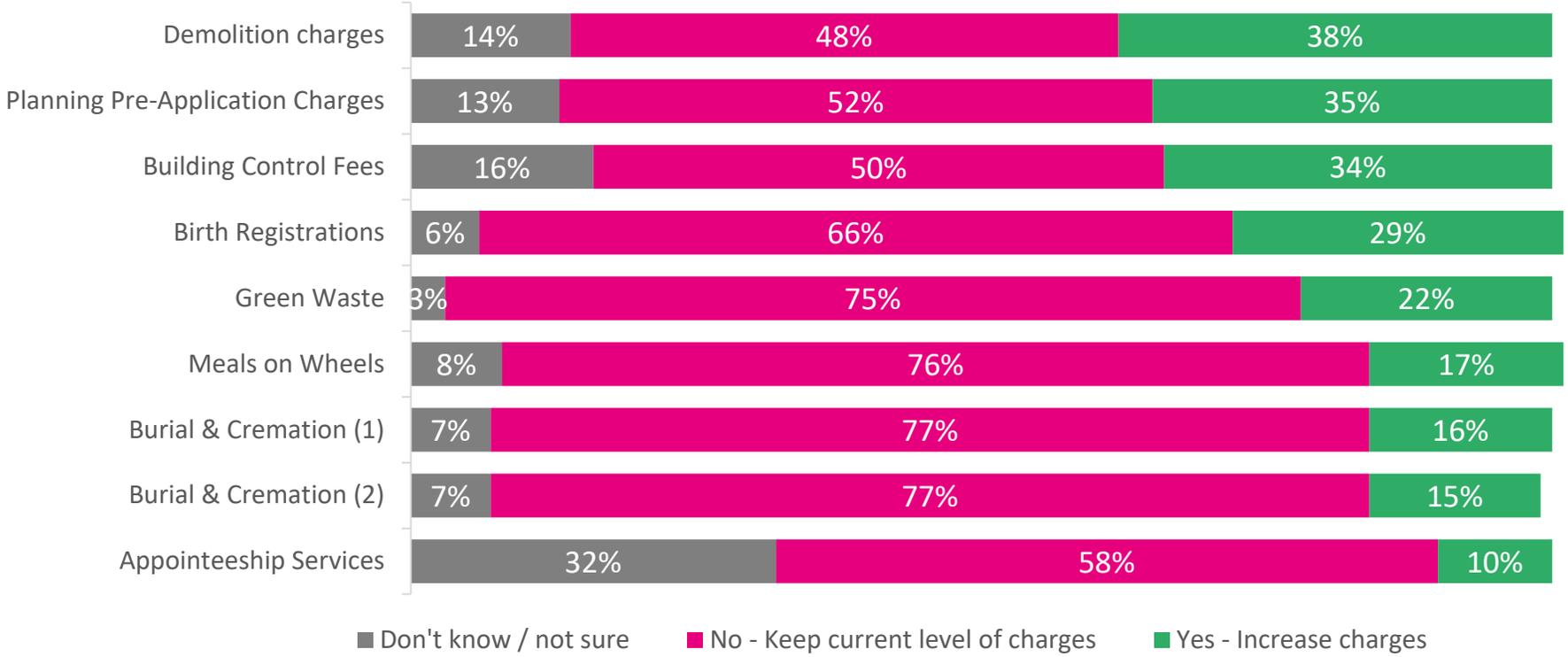


Q5/Q6. For each of these options please say if you think the proposed increase in charges should be made. We are interested in your views even if you have not used these services previously.

Unweighted sample base: 1100

# In summary there is majority opposition to all proposed increases in charges. Proposals that affect buildings garner less opposition compared to those that more directly affect people's day-to-day lives

## Proposal: Paying more for Council Services (Summary)



Q5/Q6. For each of these options please say if you think the proposed increase in charges should be made. We are interested in your views even if you have not used these services previously. Unweighted sample base: 1100

# Sustainable waste collection



# Contextual information given to respondents



## Sustainable Waste Collection Model

Sandwell currently has higher levels of contamination of recycling and lower recycling rates than many parts of the country. The Government has introduced new requirements for councils to boost sustainability. Sandwell Council is proposing changes that would enable it to meet these requirements.

These are:

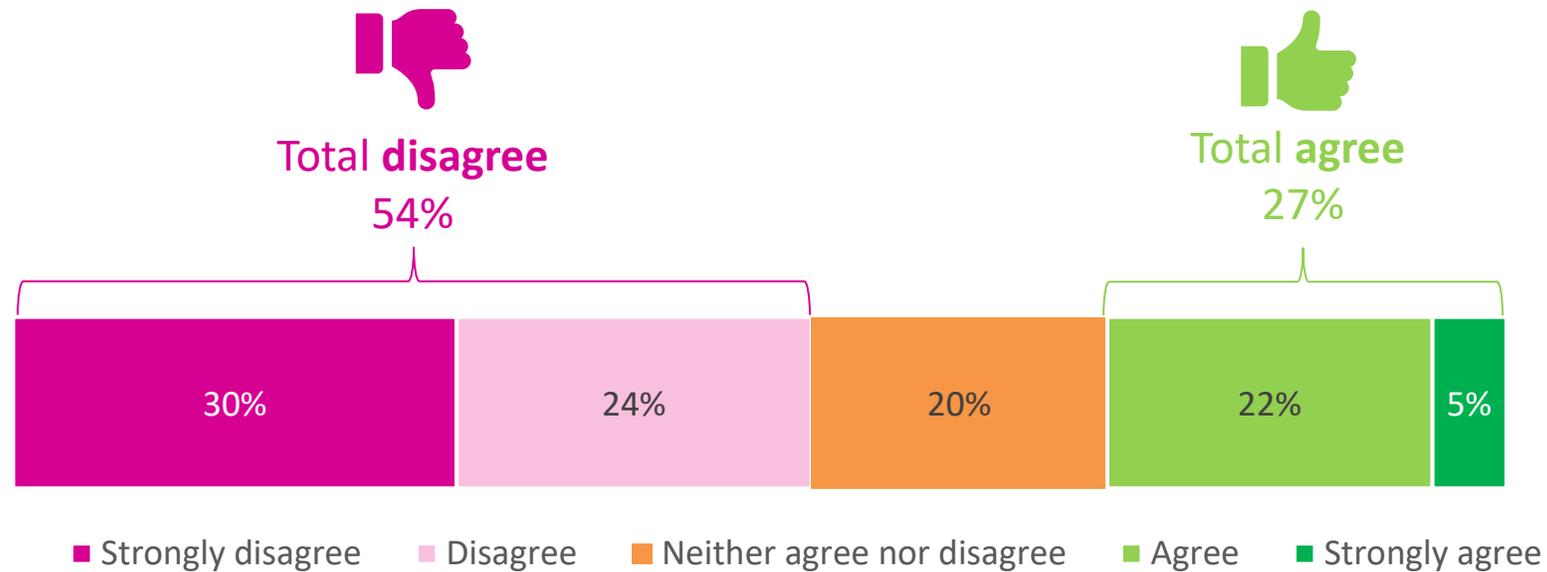
- Switching to alternate weekly collections of refuse and recycling
- Seeking to boost recycling rates through separating recyclable materials into two different containers (paper and card in one container and glass, cans and plastics in another)
- Extending food waste collections to all households

These changes would bring Sandwell in line with the vast majority of councils across the country who have stopped collecting general waste every week, by helping reduce the amount of waste that is incinerated or goes to landfill. In addition, this model would save money by reducing the cost of collecting waste and reduce the amount spent to sort recycling materials and dispose of waste.



**Just over half (54%) of Sandwell residents oppose the proposed move towards a sustainable waste collection model. More than a quarter (27%) support this proposal, while one in five (20%) are currently neutral**

Proposal: Sustainable Waste Collection



Q7. Given the need to save money, and the need to deliver on our net zero aspirations, do you agree or disagree with this proposal?

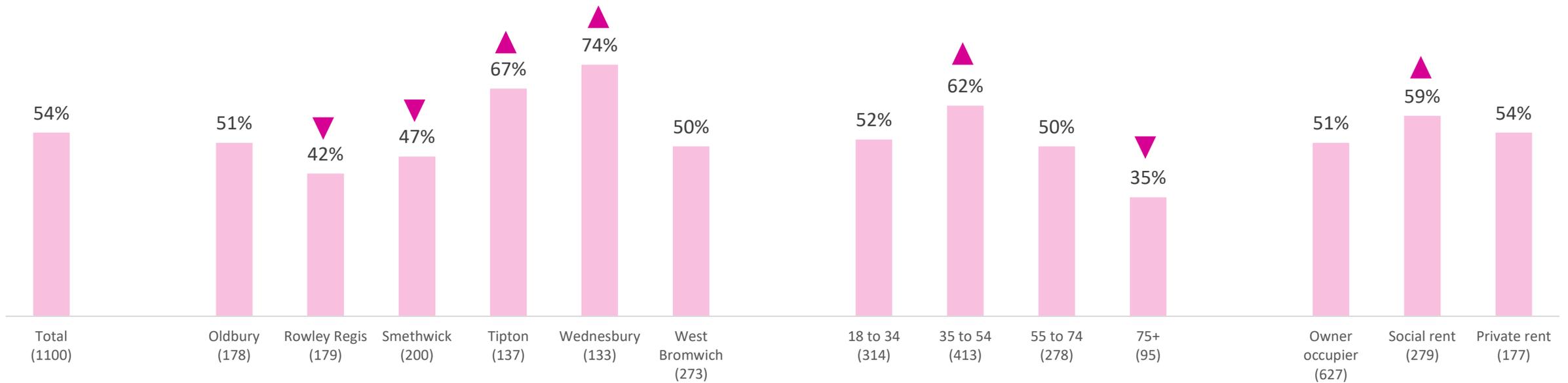
Unweighted sample base: 1100

# Residents living in Wednesbury and Tipton, those aged 35-54 and residents in social rented housing express the strongest opposition to the sustainable waste collection proposals

Those living in Rowley Regis, Smethwick and the oldest adult residents aged 75+ are least likely to be opposed to this proposal

## Proposal: Sustainable Waste Collection

Showing the % that **strongly disagree** and **disagree** with the sustainable waste collection proposal



Q7. Given the need to save money, and the need to deliver on our net zero aspirations, do you agree or disagree with this proposal?

Unweighted sample bases shown in parentheses

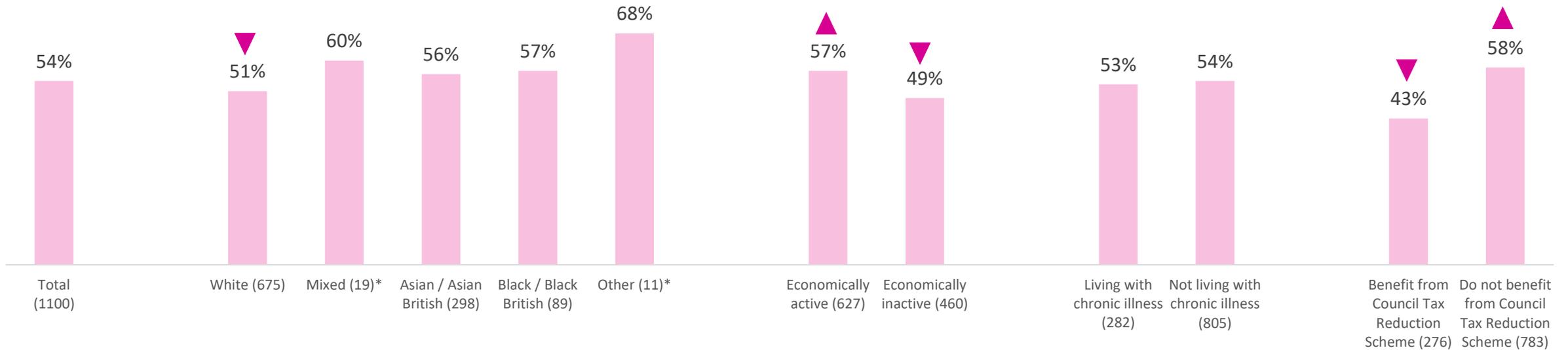
▲ ▼ Denotes significantly higher or lower than total sample at a 95% level of confidence

# Residents in work and those not benefitting from the Council Tax Reduction Scheme, i.e. those most likely to be paying higher amounts of Council Tax, are more strongly opposed to the proposal

There are fewer differences in opinion by ethnicity compared to some other proposals and this proposal is more acceptable to residents identifying as Asian and Black vs a wholesale Council Tax increase. Those that identify as white, those not working and those that benefit from Council Tax Reduction are least opposed to the sustainable waste collection model

## Proposal: Sustainable Waste Collection

Showing the % that **strongly disagree** and **disagree** with the sustainable waste collection proposal



Q7. Given the need to save money, and the need to deliver on our net zero aspirations, do you agree or disagree with this proposal?

Unweighted sample bases shown in parentheses

\* Denotes base size lower than 50, use statistics with caution

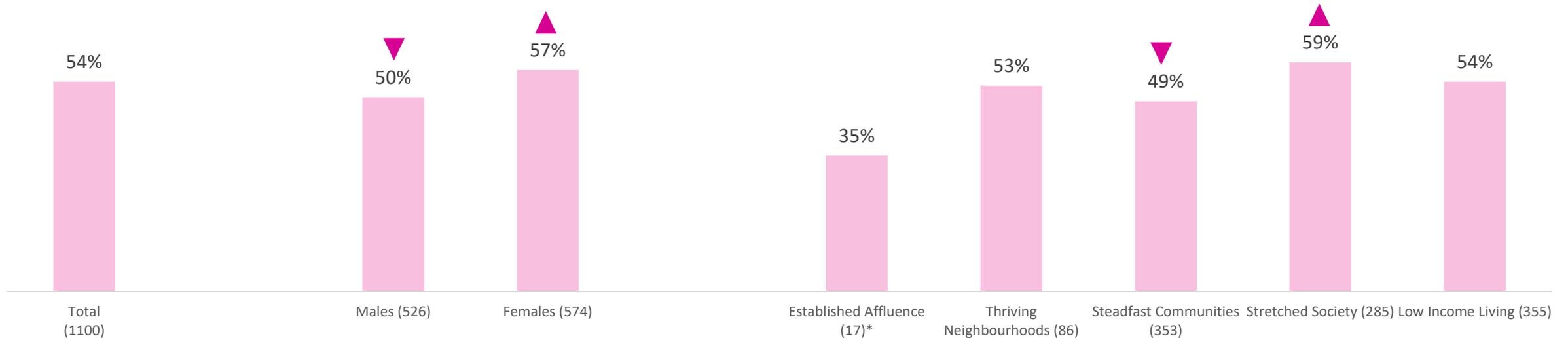
▲ ▼ Denotes significantly higher or lower than total sample at a 95% level of confidence

# For this proposed service change, significant variations in opposition can also be seen by gender and across ACORN categories

Females and those living in Stretched Society Communities more commonly oppose the proposed sustainable waste collection proposal

## Proposal: Sustainable Waste Collection

Showing the % that **strongly disagree** and **disagree** with the sustainable waste collection proposal



# The most common concern given for opposition to this proposal is that residents would have to deal with too much rubbish – their bins would overflow

Further concerns include the perceived struggles that larger families will have with their rubbish build-up and then associated issues such as the potential for rats, increased littering, fly tipping and smell/hygiene issues

## Proposal: Sustainable Waste Collection

Build up of rubbish / bins overflowing / bins too small	51%
Keep the weekly collection	23%
Large families will struggle	14%
Poor customer service / very bad idea	11%
Bins can't cope after 2 weeks / alternative weeks not good	9%
Will attract rats and vermin / infestation	9%
Will increase littering and fly tipping	8%
Would cause a bad smell / hygiene issues	6%
Waste of money and resources	3%
Not suitable for people living in flats	1%
Other	*%
Nothing / No comment	7%
Don't know	*%

*"If you've got family with kids, it's already tight"*

*"Will end up with rubbish everywhere"*

*"These bins would be too full, won't last 2 weeks"*

*"Bins get full in a week or give us bigger bins"*

*"The bins will be overflowing"*

*"It will result in more fly tipping"*

*"Big families need weekly, it will encourage rats and more problems overflowing"*

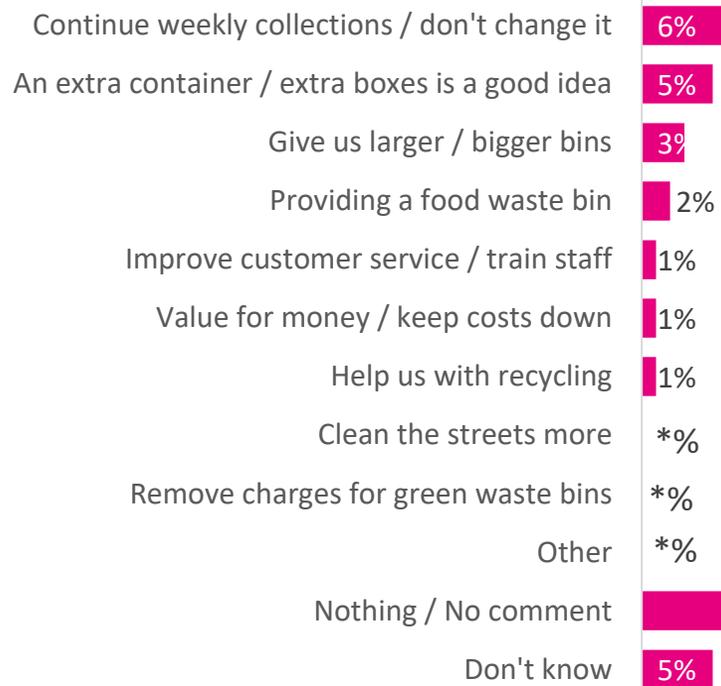


Q8. Can you explain why you disagree with this proposal?  
Unweighted sample base: 580 – respondents who disagree with the Sustainable Waste Collection proposal

\* Denotes less than 0.5%

Residents generally did not offer further comment when asked how this service could be changed to work for them, but those that did comment, suggested that extra containers or boxes, bigger bins and separate food waste collections could support a sustainable waste collection model

Proposal: Sustainable Waste Collection



*"They should provide bigger bins for alternate weekly collections"*

*"Give us larger wheelie bins"*

*"Cardboard container is a good option"*

*"Box for recycling is a good idea"*

*"Food waste collection is a good idea"*

*"Double the size of the black bins"*

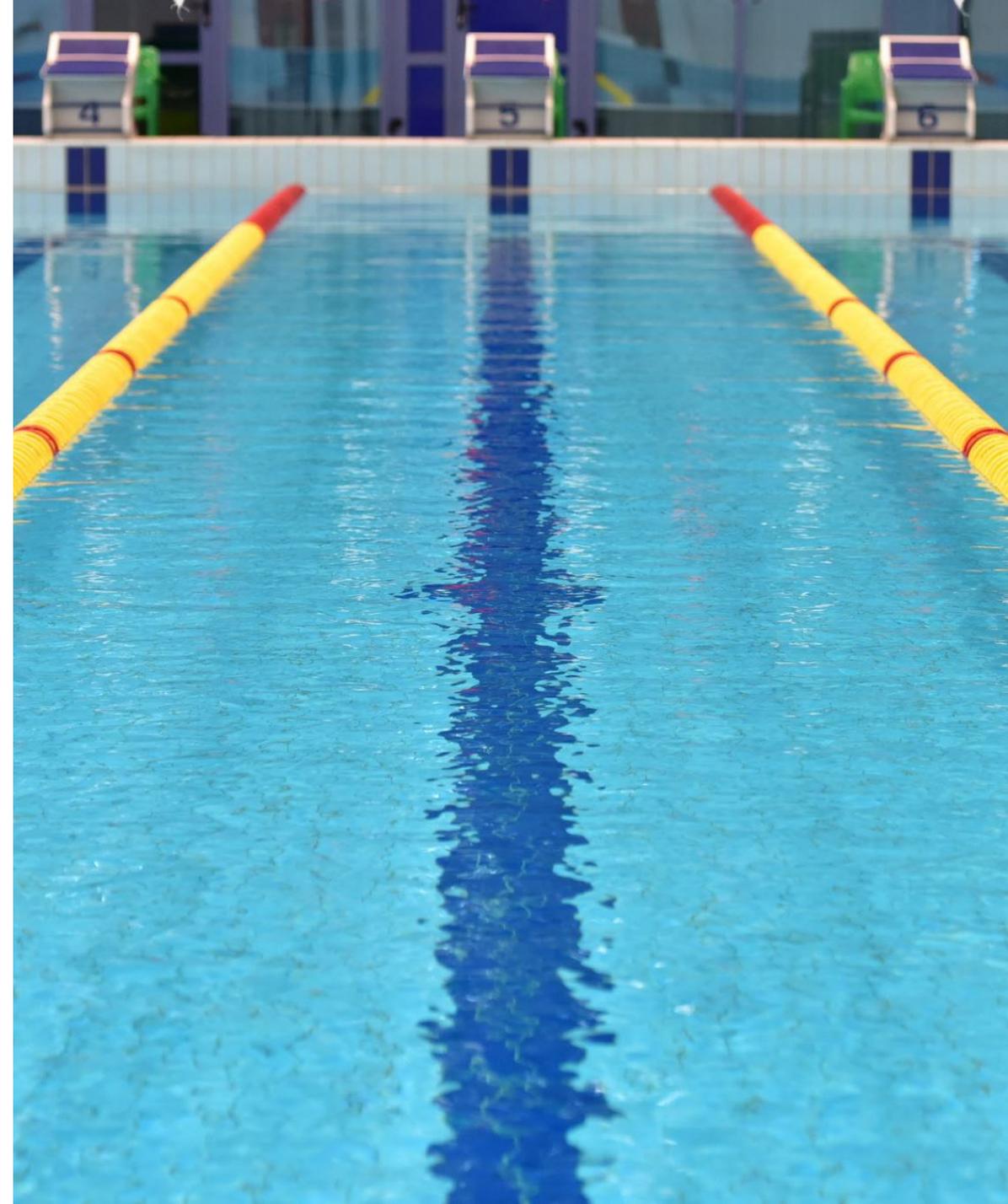
*"Box for paper and cardboard is a good idea"*



Q9. Is there anything Sandwell Council could do make this changed service work for you?  
Unweighted sample base: 580 – respondents who disagree with the Sustainable Waste Collection proposal

\* Denotes less than 0.5%

# Sport and Leisure



# Sport & Leisure Review: contextual information given to respondents



## Sport & Leisure Review

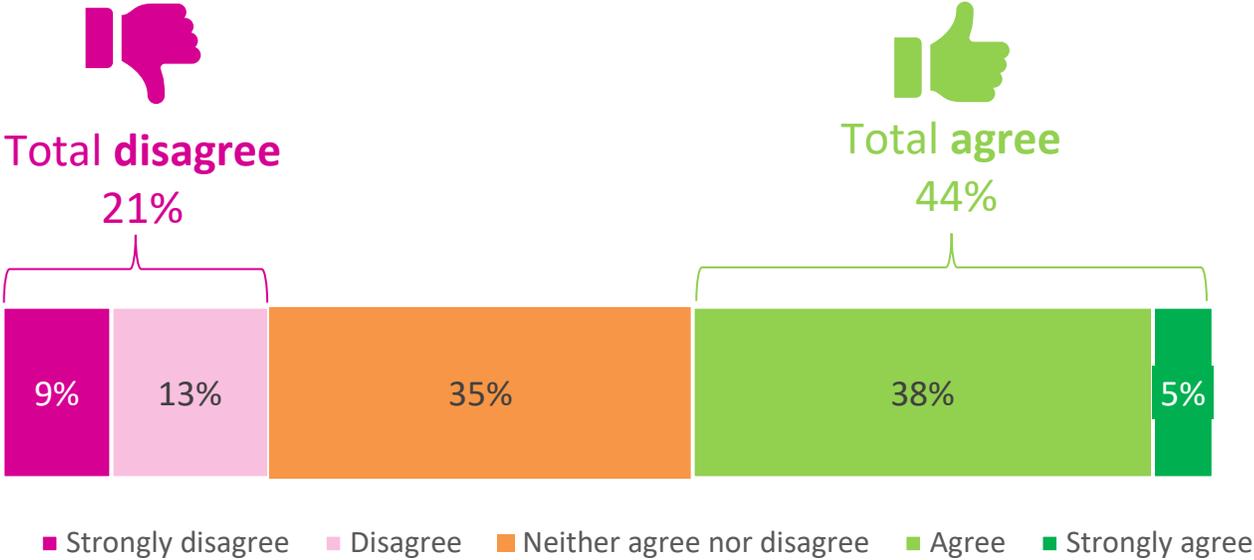
Sandwell Council has options for some of the older leisure centres in Sandwell that could save money. These options are:

- Close the Harry Mitchell Leisure Centre (HMLC). The closure of HMLC was initially considered as part of the development of the Sandwell Aquatics Centre. Some parts of HMLC are 125 years old and deteriorating, and combined with the attraction of the state-of-the-art facilities at the nearby Sandwell Aquatics Centre which has now been operating successfully for more than a year, there has been a continued drop in usage at HMLC.
- Hadley Stadium – exploring the potential to transfer the running of the facility to a third-party operator so the site can continue to operate without a direct subsidy from Sandwell Council.
- Tipton Sports Academy – development of a new operating model at a lower cost.



Although the sport and leisure proposal does not receive majority support, it does attract more support than opposition. Just over two in five (44%) support all of the leisure centre proposals, with around a third (35%) neutral. One in five (21%) oppose the proposal

Proposal: Sport & Leisure Review



Residents MOST OPPOSED to proposal	Residents LEAST OPPOSED to proposal
Wednesbury (42%) Tipton (31%) ACORN Stretched Society (26%)	West Bromwich (10%) Rowley Regis (12%) Those not living with chronic illness (20%)

Although in line with total, residents in Smethwick (26%) are significantly more likely to oppose this proposal compared to residents in Rowley Regis and West Bromwich, likely due to their proximity to the affected leisure centres



Reasons for disagreement include the need for local, low-cost facilities. The number of comments offered suggests that the strength of opposition is highest for closing HMLC compared to the proposed operating changes to Hadley Stadium and Tipton Sports Academy

Proposal: Sport & Leisure Review

### Closing HMLC

163 comments

*"People should have a local facility"*

*"Not everyone can travel further"*

*"Good to encourage people to stay healthy"*

### Transferring running of Hadley Stadium

61 comments

*"They can increase the fee which is not good for the community"*

*"It should be run by the council"*

### New operating model for Tipton Sports Academy

35 comments

*"Keep it for the locals"*

*"We need it here for kids"*

# Supporting Independence



# Supporting independent living: contextual information given to respondents

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## Supporting people to live independently for longer

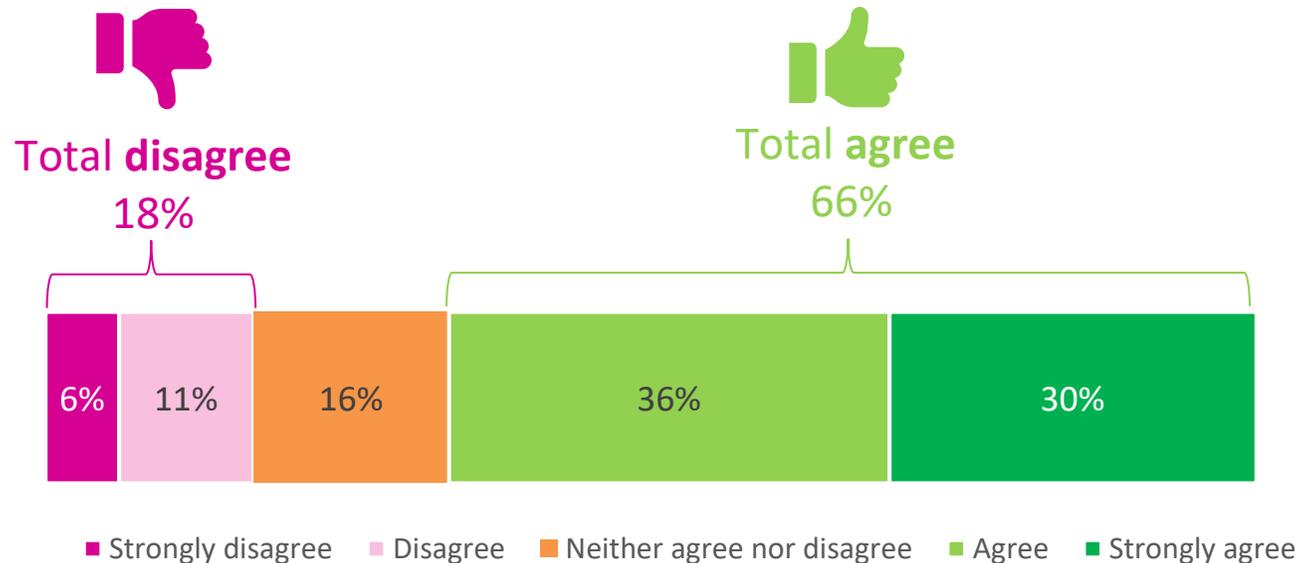
Sandwell Council want to improve independence by offering digital services that can help people stay in their own home for longer, rather than having to move into supported accommodation.

”

# Two thirds (66%) agree with the proposal to improve independence, with just under one in five (18%) against

The residents most against this proposal include those most likely to be impacted soonest, i.e. those aged 55-74, those living with a chronic illness and those not currently working

## Proposal: Supporting Independence



Residents MOST OPPOSED to proposal	Residents LEAST OPPOSED to proposal
<ul style="list-style-type: none"> <li>Oldbury (29%)</li> <li>Aged 55-74 (27%)</li> <li>Females (20%)</li> <li>Those living with a chronic illness (23%)</li> <li>Economically inactive (22%)</li> </ul>	<ul style="list-style-type: none"> <li>Smethwick (12%)</li> <li>West Bromwich (12%)</li> <li>Aged 18-34 (12%)</li> <li>Males (15%)</li> <li>Those not living with a chronic illness (16%)</li> <li>Economically active (15%)</li> <li>Private renters (8%)</li> </ul>

# Key insights



# Views on 2025/26 budget proposals - overview



Proposals with <b>MAJORITY OPPOSITION</b>	Proposals with <b>MINORITY SUPPORT</b>	Proposals with <b>MAJORITY SUPPORT</b>
<p>Burial &amp; cremation – increase charges (77%)                      Burial &amp; cremation – increase weekend charges (77%)                      Meals on Wheels (76%)                      Increase green waste subscription (75%)  <b>Council Tax increase by 4.99% (73%)</b>                      Birth registrations (66%)                      Appointeeship services (58%)  <b>Sustainable waste collection (54%)</b>  <b>Reduce Council Tax Reduction Support (52%)</b>                      Increase planning pre-application charges (52%)                      Increase building control fees (50%)                      Introduce demolition application charges (48%)</p>	<p><b>Sports &amp; leisure review (44%)</b></p>	<p><b>Asset rationalisation (79%)</b>  <b>Supporting independence (66%)</b></p>

# Key insights – notable variations in opinion (1)

Age



- Those **aged 35-54** demonstrate stronger opposition compared to total sample to an increase in Council Tax, sustainable waste collection and an increase in Meals on Wheels charges
- Those **aged 55-74** show greater opposition to the supporting independence proposal and to an increase in burial, cremation and demolition charges
- The youngest adult population **aged 18-34** are generally **less strongly opposed** to some of the proposals compared to the total population. This includes less strong opposition to an increase to Council Tax, reduction in Council Tax reduction Support, supporting independence, and increases to charges for Meals on Wheels, weekend burial and cremation and the green waste subscription
- Those **aged 75+** show less strong opposition to the sustainable waste collection proposal and increased building control fees compared to the total population

# Key insights – notable variations in opinion (2)

## Ethnicity



- The **Asian** population demonstrate **strong opposition to most proposals** compared to the overall population. This includes stronger disagreement to an increase in Council Tax, and an increase or introduction of charges for Meals on Wheels, birth registrations, the green waste subscription, appointeeships, demolition, pre-planning application and building control fees
- In contrast, the **White** population of Sandwell generally **demonstrate less strong opposition** to many proposals
- The **Black** population show **greater opposition to an increase in Council Tax** and also to an increase in weekend burial and cremation charges

## Gender



- Gender appears to be less of a driver of differences in opinion
- However, **females do demonstrate stronger opposition** to the sustainable waste collection proposal, increases to the green waste subscription and birth registration charges, and the supporting independence proposal, compared to the total population
- Males demonstrate less strong opposition vs total population to the same proposals

# Key insights – notable variations in opinion (3)

Town



- Residents in **Wednesbury** are **much more likely to strongly oppose** almost all of the proposals vs the overall population
- Residents in **Tipton** also demonstrate **greater opposition to some proposals**, including reduced Council Tax reduction Support, sustainable waste collection, asset rationalisation, the sport and leisure review, and increases to charges in birth registration, burial and cremation
- In contrast, residents in **Rowley Regis** are **generally less opposed** to most of the proposals compared to the overall population

Housing  
Type



- Those living in **social housing** demonstrate **stronger opposition to a wide-range of proposals** compared to the overall population. This includes stronger opposition to reduced Council Tax Reduction Support, the sustainable waste collection proposal and an increase or introduction to charges for Meals on Wheels, birth registrations, burials and cremations, the green waste subscription and demolition charges
- In contrast, those living in **owner occupied housing** demonstrate **less strong opposition** to most of the same proposals, along with less strong opposition to an increase in Council Tax

# Key insights – notable variations in opinion (4)

Health



- Whether a resident is living with a chronic physical or mental illness or not, impacts on their opinion of most proposals
- Residents **living with chronic illness** are **more strongly opposed to many proposals** compared to the overall population. This includes stronger opposition to a reduction in the Council Tax Reduction Scheme, to the supporting independence proposal and to an increase or introduction in charges for Meals on Wheels, birth registrations, burials and cremations, the green waste subscription and demolition changes
- In contrast, **those not living with chronic illness** are **less strongly opposed** to all of these proposals and are also less opposed to an increase in Council Tax and the sport and leisure review

Working Status



- Those **not currently economically active** express **stronger opposition** to a reduction in the Council Tax Reduction Scheme, the supporting independence proposal and to an increase in burial and cremation charges, compared to the total population
  - Those **currently in work** are **less strongly opposed** to these same proposals
- Those not currently working are, however, less strongly opposed to sustainable waste collection vs total, in contrast with those currently in work who are more strongly opposed

This project has been delivered to ISO 9001:2015, 20252:2019 and 27001:2013 standards:



**General Fund MTFP Change Log:  
2025/26 Forecast Budget Shortfall**

<b>Date</b>	<b>Activity</b>	<b>2025/26 Forecast Budget Shortfall Excluding New Efficiencies £m</b>	<b>2025/26 Value of New Efficiencies Proposed £m</b>	<b>2025/26 Forecast Budget Shortfall Including New Efficiencies £m</b>
Feb-24	Council approves 24/25 budget but with a shortfall for 2025/26 in the MTFS	18.5	(6.0)	12.5
Jul-24	Finance review of assumptions: <ul style="list-style-type: none"> <li>• Inflation</li> <li>• Core grant income</li> <li>• NNDR income</li> <li>• Fees and charges income (efficiency value reduced due to reduced inflation rate)</li> </ul>	13.5	(5.3)	8.2
Jul-24	£8.25m new efficiencies target apportioned across directorates to meet revised deficit projection			
Aug-24	Finance review of assumptions: <ul style="list-style-type: none"> <li>• Council tax increase (formerly Adult Social Care Precept) – new efficiency</li> <li>• Adult social care demographic and inflationary growth</li> </ul>	13.2	(7.7)	5.5
Sep-24	Star Chamber meetings held with CEO, CFO and Portfolio Holders: <ul style="list-style-type: none"> <li>• Additional budget pressures</li> <li>• Mitigations</li> <li>• Additional efficiencies proposed</li> </ul>	20.6	(19.8)	0.8
Sep-24	Leadership Team review: <ul style="list-style-type: none"> <li>• Analyse Star Chamber output</li> <li>• Revise pressures</li> <li>• Prepare material for Cabinet review prior to consultation</li> </ul>	19.8	(19.8)	-
<b>Oct-24</b>	<b>MTFS reported to Cabinet and Council</b>	<b>19.8</b>	<b>(19.8)</b>	<b>-</b>

Date	Activity	2025/26 Forecast Budget Shortfall Excluding New Efficiencies £m	2025/26 Value of New Efficiencies Proposed £m	2025/26 Forecast Budget Shortfall Including New Efficiencies £m
Nov-24	Finance review of assumptions: <ul style="list-style-type: none"> <li>• Increased employer's National Insurance contribution rates following the Chancellor's budget announcement: £3.1m</li> <li>• Amendments to budget pressures and contract inflation: (£0.5m)</li> <li>• Reprofilling of, and amendments to efficiencies: £0.4m</li> </ul>	22.4	(19.4)	3.0
Dec-24/ Jan-25	Final revisions following Provisional Finance Settlement: <ul style="list-style-type: none"> <li>• Core grant income: (£24.5m)</li> <li>• Assumed reimbursement associated with direct employer's NI costs: (£1.5m)</li> <li>• Additional social care expenditure pressures and pressures as a result of employer's NI and minimum wage increases: £10.2m</li> <li>• New expenditure resulting from grants awarded: £3.5m</li> <li>• Creation of Deprivation Fund: £11.5m</li> <li>• Collection Fund deficit: £3.5m</li> <li>• Business rates growth and associated top up funding (£6.7m)</li> <li>• Minor revisions to budget pressures: £0.9m</li> <li>• Reduction in efficiencies: £0.1m</li> </ul>	19.3	(19.3)	-
Feb-25	<b>MTFS reported to Cabinet</b>	<b>19.3</b>	<b>(19.3)</b>	<b>-</b>

Date	Activity	2025/26 Forecast Budget Shortfall Excluding New Efficiencies £m	2025/26 Value of New Efficiencies Proposed £m	2025/26 Forecast Budget Shortfall Including New Efficiencies £m
Feb 25	Revisions following Final Finance Settlement: <ul style="list-style-type: none"> <li>• Final allocation of Employer National Insurance Contribution Grant above expected value: (£1.979m)</li> <li>• Additional Children's Social Care Prevention Grant: (£0.275m)</li> <li>• Additional expenditure commitment to meet conditions of Children's Social Care Prevention Grant: £0.275m</li> <li>• Additions to contingency budget allocations: £1.976m</li> <li>• Additional Flood Defence Levy charge, following notification from Environment Agency: £0.003m</li> </ul>	19.3	(19.3)	-
<b>Feb-25</b>	<b>MTFS reported to Council</b>	<b>19.3</b>	<b>(19.3)</b>	<b>-</b>

### Analysis of Efficiency Proposals for Approval

The efficiency proposals proposed for approval following public consultation and scrutiny, and included in the draft budget, are detailed in the following tables.

Table 1 demonstrates the budget movement for each service directorate and the efficiency proposals put forward for approval and Table 2 lists the efficiency proposals in detail.

*Table 1: Forecast Budget Growth and Efficiency Proposals per Directorate*

	Current Budget 2024/25	2025/26 Forecast Movement in Budget Before Efficiency Proposals	Efficiency Proposals	Forecast Net Budget 2025/26
	£m	£m	£m	£m
People - Adult Social Care	85.111	8.180	(3.695)	89.596
People - Children's Services	105.088	6.558	(2.974)	108.672
People - Public Health	-	-	-	-
Place - Environment	73.444	4.529	(3.684)	74.289
Place - Housing Services	4.274	1.969	(0.597)	5.646
Place - Regeneration & Growth	10.264	1.903	(1.195)	10.972
Finance and Transformation	26.088	6.098	(1.749)	30.437
Assistant Chief Executive	11.137	2.209	(0.901)	12.445
Corporate Management	0.464	0.015	-	0.479
Centrally-Held Corporate Budgets	17.138	16.109	-	33.247
<b>Net Expenditure</b>	<b>333.008</b>	<b>47.570</b>	<b>(14.795)</b>	<b>365.783</b>
Funding Available	(333.008)	(28.242)	(4.533)	(365.783)
<b>Budget Gap</b>	<b>-</b>	<b>19.328</b>	<b>(19.328)</b>	<b>-</b>

Table 2: List of efficiency proposals included in draft budget and MTFS

Directorate and Proposal Description	Council Plan Priority	Cabinet Portfolio	2025/26 £m	2026/27 £m	2027/28 £m	2028/29 £m	2029/20 £m
<b>People – Adult Social Care</b>							
Reduction in high-cost services through Transformation Programme	Healthy in Sandwell	Adult Social Care, Health and Wellbeing	(1.000)	(1.000)	(1.000)	(1.000)	(1.000)
Changes to the funding of Free Nursing Care placements	Healthy in Sandwell	Adult Social Care, Health and Wellbeing	(1.000)	(1.000)	(1.000)	(1.000)	(1.000)
Additional income through the Better Care Fund	Healthy in Sandwell	Adult Social Care, Health and Wellbeing	(0.595)	(0.595)	(0.595)	(0.595)	(0.595)
Charging review for Day Care Services	Healthy in Sandwell	Adult Social Care, Health and Wellbeing	(0.336)	(0.336)	(0.336)	(0.336)	(0.336)
Assistive technology and reablement	Healthy in Sandwell	Adult Social Care, Health and Wellbeing	(0.300)	(0.300)	(0.300)	(0.300)	(0.300)
Review in-house Day Services	Healthy in Sandwell	Adult Social Care, Health and Wellbeing	(0.250)	(0.250)	(0.250)	(0.250)	(0.250)
Review the in-house Day Services Transport in conjunction with Children's Services	Healthy in Sandwell	Adult Social Care, Health and Wellbeing	(0.105)	(0.105)	(0.105)	(0.105)	(0.105)
Development of the Shared Lives Service	Healthy in Sandwell	Adult Social Care, Health and Wellbeing	(0.076)	(0.076)	(0.076)	(0.076)	(0.076)
Additional Income for Meals on Wheels Service	Healthy in Sandwell	Adult Social Care, Health and Wellbeing	(0.019)	(0.019)	(0.019)	(0.019)	(0.019)
Maximising income and commercial opportunities - Fees and charges annual increase	Healthy in Sandwell	Adult Social Care, Health and Wellbeing	(0.014)	(0.014)	(0.014)	(0.014)	(0.014)

Directorate and Proposal Description	Council Plan Priority	Cabinet Portfolio	2025/26 £m	2026/27 £m	2027/28 £m	2028/29 £m	2029/20 £m
<b>Total: People – Adult Social Care</b>			<b>(3.695)</b>	<b>(3.695)</b>	<b>(3.695)</b>	<b>(3.695)</b>	<b>(3.695)</b>
<b>People – Children’s Services:</b>							
Targeted price reductions in commissioned services	Growing Up in Sandwell	Children and Families	(1.625)	(1.625)	(1.625)	(1.625)	(1.625)
Impact of SEND3 procurement for SEND Transport	Growing Up in Sandwell	Children and Families	(0.350)	(0.350)	(0.350)	(0.350)	(0.350)
Reduction in contract price for the provision of children's centres	Growing Up in Sandwell	Children and Families	(0.324)	(0.324)	(0.324)	(0.324)	(0.324)
Development of a traded service model for Education Psychology Service	Growing Up in Sandwell	Children and Families	(0.190)	(0.190)	(0.190)	(0.190)	(0.190)
Review of agency staff budgets	Growing Up in Sandwell	Children and Families	(0.139)	(0.139)	(0.139)	(0.139)	(0.139)
Restructure of ILS service to utilise funding from the Dedicated Schools Grant (DSG)	Growing Up in Sandwell	Children and Families	(0.086)	(0.086)	(0.086)	(0.086)	(0.086)
Review of the Youth Service	Growing Up in Sandwell	Children and Families	(0.103)	(0.103)	(0.103)	(0.103)	(0.103)
Reduction in legal fees	Growing Up in Sandwell	Children and Families	(0.050)	(0.050)	(0.050)	(0.050)	(0.050)
Deletion of vacant posts within Planning Performance & Business Services	Growing Up in Sandwell	Children and Families	(0.030)	(0.030)	(0.030)	(0.030)	(0.030)
Removal of the Early Years Sustainability Fund	Growing Up in Sandwell	Children and Families	(0.023)	(0.023)	(0.023)	(0.023)	(0.023)

<b>Directorate and Proposal Description</b>	<b>Council Plan Priority</b>	<b>Cabinet Portfolio</b>	<b>2025/26 £m</b>	<b>2026/27 £m</b>	<b>2027/28 £m</b>	<b>2028/29 £m</b>	<b>2029/20 £m</b>
Additional Workplace Nursery income	Growing Up in Sandwell	Children and Families	(0.021)	(0.021)	(0.021)	(0.021)	(0.021)
Additional income from the Dedicated Schools Grant (DSG)	Growing Up in Sandwell	Children and Families	(0.015)	(0.015)	(0.015)	(0.015)	(0.015)
Employment & Skills	Growing Up in Sandwell	Children and Families	(0.011)	(0.011)	(0.011)	(0.011)	(0.011)
Additional income from schools	Growing Up in Sandwell	Children and Families	(0.004)	(0.004)	(0.004)	(0.004)	(0.004)
Maximising income and commercial opportunities - Fees and charges annual increase	Growing Up in Sandwell	Children and Families	(0.003)	(0.003)	(0.003)	(0.003)	(0.003)
<b>Total: People – Children’s Services</b>			<b>(2.974)</b>	<b>(2.974)</b>	<b>(2.974)</b>	<b>(2.974)</b>	<b>(2.974)</b>
<b>Place - Environment</b>							
Switching refuse and recycling to fortnightly collections (alternate weeks) and to separate recycling into 2 different receptacles to reduce disposal costs	Living in Sandwell	Environment and Highways	(2.600)	(3.895)	(3.895)	(3.895)	(3.895)
Leisure Facilities - Review of facilities provision	Living in Sandwell	Neighbourhoods and Communities	(0.536)	(0.536)	(0.536)	(0.536)	(0.536)
Fee increase for green waste service	Living in Sandwell	Environment and Highways	(0.200)	(0.400)	(0.400)	(0.400)	(0.400)
Extension of the Library+ model	Living in Sandwell	Neighbourhoods and Communities	(0.103)	(0.103)	(0.103)	(0.103)	(0.103)

Directorate and Proposal Description	Council Plan Priority	Cabinet Portfolio	2025/26 £m	2026/27 £m	2027/28 £m	2028/29 £m	2029/20 £m
Transfer support for our UTC system from Wolverhampton to Transport for West Midlands	Living in Sandwell	Environment and Highways	(0.060)	(0.060)	-	-	-
Review of Pest Control delivery model	Living in Sandwell	Environment and Highways	(0.050)	(0.050)	(0.050)	(0.050)	(0.050)
Review of emergency duty rotas in Resilience	Living in Sandwell	Neighbourhoods and Communities	(0.025)	(0.025)	(0.025)	(0.025)	(0.025)
Highways - Christmas Lights	Living in Sandwell	Environment and Highways	-	(0.050)	(0.050)	(0.050)	(0.050)
Maximising income and commercial opportunities - Fees and charges annual increase	Living in Sandwell	Environment and Highways	(0.055)	(0.055)	(0.055)	(0.055)	(0.055)
Maximising income and commercial opportunities - Fees and charges annual increase	Living in Sandwell	Neighbourhoods and Communities	(0.055)	(0.055)	(0.055)	(0.055)	(0.055)
<b>Total: Place - Environment</b>			<b>(3.684)</b>	<b>(5.229)</b>	<b>(5.169)</b>	<b>(5.169)</b>	<b>(5.169)</b>
<b>Place – Housing Services</b>							
Purchase of properties for use as temporary accommodation to reduce subsidy loss	Living in Sandwell	Housing and Sustainable Development	(0.250)	(0.250)	(0.250)	(0.250)	(0.250)
Review and restructure of Housing Services	Living in Sandwell	Housing and Sustainable Development	(0.329)	(0.329)	(0.329)	(0.329)	(0.329)
Maximising income and commercial opportunities - Fees and charges annual increase	Living in Sandwell	Housing and Sustainable Development	(0.018)	(0.018)	(0.018)	(0.018)	(0.018)

Directorate and Proposal Description	Council Plan Priority	Cabinet Portfolio	2025/26 £m	2026/27 £m	2027/28 £m	2028/29 £m	2029/20 £m
<b>Total: Place – Housing Services</b>			<b>(0.597)</b>	<b>(0.597)</b>	<b>(0.597)</b>	<b>(0.597)</b>	<b>(0.597)</b>
<b>Place – Regeneration &amp; Growth</b>							
Asset Rationalisation Strategy	Thriving Economy in Sandwell	Regeneration and Infrastructure	(0.840)	(0.840)	(0.840)	(0.840)	(0.840)
Increase planning fees for householder planning applications	Thriving Economy in Sandwell	Regeneration and Infrastructure	(0.160)	(0.160)	(0.160)	(0.160)	(0.160)
Deletion of vacant posts within Planning Services	Thriving Economy in Sandwell	Regeneration and Infrastructure	(0.087)	(0.087)	(0.087)	(0.087)	(0.087)
Increase building control fees up to 10%	Thriving Economy in Sandwell	Regeneration and Infrastructure	(0.040)	(0.040)	(0.040)	(0.040)	(0.040)
Increase in planning pre-application charges	Thriving Economy in Sandwell	Regeneration and Infrastructure	(0.016)	(0.016)	(0.016)	(0.016)	(0.016)
Introduce charges for demolition applications	Thriving Economy in Sandwell	Regeneration and Infrastructure	(0.003)	(0.003)	(0.003)	(0.003)	(0.003)
Maximising income and commercial opportunities - Fees and charges annual increase	Thriving Economy in Sandwell	Regeneration and Infrastructure	(0.049)	(0.049)	(0.049)	(0.049)	(0.049)
<b>Total: Place – Regeneration &amp; Growth</b>			<b>(1.195)</b>	<b>(1.195)</b>	<b>(1.195)</b>	<b>(1.195)</b>	<b>(1.195)</b>
<b>Finance and Transformation:</b>							
Enhanced Aged Debt Collection - Recruit 5 x Debt Officers to focus on collecting old debt	One Council One Team	Finance and Resources	(0.500)	(0.500)	(0.500)	(0.500)	(0.500)

<b>Directorate and Proposal Description</b>	<b>Council Plan Priority</b>	<b>Cabinet Portfolio</b>	<b>2025/26 £m</b>	<b>2026/27 £m</b>	<b>2027/28 £m</b>	<b>2028/29 £m</b>	<b>2029/20 £m</b>
Reduction in Contract Specifications - Review supplier contracts to remove under-used contracts and unused contractual terms for negotiated price reductions	One Council One Team	Finance and Resources	(0.250)	(0.250)	(0.250)	(0.250)	(0.250)
10% Increase in fees and charges for Registration Services	Living in Sandwell	Neighbourhoods and Communities	(0.188)	(0.188)	(0.188)	(0.188)	(0.188)
Registration Services - 7% increase in fees and charges and inclusion of additional Met Hospital (Registrations)	Living in Sandwell	Neighbourhoods and Communities	(0.127)	(0.127)	(0.127)	(0.127)	(0.127)
Review of Appointeeship Unit	One Council One Team	Finance and Resources	(0.100)	(0.100)	(0.100)	(0.100)	(0.100)
Review of cash handling and bank charges	One Council One Team	Finance and Resources	(0.048)	(0.095)	(0.095)	(0.095)	(0.095)
Recover costs from schools and external partners	One Council One Team	Finance and Resources	(0.040)	(0.040)	(0.040)	(0.040)	(0.040)
Increase out of hours surcharge from 15% to 30% for burial and cremation services at weekends to include new fee for ashes scattering and exhumation	Living in Sandwell	Neighbourhoods and Communities	(0.036)	(0.036)	(0.036)	(0.036)	(0.036)
Enhance cost recovery through service level agreements	One Council One Team	Finance and Resources	(0.030)	(0.030)	(0.030)	(0.030)	(0.030)

Directorate and Proposal Description	Council Plan Priority	Cabinet Portfolio	2025/26 £m	2026/27 £m	2027/28 £m	2028/29 £m	2029/20 £m
Early Payment Discount - Introduce an offer of prompt payments in exchange for up to 2% price reductions on invoices payable by the Council	One Council One Team	Finance and Resources	(0.025)	(0.025)	(0.025)	(0.025)	(0.025)
Charge for Appointeeship services, and the introduction of a one-off winding up fee in the Appointeeship Unit	One Council One Team	Finance and Resources	(0.025)	(0.025)	(0.025)	(0.025)	(0.025)
Reduce subscription costs	One Council One Team	Finance and Resources	(0.020)	(0.020)	(0.020)	(0.020)	(0.020)
Deletion of vacant post from within Bereavement Services	Living in Sandwell	Neighbourhoods and Communities	(0.017)	(0.017)	(0.017)	(0.017)	(0.017)
Smarter Support Services - Efficiencies from the implementation of Oracle Fusion	One Council One Team	Finance and Resources	(0.058)	(0.231)	(0.231)	(0.231)	(0.231)
Maximising income and commercial opportunities - Fees and charges annual increase	One Council One Team	Finance and Resources	(0.286)	(0.286)	(0.286)	(0.286)	(0.286)
<b>Total: Finance and Transformation</b>			<b>(1.749)</b>	<b>(1.970)</b>	<b>(1.970)</b>	<b>(1.970)</b>	<b>(1.970)</b>
<b>Assistant Chief Executive:</b>							
Deletion of vacant posts within Democratic Services	One Council One Team	Leader	(0.106)	(0.106)	(0.106)	(0.106)	(0.106)
Review and restructure of EDI	One Council One Team	Leader	(0.285)	(0.285)	(0.285)	(0.285)	(0.285)

<b>Directorate and Proposal Description</b>	<b>Council Plan Priority</b>	<b>Cabinet Portfolio</b>	<b>2025/26 £m</b>	<b>2026/27 £m</b>	<b>2027/28 £m</b>	<b>2028/29 £m</b>	<b>2029/20 £m</b>
Review of contact centre model	One Council One Team	Finance and Resources	(0.200)	(0.313)	(0.313)	(0.313)	(0.313)
Review of Investigations service	One Council One Team	Finance and Resources	(0.117)	(0.117)	(0.117)	(0.117)	(0.117)
HR operating model review	One Council One Team	Finance and Resources	(0.070)	(0.276)	(0.276)	(0.276)	(0.276)
Review into learning and development offer	One Council One Team	Finance and Resources	(0.030)	(0.030)	(0.030)	(0.030)	(0.030)
Reduction in Member Development budget	One Council One Team	Leader	(0.028)	(0.028)	(0.028)	(0.028)	(0.028)
Cessation of applicant tracking and case management systems due to Fusion Go Live	One Council One Team	Finance and Resources	(0.026)	(0.026)	(0.026)	(0.026)	(0.026)
Professional qualifications sponsorship	One Council One Team	Finance and Resources	(0.019)	(0.019)	(0.019)	(0.019)	(0.019)
Human Resources - Bring health and safety training in-house / e-learning	One Council One Team	Finance and Resources	(0.010)	(0.010)	(0.010)	(0.010)	(0.010)
Corporate Learning efficiencies	One Council One Team	Finance and Resources	(0.010)	(0.010)	(0.010)	(0.010)	(0.010)
Smarter Support Services - Efficiencies from the implementation of Oracle Fusion	One Council One Team	Finance and Resources	-	(0.127)	(0.127)	(0.127)	(0.127)
<b>Total: Assistant Chief Executive</b>			<b>(0.901)</b>	<b>(1.347)</b>	<b>(1.347)</b>	<b>(1.347)</b>	<b>(1.347)</b>
<b>Council Wide</b>							

Directorate and Proposal Description	Council Plan Priority	Cabinet Portfolio	2025/26 £m	2026/27 £m	2027/28 £m	2028/29 £m	2029/20 £m
Maximising income and commercial opportunities - Fees and charges annual increase	One Council One Team	Finance and Resources	-	(0.480)	(0.960)	(1.440)	(1.920)
<b>Total: Council Wide</b>			-	(0.480)	(0.960)	(1.440)	(1.920)
<b>Subtotal: Efficiencies to be Applied Across Directorates</b>			(14.795)	(17.487)	(17.907)	(18.387)	(18.867)
<b>Funding:</b>							
Implement additional 2% increase in council tax: Total increase of 4.99% in 2025/26	One Council One Team	Finance and Resources	(2.758)	(2.883)	(3.014)	(3.150)	(3.294)
Council Tax Reduction Scheme	One Council One Team	Finance and Resources	(1.775)	(1.775)	(1.775)	(1.775)	(1.775)
<b>Total: Funding</b>			(4.533)	(4.658)	(4.789)	(4.925)	(5.069)
<b>Grand Total: All Efficiencies</b>			(19.328)	(22.145)	(22.696)	(23.312)	(23.936)

<b>Risks to the MTFP and Mitigations</b>	<b>Headline Mitigation</b>
Failure to constrain expenditure within relevant budget headings.	The Council monitors its budget on a monthly basis, with regular updates to Leadership Team and Cabinet, advising on key variances. Budget managers are asked to offer mitigations to any adverse variances.
Failure to prepare for balancing the 2025/26 budget shortfall.	Early preparation of the MTFS including engagement with the Cabinet and public consultation has allowed for the projected 2025/26 shortfall to be balanced without the use of any earmarked reserves.
Failure to maintain reserve balances.	There are no plans to employ reserves to balance the 2025/26 budget shortfall. A new Reserves Strategy is included for approval which will ensure control of reserves is held with the S151 Officer to ensure any use of reserves meet with corporate objectives and strategies. A detailed review of all earmarked reserves will be undertaken during 2025/26.
Failure to deliver efficiencies.	The Council reviews efficiencies embedded in the base budget and reports monthly to Leadership Team and to Cabinet on a quarterly basis on progress to highlight risks and consider mitigations.
Failure to arrange cover for expected cost increases	The Council has set in place a process whereby the MTFP is updated regularly, and the thoroughness of review and analysis will be enhanced on each occasion as additional information becomes available and insight gained. In addition, the Council will adjust its fees and charges annually in the future to ensure that the net cost of services is moderated, where it is equitable to do.
Inability to fund the Capital Programme arising from continued rises in interest rates and higher cost of borrowing.	Capital Principles to set down a clear and affordable framework for capital planning are embedded in the MTFS. Detailed work has been undertaken to ensure that the capital programme delivers corporate objectives and remains affordable within the MTFS. The time period for the Treasury Management Strategy, incorporating the Treasury and Prudential Indicators and impact of capital programme proposals, has been extended to a 5 year period, therefore aligned with the MTFS. A Treasury Management volatility earmarked reserve is to be created to mitigate any impact of material interest rate fluctuations.

<b>Risks to the MTFP and Mitigations</b>	<b>Headline Mitigation</b>
Sandwell Children's Trust's accumulated balance sheet deficit destabilises the Council's MTFP	The Council is working with senior officers at Sandwell Children's Trust to seek to reduce the deficit position, which would revert to the Council should the Trust be dissolved. As part of the review of earmarked reserves, in accordance with the reserves strategy, consideration should be given to the creation of a risk reserve to mitigate any potential impact on the Council's General Fund revenue account.

## Flexible Use of Capital Receipts Strategy

### Objectives and Purpose

1. This Strategy is intended to enable the Council, subject to central government policy, to have the flexibility to use capital receipts to fund transformation costs if deemed appropriate.
2. The objectives of this Strategy are to:
  - a. Identify projects that are considered to be eligible, and which could be funded by this method, thereby freeing revenue resources;
  - b. Identify actual and potential capital receipts that could be utilised to fund transformation projects;
  - c. In subsequent years, report on the progress of projects approved in previous years.

### Qualifying Expenditure

3. Although at the time of writing this report there was no reference to an extension after the end March 2025 date for the current government directive, it is prudent to prepare a strategy on the basis that there will be a continuation to allow for such flexibility.
4. The previous guidance indicated a range of projects that could qualify as expenditure to be funded through this strategy. Examples of such projects include:
  - a. Investment in service reform feasibility work.
  - b. Funding the cost of service reconfiguration, restructuring or rationalisation where this leads to ongoing efficiency savings or service transformation.
  - c. Driving a digital approach to the delivery of more efficient public services.
  - d. Improving systems and processes to tackle fraud and corruption in line with the Local Government Fraud and Corruption Strategy.
  - e. Setting up commercial or alternative delivery models to deliver services more efficiently and bring in revenue.
  - f. Integrating public facing services across two or more public sector bodies.

### Projects Considered Eligible for Funding through Flexible Use of Capital Receipts

5. The following table sets out the planned funding of transformation projects through the flexible use of capital receipts in 2024/25.

<b>Project</b>	<b>Description</b>	<b>Service Transformation / Savings</b>	<b>Saving Type</b>	<b>Current Planned Use of Receipts in 2024/25 £000</b>	<b>Target Efficiency / Saving per Annum £000</b>
Adult Social Care Transformation	Engagement of an external strategic partner to redesign how residents access services	Review of the following areas: Use of Resource, Preparing for Adulthood, Direct Payments, Intermediate Care Services.	Improving systems and processes to provide more efficient and consistent service delivery.	440	1,000

	alongside partner organisations and improve workforce recruitment and retention.  Investment in digital and assistive technology to improve independence	The reduction in direct care costs due to improvements in support from digital technology	Driving a digital approach to the delivery of more efficient public services and how the public interacts with authorities.		
Children's SEND Transport and Placements	Engagement of a strategic partner to review SEND transport and placements	Procurement of SEND transport contracts and optimisation of routing	Improving systems and processes to provide more efficient and consistent service delivery.	145	700
Staff Exit Costs	Costs of restructures to deliver savings / service changes	Realisation of ongoing savings from reduced staffing costs	Funding the cost of service reconfiguration, restructuring or rationalisation where this leads to ongoing efficiency savings or service transformation	500	500

6. The following table sets out the planned funding of transformation projects through the flexible use of capital receipts in 2025/26:

<b>Project</b>	<b>Description</b>	<b>Service Transformation / Savings</b>	<b>Saving Type</b>	<b>Current Planned Use of Receipts in 2025/26 £000</b>	<b>Target Efficiency / Saving per Annum £000</b>
Adult Social Care Transformation	Engagement of an external strategic partner to redesign how residents access services alongside partner organisations and improve workforce recruitment and retention.  Investment in digital and assistive technology to improve independence	Review of the following areas: Use of Resource, Preparing for Adulthood, Direct Payments, Intermediate Care Services.  The reduction in direct care costs due to improvements in support from digital technology	Improving systems and processes to provide more efficient and consistent service delivery.  Driving a digital approach to the delivery of more efficient public services and how the public interacts with authorities.	560	1,000

Children's SEND Transport and Placements	Engagement of a strategic partner to review SEND transport and placements	Procurement of SEND transport contracts and optimisation of routing	Improving systems and processes to provide more efficient and consistent service delivery.	250	350
Customer Service Transformation	Review of customer journey and current contact centre model	Increased efficiency of customer interactions and improved use of new technology with savings realised from 2025/26	Improving systems and processes to provide more efficient and consistent service delivery	250	313
Staff Exit Costs	Costs of restructures to deliver savings / service changes	Realisation of ongoing savings from reduced staffing costs	Funding the cost of service reconfiguration, restructuring or rationalisation where this leads to ongoing efficiency savings or service transformation	500	500

7. The Council's accounts for 2023/24 also included a number of transformation projects which were funded through this strategy. The table below indicates the amount of spending funded through the flexible use policy and also the on-going efficiencies achieved as a result of the projects.

Project	Description	Service Transformation / Savings	Saving Type	Use of Receipts 2023/24 £000	Ongoing Annual Saving/Efficiency achieved in 2023/24
Implementation of an Asset Rationalisation Strategy	The adoption of a corporate landlord model with all building assets being managed centrally combined with an active disposals programme of surplus assets	Improved efficiencies and consistency in managing buildings with targeted savings of £1.6m	Improving systems and processes to provide more efficient and consistent service delivery	21	(189)
Visitor Services Business Plan Review	Review of the Sandwell Valley business planning documents with an external partner to identify risks to delivery and test financial assumptions	Delivery of additional visitor services income to improve the financial sustainability of the visitor services offering	Setting up commercial or alternative delivery models to deliver services more efficiently and bring in income	19	-
Grounds Maintenance	Overall review of Grounds Maintenance	Delivery of service efficiency savings in this area	Investment in service reform feasibility work	15	(68)

Project	Description	Service Transformation / Savings	Saving Type	Use of Receipts 2023/24 £000	Ongoing Annual Saving/Efficiency achieved in 2023/24
Waste Collection Review	Review of waste collection services including garden waste collection	Delivery of additional income related to garden waste collection and service efficiencies in waste collection service	Setting up commercial or alternative delivery models to deliver services more efficiently and bring in income	78	(1,300)
Vehicle Fleet Review	Review to identify rationalisation and/or alternative delivery options of fleet vehicles used in waste collection	Review to identify rationalisation and/or alternative delivery options of fleet vehicles used in waste collection	Investment in service reform feasibility work	25	-
Contract Management Improvements	Review of contract management arrangements	Delivery of corporate contract management training to 170 staff, standard templates, and guidance	Improving systems and processes to provide more efficient and consistent service delivery	20	(57)
Various commercialisation projects	Corporate transformation project support to services on commercialisation	Reviewing service delivery models to identify commercial opportunities and deliver additional income or maximise existing income streams	Setting up commercial or alternative delivery models to deliver services more efficiently and bring in income	75	-
Staff Exit Costs	Costs of restructures to deliver savings/service changes	Realisation of ongoing savings from reduced staffing costs	Funding the cost of service reconfiguration, restructuring or rationalisation where this leads to ongoing efficiency savings or service transformation	219	(226)
<b>Total</b>				<b>473</b>	<b>(1,840)</b>

8. Where ongoing efficiencies have not yet been achieved, the current position of these is detailed below:

Project	Latest position
Visitor Services Business Plan Review	Investment into Forge Mill Farm and subsequent income generation currently under review.
Vehicle Fleet Review	The rationalisation of waste vehicles has not identified opportunities but has identified further work required on rationalisation of other fleet vehicles across the council which is being pursued as one of the strands as part of the Corporate Transformation Programme commencing in 2024/25 with savings expected in 2025/26.
Various Commercialisation Projects	Opportunities identified for developing traded services in Children and Education Services (Educational Psychology) plus Human Resources (Health & Safety).

#### Accountability and Transparency

9. For each financial year a council should ensure it prepares at least one Flexible Use of Capital Receipts Strategy.
10. Amendments to the strategy and updates of projects to be funded through flexible use of capital receipts will be included in future MTFs reports (Autumn Update and February Budget Setting).

# **Sandwell Metropolitan Borough Council**

## **2025/26 Fees and Charges Schedule**

**ADULT SOCIAL CARE**

Service Provided	2024/25 Fee/Charge	2025/26 Fee/Charge	% Increase	Comments
<b>Meals</b>				
Fountain Court – Breakfast	£2.60	£2.65	1.9%	Inclusive of VAT
Fountain Court – Lunch	£4.10	£4.20	2.4%	Inclusive of VAT
Fountain Court – Tea	£1.40	£1.45	3.6%	Inclusive of VAT
Lunch - Willow Gardens and Walker Grange	£4.10	£4.20	2.4%	Inclusive of VAT
Community Meals – Hot	£4.80	£5.30	10.4%	
Wellbeing charge within Extra Care Housing (per week)	£44.50	£45.40	2.0%	Welfare service not VATable
<b>Financial Deputyship</b>				
Category I - Work up to & including the date which the Court appoints a Deputy	£745.00	£944.00	26.7%	In accordance with Practice Direction B – Fixed Costs in Fees set by Court of Protection
Category IV - Year 1 Annual Management Fee - year 1 * (Previously Category II)	£775.00	£982.00	26.7%	the Court of Protection, subject to amendment if guidance
Category IV - Year 2 Annual Management Fee - year 2+ * (Previously Category II)	£650.00	£824.00	26.8%	is revised
* Annual Management Fee (Savings below £20,300)	3.50%	3.50%	0.0%	
Category V - Property Management Fee (Previously Category III )	£300.00	£380.00	26.7%	
Category VI - Preparation of annual report to the OPG (Previously Category IV)	£216.00	£274.00	26.9%	
Category VII - Preparation of Basic HMRC income tax return (Previously Category VI)	£70.00	£89.00	27.1%	
Travel per hour	£40.00			No longer charged
Deceased Administration Fee		£365.00		New fee as per MTFS
<b>Appointeeship Charges</b>				
Weekly charge for Appointeeship Administration - Residential Accommodation		£10.00	0.0%	New fee as per MTFS
Weekly charge for Appointeeship Administration - Living in the community		£15.00	0.0%	New fee as per MTFS
<b>Deferred Charges</b>				
One off Administration Fee (CCBU)	£125.00	£125.00	0.0%	Set by the government
Valuation Fee	£140.00	£140.00	0.0%	Set by the government
Legal & Administration Fee	£450.00	£450.00	0.0%	Set by the government
Associated Disbursements & Fees	At Cost	At Cost		
Interest on Deferred payment				*see below
<b>Community Alarms</b>				
Community Alarms - weekly service charge (Other Tenants 52 weeks pa)	£5.20	£5.30	1.9%	Welfare service not VATable
Community Alarms - Installation charge	£30.00	£30.60	2.0%	Welfare service not VATable

\* Interest at the rate specified in government regulations which is the national maximum interest rate. This will be revised every 6 months, on the first of January and July respectively, to track the market gilts rate specified in the most recently published report by the Government Office of Budget Responsibility (OBR) plus a 0.15% default component.

<b>ADULT &amp; FAMILY LEARNING</b>				
<b>Service Provided</b>	<b>2024/25 Fee/Charge</b>	<b>2025/26 Fee/Charge</b>	<b>% Increase</b>	<b>Comments</b>
<b>SERVICE AREA Sandwell Adult and Family Learning Course Fees</b>				
English and Maths Courses	£0.00	£0.00	0.0%	
Digital Skills Entry and Level 1 qualifications	£0.00	£0.00	0.0%	
Entry Level - Level 2 Qualification Courses JSA Claimant	£0.00	£0.00	0.0%	
Entry Level - Level 2 Qualification Courses in receipt of ESA - Work related benefit	£0.00	£0.00	0.0%	
Entry Level - Level 2 Qualification Courses In receipt of universal credit	£0.00	£0.00	0.0%	
19-23 studying Entry - Level 1 qualification within no prior Level 2	£0.00	£0.00	0.0%	
Aged 19-23 studying first Full Level 2 qualification	£0.00	£0.00	0.0%	
Qualification Course Fee per Guided Learning Hour	£4.00	£4.10	2.5%	Academic year charges - new charges from 1st August 2025
Qualification Course Fee per Guided Learning Hour for over 60's not in fulltime paid employment	£2.00	£2.05	2.5%	Academic year charges - new charges from 1st August 2025
Community Learning Course Fee per guided Learning Hour	£4.00	£4.10	2.5%	Academic year charges - new charges from 1st August 2025
Community Learning Course Fee - My Future/My Community in receipt of JSA	£0.00	£0.00	0.0%	
Community Learning Course Fee - My Future/My Community in receipt of ESA work related	£0.00	£0.00	0.0%	
Community Learning Course Fee - My Future/My Community in receipt of universal credit	£0.00	£0.00	0.0%	
Community Learning Course Fee - My Interests in receipt of JSA	£0.00	£0.00	0.0%	
Community Learning Course Fee - My Interests in receipt of ESA work related	£0.00	£0.00	0.0%	
Community Learning Course Fee - My Interests in receipt of universal credit	£0.00	£0.00	0.0%	
Community Learning Course Fee - My Family Parents with children 2 to 16	£0.00	£0.00	0.0%	

**BUILDING CONTROL, PLANNING & PROPERTY SEARCHES**

Service Provided	2024/25 Fee/Charge	2025/26 Fee/Charge	% Increase	Comments
<b>Building Control</b>				
<b>TABLE A - STANDARD CHARGES FOR THE CREATION OR CONVERSION TO NEW HOUSING</b>				
<b>Table A Category 1 - Number of dwellings: 1</b>				
Plan Charge	£314.12	£345.55	10.0%	Charge includes VAT
Inspection Charge	£471.11	£518.24	10.0%	Charge includes VAT
Building Notice Charge +20%	£942.23	£1,036.45	10.0%	Charge includes VAT
Regularisation Charge (does not include electrical inspection & test)	£1,059.98	£1,165.95	10.0%	Non vatable - Service only available via Council
<b>Table A Category 2 - Number of dwellings: 2</b>				
Plan Charge	£353.30	£388.66	10.0%	Charge includes VAT
Inspection Charge	£706.61	£777.26	10.0%	Charge includes VAT
Building Notice Charge +20%	£1,271.96	£1,399.15	10.0%	Charge includes VAT
Regularisation Charge (does not include electrical inspection & test)	£1,430.94	£1,574.05	10.0%	Non vatable - Service only available via Council
<b>Table A Category 3 - Number of dwellings: 3</b>				
Plan Charge	£471.11	£518.26	10.0%	Charge includes VAT
Inspection Charge	£942.23	£1,036.44	10.0%	Charge includes VAT
Building Notice Charge +20%	£1,695.96	£1,865.54	10.0%	Charge includes VAT
Regularisation Charge (does not include electrical inspection & test)	£1,907.96	£2,098.75	10.0%	Non vatable - Service only available via Council
<b>Table A Category 4 - Number of dwellings: 4</b>				
Plan Charge	£588.92	£647.80	10.0%	Charge includes VAT
Inspection Charge	£1,020.73	£1,122.80	10.0%	Charge includes VAT
Building Notice Charge +20%	£1,931.45	£2,124.60	10.0%	Charge includes VAT
Regularisation Charge (does not include electrical inspection & test)	£2,172.98	£2,390.25	10.0%	Non vatable - Service only available via Council
<b>Table A Category 5 - Number of dwellings: 5</b>				
Plan Charge	£706.61	£777.25	10.0%	Charge includes VAT
Inspection Charge	£1,099.22	£1,209.00	10.0%	Charge includes VAT
Building Notice Charge +20%	£2,167.07	£2,383.80	10.0%	Charge includes VAT
Regularisation Charge (does not include electrical inspection & test)	£2,438.00	£2,681.80	10.0%	Non vatable - Service only available via Council
<b>Table A Category 6 - Number of dwellings: 6</b>				
Plan Charge	£785.23	£863.75	10.0%	Charge includes VAT
Inspection Charge	£1,217.03	£1,338.84	10.0%	Charge includes VAT
Building Notice Charge +20%	£2,402.57	£2,642.80	10.0%	Charge includes VAT
Regularisation Charge (does not include electrical inspection & test)	£2,702.91	£2,973.20	10.0%	Non vatable - Service only available via Council
<b>Table A Category 7 - Number of dwellings: 7</b>				
Plan Charge	£824.42	£906.85	10.0%	Charge includes VAT
Inspection Charge	£1,413.34	£1,554.70	10.0%	Charge includes VAT
Building Notice Charge +20%	£2,779.56	£3,057.50	10.0%	Charge includes VAT
Regularisation Charge (does not include electrical inspection & test)	£3,127.01	£3,439.70	10.0%	Non vatable - Service only available via Council
<b>Table A Category 8 - Number of dwellings: 8</b>				
Plan Charge	£863.74	£950.10	10.0%	Charge includes VAT
Inspection Charge	£1,609.66	£1,770.56	10.0%	Charge includes VAT
Building Notice Charge +20%	£2,967.92	£3,264.70	10.0%	Charge includes VAT
Regularisation Charge (does not include electrical inspection & test)	£3,338.90	£3,672.80	10.0%	Non vatable - Service only available via Council
<b>Table A Category 9 - Number of dwellings: 9</b>				
Plan Charge	£902.92	£993.20	10.0%	Charge includes VAT
Inspection Charge	£1,805.83	£1,986.30	10.0%	Charge includes VAT
Building Notice Charge +20%	£3,250.55	£3,575.60	10.0%	Charge includes VAT
Regularisation Charge (does not include electrical inspection & test)	£3,656.94	£4,022.65	10.0%	Non vatable - Service only available via Council
Table A Category 4 - Over 10 dwellings Plan Charge, Inspection Charge, Building Notice Charge, Regularisation Charge				
<b>TABLE B - Domestic Extensions to a Single Building</b>				
<b>Table B Category 1 - Single storey Extensions, less than 10m2</b>				
Plan charge	£206.14	£226.75	10.0%	Charge includes VAT
Inspection charge	£247.34	£272.05	10.0%	Charge includes VAT
Building Notice	£544.19	£598.60	10.0%	Charge includes VAT
Regularisation	£612.15	£673.35	10.0%	Non vatable - Service only available via Council
<b>Table B Category 2 - Single storey extension greater than 10m2but less than 40m2</b>				
Plan charge	£288.54	£317.40	10.0%	Charge includes VAT
Inspection charge	£329.75	£362.70	10.0%	Charge includes VAT
Building Notice	£742.01	£816.20	10.0%	Charge includes VAT
Regularisation	£834.75	£918.25	10.0%	Non vatable - Service only available via Council
<b>Table B Category 3 - Single storey extension greater than 40m2 but less than 100m2</b>				
Plan charge	£371.08	£408.20	10.0%	Charge includes VAT
Inspection charge	£453.35	£498.70	10.0%	Charge includes VAT
Building Notice	£989.35	£1,088.30	10.0%	Charge includes VAT
Regularisation	£1,113.00	£1,224.30	10.0%	Non vatable - Service only available via Council

**BUILDING CONTROL, PLANNING & PROPERTY SEARCHES**

Service Provided	2024/25 Fee/Charge	2025/26 Fee/Charge	% Increase	Comments
<b>Table B Category 4 - Two storey extension not exceeding 40m2</b>				
Plan charge	£329.74	£362.70	10.0%	Charge includes VAT
Inspection charge	£371.08	£408.20	10.0%	Charge includes VAT
Building Notice	£840.92	£925.00	10.0%	Charge includes VAT
Regularisation	£946.05	£1,040.65	10.0%	Non vatable - Service only available via Council
<b>Table B Category 5 - Two storey extension greater than 40m2 but less than 200m2</b>				
Plan charge	£412.27	£453.50	10.0%	Charge includes VAT
Inspection charge	£494.68	£544.15	10.0%	Charge includes VAT
Building Notice	£1,088.26	£1,197.10	10.0%	Charge includes VAT
Regularisation	£1,224.30	£1,346.75	10.0%	Non vatable - Service only available via Council
<b>Table B Category 6 - Loft conversion floor area not exceeding 50m2</b>				
Plan charge	£329.75	£362.70	10.0%	Charge includes VAT
Inspection charge	£247.34	£272.05	10.0%	Charge includes VAT
Building Notice	£692.50	£761.75	10.0%	Charge includes VAT
Regularisation	£779.10	£857.00	10.0%	Non vatable - Service only available via Council
<b>Table Garage - Domestic Garages and Carports</b>				
<b>Table Garage Category 7 - Non-exempt detached garage or carport up to 100m2</b>				
Plan charge	£247.34	£272.05	10.0%	Charge includes VAT
Inspection charge				
Building Notice	£296.86	£326.54	10.0%	Charge includes VAT
Regularisation	£333.90	£367.30	10.0%	Non vatable - Service only available via Council
<b>Table Garage Category 8 - Non-exempt attached single storey garage or carport up to 100m2</b>				
Plan charge	£206.14	£226.75	10.0%	Charge includes VAT
Inspection charge	£206.14	£226.75	10.0%	Charge includes VAT
Building Notice	£494.68	£544.15	10.0%	Charge includes VAT
Regularisation	£556.50	£612.15	10.0%	Non vatable - Service only available via Council
<b>Table Garage Category 9 - Conversion of a garage to habitable use</b>				
Plan charge	£164.93	£181.45	10.0%	Charge includes VAT
Inspection charge	£206.14	£226.75	10.0%	Charge includes VAT
Building Notice	£445.16	£489.65	10.0%	Charge includes VAT
Regularisation	£500.85	£550.95	10.0%	Non vatable - Service only available via Council
<b>Pre-application works Category 10 - Trial hole</b>				
Inspection charge	£132.30	£145.55	10.0%	Charge includes VAT
<b>TABLE C - Alterations to a Single Domestic Building</b>				
<b>Table C Category 1 - Installation of a controlled fitting , i.e. installation of a bathroom, or of a wc, shower, bath or sink</b>				
Plan charge (FP)	£247.34	£272.06	10.0%	Charge includes VAT
Inspection charge				
Building notice charge (N)	£296.86	£326.54	10.0%	Charge includes VAT
50% reduction if carried out at same time as an extension (FP)	£123.67	£136.03	10.0%	Charge includes VAT
50% reduction if carried out at same time as an extension (N)	£148.43	£163.27	10.0%	Charge includes VAT
Regularisation charge	£333.90	£367.30	10.0%	Non vatable - Service only available via Council
<b>Table C Category 2. a - Foundation underpinning of main house</b>				
Plan charge (FP)				Fees merged into category 3
Inspection charge				Fees merged into category 3
Building notice charge (N)				Fees merged into category 3
50% reduction if carried out at same time as an extension (FP)				Fees merged into category 3
50% reduction if carried out at same time as an extension (N)				Fees merged into category 3
Regularisation charge				Fees merged into category 3
<b>Table C Category 2.b - Foundation underpinning of wing building</b>				
Plan charge (FP)				Fees no longer exist
Inspection charge				Fees no longer exist
Building notice charge (N)				Fees no longer exist
50% reduction if carried out at same time as an extension (FP)				Fees no longer exist
50% reduction if carried out at same time as an extension (N)				Fees no longer exist
Regularisation charge				Fees no longer exist
<b>Table C - Category 2 - Solid Conservatory Roof</b>				
Plan charge (FP)	£104.21	£114.62	10.0%	Charge includes VAT
Inspection charge	£138.98	£152.90	10.0%	Charge includes VAT
Building notice charge (N)	£291.68	£320.86	10.0%	Charge includes VAT
Regularisation charge	£328.15	£360.95	10.0%	Non vatable - Service only available via Council
<b>Table C Category 3 - Internal alterations to layout or structural alterations , that are not ancillary to an extension</b>				
Plan charge (FP)	£164.93	£181.42	10.0%	Charge includes VAT
Inspection charge	£164.93	£181.42	10.0%	Charge includes VAT

**BUILDING CONTROL, PLANNING & PROPERTY SEARCHES**

Service Provided	2024/25 Fee/Charge	2025/26 Fee/Charge	% Increase	Comments
Building notice charge (N)	£362.76	£399.10	10.0%	Charge includes VAT
50% reduction if carried out at same time as an extension (FP)	£164.93	£181.42	10.0%	Charge includes VAT
50% reduction if carried out at same time as an extension (N)	£181.38	£199.55	10.0%	Charge includes VAT
Regularisation charge	£408.14	£448.95	10.0%	Non vatable - Service only available via Council
<b>Table C Category 4. a - Replacement or renovation of a thermal element to a single dwelling, i.e. new ground floor or floor exposed to the elements, external cladding or rendering, new internal linings to external walls</b>				
Plan charge (FP)	£247.34	£272.06	10.0%	Charge includes VAT
Inspection charge				
Building notice charge (N)	£296.86	£326.54	10.0%	Charge includes VAT
50% reduction if carried out at same time as an extension (FP)	£123.67	£136.03	10.0%	Charge includes VAT
50% reduction if carried out at same time as an extension (N)	£148.43	£163.27	10.0%	Charge includes VAT
Regularisation charge	£333.90	£367.30	10.0%	Non vatable - Service only available via Council
<b>Table C Category 4. b - Reroofing of main house</b>				
Plan charge (FP)	£107.23	£117.96	10.0%	Charge includes VAT
Inspection charge	£107.23	£117.96	10.0%	Charge includes VAT
Building notice charge (N)	£247.34	£272.06	10.0%	Charge includes VAT
50% reduction if carried out at same time as an extension (FP)	£107.23	£117.96	10.0%	Charge includes VAT
50% reduction if carried out at same time as an extension (N)	£123.67	£136.03	10.0%	Charge includes VAT
Regularisation charge	£278.25	£306.10	10.0%	Non vatable - Service only available via Council
<b>Table C Category 4. c - Reroofing of wing building/extension</b>				
Plan charge (FP)				Fees no longer exist
Inspection charge				Fees no longer exist
Building notice charge (N)				Fees no longer exist
50% reduction if carried out at same time as an extension (FP)				Fees no longer exist
50% reduction if carried out at same time as an extension (N)				Fees no longer exist
Regularisation charge				Fees no longer exist
<b>Table Electric - Electrical Installations, inspection and test</b>				
<b>Table Electric Category 1 - Certification of electrical works by non-registered but suitably qualified competent persons</b>				
Building Notice	£107.22	£117.95	10.0%	Charge includes VAT
Regularisation charge	£120.65	£132.70	10.0%	Non vatable - Service only available via Council
<b>Table Window - Window and Door Replacement</b>				
<b>Table Window Category 1 - Up to 10 frames</b>				
Plan charge (FP)				
Inspection charge				
Building notice charge (N)	£123.73	£136.10	10.0%	Charge includes VAT
50% reduction if carried out at same time as an extension				
Regularisation charge	£139.13	£153.05	10.0%	Non vatable - Service only available via Council
<b>Table Window Category 2 - Over 10 frames</b>				
Plan charge (FP)				
Inspection charge				
Building notice charge (N)	£164.93	£181.45	10.0%	Charge includes VAT
Regularisation charge	£185.54	£204.10	10.0%	Non vatable - Service only available via Council
<b>TABLE D - ALL OTHER NON-DOMESTIC WORK &amp; NEW BUILD - including Non-domestic extensions and new build up to 200m2 (Use of buildings excluding industrial and storage buildings)</b>				
<b>Table D Category 1 - Floor area not exceeding 10m2</b>				
Plan charge (FP)	£283.00	£311.30	10.0%	Charge includes VAT
Inspection charge	£404.46	£444.90	10.0%	Charge includes VAT
Regularisation charge	£773.33	£850.65	10.0%	Non vatable - Service only available via Council
<b>Table D Category 2 - Floor area greater than 10m2 but less than 40m2</b>				
Plan charge (FP)	£404.46	£444.90	10.0%	Charge includes VAT
Inspection charge	£566.12	£622.75	10.0%	Charge includes VAT
Regularisation charge	£1,091.79	£1,200.95	10.0%	Non vatable - Service only available via Council
<b>Table D Category 3 - Floor area greater than 40m2 but less than 100m2</b>				
Plan charge (FP)	£566.12	£622.75	10.0%	Charge includes VAT
Inspection charge	£727.90	£800.70	10.0%	Charge includes VAT
Regularisation charge	£1,455.72	£1,601.30	10.0%	Non vatable - Service only available via Council
<b>Table D Category 4 - Floor area greater than 100m2 but less than 200m2</b>				
Plan charge (FP)	£808.79	£889.66	10.0%	Charge includes VAT
Inspection charge	£970.45	£1,067.50	10.0%	Charge includes VAT
Regularisation charge	£2,001.62	£2,201.80	10.0%	Non vatable - Service only available via Council
<b>Table Industrial - Use for Industrial and storage Purposes</b>				
<b>Table Industrial Category 1 - Floor area not exceeding 10m2</b>				
Plan charge (FP)	£242.68	£266.95	10.0%	Charge includes VAT

**BUILDING CONTROL, PLANNING & PROPERTY SEARCHES**

Service Provided	2024/25 Fee/Charge	2025/26 Fee/Charge	% Increase	Comments
Inspection charge	£242.68	£266.95	10.0%	Charge includes VAT
Regularisation charge	£545.90	£600.50	10.0%	Non vatable - Service only available via Council
<b>Table Industrial Category 2 - Floor area greater than 10m2 but less than 40m2</b>				
Plan charge (FP)	£404.46	£444.90	10.0%	Charge includes VAT
Inspection charge	£404.46	£444.90	10.0%	Charge includes VAT
Regularisation charge	£909.83	£1,000.80	10.0%	Non vatable - Service only available via Council
<b>Table Industrial Category 3 - Floor area greater than 40m2 but less than 100m2</b>				
Plan charge (FP)	£485.23	£533.75	10.0%	Charge includes VAT
Inspection charge	£485.23	£533.75	10.0%	Charge includes VAT
Regularisation charge	£1,091.79	£1,200.95	10.0%	Non vatable - Service only available via Council
<b>Table Industrial Category 4 - Floor area greater than 100m2 but less than 200m2</b>				
Plan charge (FP)	£647.02	£711.70	10.0%	Charge includes VAT
Inspection charge	£647.02	£711.70	10.0%	Charge includes VAT
Regularisation charge	£1,455.72	£1,601.30	10.0%	Non vatable - Service only available via Council
<b>TABLE E - ALL OTHER NON-DOMESTIC WORK</b>				
<b>Category 1a - Window replacements , Fixed price - Installation of up to 10 frames</b>				
Plan charge	£161.78	£177.95	10.0%	Charge includes VAT
Inspection charge	0	£0.00		
Regularisation charge	£181.97	£200.15	10.0%	Non vatable - Service only available via Council
<b>Category 1b - Window replacements , Fixed price - Installation of up to 20 frames</b>				
Plan charge	£242.68	£266.95	10.0%	Charge includes VAT
Inspection charge				
Regularisation charge	£273.00	£300.30	10.0%	Non vatable - Service only available via Council
<b>Category 2a - Renovation of thermal element - Estimated cost less than £50,000</b>				
Plan charge				Fees merged into category 5
Inspection charge				Fees merged into category 5
Regularisation charge				Fees merged into category 5
<b>Category 2b - Renovation of thermal element - Estimated cost between £50,001-£100,000</b>				
Plan charge				Fees merged into category 5
Inspection charge				Fees merged into category 5
Regularisation charge				Fees merged into category 5
<b>Category 2 - Installation of mezzanine storage platform up to 500m2, Fixed price</b>				
Plan charge	£566.12	£622.75	10.0%	Charge includes VAT
Inspection charge	£323.57	£355.90	10.0%	Charge includes VAT
Regularisation charge	£1,000.76	£1,100.85	10.0%	Non vatable - Service only available via Council
<b>Category 3a - Office or shop fit out, Fixed price- Floor area up to 200m2</b>				
Plan charge	£242.68	£266.95	10.0%	Charge includes VAT
Inspection charge	£242.68	£266.95	10.0%	Charge includes VAT
Regularisation charge	£545.90	£600.50	10.0%	Non vatable - Service only available via Council
<b>Category 3b - Office or shop fit out, Floor area between 200-1000m2</b>				
Plan charge	£404.46	£444.90	10.0%	Charge includes VAT
Inspection charge	£404.46	£444.90	10.0%	Charge includes VAT
Regularisation charge	£909.83	£1,000.80	10.0%	Non vatable - Service only available via Council
<b>Category 4a - Alterations not described elsewhere, Fixed price Estimated cost less than £5,000</b>				
Plan charge				Fees no longer exist
Inspection charge				Fees no longer exist
Regularisation charge				Fees no longer exist
<b>Category 4a - Alterations not described elsewhere, Fixed price Estimated cost £1-£25,000</b>				
Plan charge	£242.68	£266.95	10.0%	Charge includes VAT
Inspection charge	£323.57	£355.90	10.0%	Charge includes VAT
Regularisation charge	£636.93	£700.60	10.0%	Non vatable - Service only available via Council
<b>Category 4b - Alterations not described elsewhere, Fixed price Estimated cost £25,001-£50,000</b>				
Plan charge	£404.46	£444.90	10.0%	Charge includes VAT
Inspection charge	£485.23	£533.75	10.0%	Charge includes VAT
Regularisation charge	£1,000.76	£1,100.85	10.0%	Non vatable - Service only available via Council
<b>Category 5d - Alterations not described elsewhere, Fixed price Estimated cost £50,001-£75,000</b>				
Plan charge				Fees merged into category 5e
Inspection charge				Fees merged into category 5e
Regularisation charge				Fees merged into category 5e
<b>Category 4c - Alterations not described elsewhere, Fixed price Estimated cost £50,001-£100,000</b>				
Plan charge	£647.02	£711.70	10.0%	Charge includes VAT
Inspection charge	£727.90	£800.70	10.0%	Charge includes VAT
Regularisation charge	£1,546.76	£1,701.45	10.0%	Non vatable - Service only available via Council
Demolition of Buildings	£120.00	£120.00		Charges include VAT - Charge implemented from January 2025

**BUILDING CONTROL, PLANNING & PROPERTY SEARCHES**

Service Provided	2024/25 Fee/Charge	2025/26 Fee/Charge	% Increase	Comments
<b>Planning</b>				
<b>Category 1 - Development Type : Operation</b>				
fees per 0.1 hectare and the site area does not exceed 2.5 hectares (amend 0.5 hectares),	£578.00	£578.00	0.0%	National Planning Fees set by Central Government
fees per 0.5 hectares and the site area does not exceed 2.5 hectares	£624.00	£624.00	0.0%	National Planning Fees set by Central Government
standard fees for site area exceeds 2.5 hectares,	£15,433.00	£15,433.00	0.0%	National Planning Fees set by Central Government
an additional fee per 0.1 hectare in excess of 2.5 metres	£186.00	£186.00	0.0%	National Planning Fees set by Central Government
<b>Category 1b - where the application is permission in principle</b>				
fees per 0.1 hectares of the site area	£503.00	£503.00	0.0%	National Planning Fees set by Central Government
<b>Category 1c - The erection of dwellinghouses (other than development within category 6 below). Where the application is not for outline planning</b>				
fees for each dwelling house, where the number of dwellinghouses to be created by the development is 10 or fewer,	£578.00	£578.00	0.0%	National Planning Fees set by Central Government
fees for for each dwelling house, where the number of dwellinghouses to be created by development is more than 10 but no more than 50	£624.00	£624.00	0.0%	National Planning Fees set by Central Government
fees for each dwelling house where the number of dwelling houses created by development exceeds 50	£30,860.00	£30,860.00	0.0%	National Planning Fees set by Central Government
additional fees for each dwelling house where the number of dwellinghouses to be created by the development exceeds 50, subject to a maximum in total of £405,000	£186.00	£186.00	0.0%	National Planning Fees set by Central Government
<b>Category 2a - The erection of buildings (other than buildings in categories 1, 3, 4, 5 or 7). Where the application is for outline planning permission</b>				
fees per 0.1 hectare and the site area does not exceed 0.1 hectares,	£578.00	£578.00	0.0%	National Planning Fees set by Central Government
fees per 0.5 hectares and the site area does not exceed 2.5 hectares	£624.00	£624.00	0.0%	National Planning Fees set by Central Government
standard fees for site area exceeds 2.5 hectares,	£15,433.00	£15,433.00	0.0%	National Planning Fees set by Central Government
additional fees per 0.1 hectare for sites in excess of 2.5 hectares, subject to a maximum in total of £202,500.	£186.00	£186.00	0.0%	National Planning Fees set by Central Government
Where the application is for permission in principle, £503 for each 0.1 hectares of the site area subject to a maximum in total of £202,500	£503.00	£503.00	0.0%	National Planning Fees set by Central Government
<b>Category 2b - The erection of buildings (other than buildings in categories 1, 3, 4, 5 or 7). Where the application is NOT for outline planning permission</b>				
where no floor space is to be created by the development,	£293.00	£293.00	0.0%	National Planning Fees set by Central Government
where the area of gross floor space to be created by the development does not exceed 40 square metres,	£293.00	£293.00	0.0%	National Planning Fees set by Central Government
where the area of the gross floor space to be created by the development exceeds 40 square metres but is less than 1000 square metres, for each 75 square metres,	£578.00	£578.00	0.0%	National Planning Fees set by Central Government
where the area of the gross floor space to be created by development is at least 1000 square metres but does not exceed 3750 square metres, for each 75 square	£624.00	£624.00	0.0%	National Planning Fees set by Central Government
where the area of gross floor space to be created by the development exceeds 3750 square metres	£578.00	£578.00	0.0%	National Planning Fees set by Central Government
Standard fees where the area of gross floor space to be created by the development exceeds 3750 square metres,	£30,680.00	£30,680.00	0.0%	National Planning Fees set by Central Government
additional fees for each 75 square metres in excess of 3750 square metres, subject to a maximum in total of £300,000.where the area of gross floor space to be created by the development exceeds 3750 square metres,	£186.00	£186.00	0.0%	National Planning Fees set by Central Government
<b>Category 3a - The erection, on land used for the purposes of agriculture, of buildings to be used for agricultural purposes (other than buildings in category 4). Where the application is for outline planning permission</b>				
fees per 0.1 hectare and the site area does not exceed 1 hectares,	£578.00	£578.00	0.0%	National Planning Fees set by Central Government
Fees per 0.5 hectares and the site area does not exceed 2.5 hectares	£624.00	£624.00	0.0%	National Planning Fees set by Central Government
standard fees for site area exceeds 2.5 hectares,	£15,433.00	£15,433.00	0.0%	National Planning Fees set by Central Government
additional fees per 0.1 hectare for sites in excess of 2.5 hectares, subject to a maximum in total of £202,500.	£186.00	£186.00	0.0%	National Planning Fees set by Central Government
Where the application is for permission in principle, £503 for each 0.1 hectares of the site area.	£503.00	£503.00	0.0%	National Planning Fees set by Central Government
<b>Category 3b- The erection, on land used for the purposes of agriculture, of buildings to be used for agricultural purposes (other than buildings in category 4). Where the application is NOT for outline planning permission</b>				
fees where the area of gross floor space to be created by the development does not exceed 465 square metres,	£120.00	£120.00	0.0%	National Planning Fees set by Central Government
Fees where the area of gross floor space to be created by the development exceeds 465 square metres but does not exceed 540 square metres,	£578.00	£578.00	0.0%	National Planning Fees set by Central Government
additional fees for each 75 square metres in excess of 540 square metres but does not exceed 1000 square metres	£578.00	£578.00	0.0%	National Planning Fees set by Central Government
additional fees for each 75 square metres in excess of 1000 square metres, where the area of the gross floor space to be created by the development exceeds 540 square	£578.00	£578.00	0.0%	National Planning Fees set by Central Government
Standard fees , where the area of gross floor space to be created by the development exceeds 4215 square metres,	£30,860.00	£30,860.00	0.0%	National Planning Fees set by Central Government
additional fees for or each 75 square metres in excess of 4215 square metres, subject to a maximum in total of £405,000, where the area of gross floor space to be created by the development exceeds 4215 square metres,	£624.00	£624.00	0.0%	National Planning Fees set by Central Government
<b>Category 4 - The erection of glasshouses on land used for the purposes of agriculture.</b>				

**BUILDING CONTROL, PLANNING & PROPERTY SEARCHES**

Service Provided	2024/25 Fee/Charge	2025/26 Fee/Charge	% Increase	Comments
Where the gross floor space to be created by the development does not exceed 465 square metres,	£120.00	£120.00	0.0%	National Planning Fees set by Central Government
Where the gross floor space to be created by the development exceeds 465 square metres but is less than 465 square metres,	£3,225.00	£3,225.00	0.0%	National Planning Fees set by Central Government
Where the gross floor space to be created by the development exceeds 1000 square metres or more,	£3,483.00	£3,483.00		National Planning Fees set by Central Government
<b>Category 5 - The erection, alteration or replacement of plant or machinery.</b>				
fees for each 0.1 hectare of the site area, where the site area does not exceed 1 hectare	£578.00	£578.00	0.0%	National Planning Fees set by Central Government
fees for each 0.1 hectare of the site area, where the site area does not exceed 1 hectares but less than 5 hectares.	£624.00	£624.00		National Planning Fees set by Central Government
Standard fees , where the site area exceeds 5 hectares, ,	£30,860.00	£30,860.00	0.0%	National Planning Fees set by Central Government
additional fees for each 0.1 hectare in excess of 5 hectares, subject to a maximum in total of £405,000.	£186.00	£186.00	0.0%	National Planning Fees set by Central Government
<b>Category 6 - The enlargement, improvement or other alteration of existing dwellinghouses.</b>				
Where the application relates to one dwelling house,	£258.00	£258.00	0.0%	National Planning Fees set by Central Government
Where the application relates to 2 or more dwellinghouses,	£509.00	£509.00	0.0%	National Planning Fees set by Central Government
<b>Category 7 - The carrying out of operations (including the erection of building) within the curtilage of an existing dwelling house</b>				
The carrying out of operations (including the erection of a building) within the curtilage of an existing dwelling house, for purposes ancillary to the enjoyment of the dwelling house as such, or the erection or construction of gates, fences, walls or other means of enclosure along a boundary of the curtilage of an existing dwelling house; or	£258.00	£258.00	0.0%	National Planning Fees set by Central Government
<b>Category 8 - The construction of car parks, service roads and other means of access</b>				
The construction of car parks, service roads and other means of access on land used for the purposes of a single undertaking, where the development is required for a purpose incidental to the existing use of the land.	£293.00	£293.00	0.0%	National Planning Fees set by Central Government
<b>Category 9 - The carrying out of any operations connected with exploratory drilling for oil or natural gas.</b>				
fees for each 0.1 hectares of the site area, where the site area does not exceed 7.5 hectares	£686.00	£686.00	0.0%	National Planning Fees set by Central Government
Where the site area exceeds 7.5 hectares, hectares, subject to a maximum in total of £300,000.				
Where the site area exceeds 7.5 hectares, hectares, subject to a maximum in total of £300,000.	£51,395.00	£51,395.00	0.0%	National Planning Fees set by Central Government
<b>Category 9a - The carrying out of any operations (other than operations coming within category 9) for the winning and working of oil or natural gas.</b>				
fees for each 0.1 hectare of the site area, where the site area does not exceed 7.5 hectares.	£686.00	£686.00	0.0%	National Planning Fees set by Central Government
Where the site area exceeds 7.5 hectares, hectares, subject to a maximum in total of £51,395	£51,395.00	£51,395.00	0.0%	National Planning Fees set by Central Government
Additional fees for each 0.1 hecatres where the sie area in excess of 7.5 hectares subject to maximum total of £405,000	£204.00	£204.00		National Planning Fees set by Central Government
<b>Category 10 - The carrying out of any operations not coming within any of the above categories, for the winning and working of minerals</b>				
fees for each 0.1 hectare of the site area, where the site area does not exceed 15 hectares,	£347.00	£347.00	0.0%	National Planning Fees set by Central Government
Where the site area exceeds 15 hectare, subject to a maximum in total of £52,002	£52,002.00	£52,002.00	0.0%	National Planning Fees set by Central Government
Additional fees for each 0.1 hectares where the site is in excess of 15 hectares subject to a a maximum in total of £105,300	£204.00	£204.00	0.0%	National Planning Fees set by Central Government
<b>Category 11 - The carrying out of any operations not coming within any of the above categories</b>				
Fees for each 0.1 hecatres, where the site area does not exceed 15 hectares	£316.00	£316.00	0.0%	National Planning Fees set by Central Government
Additional fees for each 0.1 hectare in excess of 15 hectares, £47,151 subject to a maximum in total of £105,300	£186.00	£186.00	0.0%	National Planning Fees set by Central Government
In any other case for each 0.1 hectares, subject to a maximum in total of £2,535	£293.00	£293.00	0.0%	National Planning Fees set by Central Government
<b>Category 12 - The change of use of a building to use as one or more separate dwellinghouses.</b>				
fees for each additional dwelling house; where the change of use is to use as 10 or fewer dwellinghouses	£578.00	£578.00	0.0%	National Planning Fees set by Central Government
fees for each additional dwelling house; where the change of use is to use as 10 but no more than 50 dwellinghouses,	£624.00	£624.00	0.0%	National Planning Fees set by Central Government
Standard fees where the change of use is to use as more than 50 dwellinghouses	£30,860.00	£30,860.00	0.0%	National Planning Fees set by Central Government
additional fees for each dwelling house in excess of 50 dwellinghouses, subject to a maximum in total of £405,000.	£186.00	£186.00	0.0%	National Planning Fees set by Central Government
<b>Category 13 - The use of land for the a) disposal of refuse or waste materials; b) the deposit of material remaining after minerals have been extracted from land; or c) the storage of minerals in the open.</b>				
fees for each 0.1 hectare of the site area; where the site area does not exceed 15 hectares,	£316.00	£316.00	0.0%	National Planning Fees set by Central Government
Standard fee where the site area exceeds 15 hectares	£47,161.00	£47,161.00	0.0%	National Planning Fees set by Central Government
additional fees for each 0.1 hectare in excess of 15 hectares, subject to a maximum in total of £105,300.	£186.00	£186.00	0.0%	National Planning Fees set by Central Government
<b>Category 14 - The making of a material change in the use of a building or land (other than a material change of use in category 11, 12(a), (b) or (c).</b>				
Fees	£578.00	£578.00	0.0%	National Planning Fees set by Central Government
<b>Category 15 - Development Type : Advertisements</b>				
Advertisements displayed externally on business premises, on the forecourt of business premises or other land within the curtilage of business premises, wholly with reference to all or any of the following matters –	£165.00	£165.00	0.0%	National Planning Fees set by Central Government
Matters as follow: a) the nature of the business or other activity carried on the premises; b) the goods sold or the services provided on the premises; or c) the name and qualifications of the person carrying on such business or activity or supplying such goods or services.	£165.00	£165.00	0.0%	National Planning Fees set by Central Government

**BUILDING CONTROL, PLANNING & PROPERTY SEARCHES**

Service Provided	2024/25 Fee/Charge	2025/26 Fee/Charge	% Increase	Comments
Advertisements for the purpose of directing members of the public to, or otherwise drawing attention to the existence of, business premises which are in the same locality as the site on which the advertisement is to be displayed but which are not visible from that site.	£165.00	£165.00	0.0%	National Planning Fees set by Central Government
All other advertisements.	£578.00	£578.00	0.0%	National Planning Fees set by Central Government
<b>Category 17 - Determinations, Whether the prior approval of the Council is required for –</b>				
Agriculture/forestry buildings or private ways;	£165.00	£165.00	0.0%	National Planning Fees set by Central Government
Demolition of building only (where no other development is taking place);	£120.00	£120.00	0.0%	National Planning Fees set by Central Government
Part 24 (development by telecommunications code system operators);	£578.00	£578.00	0.0%	National Planning Fees set by Central Government
Part 3 (Changes of use);	£120.00	£120.00	0.0%	National Planning Fees set by Central Government
Part 3 (changes of use) with associated building operations;	£258.00	£258.00	0.0%	National Planning Fees set by Central Government
Mezzanine per 0.1 hectare of the site	£293.00	£293.00	0.0%	National Planning Fees set by Central Government
<b>Category 18a - Variation of condition(s).</b>				
Removal or variation of condition(s) on a planning permission	£293.00	£293.00	0.0%	National Planning Fees set by Central Government
<b>Category 18b - Request for confirmation that one or more planning conditions have been complied with.</b>				
Fees per request for Householder	£43.00	£43.00	0.0%	National Planning Fees set by Central Government
Fees per request otherwise	£145.00	£145.00	0.0%	National Planning Fees set by Central Government
<b>Category 18c - A Non-material Amendment following a Grant of Planning Permission</b>				
Applications in respect of householder developments	£43.00	£43.00	0.0%	National Planning Fees set by Central Government
Applications in respect of other developments	£293.00	£293.00	0.0%	National Planning Fees set by Central Government
<b>Category 19 - Lawful Development Certificate</b>				
Application for an existing use of land or operational development; The same fee as for an equivalent planning application.	as specified	as specified		
Application for proposed use of building(s) or operations over or under land; Half fee of equivalent application.	as specified	as specified		
<b>Category Concession - EXEMPTIONS FROM PAYMENT</b>				
<b>Pre-planning application charges</b>				
Householder proposals (domestic extensions)	£100.00	£100.00	0.0%	Non vatable - Service only available via Council - Fee increase implemented from January 2025
Changes of use	£250.00	£250.00	0.0%	Non vatable - Service only available via Council - Fee increase implemented from January 2025
1 - 4 dwellings	£250.00	£250.00	0.0%	Non vatable - Service only available via Council - Fee increase implemented from January 2025
5 or more dwellings	£1,000.00	£1,000.00	0.0%	Non vatable - Service only available via Council - Fee increase implemented from January 2025
Commercial <10,000sqm	£250.00	£250.00	0.0%	Non vatable - Service only available via Council - Fee increase implemented from January 2025
Commerical >10,000sqm	£1,000.00	£1,000.00	0.0%	Non vatable - Service only available via Council - Fee increase implemented from January 2025
Telecoms	£333.00	£333.00	0.0%	Non vatable - Service only available via Council - Fee increase implemented from January 2025
Adverts (Hoardings)	£250.00	£250.00	0.0%	Non vatable - Service only available via Council - Fee increase implemented from January 2025
Adverts other	£50.00	£50.00	0.0%	Non vatable - Service only available via Council - Fee increase implemented from January 2025
Trees <10	£30.00	£30.00	0.0%	Non vatable - Service only available via Council - Fee increase implemented from January 2025
Trees >10	£75.00	£75.00	0.0%	Non vatable - Service only available via Council - Fee increase implemented from January 2025
S106 enquiries	£170.00	£170.00	0.0%	Non vatable - Service only available via Council - Fee increase implemented from January 2025
<b>High Hedges</b>				
High Hedges Complaint	£363.00	£450.00	24.0%	Non vatable - Service only available via Council
<b>PROPERTY SEARCHES &amp; ASSOCIATED LAND CHARGES SERVICES</b>				
<b>Standard Charges</b>				
LLC1 - Residential				The LLC1 payable service was transferred to HMLR 19.10.2023
Additional parcels				The LLC1 payable service was transferred to HMLR 19.10.2023
LLC1 - Commercial				The LLC1 payable service was transferred to HMLR 19.10.2023 No longer offer a combined answer
Additional parcels				The LLC1 payable service was transferred to HMLR 19.10.2023 No longer offer a combined answer
Con29(R) - Residential	£107.10	£109.25	2.0%	Charge includes VAT
Additional parcels	£25.74	£26.28	2.1%	Charge includes VAT
Con29(R) - Commercial	£221.25	£225.65	2.0%	Charge includes VAT
Additional parcels	£25.74	£26.28	2.1%	Charge includes VAT

**BUILDING CONTROL, PLANNING & PROPERTY SEARCHES**

Service Provided	2024/25 Fee/Charge	2025/26 Fee/Charge	% Increase	Comments
TOTAL - Residential (i.e. for a 'Full' Local Authority Search)				The LLC1 payable service was transferred to HMLR 19.10.2023 No longer offer a combined answer
TOTAL - Commercial (i.e. for a 'Full' Local Authority Search)				The LLC1 payable service was transferred to HMLR 19.10.2023 No longer offer a combined answer
Set of Compiled data to complete a Con29(R)	£99.96	£101.95	2.0%	Charge includes VAT
Set of Compiled data to complete a Con29(R) except that Publicly available	£81.38	£83.00	2.0%	Charge includes VAT
Con29(O) Enquiries 5-22	£14.28	£14.58	2.1%	Charge includes VAT
Limestone Enquires	£28.56	£29.15	2.1%	Charge includes VAT
Landfill Enquiries	£14.28	£14.55	1.9%	Charge includes VAT
Planning Site Histories : Standard charge for the first hour (or part), Charges relate per property, if on an industrial estate, then per unit, if open land then per plot	£35.70	£36.40	2.0%	Non vatable - Service only available via Council
Planning Site Histories : addition fee for every hour (or part) thereafter of standard charge. Charges relate per property, if on an industrial estate, then per unit, if open land then per plot	£17.85	£18.20	2.0%	Non vatable - Service only available via Council
Planning Decision Notices - Fee per Decision Notice	£2.37	£2.40	1.1%	Charge includes VAT
Building Regulations – Supply of Approvals/Completion Certificates - Fee per Approval/Certificate	£11.87	£12.10	2.0%	Non vatable - Service only available via Council
Supply copy of Section 38 & 104 Agreements	£59.54	£60.75	2.0%	Non vatable - Service only available via Council
Supply copy of Section 106 Agreements	£59.54	£60.75	2.0%	Non vatable - Service only available via Council
Supply copy of Tree Preservation Order	£17.85	£18.20	2.0%	Non vatable - Service only available via Council
Supply copy of Combined Drainage Agreement	£17.85	£18.20	2.0%	Non vatable - Service only available via Council
<b>MISCELLANEOUS SERVICES &amp; DOCUMENTS</b>				
A4 B&W Plain paper copying	£0.22	£0.25	13.4%	Charge includes VAT
A3 B&W Plain paper copying	£0.44	£0.45	2.0%	Charge includes VAT
A4 Colour Plain paper copying	£1.38	£1.40	1.8%	Charge includes VAT
A3 Colour Plain paper copying	£1.93	£1.95	0.9%	Charge includes VAT
A2 Plain paper copying	£1.60			Service no longer available
A1 Plain paper copying to Paper	£2.04			Service no longer available
A0 Plain paper copying to Paper	£3.26			Service no longer available
Lamination - A4	£0.00			Service no longer available
Lamination - A3	£0.00			Service no longer available
Lamination - A2	£0.00			Service no longer available
Lamination - A1	£0.00			Service no longer available
Binding - 8mm-12mm	£0.00			Service no longer available
Binding - 14mm-19mm	£0.00			Service no longer available
Binding - 22mm-28mm	£0.00			Service no longer available
Binding - A4 Acetate Sheets	£0.00			Service no longer available
Binding - A4 Clear Pockets	£0.00			Service no longer available
Microfilm Enlargements - A4	£3.09	£3.15	2.0%	Non vatable - Service only available via Council
Microfilm Enlargements - A3	£4.58	£4.65	1.6%	Non vatable - Service only available via Council
Microfilm Enlargements - A2	£6.01	£6.15	2.4%	Non vatable - Service only available via Council
Microfilm Enlargements - A1	£8.99	£9.15	1.8%	Non vatable - Service only available via Council
Microfilm Enlargements - A0	£11.93	£12.15	1.9%	Non vatable - Service only available via Council
Plotter Prints - A4	£1.16			Service no longer available
Plotter Prints - A3	£2.32			Service no longer available
Plotter Prints - A2	£4.63	£4.70	1.5%	Non vatable - Service only available via Council
Plotter Prints - A1	£7.00	£7.15	2.1%	Non vatable - Service only available via Council
Plotter Prints - A0	£11.69	£11.90	1.8%	Non vatable - Service only available via Council
Reduction to A4 from A2	£0.00			Service no longer available
Reduction to A4 from A1	£0.00			Service no longer available
Reduction to A4 from A0	£0.00			Service no longer available
Ordnance Survey Block Plans (Location Plan) - fee per sheet of 10 copies	£24.99	£25.50	2.0%	Non vatable - Service only available via Council
Ordnance Survey Block Plans (Location Plan) - fee per set of 3 copies (only for solicitors undertaking search enquiries)	£17.01	£17.35	2.0%	Non vatable - Service only available via Council
Sandwell Street Map	£11.03	£11.25	2.0%	Non vatable - Service only available via Council
Written responses to Planning Permitted Development Enquiries or Requests for information from householders	£32.66	£33.30	2.0%	Charge includes VAT
Written responses to Planning Permitted Development Enquiries or Requests for information from Solicitors, Developers or Professional Agents	£65.31	£66.60	2.0%	Charge includes VAT
Written responses to Building Control Enquiries or Requests for information from householders	£32.66	£33.30	2.0%	Non vatable - Service only available via Council
Written responses to Building Control Enquiries or Requests for information from Solicitors, Developers or Professional Agents	£65.31	£66.60	2.0%	Non vatable - Service only available via Council
Written responses to Planning & Building Control 'Permitted Development' Enquiries or Requests for information from householders	£45.68	£46.60	2.0%	Non vatable - Service only available via Council
Written responses to Planning & Building Control 'Permitted Development' Permitted Development Enquiries or Requests for information from Solicitors, Developers or Professional Agents	£91.40	£93.25	2.0%	Non vatable - Service only available via Council
Charge rate for work in relation to EIR Requests (per hour)	£50.40	£51.40	2.0%	Non vatable - Service only available via Council

**BUILDING CONTROL, PLANNING & PROPERTY SEARCHES**

Service Provided	2024/25 Fee/Charge	2025/26 Fee/Charge	% Increase	Comments
Letter of Compliance (Building Control)	£192.99	£196.85	2.0%	Non vatable - Service only available via Council
Discharge of conditions letter	£127.89	£170.00	32.9%	Non vatable - Service only available via Council
Enforcement Enquiry	£81.51	£100.00	22.7%	Non vatable - Service only available via Council

**COMMUNITY FACILITIES**

Service Provided	2024/25 Fee/Charge	2025/26 Fee/Charge	% Increase	Comments
<b>Large Hall</b>				
Monday to Friday 09.00 – 17.00	£14.60	£14.90	2.1%	
Monday to Friday 17.00 – 23.00	£24.90	£25.40	2.0%	
Weekend and Bank Holiday	£44.30	£45.20	2.0%	
<b>Medium Hall</b>				
Monday to Friday 09.00 – 17.00	£12.50	£12.80	2.4%	
Monday to Friday 17.00 – 23.00	£21.50	£22.00	2.3%	
Weekend and Bank Holiday	£31.50	£32.20	2.2%	
<b>Large Room</b>				
Monday to Friday 09.00 – 17.00	£8.20	£8.40	2.4%	
Monday to Friday 17.00 – 23.00	£10.90	£11.10	1.8%	
Weekend and Bank Holiday	£14.20	£14.50	2.1%	
<b>Small Room</b>				
Monday to Friday 09.00 – 17.00	£6.40	£6.60	3.1%	
Monday to Friday 17.00 – 23.00	£8.50	£8.70	2.4%	
Weekend and Bank Holiday	£12.00	£12.30	2.5%	
<b>Mobility Service</b>				
Membership fee	£21.00	£21.40	1.9%	
Half day visitor charge (3 hour session)	£5.20	£5.30	1.9%	
<b>Lightwoods House</b>				
<b>PEAK TIME MAY, JUNE, JULY AUGUST, SEPT, DEC</b>				
Ceremony on Bandstand/in Long Room Monday-Thursday	£330.80	£337.40	2.0%	
Ceremony on Bandstand/in Long Room Friday and Sunday	£496.10	£506.00	2.0%	
Ceremony on Bandstand/in Long Room Saturdays and Bank Holidays	£606.40	£618.55	2.0%	
Ceremony, reception and evening Monday - Thursday	£1,653.80	£1,686.90	2.0%	
Ceremony, reception and evening Friday and Sunday	£2,480.60	£2,530.20	2.0%	
Ceremony, reception and evening Saturday and Bank Holidays	£3,252.40	£3,317.45	2.0%	
Reception and evening Monday - Thursday	£1,378.10	£1,405.65	2.0%	
Reception and evening Friday and Sunday	£2,039.60	£2,080.40	2.0%	
Reception and evening Saturday and Bank Holidays	£2,480.60	£2,530.20	2.0%	
Ceremony and reception, no evening Monday - Thursday	£1,097.00	£1,118.95	2.0%	
Ceremony and reception, no evening Friday and Sunday	£1,819.10	£1,855.50	2.0%	
Ceremony and reception, no evening Saturday and Bank Holidays	£2,149.90	£2,192.90	2.0%	
<b>OFF PEAK TIMES OCT, NOV, JAN, FEB, MAR, APR</b>				
Ceremony on Bandstand/in Long Room Monday-Thursday	£275.60	£281.10	2.0%	
Ceremony on Bandstand/in Long Room Friday and Sunday	£385.90	£393.60	2.0%	
Ceremony on Bandstand/in Long Room Saturdays and Bank Holidays	£496.10	£506.00	2.0%	
Ceremony, reception and evening Monday - Thursday	£1,378.10	£1,405.65	2.0%	
Ceremony, reception and evening Friday and Sunday	£2,039.60	£2,080.40	2.0%	
Ceremony, reception and evening Saturday and Bank Holidays	£2,480.60	£2,530.20	2.0%	
Reception and evening Monday - Thursday	£1,097.00	£1,118.95	2.0%	
Reception and evening Friday and Sunday	£1,653.80	£1,686.90	2.0%	
Reception and evening Saturday and Bank Holidays	£2,149.90	£2,192.90	2.0%	

Ceremony and reception, no evening Monday - Thursday	£826.90	£843.45	2.0%
Ceremony and reception, no evening Friday and Sunday	£1,378.10	£1,405.65	2.0%
Ceremony and reception, no evening Saturday and Bank Holidays	£1,653.80	£1,686.90	2.0%
Chance Room	£23.70	£24.15	1.9%
Weatherhead Room	£18.70	£19.05	1.9%
Long Room - Bay End	£35.30	£36.00	2.0%
Long Room - Aviary End	£29.80	£30.40	2.0%
Long Room combined	£65.00	£66.30	2.0%
Chance Room (Charges where more staff required)	£44.10	£45.00	2.0%
Weatherhead Room	£33.10	£33.75	2.0%
Long Room - Bay End	£60.60	£61.80	2.0%
Long Room - Aviary End	£49.60	£50.60	2.0%
Long Room combined	£110.30	£112.50	2.0%

**ENVIRONMENT & FLEET**

Service Provided	2024/25 Fee/Charge	2025/26 Fee/Charge	% Increase
<b>Trade Waste Charges - (Standard Pricing Structure provided by Serco - Indicative costs only)</b>			
50 Blue Trade Sacks (including disposal and Waste Transfer Note)	£192.60	£192.60	0.0%
1100 Litre Euro Container	£20.10	£20.10	0.0%
660 Litre Mini Euro Container	£13.70	£13.70	0.0%
360 Litre Mini Euro Container	£9.70	£9.70	0.0%
240 Litre Wheeled bin	£8.30	£8.30	0.0%
50 Sacks - Co-mingled mixed dry recycling (Including disposal and Waste Transfer Note)	£90.30	£90.30	0.0%
240 Litre Co-mingled mixed dry recycling	£6.80	£6.80	0.0%
360 Litre Co-mingled mixed dry recycling	£7.80	£7.80	0.0%
660 Litre Co-mingled mixed dry recycling	£10.40	£10.40	0.0%
1100 Litre Co-mingled mixed dry recycling	£14.60	£14.60	0.0%
FEL Skip GW 4M	£56.40	£56.40	0.0%
FEL Skip GW 6M	£67.70	£67.70	0.0%
FEL Skip GW 8M	£84.70	£84.70	0.0%
Admin Charge/Annual DoC - National Charge	£88.00	£88.00	0.0%
Landfill tax per tonne	£108.50	£108.50	0.0%
<b>Domestic Charges Bulky Collections:</b>			
Fridge/Freezer	£15.10	£15.10	0.0%
Bulky - 1 item	£18.00	£18.00	0.0%
Bulky - 2 to 4 items	£25.00	£25.00	0.0%
Bulky - 5 to 8 items	£50.00	£50.00	0.0%
<b>Garden Waste</b>			
Garden Waste collection - fortnightly annual subscription (27th March to 22 December 2023)	£40.00	£40.00	0.0%
<b>Replacement containers - Lost and stolen:</b>			
180 litre wheeled bin (any type)	£30.00	£30.00	0.0%
240 litre wheeled bin (any type)	£30.00	£30.00	0.0%
360 litre wheeled bin (any type)	£30.00	£30.00	0.0%
Concessionary rate	£6.10	£6.10	0.0%

**FACILITIES MANAGEMENT**

Service Provided	Statute/External Guidance	Hourly Rate /Total Charge	2024/25 Fee/Charge	2025/26 Fee/Charge	% Increase	Comments
<b>Sandwell Council House</b>						
Council Chamber per hour or part thereof, Minimum 2 hours booking	Mon – Fri before 5.30pm	Per Hour	£35.35	£36.05	2.0%	
Council Chamber per hour or part thereof,	Mon – Fri after 5.30pm & weekends	Per Hour	£65.00	£66.30	2.0%	
Annexes, Committee Rooms & Dining Room per hour or part thereof,	Mon – Fri before 5.30pm	Per Hour	£23.96	£24.45	2.1%	
Annexes, Committee Rooms & Dining Room per hour or part thereof,	Mon – Fri after 5.30pm & weekends	Per Hour	£35.35	£36.05	2.0%	
<b>Hire of West Bromwich Town Hall, Wednesbury Town Hall and Smethwick Council House Main Hall</b>						
Community Groups and Charitable Organisations only	Mon – Fri before 5.30pm	Per Hour	No Charge	£10.40	0.0%	Free entrance fee has now ended and will be subject to the appropriate charges as listed.
Community Groups and Charitable Organisations only.	After 9.00 pm and weekends	Per Hour	£60.26	£61.45	2.0%	
External Users per hour or part thereof	Mon – Fri before 5.30pm	Per Hour	£30.97	£31.60	2.0%	
External Users per hour or part thereof	After 5.30 pm and weekends	Per Hour	£60.26	£61.45	2.0%	
<b>Hire of Room accommodating up to 30 persons (WTH Council chamber / WBTH Rooms A,B,C, &amp; Members / Smethwick CH Freemans room)</b>						
Community Groups and Charitable Organisations only	Mon – Fri 9.00am – 9.00pm	Per Hour	No Charge	£10.40	0.0%	Free entrance fee has now ended and will be subject to the appropriate charges as listed.
Community Groups and Charitable Organisations only	After 5.30 pm and weekends	Per Hour	£27.51	£28.05	1.9%	
External Users per hour or part thereof	Mon – Fri before 5.30pm	Per Hour	£21.78	£22.20	1.9%	
External Users per hour or part thereof	After 5.30 pm and weekends	Per Hour	£34.42	£35.10	2.0%	
<b>Hire of Room accommodating above 30 people (WBTH room D &amp; Council Chamber)</b>						
Community Groups and Charitable Organisations only.	Mon – Fri 9.00am – 9.00pm	Per Hour	No Charge	£10.40	0.0%	Free entrance fee has now ended and will be subject to the appropriate charges as listed.
Community Groups and Charitable Organisations only.	After 5.30 pm and weekends	Per Hour	£27.51	£28.05	1.9%	
External Users per hour or part thereof	Mon – Fri before 5.30pm	Per Hour	£21.78	£22.20	1.9%	
External Users per hour or part thereof	After 5.30 pm and weekends	Per Hour	£34.42	£35.10	2.0%	
<b>Weekend Full Site Booking Rate West Bromwich Town Hall</b>						
All Users - All Rooms at Site Option A	Saturday only 8.00am - 11.00pm	Total per Hire	£1,273.57	£1,299.05	2.0%	
All Users - All rooms except Council Chamber Option B	Saturday only 8.00am - 11.00pm	Total per Hire	£1,078.52	£1,100.10	2.0%	
All Users - All Rooms at Site Option A	Sunday only 8.00am - 6.00pm	Total per Hire	£1,273.57	£1,299.05	2.0%	
All Users - All rooms except Council Chamber Option B	Sunday only 8.00am - 6.00pm	Total per Hire	£1,078.52	£1,100.10	2.0%	
<b>Other Hire Charges</b>						
Hire of Kitchen (per function)		Total per Hire	£58.54	£59.70	2.0%	
Hire of Kitchen (per function) - Concession for community		Total per Hire	£29.24	£29.85	2.1%	
Hire of Organ (per function)		Total per Hire	£76.86	£78.40	2.0%	
Hire of Concert Piano (per function)		Total per Hire	£59.65	£60.85	2.0%	
Hire of Upright Piano (per function)		Total per Hire	£35.59	£36.30	2.0%	
Performing Rights Fee		Total per Hire	£0.00	£50.00		Charge to be re-introduced
<b>Cancellation Fee external bookings Only</b>						
Less than 6 days-notice			Full Cost	Full Cost		
7-12 days-notice - cancellation charge			50% charge	50% charge		
13-23 days-notice			25% charge	25% charge		
Over 23 days-notice			nil	nil		
<b>Concessions</b>						
Pensioners Fish & Chip Afternoon @ Wednesbury per annum			£40.10	As above		Concession has now ended and will be subject to the appropriate charges detailed in the lists of charges above.
Pensioners Tea Dance @ Wednesbury per annum			£40.10	As above		Concession has now ended and will be subject to the appropriate charges detailed in the lists of charges above.
Mayors Charity Events			2 events Free of Charge	2 events Free of Charge		

**GREEN SERVICES**

Service Provided	2024/25 Fee/Charge	2025/26 Fee/Charge	% Increase	Comments
<b>Allotments</b>				
Allotment Plot Sandwell Residents	£50.96	£52.00	2.0%	
Allotment Plot non-Sandwell Residents	£101.92	£103.95	2.0%	
Association sites (Charge and rebate per plot)	£38.30	£39.05	1.9%	
<b>Outdoor Pitches-Regular Users (Ex VAT) SANDWELL LEAGUES</b>				
Class A - Pitches with changing facilities	£83.60	£85.25	2.0%	
Class A - Junior - Concessionary Charge	£53.80	£54.90	2.0%	
Class C - Pitch no changing facility	£53.80	£54.90	2.0%	
Mini Soccer/7 a Side - Children's football no changing	£41.80	£42.65	2.0%	
Sandwell Minor League (per season) - Use of pavilion year round	£3,282.30	£3,347.95	2.0%	
Self Managed (per pitch per season)	£262.60	£267.85	2.0%	
<b>Outdoor Pitches-Regular Users (Ex VAT) NON SANDWELL LEAGUES</b>				
Class A - Pitch with changing facilities	£83.60	£85.25	2.0%	
Class A - Junior - Concessionary Charge	£59.70	£60.90	2.0%	
Class C - Pitch no changing facility	£59.70	£60.90	2.0%	
Mini Soccer/7 a Side - Children's football no changing	£47.80	£48.75	2.0%	
Self-Managed (per pitch per season)	£274.60	£280.10	2.0%	
<b>Outdoor Pitches-Casual Users (Inc VAT) SANDWELL LEAGUES</b>				
Class A - Pitch with changing facilities	£119.40	£121.80	2.0%	
Class A - Junior - Concessionary Charge	£53.80	£54.90	2.0%	
Class B	£83.60	£85.25	2.0%	
Class C - Pitch no changing facility	£53.80	£54.90	2.0%	
Closed season/Pre- Season Friendlies (All Users)	£53.80	£54.90	2.0%	
<b>Outdoor Pitches-Casual Users (Inc VAT) NON SANDWELL LEAGUES</b>				
Class A - Pitch with changing facilities	£125.40	£127.90	2.0%	
Class A - Junior - Concessionary Charge	£59.70	£60.90	2.0%	
Class B	£89.60	£91.40	2.0%	
Class C - Pitch no changing facility	£59.70	£60.90	2.0%	
<b>Football Training</b>				
Playing Field only (2 hour session)	£23.90	£24.40	2.1%	
Playing Field & Changing Rooms (2 hour session)	£101.50	£103.55	2.0%	
Pitch overmarking (per pitch)	£23.90	£24.40	2.1%	
<b>Room Hire Changing Rooms and Pavilions</b>				
Barnford/Red House/QE2 Churchfields/Victoria Smethwick (Minimum 2 hours)	£71.70	£73.15	2.0%	
Barnford/Red House/QE2 Churchfields/Victoria Smethwick (per additional hour)	£35.80	£36.50	2.0%	
<b>Coaching/Training Sessions</b>				
Less than 10 students/trainers	£23.20	£23.65	1.9%	
Up to 20 students/trainers (Monday to Friday)	£41.80	£42.65	2.0%	
21 to 50 students/trainers (Monday to Friday)	£59.70	£60.90	2.0%	
51+ students/trainers (Monday to Friday)	£77.60	£79.15	2.0%	
Up to 20 students/trainers (Saturday & Sunday)	£53.80	£54.90	2.0%	
21 to 50 students/trainers (Saturday & Sunday)	£71.70	£73.15	2.0%	
51+ students/trainers (Saturday & Sunday)	£89.60	£91.40	2.0%	
<b>Cricket - Regular Users (Ex VAT) SANDWELL LEAGUES</b>				
Wicket and dressing rooms	£119.40	£121.80	2.0%	
Wicket only - no changing	£89.60	£91.40	2.0%	
Synthetic Wicket	£26.30	£26.85	2.1%	
<b>Cricket - Casual Users (Inc VAT) SANDWELL LEAGUES</b>				
Wicket and dressing rooms	£131.40	£134.05	2.0%	
Wicket only - no changing	£101.50	£103.55	2.0%	
Synthetic Wicket	£32.20	£32.85	2.0%	
<b>Cricket - Regular Users (Ex VAT) NON SANDWELL LEAGUES</b>				
Wicket and dressing rooms	£131.40	£134.05	2.0%	
Wicket only - no changing	£101.50	£103.55	2.0%	
Synthetic Wicket	£33.50	£34.15	1.9%	
<b>Cricket - Casual Users (Inc VAT) NON SANDWELL LEAGUES</b>				
Wicket and dressing rooms	£167.20	£170.55	2.0%	
Wicket only - no changing	£119.40	£121.80	2.0%	
Synthetic Wicket	£41.80	£42.65	2.0%	
<b>Outdoor Activities - Minor Games</b>				
Bowls (per person per hour)	£4.80	£4.90	2.1%	
Bowls (per person per hour) - Concessionary Charge	£2.40	£2.45	2.1%	
Bowls Season Ticket/Club use. Part/self-maintained green	£298.40	£304.35	2.0%	
Bowls Season Ticket/Club use. Council maintained	£930.90	£949.50	2.0%	
<b>Fairs</b>				

**GREEN SERVICES**

Service Provided	2024/25 Fee/Charge	2025/26 Fee/Charge	% Increase	Comments
Up to 4 Adult Rides &/or up to 8 Junior Rides - Mon to Thur	£208.80	£213.00	2.0%	
Up to 4 Adult Rides &/or up to 8 Junior Rides - Fri to Sun (Inc Bank Hols)	£417.70	£426.05	2.0%	
Up to 7 Adult Rides &/or up to 12 Junior Rides - Mon to Thur	£298.40	£304.35	2.0%	
Up to 7 Adult Rides &/or up to 12 Junior Rides - Fri to Sun (Inc Bank Hols)	£596.80	£608.75	2.0%	
8+ Adult Rides and/or 13+ Junior Rides - Mon to Thur	£417.70	£426.05	2.0%	
8+ Adult Rides &/or 13+ Junior Rides - Fri to Sun (inc Bank Hols)	£835.50	£852.20	2.0%	
Build and Break Days (Per Day - non operational days)	£0.50	£0.50	0.0%	
Water Supply	Cost plus 10% admin charge	Cost plus 10% admin charge		
Electricity Supply	Cost plus 10% admin charge	Cost plus 10% admin charge		
<b>Council Event Charges</b>				
Albion Match Day Parking - Per Match (pre-booked)	£5.30	£5.40	1.9%	
Albion Match Day Parking - Per Match (not pre-booked)	£8.40	£8.55	1.8%	
Event Parking - Per Day / Evening (pre-booked)	£5.30	£5.40	1.9%	
Event Parking - Per Day / Evening (not pre-booked)	£8.40	£8.55	1.8%	
Event Parking - Per Day / Evening (Premium Event) - pre-booked	£8.40	£8.55	1.8%	
Event Parking - Per Day / Evening (Premium Event) - not pre booked	£10.50	£10.70	1.9%	
<b>Other Events</b>				
Hire of Bandstand (Full Day)	£119.40	£121.80	2.0%	
Hire of Bandstand (Half Day)	£59.70	£60.90	2.0%	
Filming - TV / Production companies per day	£238.80	£243.60	2.0%	
Event application license fee (commercial event organisers to apply for own license)	£71.70	£73.15	2.0%	
Event manager on the day support (per hour)	£59.70	£60.90	2.0%	
Site fee per day - Community / Charity small (1 - 250 attendees)	£59.70	£60.90	2.0%	
Site fee per day - Community / Charity Med ( 1 ) (250 - 500 attendees)	£119.40	£121.80	2.0%	
Site fee per day - Community / Charity Med ( 2 ) (500 - 1000 attendees)	£238.80	£243.60	2.0%	
Site fee per day - Community / Charity large (1000 - 2000 attendees)	£477.40	£486.95	2.0%	
Site fee per day - Community / Charity Very large (2000 - 5000 attendees)	£716.10	£730.40	2.0%	
Site fee per day - Community / Charity Major (5000 + attendees)	£1,193.50	£1,217.35	2.0%	
Site fee per day - Commercial Event - Very Small (1 - 250 attendees)	£358.10	£365.25	2.0%	
Site fee per day - Commercial Event - Small (250 - 500 attendees)	£596.80	£608.75	2.0%	
Site fee per day - Commercial Event - Medium ( 1 ) (500 - 1000 attendees)	£1,193.50	£1,217.35	2.0%	
Site fee per day - Commercial Event - Large (1000 - 5000 attendees)	£5,967.50	£6,086.85	2.0%	
Site fee per day - Commercial Event - V. Large (5000 - 10000 attendees)	Negotiable	Negotiable		
Site fee per day - Commercial Event - Major (10000 - 20000 attendees)	Negotiable	Negotiable		
Premium Site (Green Flag Park)	20% additional charge	20% additional charge		
* Event Bond is payable 7 days prior to event and applicable to all event application terms and conditions				
<b>Small Event (Under 1,000 per day)</b>				
Concessions / Stalls - Food and Drink	£63.00	£64.25	2.0%	
Concessions / Stalls - Products	£42.00	£42.85	2.0%	
Concessions / Stalls - Community Group / Charity	£21.00	£21.40	1.9%	
<b>Medium Event (1,000 - 4,999 per day)</b>				
Concessions / Stalls - Food and Drink	£84.00	£85.70	2.0%	
Concessions / Stalls - Products	£52.50	£53.55	2.0%	
Concessions / Stalls - Community Group / Charity	£21.00	£21.40	1.9%	
<b>Premium Event (5,000 - 10,000 per day)</b>				
Concessions / Stalls - Food and Drink	£157.50	£160.65	2.0%	
Concessions / Stalls - Products	£84.00	£85.70	2.0%	
Concessions / Stalls - Community Group / Charity	£21.00	£21.40	1.9%	
<b>Event Infrastructure Hire</b>				
Hire of trestle tables (per table)	£6.00	£6.10	1.7%	
Hire metal / wooden stakes (per stake)	£1.80	£1.85	2.8%	
Hire of 6x3m marquee	£71.70	£73.15	2.0%	
Hire of 3x3m marquee	£35.80	£36.50	2.0%	
Hire of chairs	£2.40	£2.45	2.1%	
Hire of megaphone	£12.00	£12.25	2.1%	
Hire of high vis vests	£2.40	£2.45	2.1%	
Hire of hot water urn	£7.10	£7.25	2.1%	
Hire of rope (per metre)	£1.30	£1.35	3.8%	
Hire of crowd control barriers	£4.80	£4.90	2.1%	
Hire of wheelie bins (without litter removal)	£12.00	£12.25	2.1%	
Hire of PA System and microphone	£115.90	£118.20	2.0%	
Hire of vehicle & 2 staff (4 hours)	£358.10	£365.25	2.0%	

**GREEN SERVICES**

Service Provided	2024/25 Fee/Charge	2025/26 Fee/Charge	% Increase	Comments
Hire of vehicle & 2 staff (8 hours)	£716.10	£730.40	2.0%	
<b>Fishing</b>				
Day/Part Day max 2 rods - all Sandwell waters	£7.50	£7.65	2.0%	
Day/Part Day max 2 rods - all Sandwell waters - Concessionary Charge	£4.40	£4.50	2.3%	
Season Ticket - All Sandwell waters	£62.60	£63.85	2.0%	
Season Ticket - All Sandwell waters - Concessionary Charge	£31.40	£32.05	2.1%	
<b>Outdoor Activities - Water Based at Swan Pool</b>				
Long Distance Swimming (per event)	£41.80	£42.65	2.0%	
<b>Sailing and Windsurfing (per boat per annum)</b>				
Club Use	£86.90	£88.65	2.0%	
Club Use - Concessionary Charge	£49.90	£50.90	2.0%	
<b>Sandwell Valley</b>				
Parking Charges (Annual Pass)	£47.80	£48.75	2.0%	
Caravan site (per night per van - minimum charge)	£8.40	£8.55	1.8%	
Horse Grazing only - per horse per week	£23.20	£23.65	1.9%	
Hay Bales - per bale including delivery	£35.80	£36.50	2.0%	
Helicopter Landings (Minimum charge)				
<b>Visitor Centres/Countryside Management Room Hire</b>				
Sandwell Valley Visitor Centre - New Barn - Day	£26.30	£26.85	2.1%	
Sandwell Valley Visitor Centre - New Barn - Evenings	£36.80	£37.55	2.0%	
Sandwell Valley Visitor Centre - Garden View Room - Day	£26.30	£26.85	2.1%	
Sandwell Valley Visitor Centre - Garden View Room - Evenings	£36.80	£37.55	2.0%	
Dartmouth Park Meeting Room - Day	£11.60	£11.85	2.2%	
Dartmouth Park Meeting Room - Evenings	£13.20	£13.45	1.9%	
Sandwell Valley Visitor Centre - Gardens Hire - Day	£94.50	£96.40	2.0%	
Sandwell Valley Visitor Centre - Gardens Hire - evenings	£126.00	£128.50	2.0%	
Sandwell Valley Visitor Centre - Courtyard Hire - Day	£94.50	£96.40	2.0%	
Sandwell Valley Visitor Centre - Courtyard Hire - Evenings	£126.00	£128.50	2.0%	
Sandwell Valley Visitor Centre - Stables Galley - Day	£36.80	£37.55	2.0%	
Sandwell Valley Visitor Centre - Stables Galley - Evenings	£47.30	£48.25	2.0%	
Sandwell Valley Visitor Centre - Full Venue Hire - Day	£367.50	£374.85	2.0%	
Sandwell Valley Visitor Centre - Full Venue Hire - Evenings	£420.00	£428.40	2.0%	
Forge Mill Farm Classroom - Day	£26.30			Fee removed and replaced with new charges for Forge Mill Farm (Below)
Forge Mill Farm Classroom - Evening	£36.80			Fee removed and replaced with new charges for Forge Mill Farm (Below)
Forge Mill Farm - Full Venue Hire - Day	£367.50			Fee removed and replaced with new charges for Forge Mill Farm (Below)
Forge Mill Farm - Full Venue Hire - Evening	£420.00			Fee removed and replaced with new charges for Forge Mill Farm (Below)
Non-Peak Days (Term Time Days)				
Pop Up Shop Hire (Small - per day)	£31.50	£32.15	2.1%	
Pop Up Shop Hire (Large - per day)	£52.50	£53.55	2.0%	
Weekends / Peak Days (Non Term Time Days)				
Pop Up Shop Hire (Small - per day)	£36.80	£37.55	2.0%	
Pop Up Shop Hire (Large - per Day)	£57.80	£58.95	2.0%	
Premium Event Days / Evenings				
Pop Up Shop Hire (Small - per day)	£52.50	£53.55	2.0%	
Pop Up Shop Hire (Large - per Day)	£73.50	£74.95	2.0%	
Cancelled Room Bookings - 14 days notice	£0.50	£0.50	0.0%	
Cancelled Room Bookings - 7 Days Notice	£0.80	£0.80	0.0%	
Cancelled Room Bookings - under 7 days notice	£1.10	£1.10	0.0%	
<b>Sandwell Park Farm &amp; Forge Mill Farm Admission Charges (Off Peak Charges)</b>				
Per Adult per Day	£3.10			Fee removed and replaced with new charges for Forge Mill Farm (Below)
Per Child Per day	£2.50			Fee removed and replaced with new charges for Forge Mill Farm (Below)
Per Day - Concessionary Charge (junior / OAP)	£2.50			Fee removed and replaced with new charges for Forge Mill Farm (Below)
Family ticket (2 adults & up to 3 children)	£12.00			Fee removed and replaced with new charges for Forge Mill Farm (Below)
Family ticket (1 adult & up to 3 children)	£9.60			Fee removed and replaced with new charges for Forge Mill Farm (Below)
12 month pass (individual)	£59.70			Fee removed and replaced with new charges for Forge Mill Farm (Below)
12 month pass (individual) - Concessionary Charge	£41.80			Fee removed and replaced with new charges for Forge Mill Farm (Below)
12 month pass (joint - 2 adults)	£95.60			Fee removed and replaced with new charges for Forge Mill Farm (Below)
12 month pass (joint - 2 adults) - Concessionary Charge	£71.70			Fee removed and replaced with new charges for Forge Mill Farm (Below)
12 month pass (family 2 adults & up to 3 children)	£113.40			Fee removed and replaced with new charges for Forge Mill Farm (Below)
Sandwell Park Farm & Forge Mill Farm Admission Charges (Off Peak Charges)				
Per Adult per Day	£2.10			Fee removed and replaced with new charges for Forge Mill Farm (Below)
Per Child Per day	£1.10			Fee removed and replaced with new charges for Forge Mill Farm (Below)
Per Day - Concessionary Charge (junior / OAP)	£5.30			Fee removed and replaced with new charges for Forge Mill Farm (Below)
Family ticket (2 adults & up to 3 children)	£4.20			Fee removed and replaced with new charges for Forge Mill Farm (Below)
Family ticket (1 adult & up to 3 children)	£13.10			Fee removed and replaced with new charges for Forge Mill Farm (Below)

**GREEN SERVICES**

Service Provided	2024/25 Fee/Charge	2025/26 Fee/Charge	% Increase	Comments
12 month pass (individual)	£21.00			Fee removed and replaced with new charges for Forge Mill Farm (Below)
12 month pass (individual) - Concessionary Charge	£29.40			Fee removed and replaced with new charges for Forge Mill Farm (Below)
12 month pass (joint - 2 adults)	£42.00			Fee removed and replaced with new charges for Forge Mill Farm (Below)
12 month pass (joint - 2 adults) - Concessionary Charge	£33.60			Fee removed and replaced with new charges for Forge Mill Farm (Below)
12 month pass (family 2 adults & up to 3 children)	£97.70			Fee removed and replaced with new charges for Forge Mill Farm (Below)
Summer Pass	£21.00			Fee removed and replaced with new charges for Forge Mill Farm (Below)
<b>Sandwell Valley Visitor Centre (Victorian Gardens and Rabbit Village - Free ticket with min purchase of £5 in café)</b>				
Per Adult per Day	£2.10			Fee removed and replaced with new charges for Forge Mill Farm (Below)
Per Day - Concessionary Charge (junior / OAP)	£1.10			Fee removed and replaced with new charges for Forge Mill Farm (Below)
Family ticket (2 adults & up to 3 children)	£5.30			Fee removed and replaced with new charges for Forge Mill Farm (Below)
Family ticket (1 adult & up to 3 children)	£4.20			Fee removed and replaced with new charges for Forge Mill Farm (Below)
Birthday Parties				Fee removed and replaced with new charges for Forge Mill Farm (Below)
Birthday Parties Minimum Charge (10 children, 2 adults)	£262.50			Fee removed and replaced with new charges for Forge Mill Farm (Below)
Birthday Parties Per Child	£26.30			Fee removed and replaced with new charges for Forge Mill Farm (Below)
Birthday Parties Per Adult	£10.50			Fee removed and replaced with new charges for Forge Mill Farm (Below)
<b>Education Visits</b>				
School Visit (Minimum Charge - 20 students, 2 teachers)	£199.50			Fee removed and replaced with new charges for Forge Mill Farm (Below)
School Visit (Additional Child)	£10.00			Fee removed and replaced with new charges for Forge Mill Farm (Below)
School Visit (Additional Adult)	£7.90			Fee removed and replaced with new charges for Forge Mill Farm (Below)
School Visit (Lunch Package)	£4.70			Fee removed and replaced with new charges for Forge Mill Farm (Below)
<b>West Smethwick Park</b>				
Studio Hire Community Charge (Per Hour)	£17.90	£18.25	2.0%	
Studio Hire Commerical Charge (Per hour)	£23.10	£23.55	1.9%	
Private Hire - upstairs only (per hour)	£62.00	£63.25	2.0%	
Private Hire - upstairs only (per hour - after 8pm)	£77.40	£78.95	2.0%	
Full Venue hire Community Charge	£123.90	£126.40	2.0%	
Full Venue Hire Commerical Charge	£154.90	£158.00	2.0%	
Sons of Rest Community Hire	£11.90	£12.15	2.1%	
Sons of Rest Commercial Hire	£14.90	£15.20	2.0%	
Catering Surcharge (for full venue hire, where our catering is not used) - Minimum Charge	£105.00	£107.10	2.0%	
Catering Surcharge (for full venue hire, where our catering is not used) - Additional per person	£5.30	£5.40	1.9%	
<b>Lightwoods House and Park</b>				
Chance Room (Per Hour) - Weekday	£23.70	£24.15	1.9%	
Chance Room (Per Hour) - Weekend and after 8pm	£44.10	£45.00	2.0%	
Weatherhead Room (per hour) - Weekday	£18.80	£19.20	2.1%	
Weatherhead Room (per hour) - Weekend and after 8pm	£33.10	£33.75	2.0%	
Long Room Combined (per hour) - weekday	£65.10	£66.40	2.0%	
Long Room Combined (per hour) - Weekend and after 8pm	£110.30	£112.50	2.0%	
Shakespeare Gardens (inc. Marquee) - per hour - weekday	£94.50	£96.40	2.0%	
Shakespeare Gardens (inc. Marquee) - per hour - Weekend and after 8pm	£126.00	£128.50	2.0%	
Lightwoods House Full Venue Hire -per hour - Weekday	£315.00	£321.30	2.0%	
Lightwoods House Full Venue Hire -per hour - Weekend and after 8pm	£420.00	£428.40	2.0%	
<b>Other Charges</b>				
Memoral Bench (purchase of standard bench and install)	£2,047.50	£2,088.45	2.0%	
<b>Weddings</b>				
Lightwoods Park and House - Package One (Max 30 people)	£1,500.00	£1,530.00	2.0%	
Lightwoods Park and House - Package Two (Max 60 people)	£2,000.00	£2,040.00	2.0%	
Lightwoods Park and House - Engagement and Shoot (Per Hour)	£175.00	£178.50	2.0%	
Drinks Reception (£12pp)	£12.00	£12.25	2.1%	
Canapes (4 Canapes per person)	£13.00	£13.25	1.9%	
Chiffon Chair Drapes	£1.25	£1.30	4.0%	
Haden Hill House - Package 1 (Max 4 people)	£650.00	£663.00	2.0%	
Haden Hill House - Package 2 (Max 36 people)	£1,000.00	£1,020.00	2.0%	
Sandwell Valley Visitor Centre - Package 1 (Max 40)	£1,500.00	£1,530.00	2.0%	
Sandwell Valley Visitor Centre - Package 2 (Max depends on Marquee)	£2,500.00	£2,550.00	2.0%	
Sandwell Valley Visitor Centre - Package 3 (Max 200+)	£5,000.00	£5,100.00	2.0%	
West Smethwick Park Pavilion - Max 50 people	1000	£1,020.00	2.0%	

**Proposed Charges**

**GREEN SERVICES**

Service Provided	2024/25 Fee/Charge	2025/26 Fee/Charge	% Increase	Comments
<b>Forge Mill Farm- Visits</b>				
Per Adult per Day	£5.50	£5.50	0.0%	24/25 prices were increased in July 2024 (individual charges increased by £1)
Per Child Per day (age 2-14)	£6.50	£6.50	0.0%	24/25 prices were increased in July 2024 (individual charges increased by £1)
Per Day - Concessionary Charge	£4.50	£4.50	0.0%	24/25 prices were increased in July 2024 (individual charges increased by £1)
Family ticket (2 adults & up to 3 children)	£27.00	£27.00	0.0%	24/25 prices were increased in July 2024 (individual charges increased by £1)
Family ticket (1 adult & up to 3 children)	£21.00	£21.00	0.0%	24/25 prices were increased in July 2024 (individual charges increased by £1)
Play Barn session (age 2-14)		£3.00	0.0%	24/25 prices were increased in July 2024 (individual charges increased by £1)
Special Event Prices per person (Variable)		Up to £45	0.0%	
<b>Forge Mill Farm/Sandwell Valley- Education and outreach</b>				
School visit- Welly to Belly/ Great Outdoor Challenge (Base rate- Includes up to 20 students and 2 teachers)	£190.00	£250.00	31.6%	
W2B/GOC Additional Child/Adult	£9.50	£9.50	0.0%	
Farmer or Ranger for the day (Base rate- Includes up to 10 students and 4 teachers)	£190.00	£250.00	31.6%	
Farmer/ranger Additional Child/Adult	£11.50	£11.50	0.0%	
Out of hours group visits (Base rate- Includes up to 25 participants and 3 leaders)		£350.00	0.0%	
Out of hours Additional Child/Adult (first 60)		£9.50	0.0%	
Out of hours Additional Child/Adult (over 60)		£7.50	0.0%	
<b>Forge Mill Farm- Other Bookings</b>				
Birthday Party Base Rate (includes 10 children farm plus play tickets, kids' lunch boxes, 5 adults and party room for 2 hours)		£250.00		
Birthday Party- Additional child		£18.00		
Birthday Party- Additional adult		£5.50		
Natural Play barn classroom Booking (Term time, day time) Whole day		£100.00		
Natural Play barn classroom Booking (Holiday/ weekends/After Hours)		£140.00		
Natural Play Barn Booking After hours (2 hours)		£450.00		
Event field and grass car park booking		£1,000.00		

**HIGHWAYS**

Service Provided	2024/25 Fee/Charge	2025/26 Fee/Charge	% Increase	Comments
<b>Highways Act 1980</b>				
Section 171 Consent for making of excavations in the Street Administration & Inspection Fee (excluding footway crossings)	£925.00	£925.00	0.0%	
Section 139 Control of builders skips. Consideration of an application to deposit a builders skip on the public highway for up to 10 days.	£46.00	£46.00	0.0%	
Section 139 Control of builders skips. Consideration of an application to renew a permit to deposit a builders skip on the public highway charge for each and every subsequent period of up to 10 days.	£29.00	£29.00	0.0%	
Retrospective Skip Permit Fee	£220.00	£220.00	0.0%	
Section 169 & 172 Control of hoarding and scaffolding. Consideration of an application to deposit scaffolding and hoarding on the public highway for up to 90 days	£275.00	£275.00	0.0%	
Section 115E Control of street cafes tables and chairs. Consideration of an application to deposit tables and chairs on the public highway (charge for an annual licence)	£340.00	£340.00	0.0%	
Section 177 Consideration of a temporary application to deposit a crane on the public highway (charge for each licence issued)	£145.00	£145.00	0.0%	
Section 177 Consideration of a permanent application for highway projections (charge for each licence issued)	£340.00	£340.00	0.0%	
<b>Footway Crossing</b>				
Footway Crossing inspection and Supervisory Fee. *Fee approved by Cabinet Member at his meeting on 17th October 2008.	£250.00	£250.00	0.0%	
<b>Street Naming and Numbering</b>				
Street Naming - Section 17 of the Public Health Act 1925	£270.00	£270.00	0.0%	
Property Numbering - Section 64 of the Town Improvement Clauses Act 1847	£170 plus £30 per plot	£170 plus £30 per plot		
	£30.00	£30.00	0.0%	
Highway Plans (showing the extent of the public highway)	£75.00	£75.00	0.0%	
General Highway Enquiry	n/a	n/a		
<b>Traffic Signals</b>				
Consideration of application for switch on/off of traffic signals on Week days	£275.00	£275.00	0.0%	
Consideration of application for switch on/off of traffic signals at Weekends	£750.00	£750.00	0.0%	
<b>Road Traffic Regulation Act 1984</b>				
Section 14(1) or 16(A) temporary traffic order restricting or prohibiting temporary use of all or part of a road.	£2,540.00	£2,540.00	0.0%	
Section 14(2) or 16(A) by Notice restrict Or temporarily prohibit use of all or part of a road if necessary by expedient.	£1,270.00	£1,270.00	0.0%	
<b>Section 38 Agreement</b>				
% of estimated construction costs of highways and sewers in conjunction with road adoptions. Minimum charge of £2000	4% in advance for technical appraisal 6% for supervision on signing the agreement	4% in advance for technical appraisal 6% for supervision on signing the agreement		
<b>Section 278 Agreement</b>				
% of estimated construction costs of highways and sewers in conjunction with road adoptions , Minimum charge of £2000	4% in advance for technical appraisal 6% for supervision on signing the agreement	4% in advance for technical appraisal 6% for supervision on signing the agreement	0.0%	
Technical Appraisal for Private Road - % of estimated construction costs of highways and sewers in conjunction with road adoptions. Minimum charge of £1000	£0.04	£0.04	0.0%	
Land Drainage Consent under S23 of Land Drainage Act 1991	£50.00	£50.00	0.0%	
<b>Highways</b>				
Section 50 Street Works Licence (Standard), (Licence to person without a statutory right to place, retain and remove apparatus in the street)	n/a	n/a		
S50 Administration & Inspection Fee (of which £150 is nationally agreed inspection fee)	£925.00	£925.00	0.0%	
S72 Defective Reinstatement Inspection charges (nationally agreed 3 x £47.50)	£142.50	£142.50	0.0%	
S72 Third Party Inspection Fee (nationally agreed)	£204.00	£204.00	0.0%	
<b>Permit Fees</b>				
Major	£40 - £218	£40 - £218		
Standard	£73 - £117	£73 - £117		
Minor	£40 - £53	£40 - £53		
Section 74 Overrun	£250 to £10,000 per day	£250 to £10,000 per day		
<b>Off Street Car Parking Charges - Long Stay Season Tickets</b>				
Annual All Areas 1 Nominated day per week (West Bromwich - Season Ticket A)	£80.00	£80.00	0.0%	
Annual All Areas 2 Nominated days per week (West Bromwich - Season Ticket A)	£190.00	£190.00	0.0%	
Annual All Areas 3 Nominated days per week (West Bromwich - Season Ticket A)	£360.00	£360.00	0.0%	

**HIGHWAYS**

Service Provided	2024/25 Fee/Charge	2025/26 Fee/Charge	% Increase	Comments
Annual All Areas 4 Nominated days per week (West Bromwich - Season Ticket A)	£530.00	£530.00	0.0%	
Annual All Areas 5 Nominated days per week (West Bromwich - Season Ticket A)	£700.00	£700.00	0.0%	
Monthly All Areas 1 Nominated day per week (West Bromwich - Season Ticket A)	£8.00	£8.00	0.0%	
Monthly All Areas 2 Nominated days per week (West Bromwich - Season Ticket A)	£19.00	£19.00	0.0%	
Monthly All Areas 3 Nominated days per week (West Bromwich - Season Ticket A)	£36.00	£36.00	0.0%	
Monthly All Areas 4 Nominated days per week (West Bromwich - Season Ticket A)	£53.00	£53.00	0.0%	
Monthly All Areas 5 Nominated days per week (West Bromwich - Season Ticket A)	£70.00	£70.00	0.0%	
Annual Outside West Bromwich 1 Nominated day per week (Season Ticket B)	£50.00	£50.00	0.0%	
Annual Outside West Bromwich 2 Nominated days per week (Season Ticket B)	£125.00	£125.00	0.0%	
Annual Outside West Bromwich 3 Nominated days per week (Season Ticket B)	£250.00	£250.00	0.0%	
Annual Outside West Bromwich 4 Nominated days per week (Season Ticket B)	£350.00	£350.00	0.0%	
Annual Outside West Bromwich 5 Nominated days per week (Season Ticket B)	£500.00	£500.00	0.0%	
Monthly Outside West Bromwich 1 Nominated day per week (Season Ticket B)	£5.00	£5.00	0.0%	
Monthly Outside West Bromwich 2 Nominated days per week (Season Ticket B)	£12.50	£12.50	0.0%	
Monthly Outside West Bromwich 3 Nominated days per week (Season Ticket B)	£25.00	£25.00	0.0%	
Monthly Outside West Bromwich 4 Nominated days per week (Season Ticket B)	£35.00	£35.00	0.0%	
Monthly Outside West Bromwich 5 Nominated days per week (Season Ticket B)	£50.00	£50.00	0.0%	
<b>Car Parking General</b>				
Waivers up to 7 days	£16.56	£16.56	0.0%	
Waivers after/longer than 7 days	£7.93	£7.93	0.0%	
Suspensions	£75.67	£75.67	0.0%	
<b>West Bromwich Town Centre - Off Street Pay &amp; Display plus on street Long Stay Shaftsbury Street</b>				
Up to 30 minutes	£0.80	£0.80	0.0%	
Up to 1 hour	£1.40	£1.40	0.0%	
Up to 2 hours	£2.40	£2.40	0.0%	
Up to 3 hours	£3.40	£3.40	0.0%	
Up to 4 hours	£4.40	£4.40	0.0%	
Long Stay - Over 4 hours	£9.00	£9.00	0.0%	
<b>Outside West Bromwich - Off Street Pay &amp; Display plus on street Long Stay at Albert Street and Stafford Street, Wednesbury</b>				
Up to 30 minutes	£0.40	£0.40	0.0%	
Up to 1 hour	£0.70	£0.70	0.0%	
Up to 2 hours	£1.20	£1.20	0.0%	
Up to 3 hours	£1.70	£1.70	0.0%	
Up to 4 hours	£2.20	£2.20	0.0%	
Long Stay - Over 4 hours	£5.00	£5.00	0.0%	
<b>All Areas - Short stay On Street Pay &amp; Display</b>				
Up to 15 minutes	£0.30	£0.30	0.0%	
Up to 30 minutes	£0.60	£0.60	0.0%	
Up to 1 hour	£1.20	£1.20	0.0%	
1 – 2 hours	£2.40	£2.40	0.0%	
<b>Parking Permit, Voucher and regulation charges</b>				
1 <sup>st</sup> Residents Permit	£46.34	£46.34	0.0%	
2 <sup>nd</sup> Residents Permit	£54.05	£54.05	0.0%	
Authorised replacement of all Permits	£19.32	£19.32	0.0%	
20 – 2 Hour Visitors Vouchers	£10.35	£10.35	0.0%	
10 – 6 Hour Visitors Vouchers	£11.61	£11.61	0.0%	
Weekly Visitor Voucher	£11.61	£11.61	0.0%	
Business Permit (Annual)(In resident Scheme areas)	£257.60	£257.60	0.0%	
3rd Residents Permit	£128.80	£128.80	0.0%	
advisory disabled markings	£110.00	£110.00	0.0%	
"H" BAR MARKINGS	£110.00	£110.00	0.0%	
Parents annual parking permit charges for P& D car parks for limited period AM and PM	£51.52	£51.52	0.0%	
TRO MAKING - Statutory process, adverts, public consultation, procure & install road signs, road lines etc.	£5,922.50	£5,922.50	0.0%	
Resident permit for commercial vehicles	£154.56	£154.56	0.0%	
Bikeability session cancellation charges to schools per session	£334.88	£334.88	0.0%	
Event Parking Off Street	£10.00	£10.00	0.0%	
Event Parking On Street	£10.00	£10.00	0.0%	
Bikeability session per child	£15.41	£15.41	0.0%	

**PRIVATE SECTOR HOUSING**

Service Provided	2024/25 Fee/Charge	2025/26 Fee/Charge	% Increase	Comments
<b>Licensing of Houses in Multiple Occupation</b>				
Initial licence fee	£1,001.00	£1,021.00	2.0%	No VAT charged
Renewal licence fee	£713.00	£727.25	2.0%	No VAT charged
Discount for second and subsequent properties	£55.00	£56.10	2.0%	
Discount for MLAS membership	£165.00	£168.30	2.0%	
Discount for membership of Landlord Association	£55.00	£56.10	2.0%	
<b>Charges for Housing Act 2004 Enforcement Action</b>				
Charge per hour based on officer grade, eg SCP 31	£35.67	£36.40	2.0%	
<b>Immigration Entry Clearance Inspections</b>				
Charges for House Surveys in support of UK Entry Clearance Applications	£105.00	£107.10	2.0%	+ VAT
<b>Offences under The Smoke and Carbon Monoxide Alarm (England) Regulations 2015</b>				
First offence	£1,000.00	£1,000.00	0.0%	Fixed by Government
Second offence	£2,500.00	£2,500.00	0.0%	Fixed by Government
Three or more offences	£5,000.00	£5,000.00	0.0%	Fixed by Government
<b>Offences under The Redress Schemes for Letting Agency Work and Property Management Work (Requirement to Belong to a Scheme etc) (England) Order 2014</b>				
Failure of letting agent to register with redress scheme	£5,000.00	£5,000.00	0.0%	Fixed by Government
<b>Financial Penalties imposed under Housing Act 2004</b>				
<b>Failure to comply with an Improvement Notice (Section 30)</b>				
1st offence	£5,000.00	£5,000.00	0.0%	Fixed by Government
2nd subsequent offence by same person/company	£15,000.00	£15,000.00	0.0%	Fixed by Government
Subsequent offences by same person/company	£25,000.00	£25,000.00	0.0%	Fixed by Government
<b>Offences in relation to licensing of HMOs under Part 2 of the Act</b>				
Failure to obtain property Licence (section 72(1))	£10,000.00	£10,000.00	0.0%	Fixed by Government
2nd subsequent offence by same person / company	£30,000.00	£30,000.00	0.0%	Fixed by Government
Breach of Licence conditions (Section 72(2) and (3)) - Per licence breach	£5,000.00	£5,000.00	0.0%	Fixed by Government
<b>Offences in relation to licensing under Part 3 of the Act (Section 95)</b>				
Failure to Licence (section 95(1))	£10,000.00	£10,000.00	0.0%	Fixed by Government
2nd subsequent offence by same person / company	£30,000.00	£30,000.00	0.0%	Fixed by Government
Breach of Licence conditions (Section 95(2)) - Per licence breach	£5,000.00	£5,000.00	0.0%	Fixed by Government
<b>Offences of contravention of an overcrowding notice (section 139)</b>				
1st relevant offences	£1,000.00	£1,000.00	0.0%	Fixed by Government
2nd subsequent offence by same person/company	£4,000.00	£4,000.00	0.0%	Fixed by Government
<b>Failure to comply with management regulations in respect of HMOs (Section 234)</b>				
1 <sup>st</sup> relevant offences - per offence	£1,000.00	£1,000.00	0.0%	Fixed by Government
Second subsequent offences by same person/company for the same offence	£3,000.00	£3,000.00	0.0%	Fixed by Government

**GARAGES**

Service Provided	2024/25 Fee/Charge	2025/26 Fee/Charge	% Increase	Comments
Sandwell Council tenants/occupants of Sandwell Council properties and leaseholders	£12.13	£12.37	2.0%	Charges are per week
Non-Council tenants/occupants	£14.56	£14.85	2.0%	Charges are per week

**Home Ownership - Leasehold**

Service Provided	2024/25 Fee/Charge	2025/26 Fee/Charge	% Increase
Repsonsers to LPE1 Questionnaires	£99.23	£101.21	2.0%
Notice of Postponement	£150.00	£153.00	2.0%
Notice of Assignment	£10.00	£10.20	2.0%
Copy of Lease Agreement	£10.00	£10.20	2.0%

**LEGAL SERVICES**

Service Provided	2024/25 Fee/Charge	2025/26 Fee/Charge	% Increase	Comments
<b>Legal and Governance- Legal</b>				
External schools trading ended rate blended (per Hour)	£99.44	£101.45	2.0%	The fees exclude VAT. VAT has to be applied where applicable
External charges for administrative work (per Hour)schools	£60.87	£62.10	2.0%	
External legal charges for legal assistance (per Hour)school	£84.71	£86.40	2.0%	
External legal charges for solicitor (per Hour)schools	£102.54	£104.60	2.0%	
External legal charge for advocatesolicitor (per Hour) school	£109.69	£111.90	2.0%	
External legal charges for manager (per Hour)school	£120.48	£122.90	2.0%	
Legal charges for service manager (per Hour)	£135.70	£138.40	2.0%	
HRA housing possessions fixed fee stage 1	£111.11	£113.35	2.0%	
HRA Possessions stage 2 court	£157.90	£161.05	2.0%	
HRA Possessions stage 3 re start	£58.49	£59.65	2.0%	
HRA possessions stage 4 warrant	£105.26	£107.35	2.0%	
HRA stage 5 ASWOP	£182.46	£186.10	2.0%	
External legal fire (per hour) manager	£100.12	£102.10	2.0%	
External legal fire (per hour) solicitor advocate	£90.60	£92.40	2.0%	
External legal fire (per hour) solicitor	£87.10	£88.85	2.0%	
external legal fire (per our) snr legal assistant	£66.76	£68.10	2.0%	
eternal legal fire (per hour) admin	£52.52	£53.55	2.0%	
S106 agreements	£163.52	£166.80	2.0%	
Highway act agreements s38, 278 116	£163.52	£166.80	2.0%	

## LIBRARIES &amp; ARCHIVES

ALL - including VAT where applicable

Service Provided	2024/25 Fee/Charge	2025/26 Fee/Charge	% Increase	Comments
<b>Reservation fee – in stock and purchased for stock</b>				
Standard charge				Fees no longer exist - Free of charge
Concessionary charge				Fees no longer exist - Free of charge
<b>Reservation fee – not in stock (ie. Inter library loan and includes journal articles)</b>				
Standard charge	£6.00			Service no longer available
Concessionary charge	£3.00			Service no longer available
<b>Photocopying/computer print outs</b>				
B&W per A4 sheet	£0.28	£0.30	7.1%	
B&W per A3 sheet	£0.56	£0.60	7.1%	
Colour per A4 sheet	£1.70	£1.75	2.9%	
Colour per A3 sheet	£2.50	£2.55	2.0%	
<b>Computer printouts</b>				
B&W per A4 sheet	£0.26	See above		Fee merged into Photocopying/computer print outs fees (Rows above)
B&W per A3 sheet	£0.53	See above		Fee merged into Photocopying/computer print outs fees (Rows above)
Colour per A4 sheet	£1.60	See above		Fee merged into Photocopying/computer print outs fees (Rows above)
Colour per A3 sheet	£2.10	See above		Fee merged into Photocopying/computer print outs fees (Rows above)
<b>Overdue, lost and damaged items</b>				
<b>Fines per item, per day (all items except CDs and DVDs)</b>				
Concessionary charge				Fees no longer exist - Free of charge
<b>Overdue reminders letter</b>				
Email / Text message	£0.00	£0.00	0.0%	
Postal	£1.80	£1.85	2.8%	
<b>Replacement Library card – (children no charge)</b>				
Standard charge	£2.25	£2.30	2.2%	
Concessionary charge	£2.25	£2.30	2.2%	
<b>Lost items – (under 5's no charge)</b>				
Standard charge	Full replacement charge	Full replacement charge		
Concessionary charge	50% replacement charge	50% replacement charge		
<b>Damaged items – (under 16's no charge)</b>				
Standard charge	Full replacement charge	Full replacement charge		
Concessionary charge	50% replacement charge	50% replacement charge		
<b>Author Events (outside opening hours)</b>				
Standard charge	£10.00	£10.20	2.0%	
Concessionary charge	£7.50	£7.65	2.0%	
<b>Commercial Room hire (during opening hours)</b>				
Small room	£13.50	£13.75	1.9%	
Large room	£22.50	£22.95	2.0%	
Main library	£29.00	£29.60	2.1%	
<b>Refreshment sales</b>				
Hot drinks from machines	£1.35			Fees no longer exist - Free of charge as part of Welcoming Spaces initiative
Alcohol at evening events	£5.00 per item	£5.00 per item		
<b>Archives Service</b>				
<b>Photocopying</b>				
A4 B&W	£0.40	£0.40	0.0%	
A3 B&W	£0.80	£0.80	0.0%	
A4 Colour	£2.00	£2.05	2.5%	
A3 Colour	£3.00	£3.05	1.7%	
<b>Microprint – self service</b>				
A4	£1.50	£1.55	3.3%	
<b>Microprint – orders</b>				
A4	£6.50	£6.65	2.3%	
Photographs	£12.00	£12.25	2.1%	
<b>Camera Licence</b>				
One day	£6.50	£6.65	2.3%	
One week	£20.00	£20.40	2.0%	
<b>Post &amp; packing</b>				
UK	£6.50	£6.65	2.3%	
Overseas	6.50 + postage	6.60 + postage	23.8%	
Research service per 30 minutes	£30.00	£30.60	2.0%	

## LIBRARIES &amp; ARCHIVES

ALL - including VAT where applicable

Service Provided	2024/25 Fee/Charge	2025/26 Fee/Charge	% Increase	Comments
<b>Replacement archives card</b>				
Standard charge	£2.25	£2.30	2.2%	
Freedom of Information searches in closed records	£30.00	£30.60	2.0%	
Certified / authenticated copies of records	£17.00	£17.35	2.1%	
Talks to external groups minimum charge	£90.00	£91.80	2.0%	
Image display in commercial premises	£125.00	£127.50	2.0%	
Commercial publication* (print and digital) Maximum 10 images, 50% reduction for local history societies/community groups	£300.00	£306.00	2.0%	
TV/Radio broadcast (minimum charge)	£350.00	£357.00	2.0%	
TV/Radio broadcast (maximum charge)	£350.00	£357.00	2.0%	

**MARKETS & STREET TRADING**

Service Provided	2024/25 Fee/Charge	2025/26 Fee/Charge	% Increase	Comments
<b>Market Fees</b>				
<b>New Market - Fees Nominal Small Stall</b>	£364.61	£371.90	2.0%	50% concession to be provided to West Bromwich Indoor Market stallholders until 31/07/25
Fee if settled by 15th day of month	£350.02	£357.00	2.0%	
<b>New Market Fees Nominal Large Stall</b>	£729.21	£743.80	2.0%	
Fee if settled by 15th day of month	£700.04	£714.05	2.0%	
<b>New Market - miscellaneous fees</b>				
Indoor Market Fees 50% discount off all indoor market stall fees from 1/4/24 to 31/07/25 or until the market is relocated if before 31/07/25. Discount applies to traders who are NOT in arrears. This only applies to the current kings square site.				
Concessionary discount off standard fee - Fee for occupancy of new market hall stall on a temporary weekly basis by registered charity	Free of Charge	Free of Charge		
Maximum kit out time of 4 weeks for new traders occupying stalls within the new market hall subject to the manager's discretion	Free of Charge	Free of Charge		
Use of vacant stalls within new market hall for charitable or arts based purposes if deemed to be in the interest of the market by the markets manager	Free of Charge	Free of Charge		
Additional empty stalls allocated to existing stall holders on rolling one week agreement	Free of Charge	Free of Charge		
<b>New Market - Car Parking Fee</b>				
Yearly (payable quarterly in 4 instalments)	£94.94	£96.85	2.0%	
<b>WEST BROMWICH OPEN MARKET - Casual Traders and Regular (daily charge including parking fee of £1.78)</b>				
Monday Regular 10FT	£18.85	£19.25	2.1%	
Monday Regular 8FT	£15.50	£15.80	1.9%	
Monday Casual 10FT	£19.41	£19.80	2.0%	
Monday Casual 8FT	£15.96	£16.30	2.1%	
Monday 8FT Storage	£6.81	£6.95	2.1%	
Monday 10FT Storage	£8.46	£8.65	2.2%	
Tuesday / Thursday Regular 10FT	£23.56	£24.05	2.1%	
Tuesday / Thursday Regular 8FT	£19.25	£19.65	2.1%	
Tuesday / Thursday Casual 10FT	£24.19	£24.65	1.9%	
Tuesday / Thursday Casual 8FT	£19.76	£20.15	2.0%	
Tuesday / Thursday 8FT Storage	£8.69	£8.85	1.8%	
Tuesday / Thursday 10FT Storage	£10.84	£11.05	1.9%	
Wednesday / Friday Regular 10FT	£24.86	£25.35	2.0%	
Wednesday / Friday Regular 8FT	£20.32	£20.75	2.1%	
Wednesday / Friday Casual 10FT	£25.44	£25.95	2.0%	
Wednesday / Friday Casual 8FT	£20.72	£21.15	2.1%	
Wednesday / Friday 8FT Storage	£9.20	£9.40	2.2%	
Wednesday / Friday 10FT Storage	£11.47	£11.70	2.0%	
Saturday Regular 10FT	£34.64	£35.35	2.0%	
Saturday Regular 8FT	£28.00	£28.55	2.0%	
Saturday Casual 10FT	£35.10	£35.80	2.0%	
Saturday Casual 8FT	£28.44	£29.00	2.0%	
Saturday 8FT Storage	£13.06	£13.30	1.8%	
Saturday 10FT Storage	£16.29	£16.60	1.9%	
<b>FOOD STREET TRADER FEE PRINCESS PARADE, WEST BROMWICH HIGH STREET</b>				
Food street trader (annual fee 7 days per week)	£9,544.28	£9,735.15	2.0%	
Food Street trader (daily fee)	£26.15	£26.65	1.9%	
<b>WEDNESBURY MARKET STANDARD FEES</b>		£0.00		
Tuesday - Standard pitch	£14.14	£14.40	1.8%	
Friday Standard pitch	£7.32	£7.45	1.8%	

**MARKETS & STREET TRADING**

Service Provided	2024/25 Fee/Charge	2025/26 Fee/Charge	% Increase	Comments
Saturday - Standard pitch	£6.02	£6.15	2.2%	
Charity Stalls	50% discount	50% discount		
<b>OLDBURY MARKET</b>				
Standard pitch on Monday, Tuesday, Wednesday Thursday, Friday, Saturday	£7.32	£7.45	1.8%	
<b>GREAT BRIDGE MARKET</b>				
Standard pitch on Wednesday, Saturday	£7.32	£7.45	1.8%	
<b>ENTERTAINMENTS AREA - WEST BROMWICH TOWN CENTRE</b>				
Type ENT 3/NS3 - Monday, Tuesday	£85.62	£87.35	2.0%	
Type ENT 3/NS3 - Saturday	£120.37	£122.80	2.0%	
Type ENT 3/NS 3 - Wednesday, Thursday, Friday	£97.65	£99.60	2.0%	
Type ENT 1,2,4,5,6 (Sides) - Monday, Tuesday	£79.60	£81.20	2.0%	
Type ENT 1,2,4,5,6 (Sides) - Saturday	£109.69	£111.90	2.0%	
Type ENT 1,2,4,5,6 (Sides) - Wednesday, Thursday, Friday	£91.58	£93.40	2.0%	
<b>CHARITABLE CAR BOOT SALE/NOT FOR PROFIT LICENCE FEE</b>				
Up to 30 traders per event and up to 6 events within a 12 month period when all booked at the same time. Additions by Market Management discretion.	£23.39	£23.85	2.0%	
<b>SPECIAL EVENTS</b>				
Car Boot Sale small pitch	£6.02	£6.15	2.2%	
Car Boot Sale large pitch	£9.60	£9.80	2.1%	
Speciality market up to 1 week	£602.36	£614.40	2.0%	
Speciality festive market each side of Entertainment Area West Brom High Street	£1,807.10	£1,843.25	2.0%	
Commercial Daily Consent Fee per event for new approved temporary indoor markets up to a maximum of 30 traders. Additions by Market Management discretion.	£20.00	£20.40		
Public Toilets	£0.20	£0.20	0.0%	Electronic cash collection restricts coinage use
Speciality market one week trial period	£0.00			
<b>WEST BROMWICH TOWN CENTRE</b>				
Town centres street trading on Consent Streets following granting of consent for a days trading (excluding food traders on Princess Parade, West Bromwich)	£19.30	£19.70	2.0%	
<b>REST OF BOROUGH</b>				
Daily Street Trading cost (eg Wednesbury non market day per pitch)	£19.30	£19.70	2.1%	
Type B1 ( Eg Bearwood)	£4,215.75	£4,300.05	2.0%	
Type W1 (Eg adj.Clocktower, Union Street Wednesbury)	£4,215.75	£4,300.05	2.0%	
Type O1 (Eg Mkt Place 1990, Oldbury)	£2,810.40	£2,866.60	2.0%	
Type C1 (Eg Cemeteries)	£1,405.06	£1,433.15	2.0%	
Type S1 (Eg Stone Cross)	£1,405.06	£1,433.15	2.0%	
Type N1 (Eg Newton Road)	£6,017.77	£6,138.15	2.0%	
Type O2 (Eg Town Square, Oldbury)	£2,355.83	£2,402.95	2.0%	

**MUSEUMS & ART**

Service Provided	2024/25 Fee/Charge	2025/26 Fee/Charge	% Increase	Comments
<b>Haden Hill House</b>				
<b>Large room (up to 40 people)</b>				
9am - 4.30pm	£166.00	£169.30	2.0%	
half day am or pm	£75.00	£76.50	2.0%	
evenings per hour 6pm - 9pm (min 3 hours)	£56.00	£57.10	2.0%	
weekends	£83.00-£182.00	£85.00-£186.00	5.0%	
<b>Small Room (up to 15 people)</b>				
9am - 4.30pm	£100.00	£102.00	2.0%	
half day am or pm	£50.00	£51.00	2.0%	
evenings per hour 6pm - 9pm (min 3 hours)	£50.00	£51.00	2.0%	
weekends	£66.15 or £115.75	£67.5 or £118	5.0%	
<b>Craft Room (up to 15 people)</b>				
minimum booking 3 hrs 10% discount for block bookings per 10 payable in advance				
As small room	see above	see above		
<b>Room hire for wedding/ commitment ceremonies</b>				
wedding fee (seasonal and peak hours ) (2 hour package)	£276.20-£564.90	£281.72 - £576.20	0.0%	
per hour additional hour (including on-site photography)	£27.30- £56.20	£27.85 - £57.32		
<b>Bromwich Hall</b>				
<b>Great Hall per hour</b>				
weekday charge hourly	£29.00	£29.60	2.0%	
weekend and bank holiday hourly charge	58	£59.15	2.0%	
<b>Wednesbury Museum &amp; Art Gallery</b>				
<b>Private Bookings clubs &amp; societies</b>				
9am -5pm weekdays min	£84.00	£85.70	2.0%	
9am-5pm weekdays max	£168.00	£171.35	2.0%	
Evening (after 5 pm) and Weekends - additional hour rate	£36.80	£37.55	2.0%	
<b>Museum Art Groups</b>				
Per person, per session , Price includes materials and refreshments	£6.20	£6.30	1.6%	
<b>Oak House Museum -</b>				
<b>Oak House Museum - Classroom Hire</b>				
Monday to Friday 9am-4.30pm (per hour)	£18.90- £35.70	£19.30 - £36.40	0.0%	
Oak House weddings/commitment services	£420.00	£428.40	2.0%	
Fee including photographs -				
wedding photo fee (no ceremony) per hour	£47.30	£48.25	2.0%	
<b>Bishop Asbury Cottage - Pre booked tours</b>				
Price per person, min. 10 people (Price includes information material)	£5.80	£5.90	1.7%	
<b>Adult Tours (all sites)</b>				
Within Opening Hours Minimum Fee per Group (minimum of 10 people)	£75.00	£76.50	2.0%	
a) Within Opening Hours Minimum Fee per person in the Group	£3.70	£3.75	1.4%	
b) Within Opening Hours Maximum Fee per person in the Group	£8.40	£8.55	1.8%	
Outside Opening Hours Minimum Fee per Group (minimum of 10 people)	£73.50	£74.95	2.0%	
a) Outside Opening Hours Minimum Fee per person in the Group	£4.70	£4.80	2.1%	
b) Outside Opening Hours Maximum Fee per person in the Group	£11.60	£11.85	2.2%	
<b>Handling Collections</b>				
Per day	£3.00	£3.05	1.7%	
<b>Craft Fairs</b>				
Per table/stall standard	£13.25	£13.50	1.9%	
Per table/stall holiday periods	£26.00	£26.50	1.9%	
<b>Halloween Living History bookable events and open days</b>				
per person	£6.00	£6.10	1.7%	
per person max	£31.50	£32.15	2.1%	
<b>Concerts and Theatre</b>				
Carols / Concerts including open mic night	£11.00	N/A	N/A	Service no longer available
<b>Wedding Photographs</b>				
At Oak House and the Manor House Per hour (Access to grounds outside normal opening hours e.g. Saturday afternoons)	see above	see above		
At Haden Hill House (Access to house per hour or part hour)	see above	see above		
<b>Commercial Photography / Filming / building hire</b>				
min. price per day or part day plus reimbursement of lost income	£336.00	£342.70	2.0%	
<b>Talks Given Off Site</b>				
During Opening Hours	£22.50	£22.95	2.0%	
Out of Opening Hours	£21.00	£21.40	1.9%	

**MUSEUMS & ART**

Service Provided	2024/25 Fee/Charge	2025/26 Fee/Charge	% Increase	Comments
<b>Refreshments</b>				
Coffee, per jug (10 cups)	£11.00	£11.20	1.8%	
Coffee, per cup min	£1.35	£1.40	3.7%	
Coffee, per cup max	£1.89	£1.95	3.2%	
Coffee, per mug and hot chocolate min	£1.05	£1.05	0.0%	
Coffee, per mug and hot chocolate max	£2.25	£2.30	2.2%	
Tea, per cup or mug min	£0.58	£0.60	3.4%	
Tea, per cup or mug max	£0.84	£0.85	1.2%	
Biscuits	£0.55	£0.55	0.0%	
Biscuits	£1.58	£1.60	1.3%	
75cl mineral water	£1.37	£1.40	2.2%	
Orange Juice, per litre	£2.10	£2.15	2.4%	
Orange Juice, per wine glass	£1.05	£1.05	0.0%	
<b>Retail Mark-up</b>				
all goods	50%	50%		
<b>"Ghost Hunt"</b>				
9pm to 2am (outside normal opening hours)minimum				Replaced with Paranormal private hires (below)
9pm to 2am (outside normal opening hours)max				Replaced with Paranormal private hires (below)
Paranormal private hires minimum	£280.00	£285.60	2.0%	
Paranormal private hires maximum	£995.00	£1,014.90	2.0%	
School sessions all key stages min	£35.00	£35.70	2.0%	
School sessions all key stages max	£450.00	£459.00	2.0%	
Trusted group out of hours hire				Fees no longer exist - Free of charge
Internal users/ community groups during opening hours				Fees no longer exist - Free of charge

**PUBLIC PROTECTION, COMMUNITY SAFETY & LICENSING**

VAT inclusive where applicable

Service Provided	2024/25 Fee/Charge	2025/26 Fee/Charge	% Increase	Comments
<b>ENVIRONMENTAL HEALTH AND TRADING STANDARDS</b>				
<b>Fixed Penalty Notices</b>				Set in legislation
Failure to produce waste transfer note	£300.00	£300.00	0.0%	
Failure to produce waste carriers docs	£300.00	£300.00	0.0%	
Offences in relation to waste receptacles (Household)	£100.00	£100.00	0.0%	
Offences in relation to waste receptacles (Commercial)	£100.00	£100.00	0.0%	
Fixed penalty for the unauthorised deposit of waste	£400.00	£400.00	0.0%	
Offences in relation to intruder alarm notification	£75.00	£75.00	0.0%	
Noise Act 1996, noise from licensed premises-by statute	£500.00	£500.00	0.0%	
Noise Act 1996, offence in relation to noise from dwellings	£100.00	£100.00	0.0%	
<b>Miscellaneous</b>				
Performing Animals Act	£294.00	£300.00	2.0%	
Riding Establishments	£252.00	£257.00	2.0%	
Pet Shops	£275.00	£280.00	1.8%	
Animal Boarding Establishments	£275.00	£280.00	1.8%	
Dog breeding establishments	£275.00	£280.00	1.8%	
Dangerous wild animals	£252.00	£257.00	2.0%	
Skin Piercing Premises	£285.00	£290.00	1.8%	
Registration of persons skin piercing	£0.00	£0.00		Removal of fee, replacement of 2 fees below
Registration of persons skin piercing (at same time of applying for a premises registration or where another person skin piercing licence is applied for)	£92.00	£94.00	2.2%	
Registration of persons skin piercing (stand-alone charge) (where premises licence not applied for, additional applications for individual licences made at the same time is charged for at £92.00 per person)	£218.00	£222.00	1.8%	
Transfer of Skin Piercing Premises Registration to New Premise	£260.00	£260.00	0.0%	Remove fee, to replace with 2 fees above
Mobile Trader Consents (ice cream vans)	£615.00	£627.30	2.0%	
Food Hygiene Rating Scheme Reinspection	£190.00	£194.00	2.1%	
Food Safety Health Export Certificates	£98.00	£100.00	2.0%	
Reissue of Food Safety Health Export Certificate	£40.00	£41.00	2.5%	
Provision of statements to solicitors	£215.00	£219.00	1.9%	
<b>Primary Authority</b>				
Primary Authority - Regulatory Services and PSH	£92.00	£94.00	2.2%	
<b>Trading Standards Environmental Health</b>				
Hourly rate	£145.00	£148.00	2.1%	
Responsible Retailer Scheme	£190.00	£194.00	2.1%	

Service Provided	2024/25 Fee/Charge	2025/26 Fee/Charge	% Increase	Comments
<b>LICENSING</b>				
<b>Licensing Act 2003</b>				Set in legislation
Temporary event notice	£21.00	£21.00	0.0%	
Theft, loss etc of temporary event notice	£10.50	£10.50	0.0%	
Theft, loss, etc of premises licence or summary	£10.50	£10.50	0.0%	
Premises licence notification of change of name or address	£10.50	£10.50	0.0%	
Application to vary licence to specify individual as premises supervisor	£23.00	£23.00	0.0%	
Application for transfer of premises licence	£23.00	£23.00	0.0%	
Theft, loss etc of club certificate or summary	£10.50	£10.50	0.0%	
Notification of change of name or alteration of rules of club	£10.50	£10.50	0.0%	
Change of relevant registered address of club	£10.50	£10.50	0.0%	
Right of freeholder etc to be notified of licensing matters	£21.00	£21.00	0.0%	
Interim authority notice following death etc of licence holder	£23.00	£23.00	0.0%	
Application for a provisional statement where premises being built etc.	£315.00	£315.00	0.0%	
Minor variation application	£89.00	£89.00	0.0%	
Personal licence grant application	£37.00	£37.00	0.0%	
Theft, loss, etc of personal licence or summary	£10.50	£10.50	0.0%	
Personal licence notification of change of name or address	£10.50	£10.50	0.0%	
Application to vary premises licence at community premises to include alternative licence condition	£23.00	£23.00	0.0%	
<b>New applications and variations according to rateable value</b>				Set in legislation
Band A (None - £4,300)	£100.00	£100.00	0.0%	
Band B (£4,301 - £33,000)	£190.00	£190.00	0.0%	
Band C (£33,001 - £87,000)	£315.00	£315.00	0.0%	
Band D (£87,001 - £125,000)	£450.00	£450.00	0.0%	
Band E (£125,001+)	£635.00	£635.00	0.0%	
<b>Multiplier applied to premises used exclusively or primarily for the supply of alcohol for consumption on the premises</b>				Set in legislation
Band D x2 (£87,001 - £125,000)	£900.00	£900.00	0.0%	
Band E x3 (£125,001+)	£1,905.00	£1,905.00	0.0%	
<b>Annual Fee (charge) according to rateable value</b>				

**PUBLIC PROTECTION, COMMUNITY SAFETY & LICENSING**

VAT inclusive where applicable

Service Provided	2024/25 Fee/Charge	2025/26 Fee/Charge	% Increase	Comments
Band A (None - £4,300)	£70.00	£70.00	0.0%	
Band B (£4,301 - £33,000)	£180.00	£180.00	0.0%	
Band C (£33,001 - £87,000)	£295.00	£295.00	0.0%	
Band D (£87,001 - £125,000)	£320.00	£320.00	0.0%	
Band E (£125,001+)	£350.00	£350.00	0.0%	
<b>Annual Charge multiplier applied to premises used exclusively or primarily for the supply of alcohol for consumption on the premises</b>				Set in legislation
Band D x2 (£87,001 - £125,000)	£640.00	£640.00	0.0%	
Band E x3 (£125,001+)	£1,050.00	£1,050.00	0.0%	
<b>New application and variation clubs according to rateable value</b>				Set in legislation
Band A (None - £4,300)	£100.00	£100.00	0.0%	
Band B (£4,301 - £33,000)	£190.00	£190.00	0.0%	
Band C (£33,001 - £87,000)	£315.00	£315.00	0.0%	
Band D (£87,001 - £125,000)	£450.00	£450.00	0.0%	
Band E (£125,001+)	£635.00	£635.00	0.0%	
<b>Annual charge clubs according to rateable value</b>				Set in legislation
Band A (None - £4,300)	£70.00	£70.00	0.0%	
Band B (£4,301 - £33,000)	£180.00	£180.00	0.0%	
Band C (£33,001 - £87,000)	£295.00	£295.00	0.0%	
Band D (£87,001 - £125,000)	£320.00	£320.00	0.0%	
Band E (£125,001+)	£350.00	£350.00	0.0%	
<b>Additional premises licence fee (Number in attendance at any one time)</b>				Set in legislation
5,000 to 9,999	£1,000.00	£1,000.00	0.0%	
10,000 to 14,999	£2,000.00	£2,000.00	0.0%	
15,000 to 19,999	£4,000.00	£4,000.00	0.0%	
20,000 to 29,999	£8,000.00	£8,000.00	0.0%	
30,000 to 39,999	£16,000.00	£16,000.00	0.0%	
40,000 to 49,999	£24,000.00	£24,000.00	0.0%	
50,000 to 59,999	£32,000.00	£32,000.00	0.0%	
60,000 to 69,999	£40,000.00	£40,000.00	0.0%	
70,000 to 79,999	£48,000.00	£48,000.00	0.0%	
80,000 to 89,999	£56,000.00	£56,000.00	0.0%	
90,000 and over	£64,000.00	£64,000.00	0.0%	
<b>Additional Annual fee payable if applicable</b>				Set in legislation
5,000 to 9,999	£500.00	£500.00	0.0%	
10,000 to 14,999	£1,000.00	£1,000.00	0.0%	
15,000 to 19,999	£2,000.00	£2,000.00	0.0%	
20,000 to 29,999	£4,000.00	£4,000.00	0.0%	
30,000 to 39,999	£8,000.00	£8,000.00	0.0%	
40,000 to 49,999	£12,000.00	£12,000.00	0.0%	
50,000 to 59,999	£16,000.00	£16,000.00	0.0%	
60,000 to 69,999	£20,000.00	£20,000.00	0.0%	
70,000 to 79,999	£24,000.00	£24,000.00	0.0%	
80,000 to 89,999	£28,000.00	£28,000.00	0.0%	
90,000 and over	£32,000.00	£32,000.00	0.0%	
<b>Gambling Act 2005</b>				
<b>New small casino premises</b>				Set in legislation
Grant	£8,000.00	£8,000.00	0.0%	
Annual fee	£5,000.00	£5,000.00	0.0%	
Fee for application to vary licence	£4,000.00	£4,000.00	0.0%	
Fee for application to transfer a licence	£1,800.00	£1,800.00	0.0%	
Fee for application for reinstatement of a licence	£1,800.00	£1,800.00	0.0%	
Copy licence	£25.00	£25.00	0.0%	
Notification of change	£50.00	£50.00	0.0%	
<b>Converted casino premises licences</b>				
Grant	No Casino Policy	No Casino Policy	0.0%	
Annual fee	£3,000.00	£3,000.00	0.0%	Max £3,000.00
Fee for application to vary licence	£2,000.00	£2,000.00	0.0%	Max £2,000.00
Fee for application to transfer a licence	£1,350.00	£1,350.00	0.0%	Max £1,350.00
Fee for application for reinstatement of a licence	£1,350.00	£1,350.00	0.0%	Max £1,350.00
Copy licence	£25.00	£25.00	0.0%	Statutory Fee
Notification of change	£50.00	£50.00	0.0%	Statutory Fee
<b>Bingo premises licence</b>				
Grant	£3,500.00	£3,500.00	0.0%	Max £3,500.00
Annual fee	£1,000.00	£1,000.00	0.0%	Max £1,000.00
Fee for application to vary licence	£1,750.00	£1,750.00	0.0%	Max £1,750.00
Fee for application to transfer a licence	£1,200.00	£1,200.00	0.0%	Max £1,200.00

**PUBLIC PROTECTION, COMMUNITY SAFETY & LICENSING**

VAT inclusive where applicable

Service Provided	2024/25 Fee/Charge	2025/26 Fee/Charge	% Increase	Comments
Fee for application for reinstatement of a licence	£1,200.00	£1,200.00	0.0%	Max £1,200.00
Fee for application for provisional statement	£3,500.00	£3,500.00	0.0%	Max £3,500.00
Copy licence	£25.00	£25.00	0.0%	Statutory Fee
Notification of change	£50.00	£50.00	0.0%	Statutory Fee
<b>Betting premises (track) licence</b>				
Grant	£2,500.00	£2,500.00	0.0%	Max £2,500.00
Annual fee	£1,000.00	£1,000.00	0.0%	Max £1,000.00
Fee for application to vary licence	£1,250.00	£1,250.00	0.0%	Max £1,250.00
Fee for application to transfer a licence	£950.00	£950.00	0.0%	Max £950.00
Fee for application for reinstatement of a licence	£950.00	£950.00	0.0%	Max £950.00
Fee for application for provisional statement	£2,500.00	£2,500.00	0.0%	Max £2,500.00
Copy licence	£25.00	£25.00	0.0%	Statutory Fee
Notification of change	£50.00	£50.00	0.0%	Statutory Fee
<b>Betting premises (other) licence</b>				
Grant	£3,000.00	£3,000.00	0.0%	Max £3,000.00
Annual fee	£600.00	£600.00	0.0%	Max £600.00
Fee for application to vary licence	£1,500.00	£1,500.00	0.0%	Max £1,500.00
Fee for application to transfer a licence	£1,200.00	£1,200.00	0.0%	Max £1,200.00
Fee for application for reinstatement of a licence	£1,200.00	£1,200.00	0.0%	Max £1,200.00
Fee for application for provisional statement	£3,000.00	£3,000.00	0.0%	Max £3,000.00
Copy licence	£25.00	£25.00	0.0%	Statutory Fee
Notification of change	£50.00	£50.00	0.0%	Statutory Fee
<b>Family entertainment centre premises licence</b>				
Grant	£2,000.00	£2,000.00	0.0%	Max £2,000.00
Annual fee	£750.00	£750.00	0.0%	Max £750.00
Fee for application to vary licence	£1,000.00	£1,000.00	0.0%	Max £1,000.00
Fee for application to transfer a licence	£950.00	£950.00	0.0%	Max 950.00
Fee for application for reinstatement of a licence	£950.00	£950.00	0.0%	Max 950.00
Fee for application for provisional statement	£2,000.00	£2,000.00	0.0%	Max 2,000.00
Copy licence	£25.00	£25.00	0.0%	Statutory Fee
Notification of change	£50.00	£50.00	0.0%	Statutory Fee
<b>Adult gaming centre premises</b>				
Grant	£2,000.00	£2,000.00	0.0%	Max £2,000.00
Annual fee	£1,000.00	£1,000.00	0.0%	Max £1,000.00
Fee for application to vary licence	£1,000.00	£1,000.00	0.0%	Max £1,000.00
Fee for application to transfer a licence	£1,200.00	£1,200.00	0.0%	Max £1,200.00
Fee for application for reinstatement of a licence	£1,200.00	£1,200.00	0.0%	Max £1,200.00
Fee for application for provisional statement	£2,000.00	£2,000.00	0.0%	Max £2,000.00
Copy licence	£25.00	£25.00	0.0%	Statutory Fee
Notification of change	£50.00	£50.00	0.0%	Statutory Fee
<b>Temporary Use Notice</b>				
Temporary Use Notice	£500.00	£500.00	0.0%	Statutory Fee
Temporary Use Notice - Copy Notice	£25.00	£25.00	0.0%	Statutory Fee
<b>Licensed Premises Gaming Machine Permit</b>				
Grant	£150.00	£150.00	0.0%	Statutory Fee
Grant (Existing Operator)	£100.00	£100.00	0.0%	
Annual Fee	£50.00	£50.00	0.0%	
Variation	£100.00	£100.00	0.0%	
Transfer	£25.00	£25.00	0.0%	
Change of Name	£25.00	£25.00	0.0%	
Copy of permit	£15.00	£15.00	0.0%	
<b>Club Gaming &amp; Club Machine Permits</b>				
Grant or Renewal	£200.00	£200.00	0.0%	
Grant or Renewal (Fast Track)	£100.00	£100.00	0.0%	
Variation	£100.00	£100.00	0.0%	
Annual Fee	£50.00	£50.00	0.0%	
Copy of permit	£15.00	£15.00	0.0%	
<b>Lottery Registration:-</b>				
Grant statutory fee	£40.00	£40.00	0.0%	Statutory Fee
Annual statutory fee	£20.00	£20.00	0.0%	
<b>Automatic Entitlement – up to two Cat C or D machines</b>				
Notification	£0.00	£0.00	0.0%	Statutory Fee
<b>Unlicensed Family Entertainment Centre</b>				
Grant	£300.00	£300.00	0.0%	Statutory Fee
Grant (Existing Operator)	£100.00	£100.00	0.0%	
Renewal	£300.00	£300.00	0.0%	
Copy of permit	£15.00	£15.00	0.0%	
Change of Name	£25.00	£25.00	0.0%	

**PUBLIC PROTECTION, COMMUNITY SAFETY & LICENSING**

VAT inclusive where applicable

Service Provided	2024/25 Fee/Charge	2025/26 Fee/Charge	% Increase	Comments
<b>Prize Gaming Permit</b>				Statutory Fee
Grant	£300.00	£300.00	0.0%	
Grant (Existing Operator)	£100.00	£100.00	0.0%	
Renewal	£300.00	£300.00	0.0%	
Copy of permit	£15.00	£15.00	0.0%	
Change of Name	£25.00	£25.00	0.0%	
<b>Sex Establishments</b>				
Sex Establishments (grant)	£4,950.00	£5,049.00	2.0%	
Sex Establishments (renewal)	£3,630.00	£3,702.60	2.0%	
Sex Establishments (transfer)	£3,630.00	£3,702.60	2.0%	
Sex Establishments (variation)	£3,630.00	£3,702.60	2.0%	
Sexual Entertainment Venues (grant)	£3,630.00	£3,702.60	2.0%	
Sexual Entertainment Venues (renewal)	£3,630.00	£3,702.60	2.0%	
Sexual Entertainment Venues (transfer)	£3,630.00	£3,702.60	2.0%	
Sexual Entertainment Venues (variation)	£3,630.00	£3,702.60	2.0%	
<b>Scrap Metal Dealers Act 2013</b>				
Grant/Renewal of Site Licence - one site	£604.00	£616.10	2.0%	
Each additional site on grant/renewal application	£288.50	£294.25	2.0%	
Grant/Renewal of Collectors Licence	£308.50	£314.65	2.0%	
Replacement or copy licence	£36.50	£37.25	2.1%	
Variation to change licensee name	£42.00	£42.85	2.0%	
Variation to change site details (add or remove a site)	£64.00	£65.30	2.0%	
Variation to change Site Manager	£98.50	£100.45	2.0%	

Service Provided	2024/25 Fee/Charge	2025/26 Fee/Charge	% Increase	Comments
<b>PEST CONTROL</b>				
Rats Treatment in properties	£79.00	£79.00	0.0%	No increase for 2025/26 financial year
Mice	£79.00	£79.00	0.0%	No increase for 2025/26 financial year
Wasps	£69.00	£72.00	5.0%	
Cockroaches	£105.00	£110.00	5.0%	
Fleas	£76.00	£80.00	5.0%	
Bedbugs	£126.00	£132.00	5.0%	
Insects (Other) 'Indoor Only' treatments for carpet beetles / moths / flies	£58.00	£61.00	5.0%	
Call outs for advisory service and/or pest identification (no treatments undertaken)	£39.00	£41.00	5.0%	
Missed Appointment	£39.00	£41.00	5.0%	

Service Provided	2024/25 Fee/Charge	2025/26 Fee/Charge	% Increase	Comments
<b>TAXI LICENSING</b>				
<b>DRIVERS</b>				
Badge Deposit	£30.00	£30.00	0.0%	
Badge Replacement (if lost or stolen)	£4.50	£4.50	0.0%	
New Private Hire Driver's Licence Application*	£153.00	£104.00	0.0%	DBS fee excluded and now shown separately (below). DVLA fee excluded as DVLA no longer offer the check service.
New Hackney Carriage Driver's Licence Application*	£153.00	£104.00	0.0%	DBS fee excluded and now shown separately (below). DVLA fee excluded as DVLA no longer offer the check service.
Private Hire Driver's Licence Renewal Application*	£148.00	£104.00	0.0%	DBS fee excluded and now shown separately (below).
Hackney Carriage Driver's Licence Renewal Application*	£148.00	£104.00	0.0%	DBS fee excluded and now shown separately (below).
New Dual Private Hire and Hackney Carriage Driver's Licence Application*	£204.00	£155.00	0.0%	DBS fee excluded and now shown separately (below). DVLA fee excluded as DVLA no longer offer the check service.
Dual Private Hire and Hackney Carriage Driver's Licence Renewal Application*	£155.00	£155.00	0.0%	DBS fee excluded and now shown separately (below).
New 3-year Private Hire Driver's Licence Application*	£352.00	£303.00	0.0%	DBS fee excluded and now shown separately (below). DVLA fee excluded as DVLA no longer offer the check service.
New 3-year Hackney Carriage Driver's Licence Application*	£352.00	£303.00	0.0%	DBS fee excluded and now shown separately (below). DVLA fee excluded as DVLA no longer offer the check service.
Renewal 3-year Private Hire Driver's Licence Application*	£347.00	£303.00	0.0%	DBS fee excluded and now shown separately (below).
Renewal 3-year Hackney Carriage Driver's Licence Application *	£347.00	£303.00	0.0%	DBS fee excluded and now shown separately (below).
New 3-year Dual Private Hire and Hackney Carriage Driver's Licence Application*	£503.00	£454.00	0.0%	DBS fee excluded and now shown separately (below). DVLA fee excluded as DVLA no longer offer the check service.
Renewal 3-year Dual Private Hire and Hackney Carriage Driver's Licence Application*	£498.00	£454.00	0.0%	DBS fee excluded and now shown separately (below). DVLA fee excluded as DVLA no longer offer the check service.
DBS Disclosure Application* (Private Hire)	£44.00	£56.00	27.3%	Fee increase set by DBS Service and approved by Parliament for increase to commence December 2024
DBS Disclosure Application* (Hackney Carriage)	£44.00	£56.00	27.3%	Fee increase set by DBS service and approved by Parliament for increase to commence December 2024
Knowledge test (Private Hire)	£30.00	£30.00	0.0%	
Knowledge test (Hackney Carriage)	£30.00	£30.00	0.0%	

**PUBLIC PROTECTION, COMMUNITY SAFETY & LICENSING**

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Service Provided	2024/25 Fee/Charge	2025/26 Fee/Charge	% Increase	Comments
Knowledge test (Dual Private Hire and Hackney Carriage Driver's Licence)	£30.00	£30.00	0.0%	
<b>* non-refundable minimum administration fee is payable on every licence application</b>	£30.00	£30.00	0.0%	
<b>VEHICLES</b>				
Plate deposit	£30.00	£30.00	0.0%	
Replacement of large plate (incl. pins)	£10.00	£10.00	0.0%	
Replacement of small plate	£6.50	£6.50	0.0%	
Replacement bracket	£13.00	£13.00	0.0%	
Private Hire Vehicle Licence - New Vehicle (Brand new vehicle)*	£325.00	£297.50	0.0%	Excludes Interim Vehicle Check fee as now payable direct to Fleet Services
Hackney Carriage Licence - New Vehicle (Brand new vehicle)*	£325.00	£297.50	0.0%	Excludes Interim Vehicle Check fee as now payable direct to Fleet Services
Private Hire Vehicle Licence - New Application (less than 5 years old)*	£381.00	£298.50	0.0%	Excludes Full Test & Interim Vehicle Check fee as now payable direct to Fleet Services
Hackney Carriage Licence - New Application (less than 5 years old)*	£381.00	£298.50	0.0%	Excludes Full Test & Interim Vehicle Check fee as now payable direct to Fleet Services
Private Hire Vehicle Licence - Renewal Application (less than 5 years old)*	£353.00	£270.50	0.0%	Excludes Full Test & Interim Vehicle Check fee as now payable direct to Fleet Services
Hackney Carriage Licence - Renewal Application (less than 5 years old)*	£353.00	£270.50	0.0%	Excludes Full Test & Interim Vehicle Check fee as now payable direct to Fleet Services
Hackney Carriage Licence New/Renewal Application (more than 5 years old)*	£399.00	£289.00	0.0%	Excludes Full Test & Interim Vehicle Check fee as now payable direct to Fleet Services
Private Hire Vehicle Licence Renewal Application (more than 5 years old)*	£399.00	£289.00	0.0%	Excludes Full Test & Interim Vehicle Check fee as now payable direct to Fleet Services
Cherished Number Plate Transfer (Private Hire Vehicle or Hackney Carriage)	£30.00	£30.00	0.0%	
Transfer a vehicle Licence (a new owner) (Covers cost of plates and £30 administration fee) (Hackney Carriage)	£50.00	£50.00	0.0%	
Transfer a vehicle Licence (a new owner) (Covers cost of plates and £30 administration fee) (Private Hire Vehicle)	£50.00	£50.00	0.0%	
Transfer a vehicle Licence (a new owner) (New Plates not required, covers cost of £30 administration fee)(Private Hire)	£30.00	£30.00	0.0%	
Transfer a vehicle Licence (a new owner) (New Plates not required, covers cost of £30 administration fee) (Hackney Carriage)	£30.00	£30.00	0.0%	
Replacement vehicle Application (same expiry date) (includes set of plates and £30 administration fee) (Private Hire)*	£104.00	£49.00	0.0%	Excludes Full Test fee as now payable direct to Fleet Services
Replacement vehicle Application (same expiry date) (includes set of plates and £30 administration fee) (Hackney Carriage)*	£104.00	£49.00	0.0%	Excludes Full Test fee as now payable direct to Fleet Services
Application for exemption from displaying roof sign and/or door stickers	£30.00	£30.00	0.0%	
<b>* non-refundable minimum administration fee is payable on every licence application.</b>	£30.00	£30.00	0.0%	
<b>OPERATORS</b>				
New Application (one year) New App fee payable if base move or changes ownership.	£624.00	£624.00	0.0%	
Renewal (one year)	£520.00	£520.00	0.0%	
New Application (three years) New App fee payable if base move or changes ownership.	£1,650.00	£1,650.00	0.0%	
Renewal (three years)	£1,450.00	£1,450.00	0.0%	
New Application (five years) New App fee payable if base move or changes ownership.	£2,500.00	£2,500.00	0.0%	
Renewal (five years)	£2,250.00	£2,250.00	0.0%	
<b>* non-refundable minimum administration fee is payable on every licence application.</b>	£30.00	£30.00	0.0%	

Service Provided	2024/25 Fee/Charge	2025/26 Fee/Charge	% Increase	Comments
<b>ENVIRONMENTAL PROTECTION AND ENFORCEMENT</b>				
<b>Fixed Penalty Notices</b>				
Depositing Litter	£500.00	£500.00	0.0%	Set in legislation
Dog Fouling	£150.00	£150.00	0.0%	Set in legislation
Graffiti & Flyposting	£500.00	£500.00	0.0%	Set in legislation
Breach of Public Space Protection Order	£100.00	£100.00	0.0%	Set in legislation
Breach of Community Protection Notice	£100.00	£100.00	0.0%	Set in legislation
Abandoned Vehicle	£200.00	£200.00	0.0%	Set in legislation
Fly Tipping	£1,000.00	£1,000.00	0.0%	Set in legislation
Householder Duty of Care	£600.00	£600.00	0.0%	Set in legislation
Repairing Cars on the highway	£100.00	£100.00	0.0%	Set in legislation
Exposing vehicles for sale on the highway	£100.00	£100.00	0.0%	Set in legislation
<b>Transit Site</b>				
Weekly Rental	£105.00	£110.00	4.8%	
Deposit for caravan pitch	£285.00	£300.00	5.3%	

**PUBLIC HEALTH**

Service Provided	2024/25 Fee/Charge	2025/26 Fee/Charge	% Increase	Comments
Environmental Permitting Fees (set by Government)	<a href="https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/636243/env-permit-part-b-fees-2017.pdf">https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/636243/env-permit-part-b-fees-2017.pdf</a>			
Workplace Physical Activity Sessions	£2.10	£2.15	2.4%	
Landfill location plan and data sheet	£47.99	£48.95	2.0%	
Check if property <250m from landfill site	£12.88	£13.15	2.1%	
Detailed report on contaminated land/hour	£90.68	£92.50	2.0%	

**REGISTRATION SERVICES**

Where VAT is applicable this is included within the fees

Service Provided	2024/25 Fee/Charge	2025/26 Fee/Charge	% Increase	Comments
Register Office Ceremony Room	£56.00	£56.00	0.0%	Statutory fee
S Suite Marriage or CP Ceremony Mon to Thurs	£438.00	£438.00	0.0%	Fee increase implemented from January 2025
S Suite Marriage or CP Ceremony Fri/Sat	£609.00	£609.00	0.0%	Fee increase implemented from January 2025
S Suite Marriage or CP Ceremony Sun/BH	£708.00	£708.00	0.0%	Fee increase implemented from January 2025
Highfields Room Marriage or CP Ceremony Mon to Thurs	£152.00	£152.00	0.0%	Fee increase implemented from January 2025
Highfields Room Marriage or CP Ceremony Fri/Sat	£213.00	£213.00	0.0%	Fee increase implemented from January 2025
Garden Room Marriage or CP Ceremony Mon to Thurs	£248.00	£248.00	0.0%	Fee increase implemented from January 2025
Garden Room Marriage or CP Ceremony Fri-Sat	£347.00	£347.00	0.0%	Fee increase implemented from January 2025
Garden Room Marriage or CP Ceremony Sun/BH	£395.00	£395.00	0.0%	Fee increase implemented from January 2025
Approved Premise Mon to Thurs	£438.00	£438.00	0.0%	Fee increase implemented from January 2025
Approved Premise Fri/Sat	£582.00	£582.00	0.0%	Fee increase implemented from January 2025
Approved Premise Sun/BH	£676.00	£676.00	0.0%	Fee increase implemented from January 2025
Registrar at Religious Building	£116.50	£116.50	0.0%	Statutory fee
Registration of Building for Religious Worship	£32.00	£32.00	0.0%	Statutory fee
Registration of Building for Marriage	£136.00	£136.00	0.0%	Statutory fee
Notice of Marriage (Designated when referred to Home Office) New Variation on notice fee	£47.00	£47.00	0.0%	Statutory fee
Notice of Marriage Individual Fee	£42.00	£42.00	0.0%	Statutory fee
Civil partnership conversion( from 10 Dec 2015 ) Provide information only	£30.00	£30.00	0.0%	Statutory fee
Civil partnership conversion( from 10 Dec 2015 )	£63.00	£63.00	0.0%	Statutory fee
Licence or Renewal for Approved Premise	£330.00	£330.00	0.0%	Fee increase implemented from January 2025
Renewal/Naming Ceremony Sandwell Suite - Mon - Thur	£330.00	£330.00	0.0%	Fee increase implemented from January 2025
Renewal/Naming Ceremony Sandwell Suite - Fri-Sat	£411.00	£411.00	0.0%	Fee increase implemented from January 2025
Renewal/Naming Ceremony Sandwell Suite - Sunday - Bank Holiday	£448.00	£448.00	0.0%	Fee increase implemented from January 2025
Individual Citizenship Ceremony Mon to Thurs	£186.00	£186.00	0.0%	Fee increase implemented from January 2025
Individual Citizenship Ceremony Fri/Sat	£233.00	£233.00	0.0%	Fee increase implemented from January 2025
Individual Citizenship Ceremony Sun/BH	£255.00	£255.00	0.0%	Fee increase implemented from January 2025
Group Citizenship Ceremony Sat	£120.00	£120.00	0.0%	Fee increase implemented from January 2025
Certificate Service	£12.50	£12.50	0.0%	Statutory fee
Archive Priority Certificate Service (Same Day)	£39.00	£39.00	0.0%	Statutory fee
Certificates of Birth Death and Marriage at time of Registration	£12.50	£12.50	0.0%	Statutory fee
Priority postage	£3.00	£3.00	0.0%	Fee increase implemented from January 2025
Certificates of Birth Death and Marriage issues after Registration	£12.50	£12.50	0.0%	Statutory fee
Provisional Booking (holding fee)	£78.00	£78.00	0.0%	Fee increase implemented from January 2025
Renewal/Naming Ceremony approved venues Mon to Thurs -	£330.00	£330.00	0.0%	Fee increase implemented from January 2025
Renewal/Naming Ceremony approved venue Fri/Sat -	£411.00	£411.00	0.0%	Fee increase implemented from January 2025
Renewal/Naming Ceremony approved venue Sun/BH -	£447.00	£447.00	0.0%	Fee increase implemented from January 2025
Space 17 Amendment	£44.00	£44.00	0.0%	Statutory fee
Divorce or Dissolution from outside the British Isles. (LA only)	£55.00	£55.00	0.0%	Statutory fee
Customer at fault corrections(LA only)	£83.00	£83.00	0.0%	Statutory fee
Consideration of reduction in Notice period (LA and GRO)	£66.00	£66.00	0.0%	Statutory fee
Corrections(LA and GRO)	£99.00	£99.00	0.0%	Statutory fee
Divorce or Dissolution from outside the British Isles. (LA and GRO)	£83.00	£83.00	0.0%	Statutory fee
Visual Tribute (Up to 25 photographs played on a loop)	£49.00	£49.00	0.0%	Fee increase implemented from January 2025
Live webcast with 28 day playback	£89.00	£89.00	0.0%	Fee increase implemented from January 2025
Pro Visual Tribute (up to 25 photographs professionally edited and set to Music)	£85.00	£85.00	0.0%	Fee increase implemented from January 2025
Keepsake copy of web cast available on DVD, Blu-ray or USB in presentation case	£61.00	£61.00	0.0%	Fee increase implemented from January 2025
Visual Tribute Single Photograph	£26.00	£26.00	0.0%	Fee increase implemented from January 2025
<b>Photography</b>				
SD card (min 30 photos)	£192.00	£192.00	0.0%	Fee increase implemented from January 2025
Package SD card (min 30 photos)+ up to 30 prints + Album	£427.00	£427.00	0.0%	Fee increase implemented from January 2025
Single print 12" x8"	£18.00	£18.00	0.0%	Fee increase implemented from January 2025
<b>Interment fee in respect of all graves</b>				
Interment fee*	£1,409.00	£1,409.00	0.0%	Fee increase implemented from January 2025
Cremated remains plot type interment fee*	£437.00	£437.00	0.0%	Fee increase implemented from January 2025
Baby section or body part interment fee	£437.00	£437.00	0.0%	Fee increase implemented from January 2025
Scattering of cremated remains on full grave	£57.00	£57.00	0.0%	Fee increase implemented from January 2025
Late arrival fee additional charge	£419.00	£419.00	0.0%	Fee increase implemented from January 2025
<b>Exclusive Right of Burial</b>				
Purchase of Baby Section Grave *	£304.00	£304.00	0.0%	Fee increase implemented from January 2025
Purchase Grave for 1 Burial*	£2,628.00	£2,628.00	0.0%	Fee increase implemented from January 2025

**REGISTRATION SERVICES**

Where VAT is applicable this is included within the fees

Service Provided	2024/25 Fee/Charge	2025/26 Fee/Charge	% Increase	Comments
Purchase Grave for 2 Burials*	£2,729.00	£2,729.00	0.0%	Fee increase implemented from January 2025
Purchase Grave for 3 Burials*	£2,828.00	£2,828.00	0.0%	Fee increase implemented from January 2025
Plot for cremated remains – for a 99 year period*	£1,762.00	£1,762.00	0.0%	Fee increase implemented from January 2025
<b>Traditional Section 5' centre</b>				
Traditional Grave 5' Centre for 1 Burial*	£3,175.00	£3,175.00	0.0%	Fee increase implemented from January 2025
Traditional Grave 5' Centre for 2 Burials*	£3,298.00	£3,298.00	0.0%	Fee increase implemented from January 2025
Traditional Grave 5' Centre for 3 Burials*	£3,419.00	£3,419.00	0.0%	Fee increase implemented from January 2025
Vault Grave additional charge*	£957.00	£957.00	0.0%	Fee increase implemented from January 2025
<b>Memorials, vases &amp; additional inscriptions</b>				
Additional Inscription Permit fee	£112.00	£112.00	0.0%	Fee increase implemented from January 2025
Purchase of a Temporary Grave Marker	£36.00	£36.00	0.0%	Fee increase implemented from January 2025
Memorial Vase Infant's Section	£316.00	£316.00	0.0%	Fee increase implemented from January 2025
Motif	£34.00	£34.00	0.0%	Fee increase implemented from January 2025
<b>Miscellaneous charges</b>				
Transfer of Grant	£66.00	£66.00	0.0%	Fee increase implemented from January 2025
Searching of Burial Register (per hour)	£55.00	£55.00	0.0%	Fee increase implemented from January 2025
Biodegradable Urn	£105.00	£105.00	0.0%	Fee increase implemented from January 2025
Section 46 – Administration Fee	£614.00	£614.00	0.0%	Fee increase implemented from January 2025
Registration Fee Hourly Rate	£4.28	£4.28	0.0%	Fee increase implemented from January 2025
Out of hours supplement	30%	30%	0.0%	Fee increase implemented from January 2025
Additional charge to be applied to where services are subject to out of borough supplement.(Burial)	30%	30%	0.0%	
<b>Cremation</b>				
Direct cremation - no funeral service all ages (Price unchanged following benchmarking exercise )	£784.00	£784.00	0.0%	Fee increase implemented from January 2025
Cremation - fee all ages	£1,035.00	£1,035.00	0.0%	Fee increase implemented from January 2025
Service exceeds allotted time an additional charge of:	£425.00	£425.00	0.0%	Fee increase implemented from January 2025
For an extended service – additional charge	£189.00	£189.00	0.0%	Fee increase implemented from January 2025
Cremation body parts	£207.00	£207.00	0.0%	Fee increase implemented from January 2025
Use of Chapel (including use of organ and Obitus music system)*	£189.00	£189.00	0.0%	Fee increase implemented from January 2025
Weekend scattering	£75.00	£75.00	0.0%	New fee implemented from January 2025
Temporary storage of Ashes, over 2 months	£58.00	£58.00	0.0%	New fee implemented from January 2025
Exhumation of Ashes	£58.00	£58.00	0.0%	New fee implemented from January 2025
<b>Urns and containers</b>				
Purchase of a wooden casket	£97.00	£97.00	0.0%	Fee increase implemented from January 2025
Disposal of Cremated Remains of person cremated elsewhere	£56.00	£56.00	0.0%	Fee increase implemented from January 2025
The services of a council employee acting as a coffin bearer	£58.00	£58.00	0.0%	Fee increase implemented from January 2025
<b>Media</b>				
Visual Tribute single photograph	£26.00	£26.00	0.0%	Fee increase implemented from January 2025
Visual Tribute (Up to 25 photographs played on a loop)	£49.00	£49.00	0.0%	Fee increase implemented from January 2025
Additional 25 photos	£26.00	£26.00	0.0%	Fee increase implemented from January 2025
Live webcast with 28 day playback	£89.00	£89.00	0.0%	Fee increase implemented from January 2025
Family made tribute	£21.00	£21.00	0.0%	Fee increase implemented from January 2025
Pro Visual Tribute (up to 25 photographs professionally edited and set to Music)	£85.00	£85.00	0.0%	Fee increase implemented from January 2025
Keepsake copy of web cast available on DVD, Blu-ray or USB in presentation case	£61.00	£61.00	0.0%	Fee increase implemented from January 2025
Additional keepsake copies	£26.00	£26.00	0.0%	Fee increase implemented from January 2025
Miscellaneous charges (Extra Work)	£26.00	£26.00	0.0%	Fee increase implemented from January 2025
<b>Memorials and inscriptions (including VAT)</b>				
Minimum entry 2 lines	£125.00	£125.00	0.0%	Fee increase implemented from January 2025
5 lines	£158.00	£158.00	0.0%	Fee increase implemented from January 2025
8 lines	£185.00	£185.00	0.0%	Fee increase implemented from January 2025
Each additional line	£44.00	£44.00	0.0%	Fee increase implemented from January 2025
Memorial cards including two line inscription	£44.00	£44.00	0.0%	Fee increase implemented from January 2025
Memorial book including two line inscription	£87.00	£87.00	0.0%	Fee increase implemented from January 2025
Additional lines in cards and book	£32.00	£32.00	0.0%	Fee increase implemented from January 2025
Badges, Crests, Floral Tributes	£93.00	£93.00	0.0%	Fee increase implemented from January 2025
Coat of Arms	£105.00	£105.00	0.0%	Fee increase implemented from January 2025
<b>Plaques</b>				
Plaque purchase including first inscription	£1,461.00	£1,461.00	0.0%	Fee increase implemented from January 2025
Burial of Cremated Remains including casket	£128.00	£128.00	0.0%	Fee increase implemented from January 2025
Engraving – per line	£59.00	£59.00	0.0%	Fee increase implemented from January 2025
Photo Plaque	£164.00	£164.00	0.0%	Fee increase implemented from January 2025

**REGISTRATION SERVICES**

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Service Provided	2024/25 Fee/Charge	2025/26 Fee/Charge	% Increase	Comments
Replacement Plaque (residue of lease)	£315.00	£315.00	0.0%	Fee increase implemented from January 2025
Plaque Renewal (10 Years)	£286.00	£286.00	0.0%	Fee increase implemented from January 2025
Plaque Renewal (20 Years)	£427.00	£427.00	0.0%	Fee increase implemented from January 2025
Plaque Renewal (40 Years)	£785.00	£785.00	0.0%	Fee increase implemented from January 2025
Plaque Renewal forever	£1,933.00	£1,933.00	0.0%	Fee increase implemented from January 2025
Renovation Fee	£95.00	£95.00	0.0%	Fee increase implemented from January 2025
Asbury garden memorial (10 years) replacement	£234.00	£234.00	0.0%	Fee increase implemented from January 2025
Renewal (10 years)	£140.00	£140.00	0.0%	Fee increase implemented from January 2025
Renewal (20 years)	£201.00	£201.00	0.0%	Fee increase implemented from January 2025
Renewal (40 years)	£365.00	£365.00	0.0%	Fee increase implemented from January 2025
Renewal (forever)	£932.00	£932.00	0.0%	Fee increase implemented from January 2025
<b>Wall mounted plaques</b>				
Plaque purchase including first inscription	£618.00	£618.00	0.0%	Fee increase implemented from January 2025
Additional lines of inscription (residue of lease) – per line	£59.00	£59.00	0.0%	Fee increase implemented from January 2025
Wall Plaque Renewal Fee (10 Years)	£140.00	£140.00	0.0%	Fee increase implemented from January 2025
Renewal (20 years)	£201.00	£201.00	0.0%	Fee increase implemented from January 2025
Renewal (40 years)	£365.00	£365.00	0.0%	Fee increase implemented from January 2025
Renewal (forever)	£932.00	£932.00	0.0%	Fee increase implemented from January 2025
Replacement (residue of lease)	£315.00	£315.00	0.0%	Fee increase implemented from January 2025
<b>Memorial vases</b>				
Memorial Vase Purchase including first inscription	£782.00	£782.00	0.0%	Fee increase implemented from January 2025
Replacement Vase (residue of lease)	£315.00	£315.00	0.0%	Fee increase implemented from January 2025
Vase Renewal Fee (10 Years)	£286.00	£286.00	0.0%	Fee increase implemented from January 2025
Vase Renewal Fee (20 Years)	£427.00	£427.00	0.0%	Fee increase implemented from January 2025
Vase Renewal Fee (40 Years)	£785.00	£785.00	0.0%	Fee increase implemented from January 2025
Vase Renewal Fee (forever)	£1,933.00	£1,933.00	0.0%	Fee increase implemented from January 2025
Vase Renovation Fee	£95.00	£95.00	0.0%	Fee increase implemented from January 2025
<b>Memorial vaults</b>				
Memorial Vault Purchase including first inscription	£1,461.00	£1,461.00	0.0%	Fee increase implemented from January 2025
Replacement Vault (residue of lease)	£315.00	£315.00	0.0%	Fee increase implemented from January 2025
Burial of cremated remains including casket	£128.00	£128.00	0.0%	Fee increase implemented from January 2025
Motif/Photo	£164.00	£164.00	0.0%	Fee increase implemented from January 2025
Vault Renewal Fee (10 Years)	£286.00	£286.00	0.0%	Fee increase implemented from January 2025
Vault Renewal Fee (20 Years)	£427.00	£427.00	0.0%	Fee increase implemented from January 2025
Vault Renewal Fee (40 Years)	£785.00	£785.00	0.0%	Fee increase implemented from January 2025
Vault Renewal Fee (forever)	£1,933.00	£1,933.00	0.0%	Fee increase implemented from January 2025
Vault Renovation Fee	£95.00	£95.00	0.0%	Fee increase implemented from January 2025
<b>Sanctum Memorial</b>				
Sanctum Memorial purchase including first inscription	£1,642.00	£1,642.00	0.0%	Fee increase implemented from January 2025
Sanctum Memorial with garden purchase including first inscription	£1,831.00	£1,831.00	0.0%	Fee increase implemented from January 2025
Replacement Fascia (residue of lease)	£546.00	£546.00	0.0%	Fee increase implemented from January 2025
Second Inscription (residue of lease)	£358.00	£358.00	0.0%	Fee increase implemented from January 2025
Motif/Photo	£164.00	£164.00	0.0%	Fee increase implemented from January 2025
Casket for interment of Cremated Remains	£97.00	£97.00	0.0%	Fee increase implemented from January 2025
Family Sanctum Memorial including first inscription	£2,381.00	£2,381.00	0.0%	Fee increase implemented from January 2025
Family Sanctum Memorial with Garden including first inscription	£2,649.00	£2,649.00	0.0%	Fee increase implemented from January 2025
Family Sanctum Replacement Fascia (residue of lease)	£723.00	£723.00	0.0%	Fee increase implemented from January 2025
10 year renewal	£318.00	£318.00	0.0%	Fee increase implemented from January 2025
20 year renewal	£478.00	£478.00	0.0%	Fee increase implemented from January 2025
40 year renewal	£882.00	£882.00	0.0%	Fee increase implemented from January 2025
Renewal (forever)	£2,173.00	£2,173.00	0.0%	Fee increase implemented from January 2025
<b>Squirrel Walk Memorial</b>				
Additional engraving (including motif – residue of lease)	£416.00	£416.00	0.0%	Fee increase implemented from January 2025
Replacement Memorial (residue of lease)	£630.00	£630.00	0.0%	Fee increase implemented from January 2025
Resold space	£1,329.00	£1,329.00	0.0%	Fee increase implemented from January 2025
Motif/Photo	£164.00	£164.00	0.0%	Fee increase implemented from January 2025
Casket for interment of Cremated Remains	£97.00	£97.00	0.0%	Fee increase implemented from January 2025
10 year renewal	£318.00	£318.00	0.0%	Fee increase implemented from January 2025
20 year renewal	£478.00	£478.00	0.0%	Fee increase implemented from January 2025
40 year renewal	£882.00	£882.00	0.0%	Fee increase implemented from January 2025

**REGISTRATION SERVICES**

Where VAT is applicable this is included within the fees

Service Provided	2024/25 Fee/Charge	2025/26 Fee/Charge	% Increase	Comments
Renewal (forever)	£2,173.00	£2,173.00	0.0%	Fee increase implemented from January 2025
<b>Memorial Benches</b>				
Memorial bench including plaque purchase	£3,250.00	£3,250.00	0.0%	New fee implemented from January 2025
Memorial bench renewal of lease	£464.00	£464.00	0.0%	Fee increase implemented from January 2025
Additional Plaque Granite Bench for residue of period	£341.00	£341.00	0.0%	Fee increase implemented from January 2025
Additional Plaque Wooden Bench for residue of period	£341.00	£341.00	0.0%	Fee increase implemented from January 2025
<b>Prairie Unit (continue only)*</b>				
Resold Prairie (If Available)	£1,608.00	£1,608.00	0.0%	Fee increase implemented from January 2025
Replacement Fascia (residue of lease)	£177.00	£177.00	0.0%	Fee increase implemented from January 2025
Second Inscription (residue of lease)	£72.00	£72.00	0.0%	Fee increase implemented from January 2025
Engraved Motif	£16.00	£16.00	0.0%	Fee increase implemented from January 2025
Photo Plaque	£164.00	£164.00	0.0%	Fee increase implemented from January 2025
10 year renewal	£318.00	£318.00	0.0%	Fee increase implemented from January 2025
20 year renewal	£478.00	£478.00	0.0%	Fee increase implemented from January 2025
40 year renewal	£882.00	£882.00	0.0%	Fee increase implemented from January 2025
Renewal (forever)	£2,173.00	£2,173.00	0.0%	Fee increase implemented from January 2025
<b>Cloister memorial</b>				
Cloister Memorial Purchase including inscription	£1,314.00	£1,314.00	0.0%	Fee increase implemented from January 2025
Replacement Fascia (residue of lease)	£544.00	£544.00	0.0%	Fee increase implemented from January 2025
Second Inscription (residue of lease)	£358.00	£358.00	0.0%	Fee increase implemented from January 2025
Motif/Photo	£164.00	£164.00	0.0%	Fee increase implemented from January 2025
Casket for interment of Cremated Remains	£97.00	£97.00	0.0%	Fee increase implemented from January 2025
10 year renewal	£318.00	£318.00	0.0%	Fee increase implemented from January 2025
20 year renewal	£478.00	£478.00	0.0%	Fee increase implemented from January 2025
40 year renewal	£882.00	£882.00	0.0%	Fee increase implemented from January 2025
Renewal (forever)	£2,173.00	£2,173.00	0.0%	Fee increase implemented from January 2025
<b>Children's Section Memorial</b>				
Mushroom Memorial Plaque for a 5 year period inc inscription	£443.00	£443.00	0.0%	Fee increase implemented from January 2025
Baby Garden Daisies and Sunflowers	£514.00	£514.00	0.0%	Fee increase implemented from January 2025
10 year renewal	£162.00	£162.00	0.0%	Fee increase implemented from January 2025
20 year renewal	£291.00	£291.00	0.0%	Fee increase implemented from January 2025
40 year renewal	£522.00	£522.00	0.0%	Fee increase implemented from January 2025
Renewal forever	£1,336.00	£1,336.00	0.0%	Fee increase implemented from January 2025
<b>Monolith Memorial</b>				
Monolith Memorial for a 10 year period	£1,231.00	£1,231.00	0.0%	Fee increase implemented from January 2025
Monolith Memorial with garden for a 10 year period	£1,410.00	£1,410.00	0.0%	Fee increase implemented from January 2025
Second Inscription (residue of lease)	£341.00	£341.00	0.0%	Fee increase implemented from January 2025
Motif/Photo	£164.00	£164.00	0.0%	Fee increase implemented from January 2025
Urn for interment of cremated remains	£97.00	£97.00	0.0%	Fee increase implemented from January 2025
Replacement Plaque (residue of lease)	£295.00	£295.00	0.0%	Fee increase implemented from January 2025
10 year renewal	£318.00	£318.00	0.0%	Fee increase implemented from January 2025
20 year renewal	£478.00	£478.00	0.0%	Fee increase implemented from January 2025
40 year renewal	£882.00	£882.00	0.0%	Fee increase implemented from January 2025
Renewal (forever)	£2,173.00	£2,173.00	0.0%	Fee increase implemented from January 2025
<b>Rose bush memorials for a 5 year period</b>				
Name Plate Renewal (5 years)	£162.00	£162.00	0.0%	Fee increase implemented from January 2025
Name Plate Replacement	£225.00	£225.00	0.0%	Fee increase implemented from January 2025
<b>Memory Garden Memorials</b>				
Memory Garden Memorial Purchase including first inscription	£476.00	£476.00	0.0%	Fee increase implemented from January 2025
Memory Garden Memorial Replacement	£244.00	£244.00	0.0%	Fee increase implemented from January 2025
Motif/Photo	£95.00	£95.00	0.0%	Fee increase implemented from January 2025
MGM Renewal Fee (10 Years)	£140.00	£140.00	0.0%	Fee increase implemented from January 2025
MGM Renewal (20 years)	£201.00	£201.00	0.0%	Fee increase implemented from January 2025
MGM Renewal (40 years)	£365.00	£365.00	0.0%	Fee increase implemented from January 2025
MGM Renewal (forever)	£932.00	£932.00	0.0%	Fee increase implemented from January 2025
<b>Bird Baths</b>				
Bird Bath Memorial Plaque - Row 1	£282.00	£282.00	0.0%	Fee increase implemented from January 2025
Bird Bath Memorial Plaque - Row 2	£322.00	£322.00	0.0%	Fee increase implemented from January 2025
Bird Bath Memorial Plaque - Row 3	£357.00	£357.00	0.0%	Fee increase implemented from January 2025
Bird Bath Memorial Plaque - Row 4	£396.00	£396.00	0.0%	Fee increase implemented from January 2025

**REGISTRATION SERVICES**

Where VAT is applicable this is included within the fees

Service Provided	2024/25 Fee/Charge	2025/26 Fee/Charge	% Increase	Comments
Bird Bath Memorial Plaque - Row 5	£435.00	£435.00	0.0%	Fee increase implemented from January 2025
Photo Plaque (Only Rows 3 to 5)	£95.00	£95.00	0.0%	Fee increase implemented from January 2025
<b>Tree Stake</b>				
Tree Stake Replacement only	£296.00	£296.00	0.0%	Fee increase implemented from January 2025
Tree Stake Renewal (5 years)	£162.00	£162.00	0.0%	Fee increase implemented from January 2025
<b>Pet Funeral Services</b>				
Burial in an individual plot Small	£200.00	£200.00	0.0%	Fee increase implemented from January 2025
Burial in an individual plot Medium	£278.00	£278.00	0.0%	Fee increase implemented from January 2025
Burial in an individual plot Large	£416.00	£416.00	0.0%	Fee increase implemented from January 2025
Coffin (24" x 14" x 8") Small	£147.00	£147.00	0.0%	Fee increase implemented from January 2025
Coffin (30" x 20" x 10") Medium	£166.00	£166.00	0.0%	Fee increase implemented from January 2025
Coffin (40" x 20" x 12") Large	£203.30	£203.30	0.0%	Fee increase implemented from January 2025
Casket for ashes	£94.00	£94.00	0.0%	Fee increase implemented from January 2025
Burial Memorial headstone	£583.00	£583.00	0.0%	Fee increase implemented from January 2025
Plot Marker	£36.00	£36.00	0.0%	Fee increase implemented from January 2025
Pet ashes scattering with small inscribed plaque	£1,301.00	£1,301.00	0.0%	Fee increase implemented from January 2025
Pet ashes scattering with large inscribed plaque	£144.00	£144.00	0.0%	Fee increase implemented from January 2025
Pet ashes in Leaf memorial Medium inc. urn	£583.00	£583.00	0.0%	Fee increase implemented from January 2025
Pet ashes in Leaf Memorial Large inc. urn	£729.00	£729.00	0.0%	Fee increase implemented from January 2025
<b>Sandwell Funeral Service (Cremation)</b>				
Cremation funeral for all ages	£1,999.00	£1,999.00	0.0%	Fee increase implemented from January 2025
<b>Catering - Wake at Reception Suite inclusive of room hire at Sandwell Valley Crematorium</b>				
Bronze Menu up to 30	£331.00	£331.00	0.0%	Fee increase implemented from January 2025
Bronze Menu up to 50	£553.00	£553.00	0.0%	Fee increase implemented from January 2025
Bronze Menu up to 80	£827.00	£827.00	0.0%	Fee increase implemented from January 2025
Silver Menu up to 30	£457.00	£457.00	0.0%	Fee increase implemented from January 2025
Silver Menu up to 50	£697.00	£697.00	0.0%	Fee increase implemented from January 2025
Silver Menu up to 80	£1,048.00	£1,048.00	0.0%	Fee increase implemented from January 2025
Gold Menu up to 30	£653.00	£653.00	0.0%	Fee increase implemented from January 2025
Gold Menu up to 50	£1,049.00	£1,049.00	0.0%	Fee increase implemented from January 2025
Gold Menu up to 80	£1,678.00	£1,678.00	0.0%	Fee increase implemented from January 2025
Smirnoff Vodka - Double	£5.50	£5.50	0.0%	Fee increase implemented from January 2025
Smirnoff Vodka - Single	£4.50	£4.50	0.0%	Fee increase implemented from January 2025
Jameson Whiskey - Double	£5.50	£5.50	0.0%	Fee increase implemented from January 2025
Jameson Whiskey - Single	£4.50	£4.50	0.0%	Fee increase implemented from January 2025
Jack Daniels - Double	£5.50	£5.50	0.0%	Fee increase implemented from January 2025
Jack Daniels - Single	£4.50	£4.50	0.0%	Fee increase implemented from January 2025
Famous Goose - Double	£5.50	£5.50	0.0%	Fee increase implemented from January 2025
Famous Goose - Single	£4.50	£4.50	0.0%	Fee increase implemented from January 2025
Malibu - Double	£5.50	£5.50	0.0%	Fee increase implemented from January 2025
Malibu - Single	£4.50	£4.50	0.0%	Fee increase implemented from January 2025
Couvosier Brandy - Double	£5.50	£5.50	0.0%	Fee increase implemented from January 2025
Couvosier Brandy - Single	£4.50	£4.50	0.0%	Fee increase implemented from January 2025
Bombay Sapphie - Double	£5.50	£5.50	0.0%	Fee increase implemented from January 2025
Bombay Sapphie - Single	£4.50	£4.50	0.0%	Fee increase implemented from January 2025
Gordons Gin - Double	£5.50	£5.50	0.0%	Fee increase implemented from January 2025
Gordons Gin - Single	£4.50	£4.50	0.0%	Fee increase implemented from January 2025
Martell Brandy - Double	£5.50	£5.50	0.0%	Fee increase implemented from January 2025
Martell Brandy - Single	£4.50	£4.50	0.0%	Fee increase implemented from January 2025
Captain Morgan Rum - Double	£5.50	£5.50	0.0%	Fee increase implemented from January 2025
Captain Morgan Rum - Single	£4.50	£4.50	0.0%	Fee increase implemented from January 2025
Spiced Rum - Double	£5.50	£5.50	0.0%	Fee increase implemented from January 2025
Spiced Rum - Single	£4.50	£4.50	0.0%	Fee increase implemented from January 2025
Bacardi - Double	£5.50	£5.50	0.0%	Fee increase implemented from January 2025
Bacardi - Single	£4.50	£4.50	0.0%	Fee increase implemented from January 2025
Sherry - Glass	£4.50	£4.50	0.0%	Fee increase implemented from January 2025
Baileys 50ml	£4.50	£4.50	0.0%	Fee increase implemented from January 2025
Port	£4.50	£4.50	0.0%	Fee increase implemented from January 2025
Chardonnay 187ml	£5.00	£5.00	0.0%	Fee increase implemented from January 2025
Pinot 187ml	£5.00	£5.00	0.0%	Fee increase implemented from January 2025

**REGISTRATION SERVICES**

Where VAT is applicable this is included within the fees

Service Provided	2024/25 Fee/Charge	2025/26 Fee/Charge	% Increase	Comments
Rose 187 ml	£5.00	£5.00	0.0%	Fee increase implemented from January 2025
Shiraz 187ml	£5.00	£5.00	0.0%	Fee increase implemented from January 2025
Bud 300ml	£4.50	£4.50	0.0%	Fee increase implemented from January 2025
Becks	£4.50	£4.50	0.0%	Fee increase implemented from January 2025
Peroni	£4.50	£4.50	0.0%	Fee increase implemented from January 2025
Stella Artois	£4.50	£4.50	0.0%	Fee increase implemented from January 2025
Guinness 440ml	£4.50	£4.50	0.0%	Fee increase implemented from January 2025
London Pride	£4.50	£4.50	0.0%	Fee increase implemented from January 2025
John Smiths	£4.50	£4.50	0.0%	Fee increase implemented from January 2025
Rekorderlig Wildberry	£5.50	£5.50	0.0%	Fee increase implemented from January 2025
Raspberry/Mango	£5.50	£5.50	0.0%	Fee increase implemented from January 2025
Lime/Strawberry	£5.50	£5.50	0.0%	Fee increase implemented from January 2025
Strongbow	£5.50	£5.50	0.0%	Fee increase implemented from January 2025
Spitfire	£5.50	£5.50	0.0%	Fee increase implemented from January 2025
Speckled Hen	£5.50	£5.50	0.0%	Fee increase implemented from January 2025
Hobgoblin	£5.50	£5.50	0.0%	New fee implemented from January 2025
Newcastle Brown	£5.50	£5.50	0.0%	Fee increase implemented from January 2025
Ginger Ale 125ml	£1.65	£1.65	0.0%	Fee increase implemented from January 2025
Orange Juice	£1.65	£1.65	0.0%	Fee increase implemented from January 2025
Red Bull	£2.30	£2.30	0.0%	Fee increase implemented from January 2025
Slimline Tonic	£1.50	£1.50	0.0%	Fee increase implemented from January 2025
Soda Water	£1.50	£1.50	0.0%	Fee increase implemented from January 2025
Sparkling Water	£1.65	£1.65	0.0%	Fee increase implemented from January 2025
Still Water	£1.10	£1.10	0.0%	Fee increase implemented from January 2025
Lemonade	£2.50	£2.50	0.0%	Fee increase implemented from January 2025
Coke	£2.50	£2.50	0.0%	Fee increase implemented from January 2025
Diet Coke	£2.50	£2.50	0.0%	Fee increase implemented from January 2025
J20 Orange/Passion fruit	£2.50	£2.50	0.0%	Fee increase implemented from January 2025
Apple & Raspberry	£2.50	£2.50	0.0%	Fee increase implemented from January 2025
<b>Catering - Café Crem at Sandwell Valley Crmatorium (NEW SERVICE)</b>				
Espresso	£2.90	£2.90	0.0%	Fee increase implemented from January 2025
Cappucino	£3.50	£3.50	0.0%	Fee increase implemented from January 2025
Latte	£3.50	£3.50	0.0%	Fee increase implemented from January 2025
Mocha	£3.70	£3.70	0.0%	Fee increase implemented from January 2025
Americano	£3.50	£3.50	0.0%	Fee increase implemented from January 2025
Flat White	£3.70	£3.70	0.0%	Fee increase implemented from January 2025
Oat/Soya Milk	£0.50	£0.50	0.0%	
Deluxe Hot Chocolate	£3.90	£3.90	0.0%	Fee increase implemented from January 2025
Syrups	£0.50	£0.50	0.0%	
Tea	£2.20	£2.20	0.0%	
Fruit/ Herbal Tea	£2.35	£2.35	0.0%	Fee increase implemented from January 2025
Fanta/Orange	£2.50	£2.50	0.0%	Fee increase implemented from January 2025
Coke/Coke Zero	£2.50	£2.50	0.0%	Fee increase implemented from January 2025
Kids Juice Carton	£1.00	£1.00	0.0%	Fee increase implemented from January 2025
Cheese Sandwich	£4.75	£4.75	0.0%	Fee increase implemented from January 2025
Ham Sandwich	£4.75	£4.75	0.0%	Fee increase implemented from January 2025
Egg Mayo Sandwich	£4.75	£4.75	0.0%	Fee increase implemented from January 2025
Tuna Mayo Sandwich	£4.95	£4.95	0.0%	Fee increase implemented from January 2025
Chicken & Bacon Sandwich	£5.20	£5.20	0.0%	Fee increase implemented from January 2025
Chicken Tikka Sandwich	£5.20	£5.20	0.0%	Fee increase implemented from January 2025
Sausage Sandwich	£3.50	£3.50	0.0%	Fee increase implemented from January 2025
Bacon Sandwich	£3.30	£3.30	0.0%	Fee increase implemented from January 2025
Cheese Panini	£5.80	£5.80	0.0%	Fee increase implemented from January 2025
Ham Panini	£6.00	£6.00	0.0%	Fee increase implemented from January 2025
Tikka & Cheese Panini	£5.00	£5.00	0.0%	Fee increase implemented from January 2025
Roasted Tomoto & Mozarella Panini	£5.80	£5.80	0.0%	Fee increase implemented from January 2025
Crusty White Bread	£1.75	£1.75	0.0%	Fee increase implemented from January 2025
Teacake	£2.00	£2.00	0.0%	
Jam/Marmalade	£0.50	£0.50	0.0%	
Crisps	£1.00	£1.00	0.0%	

**REGISTRATION SERVICES**

Where VAT is applicable this is included within the fees

Service Provided	2024/25 Fee/Charge	2025/26 Fee/Charge	% Increase	Comments
Piece Of Fruit	£0.80	£0.80	0.0%	
Chocolate Bar	£1.00	£1.00	0.0%	
Breakfast Bar/ Flapjack	£1.00	£1.00	0.0%	
Cake	£3.00	£3.00	0.0%	

<b>YOUTH SERVICE</b>				
<b>Service Provided</b>	<b>2024/25 Fee/Charge</b>	<b>2025/26 Fee/Charge</b>	<b>% Increase</b>	<b>Comments</b>
<b>Section A - Malthouse Stables</b>				
Climbing Wall/ Mobile Climbing Wall - week days	£52.78	£53.85	2.0%	
Associated Preparation fee week days - week days	£92.81	£94.65	2.0%	
Climbing Wall/ Mobile Climbing Wall Saturday	£61.90	£63.15	2.0%	
Associated Preparation fee week days - Saturdays	£108.17	£110.35	2.0%	
Climbing Wall/ Mobile Climbing Wall Sundays and Bank Holidays	£70.39	£71.80	2.0%	
Associated Preparation fee week days - Sundays and Bank Holidays	£117.66	£120.00	2.0%	
All Other Mobile activities	£52.78	£53.85	2.0%	
Meeting Room Hire	£23.05	£23.50	2.0%	
<b>Section A - Malthouse Stables Activities with Instruction Sandwell Residents</b>				
Adult	£12.66	£12.90	1.9%	
Junior (under 18)	£8.44	£8.60	1.9%	
<b>Section A - Malthouse Stables Activities with Instruction Out of Borough Users</b>				
Adult	£21.12	£21.55	2.0%	
Junior (under 18)	£14.32	£14.60	2.0%	
<b>Section B - Moorings</b>				
UNDER 20 FT	£23.67	£24.15	2.0%	
21 - 30 FT	£29.36	£29.95	2.0%	
31 - 40FT	£36.92	£37.65	2.0%	
41 - 50 FT	£44.65	£45.55	2.0%	
51 - 60 FT	£51.10	£52.10	2.0%	
61 - 70 FT	£57.72	£58.85	2.0%	
71 FT AND OVER	£65.52	£66.85	2.0%	
<b>Section C - transport</b>				
0-50 MILES	£0.81	£0.85	4.9%	
50+ MILES	£0.69	£0.70	1.4%	
Hire of driver per hour	£16.12	£16.45	2.0%	
Hire of minibus per day	£57.89	£59.05	2.0%	
<b>Section D - Coneygre Art Centre</b>				
Meeting Room	£23.05	£23.50	2.0%	
Dance Studio	£29.23	£29.80	2.0%	
Multi Purpose Room	£29.23	£29.80	2.0%	
Theatre	£39.91	£40.70	2.0%	
Meeting Room	£170.95	£174.35	2.0%	
Dance Studio	£189.55	£193.35	2.0%	
Multi Purpose Room	£189.55	£193.35	2.0%	
Theatre	£282.30	£287.95	2.0%	
<b>Section E - Coneygre Arts Centre - Recording Studio</b>				
Sandwell Residents	£32.16	£32.80	2.0%	
non-Sandwell Residents and Businesses	£38.60	£39.35	1.9%	
Sandwell Residents	£257.32	£262.45	2.0%	
non-Sandwell Residents and Businesses	£295.91	£301.85	2.0%	
<b>Section E - Coneygre Arts Centre - Multi Media Room</b>				
Sandwell Residents	£32.16	£32.80	2.0%	
non-Sandwell Residents and Businesses	£38.60	£39.35	1.9%	
Sandwell Residents	£257.32	£262.45	2.0%	
non-Sandwell Residents and Businesses	£295.91	£301.85	2.0%	
<b>New Charges - Mobile Youth Provision</b>				
Weekday - Cost per hour		£75.00		New charge
Weekday - Preparation fee		£80.00		New charge
Saturdays - £100 preparation fee plus £120 per hour		£100.00		New charge
Saturdays - £100 preparation fee plus £120 per hour		£120.00		New charge
Sundays/Bank Holidays - £100 preparation fee plus £150 per hour		£100.00		New charge
Sundays/Bank Holidays - £100 preparation fee plus £150 per hour		£150.00		New charge

**SANDWELL RESIDENTIAL EDUCATION SERVICE**

2025/26 charges start from  
September 2025

**2 NIGHT RESIDENTIALS**

Service Provided	2024/25 Fee/Charge	2025/26 Fee/Charge	% Increase	Comments
<b>Non-Sandwell Groups</b>				
Low Season	£156.00	£164.00	5.1%	
Mid Season	£179.00	£188.00	5.0%	
High Season (except Frank Chapman Centre)	£196.00	£206.00	5.1%	
High Season Frank Chapman Centre	£206.00	£216.00	4.9%	
<b>Sandwell Academies (20% subsidy on Non-Sandwell rate)</b>				
Low Season	£125.00	£131.00	4.8%	
Mid Season	£143.00	£150.00	4.9%	
High Season (except Frank Chapman Centre)	£157.00	£165.00	5.1%	
High Season Frank Chapman Centre	£167.00	£175.00	4.8%	
<b>Sandwell Maintained Schools (30% subsidy on Non-Sandwell rate)</b>				
Low Season	£110.00	£114.00	3.6%	
Mid Season	£125.00	£132.00	5.6%	
High Season (except Frank Chapman Centre)	£138.00	£144.00	4.3%	
High Season Frank Chapman Centre	£148.00	£154.00	4.1%	

**2 NIGHT RESIDENTIALS (MONDAY TO WEDNESDAY)**

Service Provided	2024/25 Fee/Charge	2025/26 Fee/Charge	% Increase	Comments
<b>Non-Sandwell Groups</b>				Note this is a new category to incentivise Monday to Wednesday visits; levelling occupancy, increasing the number of lower-priced options and in lieu of a "large group discount" (see below)
Low Season	£156.00	£160.00	2.6%	
Mid Season	£179.00	£184.00	2.8%	
High Season (except Frank Chapman Centre)	£196.00	£202.00	3.1%	
High Season Frank Chapman Centre	£206.00	£212.00	2.9%	
<b>Sandwell Academies (20% subsidy on Non-Sandwell rate)</b>				
Low Season	£125.00	£127.00	1.6%	
Mid Season	£143.00	£146.00	2.1%	
High Season (except Frank Chapman Centre)	£157.00	£161.00	2.5%	
High Season Frank Chapman Centre	£167.00	£171.00	2.4%	
<b>Sandwell Maintained Schools (30% subsidy on Non-Sandwell rate)</b>				
Low Season	£110.00	£110.00	0.0%	
Mid Season	£125.00	£128.00	2.4%	
High Season (except Frank Chapman Centre)	£138.00	£140.00	1.4%	
High Season Frank Chapman Centre	£148.00	£150.00	1.4%	

**4 NIGHT RESIDENTIALS - INGESTRE HALL, EDMOND HALL AND FRANK CHAPMAN CENTRE**

Service Provided	2024/25 Fee/Charge	2025/26 Fee/Charge	% Increase	Comments
<b>Non-Sandwell Groups</b>				
Low Season	£283.00	£299.00	5.7%	
Mid Season	£334.00	£352.00	5.4%	
High Season (except Frank Chapman Centre)	£364.00	£384.00	5.5%	
High Season Frank Chapman Centre	£374.00	£394.00	5.3%	
<b>Sandwell Academies (20% subsidy on Non-Sandwell rate)</b>				
Low Season	£226.00	£239.00	5.8%	
Mid Season	£267.00	£282.00	5.6%	
High Season (except Frank Chapman Centre)	£291.00	£307.00	5.5%	
High Season Frank Chapman Centre	£301.00	£317.00	5.3%	
<b>Sandwell Maintained Schools (30% subsidy on Non-Sandwell rate)</b>				
Low Season	£198.00	£209.00	5.6%	
Mid Season	£234.00	£247.00	5.6%	
High Season (except Frank Chapman Centre)	£255.00	£269.00	5.5%	
High Season Frank Chapman Centre	£265.00	£279.00	5.3%	

**4 NIGHT RESIDENTIALS - INGESTRE HALL, EDMOND HALL AND FRANK CHAPMAN CENTRE (LARGE GROUPS)**

Service Provided	2024/25 Fee/Charge	2025/26 Fee/Charge	% Increase	Comments
<b>Non-Sandwell Groups</b>				
Low Season	£263.00	£279.00	6.1%	
Mid Season	£315.00	£333.00	5.7%	
High Season (except Frank Chapman Centre)	£346.00	£366.00	5.8%	
High Season Frank Chapman Centre	£356.00	£376.00	5.6%	
<b>Sandwell Academies (20% subsidy on Non-Sandwell rate)</b>				
Low Season	£210.00	£226.00	7.6%	
Mid Season	£252.00	£267.00	6.0%	
High Season (except Frank Chapman Centre)	£275.00	£291.00	5.8%	
High Season Frank Chapman Centre	£285.00	£301.00	5.6%	
<b>Sandwell Maintained Schools (30% subsidy on Non-Sandwell rate)</b>				
Low Season	£184.00			We propose removing this for Sandwell maintained schools as they pay considerably less than other groups. The fee for maintained schools would still be lower than the fee for large Sandwell academies groups. In its place we propose an additional subsidy for 2 night programmes, offering a greater number of lower-priced options
Mid Season	£220.00			
High Season (except Frank Chapman Centre)	£242.00			
High Season Frank Chapman Centre	£252.00			

**4 NIGHT RESIDENTIALS - PLAS GWYNANT**

Service Provided	2024/25 Fee/Charge	2025/26 Fee/Charge	% Increase	Comments
<b>Non-Sandwell Groups</b>				
Low Season	£344.00	£363.00	5.5%	
Mid Season	£380.00	£401.00	5.5%	
High Season	£425.00	£449.00	5.6%	
<b>Sandwell Academies (20% subsidy on Non-Sandwell rate)</b>				
Low Season	£276.00	£290.00	5.1%	
Mid Season	£304.00	£321.00	5.6%	
High Season	£340.00	£359.00	5.6%	
<b>Sandwell Maintained Schools (30% subsidy on Non-Sandwell rate)</b>				
Low Season	£241.00	£254.00	5.4%	
Mid Season	£266.00	£281.00	5.6%	
High Season	£298.00	£314.00	5.4%	

Sandwell Looked After Children attend free of charge with their schools during term-time.

Frank Chapman high season prices reflect the additional operational costs at that time of the year.

Frank Chapman Centre pods are open Easter to October, with prices to be set at 80% of main centre charges, providing a lower-cost residential option.

Large group discounts encourage non-Sandwell schools to bring bigger numbers and more income for 4-night visits.

Large numbers: 65+ at Ingestre; 45+ at Frank Chapman and Edgmond.

A minimum number requirement applies at all centres. Schools can share to meet minimum numbers, or combine year groups

Low season: the first 2 weeks of the autumn term; 1Dec - 31 Jan

Mid-season: the third week of autumn term-30 Nov; Feb, March, April (and to SATs week, Plas).

High season: May, June and July (post SATs at Plas Gwynant).

<b>SANDWELL MBC - GENERAL FUND BUDGET SUMMARY</b>						
	<b>Current Budget 2024/25 £000</b>	<b>Draft Budget 2025/26 £000</b>	<b>2026/27 £000</b>	<b>Forecast Draft Budgets</b>		<b>2029/30 £000</b>
				<b>2027/28 £000</b>	<b>2028/29 £000</b>	
<b>Service Directorates</b>						
Corporate Management	464.2	<b>479.1</b>	490.1	501.4	513.0	525.0
Assistant Chief Executive	11,136.9	<b>12,444.8</b>	12,479.3	12,973.9	13,483.4	14,008.2
People - Adult Social Care	85,111.1	<b>89,595.7</b>	98,468.4	106,803.9	114,468.5	121,047.2
People - Children's Services	105,087.6	<b>108,671.9</b>	112,616.3	115,405.0	118,949.9	122,608.1
People - Public Health	-	-	-	-	-	-
Place - Environment	73,443.8	<b>74,289.0</b>	74,575.2	77,138.9	79,718.6	82,363.0
Place - Housing Services	4,273.7	<b>5,646.5</b>	5,890.2	6,142.1	6,401.5	6,668.6
Place - Regeneration & Growth	10,264.2	<b>10,971.9</b>	11,489.6	12,037.5	12,636.0	13,253.5
Finance and Transformation	26,088.5	<b>30,437.1</b>	31,285.0	32,391.8	33,544.5	34,732.0
Council Wide	-	-	(480.0)	(960.0)	(1,440.0)	(1,920.0)
<b>Total Service Directorate</b>	<b>315,870.0</b>	<b>332,536.0</b>	<b>346,814.1</b>	<b>362,434.5</b>	<b>378,275.4</b>	<b>393,285.6</b>
Capital Charges	(26,461.0)	(26,461.0)	(26,461.0)	(26,461.0)	(26,461.0)	(26,461.0)
Central Items	10,493.0	<b>22,259.0</b>	11,030.9	11,306.5	11,584.4	11,865.5
Contingency	2,598.5	<b>8,178.3</b>	8,200.8	8,224.0	8,247.9	8,272.5
<b>Total Council Service Costs</b>	<b>302,500.5</b>	<b>336,512.3</b>	<b>339,584.8</b>	<b>355,504.0</b>	<b>371,646.7</b>	<b>386,962.6</b>
External Interest Payments	20,136.0	<b>22,100.0</b>	21,415.0	22,265.0	23,150.0	24,070.0
Interest and Dividend Receipts	(10,000.0)	(10,000.0)	(10,000.0)	(10,000.0)	(10,000.0)	(10,000.0)
Contribution to/ (from) Earmarked Reserves	5,840.2	(292.0)	-	-	-	-
Revenue Contributions to Capital Expenditure	-	<b>2,992.0</b>	2,700.0	2,700.0	2,700.0	2,700.0
Contribution to/ (from) General Balances	-	-	-	-	-	-
<b>Net Cost of Borough Services</b>	<b>318,476.7</b>	<b>351,312.3</b>	<b>353,699.8</b>	<b>370,469.0</b>	<b>387,496.7</b>	<b>403,732.6</b>
West Midlands Integrated Transport Levy	14,396.0	<b>14,333.2</b>	14,763.2	15,206.1	15,662.3	16,132.2
West Midlands Magistrates Courts	41.0	<b>41.0</b>	41.0	41.0	41.0	41.0
Environment Agency (Flood Defence Levy)	94.0	<b>97.0</b>	97.0	97.0	97.0	97.0
<b>Net Borough Expenditure</b>	<b>333,007.7</b>	<b>365,783.5</b>	<b>368,601.0</b>	<b>385,813.1</b>	<b>403,297.0</b>	<b>420,002.8</b>
<b>Funding</b>						
<b>Non-Ringfenced Grants</b>						
Recovery Grant	-	(11,784.0)	-	-	-	-
New Homes Bonus	(776.0)	(379.0)	-	-	-	-
National Insurance Re-imburement Grant	-	(3,529.3)	(3,529.3)	(3,529.3)	(3,529.3)	(3,529.3)
Services Grant	(648.0)	-	-	-	-	-
<b>Non-Domestic Rates</b>						
Retained Business Rates	(114,106.0)	(121,750.0)	(122,777.0)	(124,774.0)	(128,005.0)	(130,430.7)
Section 31 Grants	(38,123.0)	(41,985.0)	-	-	-	-
Top-up Grant	(42,378.0)	(43,246.0)	(89,083.0)	(90,564.0)	(91,463.0)	(93,292.3)
<b>Collection Fund (Surplus)/ Deficits</b>						
Non-Domestic Rates	(1,607.0)	<b>1,082.0</b>	-	-	-	-
Council Tax	500.0	<b>2,373.0</b>	-	-	-	-
<b>Amounts Raised from Council Tax</b>	<b>(135,869.7)</b>	<b>(146,565.2)</b>	<b>(153,211.7)</b>	<b>(160,159.5)</b>	<b>(167,422.5)</b>	<b>(175,014.9)</b>
<b>Projected (Surplus)/ Deficit</b>	-	-	-	<b>6,786.3</b>	<b>12,877.2</b>	<b>17,735.6</b>

## SANDWELL METROPOLITAN BOROUGH COUNCIL

COUNCIL TAX  
2025/26

Band	Core Council Tax	Adult Social Care Precept	Sandwell Metropolitan Borough Council (amount shown on Council Tax Bills)	Fire	Police	Total
A	£1,024.96	£190.88	£1,215.84	£53.46	£153.00	<b>£1,422.30</b>
B	£1,195.79	£222.69	£1,418.48	£62.37	£178.50	<b>£1,659.35</b>
C	£1,366.61	£254.51	£1,621.12	£71.28	£204.00	<b>£1,896.40</b>
D	£1,537.44	£286.32	£1,823.76	£80.19	£229.50	<b>£2,133.45</b>
E	£1,879.09	£349.95	£2,229.04	£98.01	£280.50	<b>£2,607.55</b>
F	£2,220.75	£413.57	£2,634.32	£115.83	£331.50	<b>£3,081.65</b>
G	£2,562.40	£477.20	£3,039.60	£133.65	£382.50	<b>£3,555.75</b>
H	£3,074.88	£572.64	£3,647.52	£160.38	£459.00	<b>£4,266.90</b>
NOTE: The Council Tax levels shown above apply to properties with 2 or more adults.						
<b>2025/26</b>	<b>Increase</b>					
2025/26	Band D Amount		£1,823.76	£80.19	£229.50	£2,133.45
2024/25	Band D Amount		£1,737.08	£75.20	£215.55	£2,027.83
2025/26	£ Increase		£86.68	£4.99	£13.95	£105.62
2025/26	% Increase		4.99%	6.64%	6.47%	5.21%
<b>Amount to be Raised</b>			<b>£146,565,196</b>	<b>£6,444,545</b>	<b>£18,443,607</b>	

## DSG and Schools Funding 2025/26

### Schools Funding Settlement

1. The School and Early Years Finance Regulations 2023 set out the funding arrangements for the 2025/26 funding period. These regulations make provision for the financial arrangements of local authorities in relation to the funding of maintained schools and providers of prescribed Early Years provision in England.
2. The schools' forums (England) regulations 2012 govern the constitution and conduct of meetings of the Schools Forum and determine those matters on which the local authority must or may consult the schools' forum and those in respect of which the schools' forum can make decisions. The Schools Revenue Funding 2025/26 Operational Guide requires the Council to engage in open and transparent consultation with maintained schools and academies in their area, as well as with their school's forum about any changes to the local funding formula, including the principles adopted and any movement of funds between blocks.
3. The Council is responsible for making the final decisions on the formula and for ensuring there is sufficient time to gain political approval before the funding is distributed to schools.
4. Schools Forum considered the DSG allocations and draft school budgets as included within the annex to the budget report at their meeting of 20<sup>th</sup> January 2025.
5. As part of the budget process the Council allocates the Dedicated Schools Grant (DSG) to schools in consultation with the Schools Forum. On 17<sup>th</sup> December 2024, the government announced the 2025/26 Dedicated Schools Grant (DSG), for all Sandwell schools in the sum of £511.090m. This represents an increase of 9.63% from corresponding amount in 2024/25. This amount is before recoupment for Academies and Free Schools which are calculated after this headline figure and therefore the amount available for distribution by the Council will be lower than this headline figure and per DSG announcements this reduces to £502.942m.

6. Table 1 below shows how the DSG has been allocated across the four blocks and corresponding amounts published for the prior financial year:

Table 1

DSG Block	2025/26 Allocations			2024/25	
	Allocation prior to Adjustments	Adjustments	Allocation after adjustments	Revised Allocations after adjustments	% change 2025/26 vs 2024/25
	£m	£m	£m	£m	%
Schools Block	378.656	(3.290)	<b>375.366</b>	346.576	8.31%
High Needs Block	82.466	(4.858)	<b>77.608</b>	70.675	9.81%
Early Years Block	47.307	-	<b>47.307</b>	37.827	25.06%
Central Schools Services	2.661	-	<b>2.661</b>	2.419	10.00%
<b>Total</b>	<b>511.090</b>	<b>(8.148)</b>	<b>502.942</b>	<b>457.497</b>	<b>9.93%</b>

7. The High needs block allocations are provisional figures and will be updated in the new year. The import/export adjustment will be updated in the summer term 2025 to reflect the latest data from the January 2025 schools census and the RO6 of the 2024 to 2025 Individual Learner Record (ILR). The DfE will make further adjustments in April 2025 to the place funding deductions for the academic year 2025 to 2026 to reflect the outcome of the 2025 to 2026 place change notifications process and to reflect further academy conversions.
8. The further increase in the Early Years Grant is due to the expansion of the Early Years Offer to include 15 hours funding for the working parents of 2 year olds from April 2024 and for children from 9 months old from September 2024. This offer will expand again to 30 hours funding for all children of working parents from September 2025. A consultation will take place on how this expansion will work in the coming weeks.
9. Local authorities will continue to be able to transfer up to 0.5% of their schools block to other blocks of the DSG, with Schools Forum approval. A disapplication request is required for transfers above 0.5%, or for any amount without Schools Forum approval. The authority will once again be requesting a movement of funding from the Schools Block to the Central Schools Services Block.

### **Context and Key Issues**

10. Following the announcement of DSG allocations for 2025/26 detailed work has been undertaken to allocate funding to individual schools from the Schools Block.

11. The amount to be distributed has been calculated as £373.004m and is based on the above Schools Block amounts included above plus some further adjustments as shown in Table 2:

Table 2

Description	2025/26	2024/25
	£m	£m
Schools Block (before adjustments)	378.656	349.852
Adjustments re NNDR	(3.290)	(3.276)
<b>Allocation after Adjustments</b>	<b>375.366</b>	<b>346.576</b>
Set aside – Pupil Number Growth contingency	(1.000)	(1.600)
Set aside – Fallings Rolls Funding contingency	(0.840)	(0.654)
Transfer from Schools Block to CSSB	(0.522)	(0.512)
<b>Amount Available to Distribute</b>	<b>373.004</b>	<b>343.810</b>

12. The school funding model has to be submitted to meet the DfE deadline of 24th January 2025 for review and final confirmation of the budgets.

### Capping and Scaling (C&S)

13. The DfE allows overall gains for individual schools to be capped as well as scaled back to ensure that local formulae are affordable. This methodology was new to Sandwell in 2023/24, was applied in 2024/25 and has been applied again in 2025/26.
14. It was found that our local formula had a small shortfall of £1.936m. MFG at -0.5% was applied to bring this shortfall to £1.878m and then 0.14% capping and 41.73% scaling was applied. Note in principle is that the higher the level of capping, the more the number of schools that will gain but the more severe the level of scaling to ensure the Schools Block is affordable.
15. It is still possible that capping and scaling (C&S) will change after the review by the DfE as stated above. If this happens then an update will be provided to Schools Forum at its next meeting.
16. Local authorities can cap any gains schools receive through the 2025 to 2026 local formula and will be applied on the same basis to all schools.
17. The DfE applies caps and scales to academy budgets on the same basis as for maintained schools, although the values may differ from those shown in the APT since the actual baseline position for the academy may not be the same as that shown in the APT dataset.
18. C&S factors must not be applied to schools that have opened in the last 7 years and have not reached their full number of year groups. This definition of new and growing schools does not include existing schools that are extending to include a new phase and have empty year groups in the new phase.

19. C&S cannot take a school below the Minimum Per Pupil Levels (MPPLs). Should local authorities elect to apply a gains cap in 2025/26, the cap must be set at least as high as the MFG threshold. This ensures all schools retain any gains up to the MFG threshold even where a cap is applied.

### **Future Risk Implications**

20. The Sandwell's Schools Formula is still substantially different to the National Funding Formula (NFF). We are still awaiting confirmation from this new Government to see if by 2027/28 all schools will be funded in the same way. If this expectation remains then there will be a period of change on the way resources are allocated to school as we move to the NFF.
21. There is a risk that as we move closer to the NFF that primary schools may see a reduction in their funding. Schools and their Governing Bodies are responsible for setting an annual balanced budget and are expected to take the necessary steps now to incorporate changes into their strategic plans.

**Summary****General Fund - 6 Year Approved Capital Programme**

	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	TOTAL
<b>Service</b>	<b>Revised Base Budget</b>	<b>Revised Base Budget</b>	<b>Revised Base Budget</b>	<b>Revised Base Budget</b>	<b>Original Base Budget</b>	<b>Original Base Budget</b>	
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Adult Social Care	1,098	-	-	-	-	-	1,098
Children & Education	9,445	46,028	10,000	10,000	10,000	10,000	95,473
Place - Environment	34,170	26,284	10,334	8,334	8,334	8,334	95,790
Place - Housing	13,543	4,800	4,800	4,800	4,800	4,800	37,543
Place - Regeneration	64,423	20,620	2,100	2,100	2,100	2,100	93,443
Assistant Chief Executive	33	-	-	-	-	-	33
Finance & Transformation	10,240	4,700	1,200	1,200	1,200	1,200	19,740
<b>Grand Total</b>	<b>132,952</b>	<b>102,432</b>	<b>28,434</b>	<b>26,434</b>	<b>26,434</b>	<b>26,434</b>	<b>343,120</b>
<b>Financing</b>							
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Grant Funding	101,258	93,837	23,339	21,339	21,339	21,339	282,451
Prudential Borrowing	28,596	8,595	5,095	5,095	5,095	5,095	57,571
Capital Receipts	2,000	-	-	-	-	-	2,000
Revenue Contributions to Capital Outlay	1,098	-	-	-	-	-	1,098
<b>Grand Total</b>	<b>132,952</b>	<b>102,432</b>	<b>28,434</b>	<b>26,434</b>	<b>26,434</b>	<b>26,434</b>	<b>343,120</b>

## Summary

### General Fund - Pipeline Capital Project Requests

	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	TOTAL
<b>Service</b>	<b>Revised Base Budget</b>	<b>Revised Base Budget</b>	<b>Revised Base Budget</b>	<b>Revised Base Budget</b>	<b>Original Base Budget</b>	<b>Original Base Budget</b>	
	£000	£000	£000	£000	£000	£000	£000
Adult Social Care	-	282	-	-	-	-	282
Children & Education	-	4,485	12,350	500	-	-	17,335
Place - Environment	-	28,947	37,740	16,525	1,625	1,625	86,462
Place - Housing	-	-	-	-	-	-	-
Place - Regeneration	-	3,638	20,070	-	-	-	23,708
Assistant Chief Executive	-	-	-	-	-	-	-
Finance & Transformation	-	121	1,625	-	-	-	1,746
<b>Grand Total</b>	-	<b>37,473</b>	<b>71,785</b>	<b>17,025</b>	<b>1,625</b>	<b>1,625</b>	<b>129,533</b>
<b>Financing</b>							
	£000	£000	£000	£000	£000	£000	£000
Grant Funding	-	25,926	61,448	15,400	-	-	102,774
Prudential Borrowing	-	8,555	10,337	1,625	1,625	1,625	23,767
Capital Receipts	-	-	-	-	-	-	-
Revenue Contributions to Capital Outlay	-	2,992	-	-	-	-	2,992
<b>Grand Total</b>	-	<b>37,473</b>	<b>71,785</b>	<b>17,025</b>	<b>1,625</b>	<b>1,625</b>	<b>129,533</b>

## Summary

### General Fund - 6 Year Approved Capital Programme & Pipeline Capital Project Requests

	2024/25	2025/26	2026/27	2027/28	2028/29	2028/29	TOTAL
<b>Service</b>	<b>Revised Base Budget</b>	<b>Revised Base Budget</b>	<b>Revised Base Budget</b>	<b>Revised Base Budget</b>	<b>Original Base Budget</b>	<b>Original Base Budget</b>	
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Adult Social Care	1,098	282	-	-	-	-	1,380
Children & Education	9,445	50,513	22,350	10,500	10,000	10,000	112,808
Place - Environment	34,170	55,231	48,074	24,859	9,959	9,959	182,252
Place - Housing	13,543	4,800	4,800	4,800	4,800	4,800	37,543
Place - Regeneration	64,423	24,258	22,170	2,100	2,100	2,100	117,151
Assistant Chief Executive	33	-	-	-	-	-	33
Finance & Transformation	10,240	4,821	2,825	1,200	1,200	1,200	21,486
<b>Grand Total</b>	<b>132,952</b>	<b>139,905</b>	<b>100,219</b>	<b>43,459</b>	<b>28,059</b>	<b>28,059</b>	<b>472,653</b>
<b>Financing</b>							
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Grant Funding	101,258	119,763	84,787	36,739	21,339	21,339	385,225
Prudential Borrowing	28,596	17,150	15,432	6,720	6,720	6,720	81,338
Capital Receipts	2,000	-	-	-	-	-	2,000
Revenue Contributions to Capital Outlay	1,098	2,992	-	-	-	-	4,090
<b>Grand Total</b>	<b>132,952</b>	<b>139,905</b>	<b>100,219</b>	<b>43,459</b>	<b>28,059</b>	<b>28,059</b>	<b>472,653</b>

SMBC 6 YEAR CAPITAL PROGRAMME - GENERAL FUND

Approved Capital Programme

	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	Total	
Service / Scheme	Revised Base Budget	Revised Base Budget	Revised Base Budget	Revised Base Budget	Original Base Budget	Original Base Budget		Funding Source
	£000	£000	£000	£000	£000	£000	£000	
<b>Adult Social Care</b>								
ASC Capital Grant	564	-	-	-	-	-	564	Grant
Laptops	34	-	-	-	-	-	34	Prudential
Fountain Court Kitchen	57	-	-	-	-	-	57	Prudential
Call Handling Terminals	28	-	-	-	-	-	28	Prudential
Changing Places Facility - Stoney Lane	86	-	-	-	-	-	86	Prudential
ASC System Development	260	-	-	-	-	-	260	Grant
Contaminated Land Grant	8	-	-	-	-	-	8	Grant
Swift Impress System	61	-	-	-	-	-	61	Prudential
<b>Adult Social Care Total</b>	<b>1,098</b>						<b>1,098</b>	
<b>Children and Education</b>								
Orchard Building Works (Primrose)	12	-	-	-	-	-	12	Grant
PLAY Pathfinder	6	-	-	-	-	-	6	Grant
Devolved Formula Capital	623	-	-	-	-	-	623	Grant
Youth Centre Queens Way	5	-	-	-	-	-	5	Grant
<b>Schools Capital Programme Schemes</b>								
Basic Need Grant - Unallocated	2,495	15,100	3,100	3,100	3,100	3,100	29,995	Grant
Connor Education Centre	30	-	-	-	-	-	30	Grant
ESFA Shireland Primary Free School	57	-	-	-	-	-	57	Grant
Feasibility Work - Expansion of Secondary	267	-	-	-	-	-	267	Grant
Great Bridge Primary	17	-	-	-	-	-	17	Grant
Health Futures UTC	1,730	-	-	-	-	-	1,730	Grant
New Oldbury Primary - Lightwoods	174	-	-	-	-	-	174	Grant
Ormiston Sandwell Community Academy (OSCA)	245	-	-	-	-	-	245	Grant
Shenstone Lodge	186	-	-	-	-	-	186	Grant
West Bromwich Collegiate Academy - Phase 2	97	-	-	-	-	-	97	Grant
School Condition Allocation - Unallocated	-	20,036	5,400	5,400	5,400	5,400	41,636	Grant
LifeCycle Property Maintenance	1,072	-	-	-	-	-	1,072	Grant
Pipework/Boiler Refurb at Joseph Turner/Ryders Green/Moorland Primary	764	-	-	-	-	-	764	Grant
Rood End Primary - Pitched Roof	124	-	-	-	-	-	124	Grant
Causeway Green Primary	291	-	-	-	-	-	291	Grant
High Needs Grant - Unallocated	-	10,892	1,500	1,500	1,500	1,500	16,892	Grant
Brades Lodge	1,250	-	-	-	-	-	1,250	Grant
<b>Children and Education Total</b>	<b>9,445</b>	<b>46,028</b>	<b>10,000</b>	<b>10,000</b>	<b>10,000</b>	<b>10,000</b>	<b>95,473</b>	

**SMBC 6 YEAR CAPITAL PROGRAMME - GENERAL FUND**

**Approved Capital Programme**

	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	Total	
Service / Scheme	Revised Base Budget	Revised Base Budget	Revised Base Budget	Revised Base Budget	Original Base Budget	Original Base Budget		Funding Source
	£000	£000	£000	£000	£000	£000	£000	
<b>Place - Environment</b>								
Libraries - Self Service Kiosks Phase 2	45	-	-	-	-	-	45	Prudential
Forge Mill Farm	2	-	-	-	-	-	2	Prudential
Lightwoods Park HLF	210	-	-	-	-	-	210	Grant
Manor House - Phase 2	12	-	-	-	-	-	12	Prudential
Manor House Conservation Plan	241	-	-	-	-	-	241	Prudential
Oakhouse Barns Resoration Project	125	-	-	-	-	-	125	Grant
Oakhouse Barns Resoration Project	10	-	-	-	-	-	10	Prudential
Highways - Birchley Island (Feasibility)	1,000	-	-	-	-	-	1,000	Grant
Highways - Birchley Island (Feasibility)	4,047	-	-	-	-	-	4,047	Prudential
Highways Local Network Improvement Plan (LNIP)	3,776	1,798	1,798	1,798	1,798	1,798	12,766	Grant
Highways Maintenance & Structures Main Programme (Council Resources)	7,208	295	295	295	295	295	8,683	Prudential
Highways Maintenance & Structures (Grant Funded)	5,846	4,741	4,741	4,741	4,741	4,741	29,551	Grant
Highways Other Grant Funded Schemes	4,087	-	-	-	-	-	4,087	Grant
Vehicles	1,500	1,500	1,500	1,500	1,500	1,500	9,000	Prudential
Haden Hill Leisure Centre	3,716	17,950	2,000	-	-	-	23,666	Grant
Play & Education Barn Project (Forge Mill Farm)	620	-	-	-	-	-	620	Grant
Play & Education Barn Project (Forge Mill Farm)	250	-	-	-	-	-	250	Prudential
Play & Education Barn Project (Forge Mill Farm)	289	-	-	-	-	-	289	RCCO
Playzones - x 5 (Football Foundation)	686	-	-	-	-	-	686	Grant
Playzones - x 5 (Football Foundation)	-	-	-	-	-	-	-	Prudential
WMCA - The Railer / Cracker improvement Projects	500	-	-	-	-	-	500	Grant
<b>Place - Environment Total</b>	<b>34,170</b>	<b>26,284</b>	<b>10,334</b>	<b>8,334</b>	<b>8,334</b>	<b>8,334</b>	<b>95,790</b>	
<b>Housing</b>								
DFG	11,961	4,800	4,800	4,800	4,800	4,800	35,961	Grant
Empty Properties	681	-	-	-	-	-	681	Prudential
HMRA Ringfenced Receipts - Vulnerable Homeowners	373	-	-	-	-	-	373	Prudential
Housing Stock Condition Survey	29	-	-	-	-	-	29	Prudential
Self Service Customer Portal	112	-	-	-	-	-	112	Prudential
Vulnerable Homeowners Improvements (Kick Start)	386	-	-	-	-	-	386	Prudential
Warm Homes Healthy People	1	-	-	-	-	-	1	Grant
<b>Place - Housing Total</b>	<b>13,543</b>	<b>4,800</b>	<b>4,800</b>	<b>4,800</b>	<b>4,800</b>	<b>4,800</b>	<b>37,543</b>	

**SMBC 6 YEAR CAPITAL PROGRAMME - GENERAL FUND**

**Approved Capital Programme**

	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	Total	
Service / Scheme	Revised Base Budget	Revised Base Budget	Revised Base Budget	Revised Base Budget	Original Base Budget	Original Base Budget		Funding Source
	£000	£000	£000	£000	£000	£000	£000	
<b>Place - Regeneration</b>								
Access Fund	236	300	300	300	300	300	1,736	Prudential
Environmental Improvements to Neighbourhoods	6	-	-	-	-	-	6	Prudential
Blackheath Library - Fit Out Costs	56	-	-	-	-	-	56	Prudential
Brindley II	21	-	-	-	-	-	21	Prudential
BSF - Schools for the Future	73	-	-	-	-	-	73	Grant
Childrens Trust Accommodation Works	77	-	-	-	-	-	77	Grant
King Street, Wednesbury Health Centre	141	-	-	-	-	-	141	Prudential
Mobile Working	41	-	-	-	-	-	41	Grant
PMA - The Central Sixth Form Building Works	500	-	-	-	-	-	500	Prudential
PMA Capitalisation	884	800	800	800	800	800	4,884	Prudential
PMA Capitalisation - Additional Works	362	-	-	-	-	-	362	Prudential
Property Refurbishment	1,910	1,000	1,000	1,000	1,000	1,000	6,910	Prudential
Demolition of Browns Farm at Forge Mill	187	-	-	-	-	-	187	Prudential
PSDS Heat Pump Technology	183	-	-	-	-	-	183	Grant
PSDS - Phase 3c	1,496	2,008	-	-	-	-	3,504	Grant
Regeneration Reserve - Earmarked for Friar Park LUP	1,109	-	-	-	-	-	1,109	Grant
Section 106 Schemes	2,739	-	-	-	-	-	2,739	Grant
CIL Schemes	3,573	-	-	-	-	-	3,573	Grant
UK Shared Property Fund	582	-	-	-	-	-	582	Grant
LUP - ASB & Crime in Wednesbury	161	-	-	-	-	-	161	Grant
LUP - Friar Park Urban Village	6,475	5,000	-	-	-	-	11,475	Grant
LUP - Greenspace Improvements	1,599	-	-	-	-	-	1,599	Grant
LUP - Millennium Centre	2,000	-	-	-	-	-	2,000	Grant
LUP - Public Realm Wednesbury Town Centre	4,470	-	-	-	-	-	4,470	Grant
<b>Towns Fund</b>								
Rowley Regis - Blackheath Bus Exchange	1,041	2,693	-	-	-	-	3,734	Grant
Rowley Regis - Britannia Park Community Hub	1,735	-	-	-	-	-	1,735	Grant
Rowley Regis - Canal and River Trust	226	-	-	-	-	-	226	Grant
Rowley Regis - Connected	568	897	-	-	-	-	1,465	Grant
Rowley Regis - Satellite Education Hub	3,870	4,597	-	-	-	-	8,467	Grant
Smethwick - Connected	1,633	-	-	-	-	-	1,633	Grant
Smethwick - Midlands Met Learning Campus	10,543	-	-	-	-	-	10,543	Grant
Smethwick - Rolfe Street Regeneration	1,271	399	-	-	-	-	1,670	Grant
Smethwick - Grove Lane Regeneration	2,641	1,698	-	-	-	-	4,339	Grant
Smethwick - Ron Davis Centre Expansion	11	-	-	-	-	-	11	Grant
West Brom - Connected	843	166	-	-	-	-	1,009	Grant
West Brom - Retail Diversification Programme	5,765	1,062	-	-	-	-	6,827	Grant
West Bromwich Indoor Market Redevelopment / Re-Location	1,700	-	-	-	-	-	1,700	Prudential
West Brom - Town Hall Quarter	3,685	-	-	-	-	-	3,685	Grant
West Brom - Urban Greening	10	-	-	-	-	-	10	Grant
<b>Place - Regeneration Total</b>	<b>64,423</b>	<b>20,620</b>	<b>2,100</b>	<b>2,100</b>	<b>2,100</b>	<b>2,100</b>	<b>93,443</b>	
<b>Assistant Chief Executive</b>								
Public Realm	33	-	-	-	-	-	33	Grant
<b>Assistant Chief Executive Total</b>	<b>33</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>33</b>	

SMBC 6 YEAR CAPITAL PROGRAMME - GENERAL FUND

Approved Capital Programme

	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	Total	
Service / Scheme	Revised Base Budget	Revised Base Budget	Revised Base Budget	Revised Base Budget	Original Base Budget	Original Base Budget		Funding Source
	£000	£000	£000	£000	£000	£000	£000	
<b>Finance &amp; Transformation</b>								
ICT - End User Computing	3,021	1,200	1,200	1,200	1,200	1,200	9,021	Prudential
Oracle Fusion ERP System	2,000	-	-	-	-	-	2,000	Capital Receipts
Oracle Fusion ERP System	4,187	-	-	-	-	-	4,187	Prudential
Oracle Fusion ERP System	690	-	-	-	-	-	690	RCCO
Telephony System	79	-	-	-	-	-	79	RCCO
New Cemetery - West Bromwich	40	-	-	-	-	-	40	RCCO
New Cemetery - West Bromwich	-	3,500	-	-	-	-	3,500	Prudential
Refractory Reline of 2 Cremators at Sandwell Valley Crematorium	118	-	-	-	-	-	118	Prudential
Replacement of Large Ride on Mower - Sandwell Valley Crematorium	16	-	-	-	-	-	16	Prudential
Refurbishment of Welfare & Storage Facilities at Tipton Cemetery	40	-	-	-	-	-	40	Prudential
Case Management System	49	-	-	-	-	-	49	Prudential
<b>Finance &amp; Transformation Total</b>	<b>10,240</b>	<b>4,700</b>	<b>1,200</b>	<b>1,200</b>	<b>1,200</b>	<b>1,200</b>	<b>19,740</b>	
<b>Total Capital Approved Programme</b>	<b>132,952</b>	<b>102,432</b>	<b>28,434</b>	<b>26,434</b>	<b>26,434</b>	<b>26,434</b>	<b>343,120</b>	

**Pipeline Capital Project Requests Not Yet Included Within the Approved Capital Programme**

	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	Total	
Service / Scheme	Revised Budget	Revised Budget	Revised Budget	Base Budget	Base Budget	Base Budget		Funding Source
	£000	£000	£000	£000	£000	£000	£000	
<b>New Projects:</b>								
<b>Grant Funding Only</b>								
Children and Education - School Project Feasibility Assessments	-	100	-	-	-	-	100	Grant
Children and Education - Causeway Green Primary School	-	3,000	11,000	500	-	-	14,500	Grant
Place/Environment - CRSTS - A461 WCB Corridor	-	4,167	4,167	4,166	-	-	12,500	Grant
Place/Environment - CRSTS - A4123 WCB Corridor	-	400	400	400	-	-	1,200	Grant
Place/Environment - CRSTS - Wednesbury to Brierly Hill Sustainable Access Measures	-	2,406	2,667	2,667	-	-	7,740	Grant
Place/Environment - CRSTS - BC LC WIP	-	533	533	534	-	-	1,600	Grant
Place/Environment - CRSTS - ULEV Black Country	-	800	800	800	-	-	2,400	Grant
Place/Environment - CRSTS - Smethwick to Birmingham Growth Corridor	-	5,984	6,333	6,333	-	-	18,650	Grant
Place/Environment - Play Zones - West Smethwick Park	-	350	-	-	-	-	350	Grant
<b>Additional Resources Required:</b>								
Place/Environment - Haden Hill Leisure Centre	-	-	485	-	-	-	485	Grant
Place/Environment - Haden Hill Leisure Centre	-	-	485	-	-	-	485	Prudential
Finance and Transformation - West Bromwich Cemetery	-	-	1,625	-	-	-	1,625	Prudential
<b>Grant &amp; SMBC Funding</b>								
Place/Environment - New Archive Centre	-	-	17,000	-	-	-	17,000	Grant
Place/Environment - New Archive Centre	-	-	3,000	-	-	-	3,000	Prudential
Place/Environment - Highways Infrastructure - Improve Management of Assets in Red Risk Condition	-	8,186	-	-	-	-	8,186	Grant
Place/Environment - Highways Infrastructure - Improve Management of Assets in Red Risk Condition	-	2,700	-	-	-	-	2,700	RCCO
Place/Environment - Highways Infrastructure - Improve Management of Assets in Red Risk Condition	-	2,500	1,500	1,500	1,500	1,500	8,500	Prudential
Place/Regeneration - LUP Round 3 - Grove Lane	-	-	18,063	-	-	-	18,063	Grant
Place/Regeneration - LUP Round 3 - Grove Lane	-	-	2,007	-	-	-	2,007	Prudential
<b>SMBC Funding Only</b>								
Adult Social Care - Digital Transformation	-	282	-	-	-	-	282	RCCO
Children and Education - SCT - Residential Facility	-	1,350	1,350	-	-	-	2,700	Prudential
Children and Education - Plas Gwynant - Paddleboarding & Surfing Activities - Storage & Equipment	-	35	-	-	-	-	35	Prudential
Place/Environment - Medium Size Road Safety Improvements	-	125	125	125	125	125	625	Prudential
Place/Environment - Forge Mill Farm Shop, Toilet and Entrance	-	-	245	-	-	-	245	Prudential
Place/Environment - Allotment Site Fencing	-	62	-	-	-	-	62	Prudential
Place/Environment / Finance and Transformation - User Owned Fleet Replacement	-	318	-	-	-	-	318	Prudential
Place/Environment - Deployable Camera Stock Upgrade/Replacement	-	256	-	-	-	-	256	Prudential
Place/Environment - Deployable Camera Stock Upgrade/Replacement - WB Town Centre	-	160	-	-	-	-	160	Prudential
Place/Regeneration - PMA - 160 Beeches Road - Roof Works	-	180	-	-	-	-	180	Prudential
Place/Regeneration - PMA - Fountain Court - Heating Replacement	-	200	-	-	-	-	200	Prudential
Place/Regeneration - PMA - Plas Gwynant - Boiler House Re-furbishment	-	225	-	-	-	-	225	Prudential
Place/Regeneration - PMA - Ingestre Hall - Re-wiring & Distribution Boards	-	200	-	-	-	-	200	Prudential
Place/Regeneration - PMA - Victoria Park Skill Centre - Boiler Replacement	-	98	-	-	-	-	98	Prudential
Place/Regeneration - Brandhall - New Park	-	800	-	-	-	-	800	Prudential
Place/Regeneration - Stanhope - Retaining Wall	-	1,350	-	-	-	-	1,350	Prudential
Place/Regeneration / Finance and Transformation - PMA Capital Works - Various	-	585	-	-	-	-	585	Prudential
Finance and Transformation - Fallings Heath Cemetry Infrastrucure Scheme	-	97	-	-	-	-	97	Prudential
Finance and Transformation - Cremator Reline	-	14	-	-	-	-	14	Prudential
Finance and Transformation - Drainage Infrastructure Improvements at Tipton Cemetery	-	10	-	-	-	-	10	RCCO
<b>TOTAL - Pipeline Capital Project Requests</b>		<b>37,473</b>	<b>71,785</b>	<b>17,025</b>	<b>1,625</b>	<b>1,625</b>	<b>129,533</b>	

**Housing Revenue Account (HRA) – Draft Budget 2025/26  
– including HRA 30 Year Business Plan**

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### Introduction

1. The Housing Revenue Account (HRA) is the budget operated by the Council which contains the income and expenditure of services connected with the Council's Housing Landlord role. The main source of income into the HRA is the rental income from the properties let by the Council. These rents are calculated by reference to a government formula which provides a target rent for the Council's properties to charge.
2. Since April 2012 the HRA has been operating in a system known as Self Financing for local authorities which operate an HRA. Self-Financing changed the way the Council's housing stock is funded by ending the previous subsidy-based regime. In principle, it gives more local accountability and responsibility for the operation of the Council's housing stock.
3. The key elements of Self Financing are:
  - i. The Government calculated a level of debt based on a 30-year assessment on expenditure, which was transferred to the authority to compensate the Government for the ending of the subsidy scheme. For Sandwell, this resulted in a loan settlement of £504million, which involved taking on additional debt of over £25million).
  - ii. Councils have full responsibility for the maintenance and development of the housing stock and also the servicing of the debt.
  - iii. A sum for depreciation of the stock is required to be included in the accounts.
4. The setting of rents is achieved using Government guidelines. From 2020/21 the Government proposed that rents would increase by CPI + 1% for the next 5 years until 2024/25. This has been further extended to rent increases for 2025/26 This proposal is currently being consulted upon, as to how rents should go up in the next few years to offers stability and certainty to the HRA to fund investment in existing stock as well as building more homes for the future.
5. This report looks to provide information on the Draft HRA Budget for 2025/26 and forward financial forecast through to 2029/30 together with the Draft Housing Capital

Programme control totals. It also provides an update on the 30-year Business Plan, which has been refreshed in consultation with Savills.

### Council Tenant Rents and Housing Related Property Charges

- 6 The Government announced that from 2020/21 rents can revert to the previous policy and be increased by CPI (at September of the previous year) plus 1%. This allows for a more optimistic forecast of the resources available to the HRA and continues the ability to reduce the level of debt, CPI at September 2024 was 1.7% thus allowing for a 2.7% increase in rents from April 2025.
7. Full Council on 10 December 2024 agreed to authorise the Interim Director of Housing to adjust Council rents and housing related charges with effect from 1 April 2025 as follows:
  - i. That the housing rental charges is increased by 2.7% which is the consumer price index 1.7% (September 2024) plus 1%, which is equivalent to a 2.7% increase.
  - ii. That the housing service charges increase by the consumer price index (CPI)+ 1%, equivalent to a 2.7% increase.
  - iii. That a weekly service charge of £2.26 is implemented from April 2025 in blocks that have retained provision of laundry facilities for temporary accommodation, supported housing and extra care facilities.
  - iv. that the weekly heating charge is increased by 20% from April 2025 to properties that received heating and hot water through a shared scheme.
  - v. that subject to consultation with the residents of the site, to increase fees at the traveller's pitch in Hills View, Tipton at CPI (announced in month proceeding variation notices being issued), in line with Legislation on Mobile Homes (Pitch Fees Act 2023).
  - vi. that rental charges for garage sites be increased in line with other council fees and charges agreed by Cabinet and Council.
  - vii. that properties managed by Riverside under the Private Finance Initiative (PFI) agreement receive a 2.7% rental increase and a 2.7% increase in service charges to match the council's rent and service charge increase.
  - viii. that properties that sit outside the Housing Revenue Account (including service tenants for Parks, Sandwell Valley, and Caretaking) receive a 5% increase on rent and 2.7% for service charges.
  - ix. that the leaseholder annual management fee be increased in 2025/26 from £124.57 to £167.13.
  - x. that rent and housing related service charges in subsequent years, will be set in line with the Rent Standard and Policy Statement on Rents for Social Housing as published by the Regulator of Social Housing. This will be for at least five years from 1 April 2026 to 31 March 2031.

- xi. That the Director of Housing be authorised to implement adjustments to council rents and housing related charges as set out in this report with effect from 1 April 2025; and
  - xii. That the Director of Housing be authorised to introduce associated service charges in respect of Building Safety Regulation requirements for Leasehold properties.
- 8 The rents and housing related charges for 2025/26 have therefore been increased in line with the recommendations approved by Full Council on 10<sup>th</sup> December 2024. The housing revenue business plan has been refreshed in consultation with Savills. For 2025/26 to 2035/36 the assumptions on CPI plus 1% has been used and then only CPI. These are outlined in Table 1.

*Table 1: Council Tenant Rents and Housing Related Increases*

	Business Plan Assumptions for CPI plus 1%		Business Plan Assumptions for CPI
2025/26	2026/27	2027/28	2036/37 Onwards (CPI only)
2.7%	3.7%	3.20%	2.0%

Draft Housing Revenue Account Budget 2025/26 to 2029/30

- 9. The Council own over 28,300 properties for rent. 963 of these are within the PFI scheme at Harvills Hawthorn and are managed externally. The Council also has the freehold on over 1,252 leasehold flats across the borough in addition to over 2,700 garages (that we manage) and other buildings. These properties are managed through our in-house Housing Services.
- 10. Table 2 sets out the Draft HRA budget for 2025/26 and the forecast for the following 4 years. The budget for 2025/26 to 2028/29 is balanced subject to housing transformation savings being scoped and delivered in the Repairs & Maintenance and Supervision & Management budgets.

Table 2: Housing Revenue Account Draft Budget 2024/25 to 2029/30

Housing Revenue Account	Estimated Budget 2024/25 £'000	Estimated Budget 2025/26 £'000	Estimated Budget 2026/27 £'000	Estimated Budget 2027/28 £'000	Estimated Budget 2028/29 £'000	Estimated Budget 2029/30 £'000
Repairs and maintenance	47,741	42,135	40,099	41,249	42,020	42,815
Supervision and management	48,499	54,104	55,638	57,062	58,204	59,368
Rents, rates, taxes and other charges	1,319	1,264	1,298	1,327	1,353	1,380
Special services	7,441	7,506	7,721	7,927	8,085	8,247
HRA - Provision for bad debts	882	980	1,012	1,047	1,082	1,118
Depreciation Charges	18,369	20,520	20,638	21,125	21,553	21,969
Interest payable and similar charges	26,500	28,514	29,759	30,340	31,424	32,925
Revenue contributions to capital	0	2,000	2,000	2,000	2,000	2,000
Contribution to/from reserve	358	(3,336)	7	1,139	2,784	3,976
<b>Total Expenditure</b>	<b>151,109</b>	<b>153,687</b>	<b>158,173</b>	<b>163,216</b>	<b>168,505</b>	<b>173,798</b>
Dwelling Rents	(138,868)	(137,811)	(142,403)	(147,339)	(152,424)	(157,452)
Non Dwelling Rents	(19)	(25)	(26)	(26)	(27)	(27)
Charges for Services and Facilities	(4,215)	(4,222)	(4,336)	(4,432)	(4,520)	(4,611)
Contributions towards expenditure	(2,294)	(3,572)	(3,668)	(3,749)	(3,824)	(3,900)
Government Grants	(5,713)	(6,038)	(6,038)	(6,038)	(6,038)	(6,038)
Interest Receivable & Other Income	0	(2,019)	(1,702)	(1,633)	(1,672)	(1,770)
<b>Total Income</b>	<b>(151,109)</b>	<b>(153,687)</b>	<b>(158,173)</b>	<b>(163,216)</b>	<b>(168,505)</b>	<b>(173,798)</b>

11. The Draft HRA budget for 2025/26 includes specific investment in respect of the following:
  - i. £42.1m in delivering repairs and maintenance.
  - ii. Contribution of £20.5m to the Major Repairs Reserve to fund the Decent Home Capital Programme.
  - iii. Provision to borrow £28.5m to fund the new build programme.
  - iv. In 2025/26, it is budgeted to have a draw down on HRA reserves of £3.36m to specifically deal with backlog of repairs jobs and issues raised by compliance audit. There is a positive contribution to HRA reserve in the future years.
  
12. The introduction in 2012 of Housing Revenue Account Self-Financing has allowed decision making at a local level to drive planning for investment in housing stock and set spending priorities in line with local demand. The council will continue to consider:
  - i. Analysing our stock and the services we provide so that we can base our future plans on a robust and sustainable basis. To this end stock conditions surveys are being procured to bring our data up to date and to ensure that 20% of our stock is looked at every year on a rolling basis.
  - ii. Working up a range of plans for potential future investment in new homes which better match the needs of our communities.

- iii. Thinking through how the new future for Council housing can help the borough to deliver our overall objectives.

### HRA Reserves

13. The HRA working balance must continue to be managed so that it provides the flexibility to manage unexpected demands and pressures without destabilising the Council's overall financial position. The level of the Working Balance should provide a reasonable allowance for unquantifiable risks or one-off exceptional items of expenditure that are not covered within existing budgets. Currently Sandwell is keeping minimum balances on reserves at, at least £35m to ensure there are enough funds available to service any borrowing requirements to fund capital investment in our stock. The HRA business plan reflects this assumption.
14. The Working Balance can be used to correct inflation assumptions, increase capital spend, repay debt early or to fund new HRA capital projects. The estimated level of reserves in 2025/26 is £46.6m and are therefore adequate.
15. The Section 151 Officer has taken account the level of risk when advising on the level of balances that should be retained in the HRA.

### Draft HRA Capital Programme

16. In line with regulatory standards, it is essential to ensure that the stock is suitably maintained. The Capital Programme is a key input into the 30-year Business Plan, and both are reviewed annually. Modelling the resources available over a 30-year period demonstrates that the demands of the current and proposed programme can be fully met throughout the 30-year planning period.
17. The requirements placed on Landlords are changing significantly driven by tragic incidents and changes to legislation which have followed. Landlords are also subject to inspection by the Housing Regulator, who has provided a report to SMBC indicating areas for improvement, including the need for a new asset management system which will improve the data we hold for each of our dwellings (see para 22 below).
18. The government introduced flexibilities in respect of accumulated 1-4-1 receipts to allow new build or acquisitions. The cap on acquisitions of properties to be funded 100% through 1-4-1 receipts with no requirement for match borrowing was also removed until after 31 March 2026. The government has also amended the Right to Buy scheme such that Councils are able to retain 100% of receipts generated by Right to Buy sales and the government reduced the discounts available to tenants to a maximum of £26,000. Further consultation is ongoing in respect of other potential changes to Right to Buy legislation.
19. The Housing Revenue Account capital programme assumes that new build and acquisition expenditure is funded through 1-4-1 receipts and (after 31 March 2026) match borrowing, once the current LUF grant funding is spent. At present no new grant funded schemes are included. Investment in current stock includes sums previously approved by cabinet in separate reports relating to Asset Management and Investment

and Major Projects, adjusted for inflation assumed within the HRA 30-year Business Plan.

20. The Draft Capital Programme is outlined in Table 3 which has been reflected in the HRA 30-year Business Plan.

*Table 3: HRA Capital Programme*

<b>Housing Revenue Account Capital Programme</b>	<b>Estimated Budgets</b>				
	<b>25/26</b>	<b>26/27</b>	<b>27/28</b>	<b>28/29</b>	<b>29/30</b>
New Build and Acquisitions	21,458	19,501	24,001	14,874	11,402
Investment in Current Stock	56,943	51,189	52,240	53,245	53,166
<b>Total Expenditure</b>	<b>78,401</b>	<b>70,690</b>	<b>76,241</b>	<b>68,119</b>	<b>64,568</b>
<b>Funding</b>					
Grants	20,086	692	0	0	0
141 receipts	2655	6812	11842	7437	5701
MRR	20,520	20,638	21,125	21,553	21,969
Capital Receipts	4,000	4,000	4,000	4,000	4,000
Borrowing	29,140	36,547	37,274	33,129	30,898
RCCO	2,000	2,000	2,000	2,000	2,000
<b>Total Funding</b>	<b>78,401</b>	<b>70,690</b>	<b>76,241</b>	<b>68,119</b>	<b>64,568</b>

#### Housing Transformation Programme

21. There are several significant changes required within the Housing Directorate to ensure that it can continue to deliver the landlord services to meet the needs of tenants, leaseholders, and regulatory requirements. To ensure that the changes are delivered in a structured, cost effective and well governed way a Housing Transformation Programme with the Housing Transformation Board has been established as its Steering Group and Corporate Oversight provided by The Corporate Transformation Board. The deliverables are spread amongst several workstreams listed below:
22. The systems used by Housing either need updating or in some instances do not operate on specialist software and need to be (re)procured and implemented. The current systems are not sufficient to meet the requirements of the regulator.
23. As well as the data from the Stock Condition Surveys, there is a need for an exercise to establish what data sets are required to be able to evidence compliance and performance and an analysis of existing data quality to ensure that reporting is accurate and transparent.
24. Many of the processes used within Housing are manual and involve updating spreadsheet trackers or a manual intervention to transfer data from one system to another. These are all points of failure that need to be replaced with automated processes as part of the system and data implementation work.

25. The Regulator of Social Housing has been given the powers to set minimum competency levels for anyone working in Social Housing. To meet these standards, we will need to have a structured learning and development workstream to establish current competency levels with our own staff and those employed by our supply chain and a training plan to ensure that we are only using competent staff to deliver landlord services.

#### Treasury Management Strategy and Annual Investment Strategy

26. Please refer to the Treasury Management Strategy and Annual Investment Strategy report appended as part of the overall Council budget report.

#### 30 Year HRA Business Plan

27. As with the budget and Capital Programme the 30-year financial forecast is reviewed annually and amended where appropriate and this is set out in sub-annex 1
28. The Business Plan demonstrates that the HRA is sustainable over a 30-year term.
29. When budget proposals are made to the Council, the Section 151 Officer will take these issues into consideration in their advice on the level of balances that should be retained within the HRA.

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# Housing Revenue Account Business Plan 2024/25 and 2025/26

## Report and Commentary

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Draft Report

15 January 2025

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## 1. Introduction

### 1.1. Background

Sandwell Metropolitan Borough Council has retained Savills Affordable Housing Consultancy to support officers in the production of the annual Housing Revenue Account (HRA) Business Plan.

This report summarises the business plan outputs for 2025/26 and sets out the financial capacity and capability of the HRA to deliver on the Council's objectives towards the delivery of landlord services, stock investment, estate regeneration and new supply. The approach taken is consistent with the requirement for the publication of Prudential Indicators specific to the HRA.

Savills have worked with officers to update the previous iteration of the HRA business plan that was produced commencing financial year 2023/24, as part of the budget approval process for 2024/25.

In developing the plan and preparing this report, we have taken account of key economic and inflationary drivers as well as a number of policy and related changes at a national level introduced as a result of and alongside the Budget of 30 October 2024, as well as key local drivers within Sandwell. In summary these could include:

- Increased repair and capital investment costs in the existing stock due to high levels of inflation and shortages in the labour market
- Increased development costs in respect of the new build, regeneration and acquisition programmes that are currently being undertaken due to the same cost pressures as above
- Continued high levels of interest rates available from the PWLB, albeit with discounts applied for HRA borrowing
- Costs of enhanced regulation arising from the Building Safety Act 2022 and Social Housing (Regulation) Act 2023
- Potential for significant continuing inflationary pressures on operating costs which could outweigh income growth in the short-term
- A government consultation on future rent increases, including maximum CPI+1% increases for 5 years from 2026 with proposals to extend this to 10 years
- Changes to the Right to Buy (RTB), including reductions in discounts and the retention of 100% of all RTB receipts for reinvestment in Sandwell
- The potential for the HRA to have to provide for employers National Insurance cost increases as provided for in the government's Budget, if not met through 'new burdens' funding.
- Assumed return of the PFI stock to the HRA from 1/4/2031.

The plan is based on the 2024/25 latest and 2025/26 draft budgets, and is therefore subject to further changes for in-year variations and budgetary amendments if these arise as the business plan goes through the formal approval process.

### 1.2. Approach

This report sets out our findings as follows:

1. The outputs from the latest HRA business plan model in the light of the latest market conditions, national policy changes, local policy initiatives and other factors (as set out above).
2. Outputs from financial modelling and sensitivity testing (where appropriate) to establish alternative delivery scenarios for the business plan.

## 2. Business plan model - Baseline

### 2.1. Introduction

The latest version of the HRA Business Plan financial model has been developed from information provided by officers based upon the budget for the 2024/25 financial year and the draft budget for 2025/26; the baseline plan model provides the basis for this report.

The model has been developed via a series of meetings with officers from finance and other teams to agree the methodology and assumptions.

### 2.2. Overview of methodology and assumptions

#### Overall

The plan is based on the overarching principles as set out below.

- 30 year projections launched from 2024/25 based on the latest budget, with draft budgets for 2025/26 adopted
- Core inflation projected at (subject to scenario testing):
  - 2.7% for 2026/27
  - 2.2% for 2027/28
  - 2.0% from 2028/29 onwards
- Rents increasing at:
  - An assumed increase of 2.7% for April 2025 (in line with the current social rent policy of September 2024 CPI plus 1%)
  - Rent increases of CPI plus 1% for the following 10 years, before reverting to CPI only from April 2036, assuming this as the outcome from the current MHCLG consultation
- Inclusion of a one-off increase of £3m in the repairs budget for 2025/26
- Provision for depreciation increasing at CPI throughout, recognising changes in stock levels
- Capital maintenance of the existing tenanted stock (subject to Right to Buy sales) is initially modelled at a total of £1,074 million (at today's prices) over 30 years from 2024/25. This equates to £38,530 per property, which it should be noted is well below benchmarks for stock in other local authorities (based upon recent LGA research in which Sandwell participated, equivalent levels are £62,000 per property over 30 years).
- Additional energy investment to achieve net zero carbon is **not** included in the baseline financial model.

- Inclusion of development assumptions in respect of new and replacement homes, with the delivery of 291 rented homes over the first 4 years, part funded through Homes England grant.
- Inclusion of a future programme of an estimated 1,162 homes to be delivered between 2027/28 and the end of the plan, built on the assumption that the Council will be able to continue to fund new homes utilising 100% of retained Right to Buy receipts in the first two years and then 50% after that, to meet the investment cost of the dwellings.
- Interest calculated based upon a portfolio of fixed loans totalling £307.5m, with an assumed £236.3m of internal borrowing and a revolver loan type of facility for all new borrowing at a rate of 4.9% from 2024/25, reducing to 4.5% for 2027/28 and beyond.
- Return of PFI dwellings to the Council's management from April 2031, with cessation of all PFI payments, no further government PFI grant, and the need to instead allow for management, maintenance and major repair costs for these homes in the HRA directly.

The overall methodology within the plan is founded on the following key approaches:

- Borrowing for both development and investment in the existing stock is approximately £215m, with no borrowing in later years of the plan currently.
- The HRA debt (Capital Financing Requirement or CFR) assumes re-financing of the existing loan portfolio, through 'revolver' type loans, as existing fixed-rate loans mature.

We have set out below further details in respect of some of the key inputs and assumptions.

## Rents

Rents follow current guidance with relets to new tenancies at the relevant formula rent (rather than the outgoing rent).

Void rates of 1.7% (1.5% for 2024/25) have been adopted, and an annual contribution to the bad debt provision of 0.64% has been modelled throughout the plan.

The government has previously announced that rents will go up by a maximum increase of CPI plus 1% as at September 2024 from April 2025, which will equate to 2.7%. The draft Policy Statement on Rents for Social Housing assumes a continuation of increases at CPI plus 1% for a further 5 years from April 2026, with a clear intention to extend this for up to a further 5 years (subject to a consultation process that closed on 23 December 2024).

The baseline plan assumes that rents will increase in line with the government proposal to extend the CPI plus 1% rent increases to a period of 10 years from April 2036. Any national decision to not to extend CPI plus 1% increases for rents beyond the initial 5 years would negatively impact the plan, and has therefore been modelled as a sensitivity.

## Right to Buy sales volumes

Over 1,700 Right to Buy applications were received between 30 October and 21 November 2024, following the government announcement surrounding returning to the pre-2012 maximum discount levels from 21 November 2024. Not all of these are expected to proceed to completion, but the assumption is made that 220 sales will complete during 2024/25, with 500 sales completing in 2025/26 at the higher discount levels, representing just over 40% of the applications received. On an ongoing basis, sales are assumed to fall to 70 per annum from 2026/27. The discount changes introduced by the government have now reduced the maximum discount from £102,400 to £26,000.

Estimated sales over the next 30 years account for a stock loss of 9.6% over the plan period (excluding any regeneration schemes). It might be expected that Sandwell will see a greater increase in sales volumes in the latter part of 2024/25 and early part of 2025/26 if more applications progress to completion, and a reduction to below 70 sales per annum once the reduced discounts take full effect. We have made adjustments to rents, repairs and future investment expenditure to reflect the stock losses currently incorporated.

## Capital Works to Existing Properties

The model reflects the existing capital programme for the first 6 years, with the stock investment in year 6 rolled forward into future years in the absence of detailed stock condition survey investment data.

The total level of expenditure over 30 years, in the table below, has increased by £134 million from data supplied and modelled for the previous iteration of the plan, equivalent to a 14.5% increase. However, the level of funding currently incorporated into the plan is approximately £38.530 per dwelling over the 30 years at base year prices, which is well below the benchmark average for local authority stock which is in the region of £62,000; a figure which is rising as more stock condition surveys are undertaken.

*Table 2.1: stock investment totals (pending survey results)*

	Year 1	Years 2 to 5	Years 6 to 10	Years 11 to 15	Years 16 to 20	Years 21 to 25	Years 26 to 30	Total
Home Improvements	19,035,000	82,600,000	100,000,000	100,000,000	100,000,000	100,000,000	100,000,000	601,635,000
High Rise and Building Safety	200,000	27,250,000	22,250,000	18,500,000	18,500,000	18,500,000	18,500,000	123,700,000
Major Projects	29,682,000	11,692,000	0	0	0	0	0	41,374,000
Aids and Adaptations	3,000,000	12,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	90,000,000
Riverside PFI	1,786,000	8,000,000	7,370,500	5,617,500	5,617,500	5,617,500	5,617,500	39,626,500
Estate Improvements	596,000	6,845,000	7,000,000	7,000,000	7,000,000	7,000,000	7,000,000	42,441,000
Transformation and capital salaries	3,266,000	12,024,000	12,530,000	12,530,000	12,530,000	12,530,000	12,530,000	77,940,000
Other Projects	0	45,000,000	12,000,000	0	0	0	0	57,000,000
	57,565,000	205,411,000	176,150,500	158,647,500	158,647,500	158,647,500	158,647,500	1,073,716,500

No specific allowance has been included to deliver additional energy investment (over and above that funded through the current Social Housing Decarbonisation Fund programme); if included, any additional investment would be likely to need further external funding support.

## New Build, Regeneration and Acquisition Assumptions

The plan provides resource to deliver new and replacement homes within the HRA, to deliver 271 rented homes by 2027/28, with assumed Homes England grant funding towards some scheme costs. New homes are assumed to be introduced at affordable rent levels, with estimates used for modelling purposes, until formal valuations have been sought.

The plan also includes provision for the acquisition of 20 homes, with 19 of these targeted for occupation by refugees, with a financial contribution towards the costs through the Local Authority Housing Fund (LAHF) grant programme. These homes are also assumed to be let on affordable rented tenures.

A future programme of 1,162 homes is proposed from 2027/28 onwards, assumed to be delivered with 50% of the cost met through retained right to buy receipts.

## Interest Rates

The baseline financial model assumes that all loans are refinanced at maturity, using a revolver loan type of facility within the financial model, using changes in the HRA CFR to arrive at the level of borrowing required. No debt repayment has therefore been assumed within the base plan, but has instead been modelled as a scenario.

External borrowing rate assumptions have increased quite significantly since the last iteration of the plan, with a long-term market rate of 4.5% assumed for new borrowing in place of the 3.5% assumed previously. The rate assumed for the existing internal HRA borrowing has reduced long-term from 4.5% to 4.3%, with the opening level of internal borrowing having increased where the HRA has been unable to finance capital investment directly, but where no new fixed-term borrowing has been taken on.

The opening HRA CFR is £543.8m with £307.5m of fixed loans attributable to the HRA at the point of constructing the financial model, leaving a balance of £236.3m being treated as internal borrowing.

All new borrowing rates for regeneration, acquisition and investment in the existing housing stock have been included based upon general market assumptions, and are:

- 4.90% for loans drawn down in 2024/25, 2025/26 and 2026/27
- 4.50% for loans drawn down in 2027/28 and beyond

All new borrowing is treated as 'revolver' loans within the financial model, with interest charged at the above rates, and no repayment or minimum revenue provision assumed.

## **2.3. HRA Business Plans Projections – Baseline**

As set out above we have modelled the capacity of the business plan to meet not only future operational costs, but also to provide for capital investment in the existing stock, redevelopment and the delivery of new homes. Recognising the higher rate of interest currently assumed for new borrowing, increased investment in the existing stock or net zero carbon energy investment have not been included in the baseline financial model.

The Council is currently undertaking a comprehensive Stock Condition Survey and therefore updated investment requirements are awaited; these will provide more reliable data for future iterations of the business plan. Whilst this data is awaited the Council has taken a decision to retain a higher than average level of HRA reserves, and instead to borrow for investment purposes, in the knowledge that the reserves are available to support this borrowing if required.

In preparing the financial model, a minimum balance for the HRA of £35m has been applied, which is inflated throughout the life of the plan.

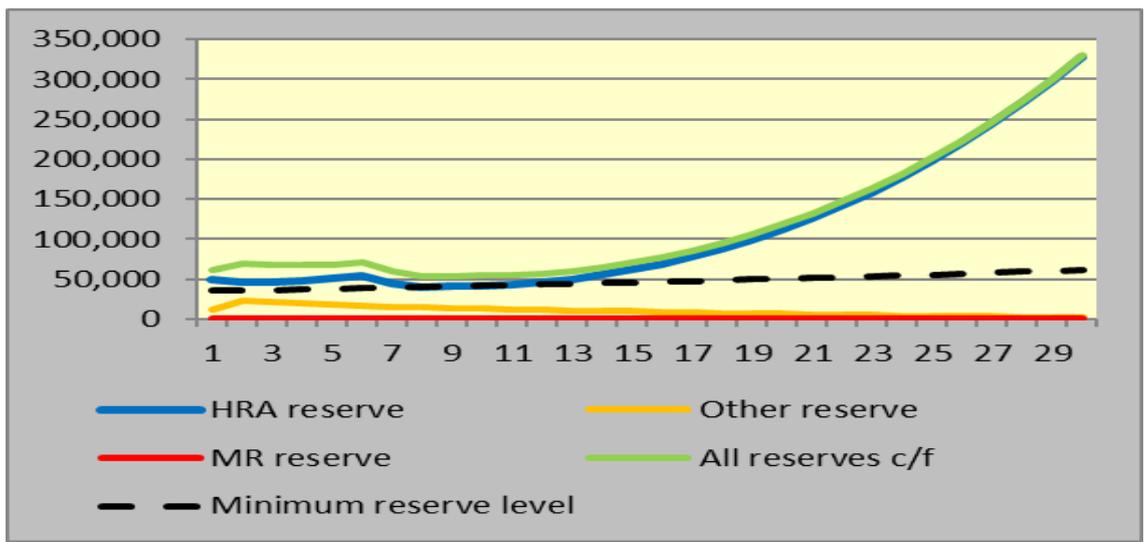
Various methodologies can be applied for arriving at a minimum reserve balance:

- Equivalent to a period of gross expenditure. In the case of Sandwell Metropolitan Borough Council £35m is equivalent to 3.4 months of expenditure; elsewhere we have seen 1.5 months set as a basis
- A percentage of turnover is also adopted at other LA's, with authorities we have worked having set the target limit at minimum 10% of turnover, which if adopted would result in a minimum reserves level of £15m at the outset of the business plan
- Finally a straightforward allowance per unit could be used, which equates to £1,256 per unit whereas values closer to £900 per unit are modelled elsewhere.

Having considered the above benchmarks, the current starting level of reserves of £35m is considered to be prudent against all of the metrics, confirming the Council's aim to hold an above average level of reserves, at least in the short-term, whilst stock condition data is awaited.

The chart below shows HRA reserves maintained at the prudent level of £35m inflated annually, with the maximum level of remaining resources available from the HRA utilised to finance the capital programme.

Chart 2.1 – Projected Initial HRA balances

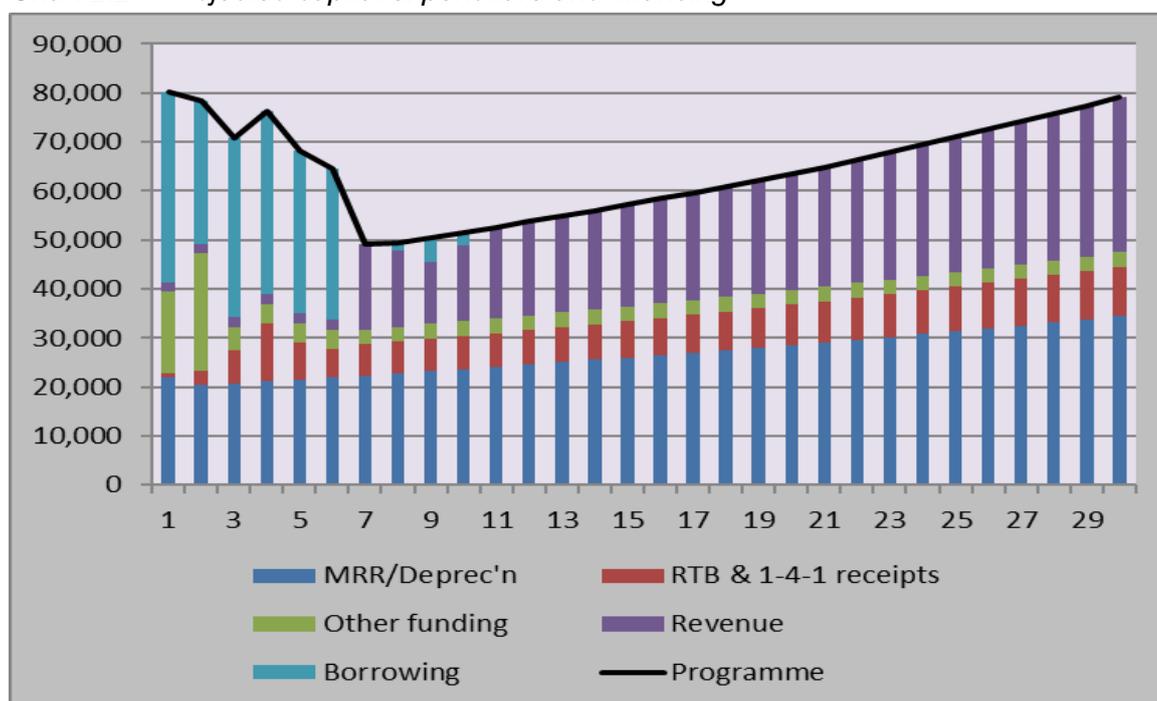


These projections demonstrate that in all years the HRA is able to maintain reserves at, or above the minimum level set, which increases over time as net income increases. General reserves begin to build up from year 12, providing additional revenue resource within the plan to allow further investment in the existing or future housing stock or to allow for the repayment of debt.

Revenue contributions to capital are fixed for the first 6 years of the plan, allowing only for the funding of capital works to the PFI units through the PFI funding arrangements. No revenue contributions are made in respect of the existing HRA stock during these years, with the Council instead opting to borrow and hold onto reserves until stock condition data is available.

From year 7 onwards, the model maximises available revenue contributions to capital throughout the rest of the 30 years, whilst maintaining balances within the HRA revenue reserve at the agreed minimum or above.

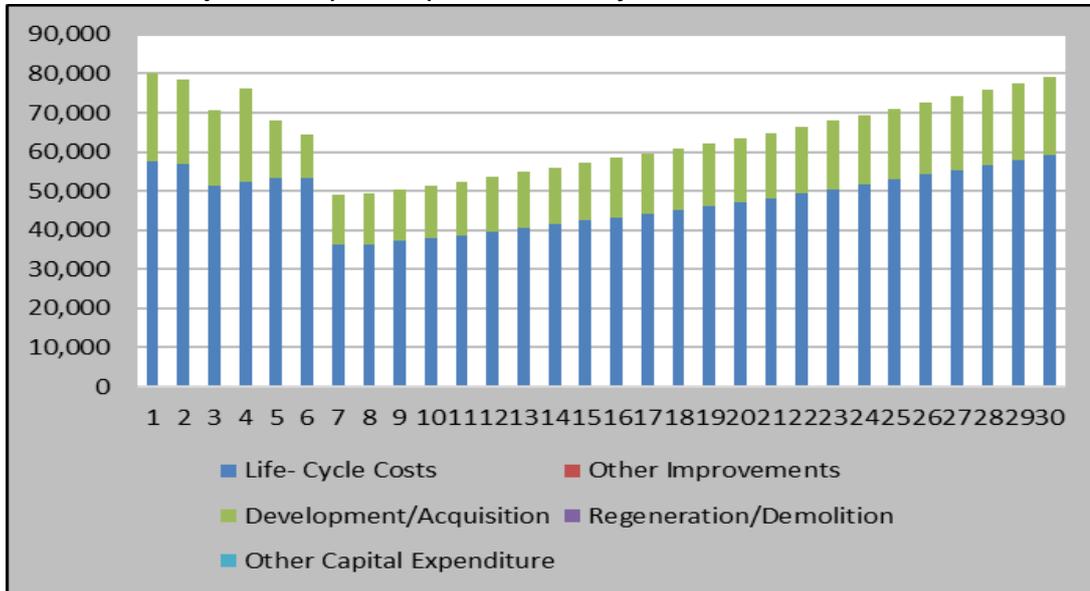
Chart 2.2 – Projected capital expenditure and financing



Capital expenditure is fully funded throughout the 30 years demonstrated by the horizontal black line, with borrowing required in the first 6 years of the plan, to both facilitate investment in the existing stock, and to fund regeneration and the development of new homes at affordable rents.

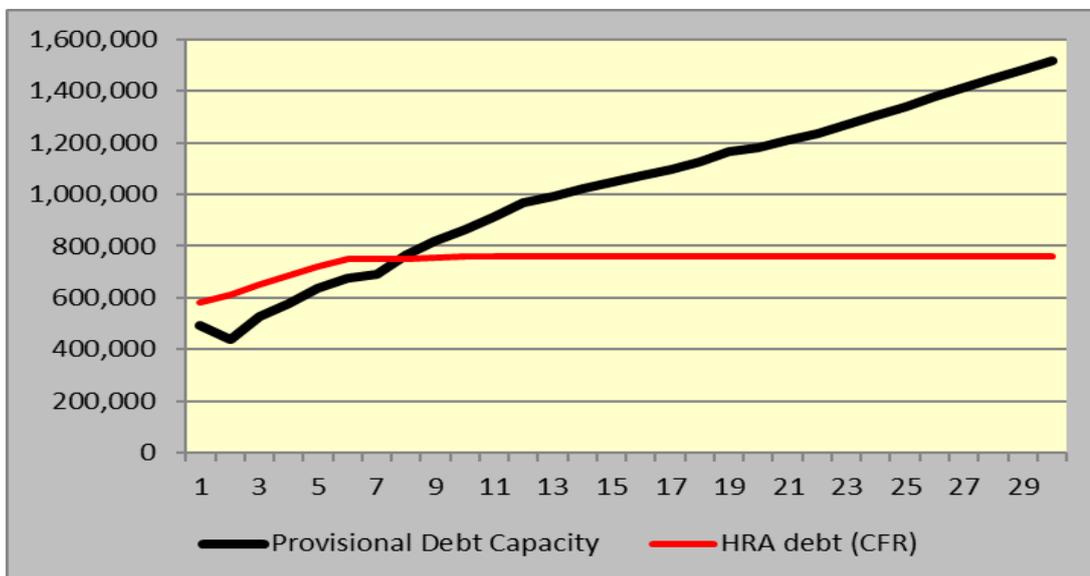
Capital expenditure is far greater in the first 6 years as a result of a higher up-front level of investment in the existing housing stock and also investment in regeneration and new build programmes, but flattens out in the later years, when investment is currently assumed to be lower in respect of the existing stock, alongside a smaller ongoing new build programme.

Chart 2.3 – Projected Capital Expenditure Analysis



In order to finance the levels of capital expenditure demonstrated above (charts 2.2 and 2.3) the projected debt (HRACFR) is demonstrated in the graph below.

Chart 2.4 – Projected Initial debt profile (HRACFR) and Provisional debt capacity



Borrowing is projected to increase until year 11 of the plan, to a total of £759m by this point, to meet investment requirements in both existing and future stock.

The provisional debt capacity in the chart above is measured on the basis of the Interest Cover Ratio (ICR) which sets out one basis for setting a prudent limit on borrowing based on the underlying net income generated within the plan. Borrowing sits above the provisional debt capacity until year 8 of the plan, as measured by an interest cover ratio of 1.25, with additional borrowing capacity available from this point on. The ICR falls to as low as 0.88 in year 2 as a result of a significant level of assumed borrowing in 2024/25 (due in part to the regeneration and new build programme) and an increase in repairs expenditure in 2025/26, but recovers to 1.25 or above on a long-term basis by year 8, once minimal borrowing is required and the new units of accommodation begin to deliver an increased revenue stream. The Council will need to manage the risks associated with borrowing at these levels in the short-term, with retention of a higher than average HRA reserve helping to mitigate these risks.

The ICR is calculated as operating surplus divided by interest costs, and represents the cover that the HRA has against its interest cost liabilities in any year; the ICR is set to a minimum which provides comfort that if there were a sudden drop in income or increase in operating costs, there would be sufficient headroom to continue to cover debt interest. For housing associations, the usual definition of operating surplus is EBITDA-MRI (Earnings before Interest, Tax, Depreciation and Amortisation – Major Repairs Included).

There are financial pressures within the housing association sector that are parallel to those affecting local authorities and Sandwell. The average ICR for the HA sector in 2022/23 was around 1.03; typical lending covenants vary between 1.10 and 1.50 depending on the size and nature of the HA, with 1.25 being a typical ‘golden-rule’ expectation. This highlights that housing associations have had to accept that interest cover will dip below minimum levels in the short-medium term (effectively requiring a “carve out” from their funder covenants in the short-term).

For the HRA, operating surplus is best defined as:

- Turnover (dwelling rents, other rents, service charges, contributions)  
less
- Operating Costs (general management, special management, other management, repairs & maintenance, major repairs).

In the HRA, because of the treatment of depreciation as a cash transfer to the Major Repairs Reserve (MRR) plus an adjustment to reflect actual transfers to MRR, it is essential to include the net amount transferred to MRR in the calculation. This represents revenue expenditure on major repairs made legitimately as part of operating costs. Notwithstanding that these are subsequently treated as part of the capital programme, they are funded from revenue and properly an operating cost.

The above definition of ICR works in the HRA context as it determines the revenue surplus before interest, appropriations, and other “below the line” adjustments, and already takes into account a significant element of costs relating to major repairs before comparing to debt interest capacity.

The net operating surplus determining the availability of revenues to cover interest payments can also be expressed in %age terms as “operating margin”. The operating margin within the baseline plan starts at 18.4%, falls to 16.6% in 2025/26, but increases to 20.0% or above from 2028/29 once new homes are delivered, and improves again from 2031/32 when the PFI arrangements come to an end. Margins in the longer-term are above benchmark levels, supporting the view that there is additional borrowing capacity in the later years of the business plan, but recognising the importance of the delivery of new homes at affordable rent levels and the financial implications of the cessation of the current PFI arrangements being within the assumptions currently being made.

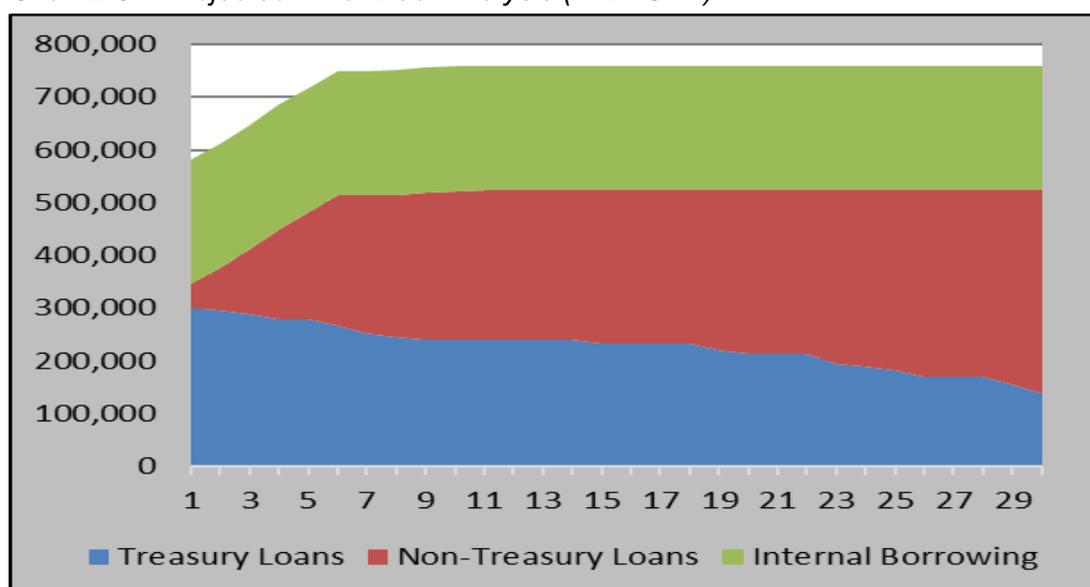
Chart 2.4 shows the provisional debt capacity (prudential borrowing) which is set at the “golden-rule” of interest cover ratio at a minimum of 1.25, with significant borrowing headroom available in the later stages of the plan (£757m by year 30).

The key drivers for the borrowing in the early years are not only the new build programme, but also the level of investment needed in the existing housing stock, which includes the regeneration of Alfred Gunn. Assumed future income streams from net rental income for new homes help to support the interest payments on the borrowing within the plan, generating borrowing capacity in the latter stages.

Over-riding revenue contributions to capital in the first 6 years, means that reserves are not utilised down to the agreed minimum level until year 8, and Chart 2.1 shows that the HRA reserves are then held above the agreed minimum level from year 12 and throughout the remaining life of the plan, increasing over time.

Financing of the above CFR projection is shown in the chart below.

Chart 2.5 – Projected Initial Debt Analysis (HRA CFR)



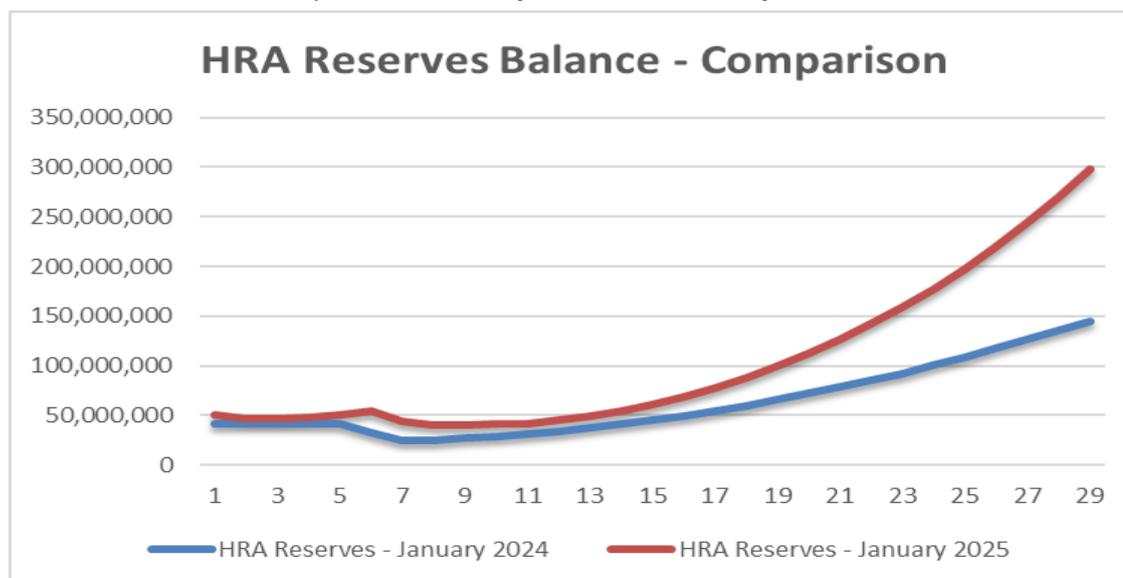
The blue shaded area represents the existing portfolio of fixed rate loans attributed to the HRA, whilst the green area represents the internal borrowing deemed to exist at the outset of the plan. The red shaded area depicts new borrowing required throughout the life of the plan, both for investment and the re-financing of fixed rate loans as they mature. This is treated as ‘revolver’ loans, with all new borrowing assumed to continue at a longer-term interest rate of 4.5%.

## 2.4. Comparison to January 2024 Projections

The current baseline plan differs quite significantly to the baseline plan from January 2024, with increased rent and contributions income as a result of capitalising both staffing costs and works carried out on major voids, reduced operational costs and the inclusion of interest earned on HRA balances, all more than offsetting the increased borrowing costs in the current financial model.

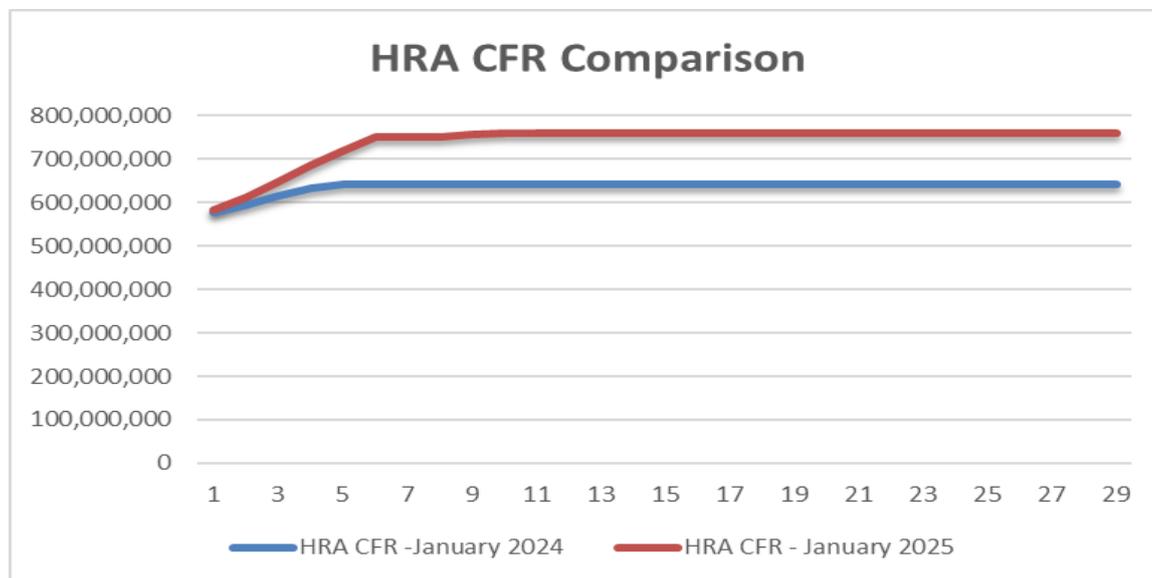
To facilitate a direct comparison we have matched year 2 of the January 2024 model to year 1 of the current model within the graphs below, hence why the comparison is over 29 years rather than 30.

Chart 2.6– Models comparison: January 2024 and January 2025 HRA reserves



The chart demonstrates that HRA reserves build up from a similar point in the business plan, but at a more significant rate and steeper trajectory from year 12 onwards, with net income in the HRA being significantly higher in the current iteration of the business plan. This results from both higher income and reduced cost assumptions, coupled with inclusion of interest being earned on cash balances held within the HRA. Ongoing borrowing costs have increased when compared to the previous iteration of the plan. In the current baseline plan some debt repayment is possible, should the Council so choose.

Chart 2.7– Models comparison: January 2024 and January 2025 HRACFR (Debt) balances



In both plans, investment of revenue surpluses and additional borrowing are required to facilitate capital investment in both regeneration / new build and the existing stock.

The level of borrowing required has increased in the current business plan as a result of an increased level of investment in both the existing housing stock and the delivery of new homes. The current baseline assumes borrowing until year 11, after which revenue surpluses are sufficient to support the investment incorporated into the financial model. Borrowing is outside the level that “golden rule” benchmark indicated that can be comfortably supported by the estimated revenue streams within the business plan for the first 7 years, but the position is improved as new homes are let. The Council will therefore need to manage the risks of borrowing at this increased level in the early years, albeit that the risks are being mitigated by holding increased reserves in the HRA.

Debt would reach £759m by year 11, compared to £643m in total in the plan last year.

### Stock investment comparison

The key variances in stock investment and development (regeneration and acquisition) are shown in the tables below.

The medium-term expenditure on existing stock is forecast to increase significantly, with more detailed investment assumptions being made in the current version of the business plan, with greater detail anticipated once stock condition surveys are completed.

Investment in respect of the regeneration of the Alfred Gunn estate is also incorporated into the existing stock investment. New build, regeneration and acquisition expenditure has also increased significantly, with a more extensive programme of new homes and replacement incorporated in to the current version of the plan.

*Table 2.2 – Investment into the existing stock – 2024-2034*

Stock Investment Comparison £'000											
	1	2	3	4	5	6	7	8	9	10	Total
	2024.25	2025.26	2026.27	2027.28	2028.29	2029.30	2030.31	2031.32	2032.33	2033.34	
Current Plan	57,565	56,943	51,189	52,240	53,245	53,166	36,440	36,419	37,147	37,890	472,244
January 2024 Plan	30,000	30,000	30,000	30,000	32,297	32,853	33,418	33,993	34,577	35,189	322,326

*Table 2.3 – New build and acquisition expenditure – 2024-2034*

New Build and Acquisition Expenditure £'000											
	1	2	3	4	5	6	7	8	9	10	Total
	2024.25	2025.26	2026.27	2027.28	2028.29	2029.30	2030.31	2031.32	2032.33	2033.34	
Current Plan	22,705	21,458	19,501	24,001	14,874	11,402	12,700	12,954	13,213	13,477	166,285
January 2024 Plan	28,945	27,857	25,541	21,086	0	0	0	0	0	0	103,429

The proposed investment in new stock, coupled with the investment in the existing stock results in continued borrowing until year 11 of the plan. However, as a result of the anticipated increase in sales through Right to Buy following the announcements about discount reductions, the investment in new homes is no longer anticipated to increase the net stockholding over the medium term.

## Summary

The plan shows a position that is sustainable in terms of HRA revenue projections, with reserves maintained at or above an enhanced minimum level and increased after the proposed investment in new homes is concluded.

Significant borrowing is required in the early years of the plan. The impact on the 'golden-rules' for setting prudential limits is affected in terms of:

- Forecast levels of debt (HRA CFR) increase until year 11 of the plan as investment needs in the existing stock, coupled with investment in the delivery of new homes, outweighs available resources.
- Forecast borrowing exceeds borrowing capacity as measured by the interest cover 'golden-rule' of 1.25 for the first 7 years, during much of the period where new homes are being delivered. After this point, borrowing headroom begins to increase significantly, and as measured by the ICR 'golden rule' of 1.25 is £757m by the end of the 30 years, but in the early years below benchmark by up to £176m.
- Some debt repayment, or alternatively additional investment, is possible in the medium-long term of the plan.
- The longer-term business plan is therefore fundable but the Council will need to carefully manage the risks associated with the level of borrowing that is modelled, particularly in the early years of the plan.

## 3. Sensitivity and Stress Testing

Given the ongoing economic and policy uncertainty in respect of cost inflation, interest rates, longer-term rent increases and the impact of current and proposed changes to the Right to Buy legislation, we have specifically reviewed some sensitivities in respect of the impact of these.

The sensitivities considered are set out in the sections below, with a summary in the set of graphs at the end of the section. These measure the impact of each sensitivity against the closing level of debt, the closing level of HRA reserves and the minimum interest cover during the course of the plan.

### 3.1. Interest Rate Risk

Due to the increased levels of borrowing in order to facilitate both development and investment in the existing stock, the level of interest charges have a significant impact on the plan.

The interest rates used within the plan are based on a view of the treasury team within the Council, with borrowing rates of 4.90% in 2024/25, 2025/26 and 2026/27, then 4.50% ongoing, but the markets, particularly Government gilts, are difficult to predict.

At the time of writing, PWLB maturity loan rates vary from 5.46% to 6.36% depending upon the term of the loan. The government's Autumn Budget on 30 October 2024 confirmed extension of the reduced HRA rate at 60 basis points below the standard PWLB lending rates – which will run until at least March 2026. After this the PWLB certainty rate of 20 basis points below the standard rate will still apply. Therefore the 4.9% rate for borrowing during 2024/25 is fair reflection of current costs, assuming relatively short-term borrowing.

By way of example, we have demonstrated the impact of:

- Increasing borrowing rates by 0.5% from 2025/26 onwards
- Reducing borrowing rates by 0.5% from 2025/26 onwards.

The rates modelled for 2024/25 remain unchanged in both scenarios.

### 3.2. Inflation Risk

Within the plan, we have used inflation indicators as agreed with the Council, with the Council's inflation assumption already built into budgets for 2025/26, then considering both the Bank of England (BoE) and Office of Budgetary Responsibility (OBR) forecasts for the following 2 years for CPI, before reverting to the Bank of England's core target of 2.0% from 2028/29. Similar assumptions have been used in other current business plans, valuations and asset performance modelling.

According to the OBR inflation is expected to be the following:

- 2.4% Quarter 4 2024
- 2.4% Quarter 1 2025
- 2.7% Quarter 2 2025
- 2.7% Quarter 3 2025
- 2.5% Quarter 4 2025
- 2.5% Quarter 1 2026
- 2.3% Quarter 2 2026
- 2.2% Quarter 3 2026
- 2.1% Quarter 4 2026

- Reducing to the Government's target of 2.0% by Quarter 1 2029

Therefore the use of 2.7% for 2026/27, 2.2% for 2027/28 and then 2.0% in the base plan are broadly consistent with this.

To test the impact of varying inflation on the plan we have modelled two scenarios in respect of cost inflation only, as detailed below.

### Higher general cost inflation (CPI)

In this scenario we have modelled inflation for 2026/27 and 2027/28 at 3.0%, 2.5% for 2028/29, before returning to 2.0% from 2029/30.

### Lower general cost inflation (CPI)

In this scenario we have modelled inflation returning to the government's long-term target of 2.0% from 2026/27 onwards.

## **3.3. Future Rent Policy Risk**

We have considered the impacts in both cost and non-rental inflation and interest rates, but there is uncertainty as to what the longer-term rent policy will be.

Currently, the baseline position assumes CPI plus 1% for 11 years (2025/26 and the following 10 years), which assumes a longer-term settlement as being the outcome of the current government rent consultation.

To test the impact to the plan we have modelled two scenarios as detailed below:

- CPI + 1% for 5 further years in line with the Draft Policy Statement, in place of the 10 currently assumed
- CPI + 1% rent increases for 30 years.

## **3.4. Stock Investment**

The baseline plan assumes investment in the existing stock at a level of £38,530 per dwelling, whilst detailed stock condition data is awaited. As highlighted earlier in the report, this is well below benchmark values for investment requirements in local authority stock, and therefore we have modelled a need to invest at just over £62,000 per dwelling, which is at the lower end of averages being experienced elsewhere.

## **3.5. Debt Repayment**

With revenue resources beginning to build from year 12, it is possible to consider some debt repayment from this point on, subject to the resource not being required for investment in the existing stock once stock condition surveys have been finalised. This scenario assumes that debt repayment is maximised where funds allow.

**3.6. Resulting Sensitivity Impact**

The graphs below demonstrate the impact of each sensitivity modelled against the minimum interest cover ‘golden rule’ of 1.25, the closing debt position at year 30 and the closing HRA reserves position at year 30.

*Chart 3.1: Closing Interest Cover Ratio (ICR) modelled against above sensitivities*



*Chart 3.2: Closing HRA Debt modelled against above sensitivities*

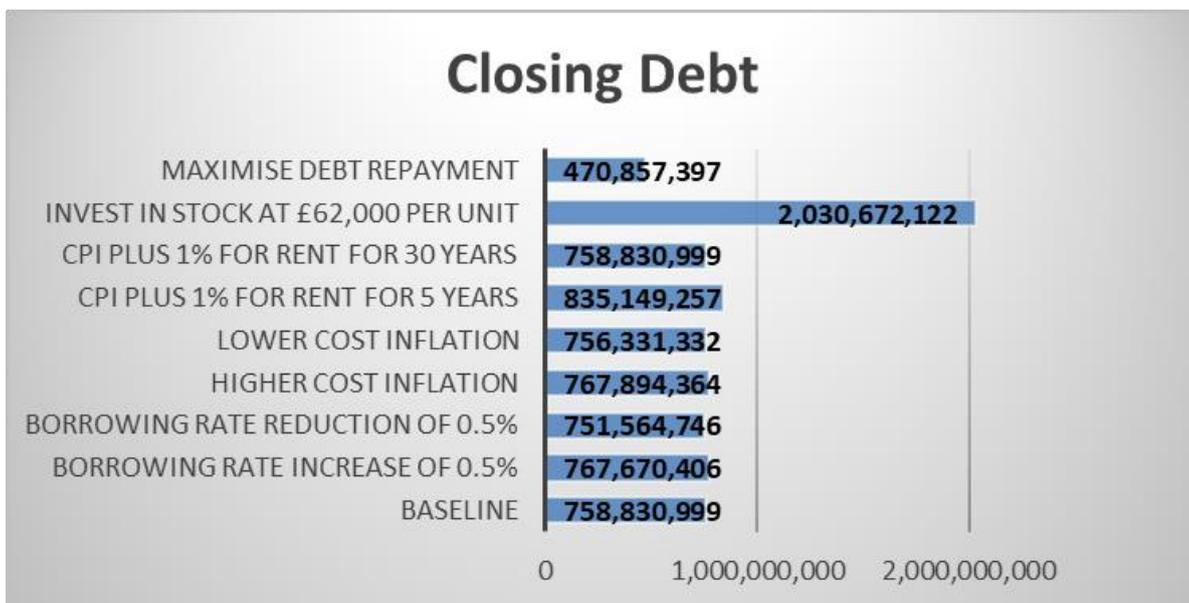
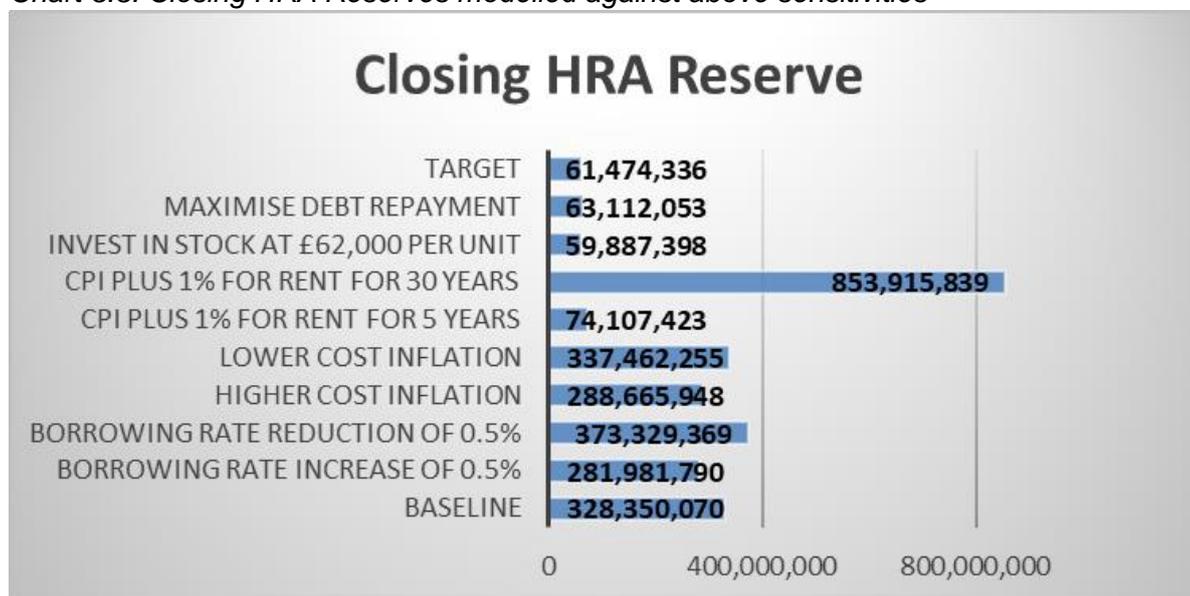


Chart 3.3: Closing HRA Reserves modelled against above sensitivities



As expected, the sensitivities and stress testing exemplified in the charts above highlight that the business plan (and therefore future financial viability of the HRA) is particularly sensitive to:

1. Future rent policy across all elements of the plan
2. Future movements in interest rates in respect of new borrowing to be undertaken within the plan
3. Particularly the inclusion or exclusion of the investment required to improve homes if a local authority average value is adopted in the absence of detailed stock condition data.

We consider that the third of these sensitivities has a high probability of being realised, in that the baseline plan is likely to be under-providing for capital investment costs in the long term. Savills is actively engaged with many local authorities and housing associations in updating survey data and we would not expect to see expenditure profiles below £40,000 per property over 30 years for any social housing stock, particularly in an urban area like Sandwell with a relatively high number of high rise properties.

The Council must therefore keep the plan under close and regular review to ensure that the impact of the results of the stock condition survey are understood and incorporated as soon as they are known, whilst also ensuring that delivery of services and new build investment are able to be maintained.

## 4. Summary

1. The HRA business plan forecast as set out in our modelling for Sandwell shows projections for reserve balances, forecast debt (HRA CFR) and any future potential borrowing capacity.

2. The baseline version of the financial model demonstrates long-term financial viability, but not without risk in the earlier years of the plan. Significant borrowing is required in years 1 to 11 to deliver not only investment in the existing housing stock, but also acquisitions, regeneration and the delivery of new build homes.
3. The baseline plan is constructed on a relatively sound financial basis, but is negatively impacted if rent increases do not continue at CPI plus 1% for 10 years after April 2025. Given the potential for greater than normal variances in respect of rent increases, inflation and interest rates this could be considered an initial plan and we have run a number of scenarios which could potentially develop over the coming months.
4. The baseline plan assumes that the PFI units return to the HRA with effect from 1/4/2031, with this delivering a net saving to the HRA, assuming that the loss of government grant and need to allow directly for management, maintenance and major repair costs, will be more than offset by the cessation of payment of the PFI management fee, delivering a net saving of just under £2m per annum. This is an early estimate of the potential impact, and will need to be kept under review as discussions progress and more detail is available.
5. Operating margins sit at below 20% for the first few years of the plan, but the position improves as rent increase continue to be assumed at CPI plus 1%, but cost increases are assumed to return to the government's long-term inflation target of 2%. Return of the PFI stock to the HRA in 2031 improves the operating margin further, with significant economies of scale anticipated in respect of management and maintenance costs.
6. Therefore, this is very much a position statement (as at January 2025) and we would expect the plan to develop significantly in the coming months. It is essential that the Council continues to keep the plan under regular and rigorous review.
7. The Council plans to borrow extensively in the early years in order to deliver both its stock investment and regeneration / acquisition / new build programmes. We have identified how the level of borrowing compares to provisional 'golden-rules' with the plan identifying that proposed borrowing would fall outside of these levels until year 8 against what might be considered prudent when comparing to standard sector benchmarks. It is recognised, however, that all parts of the social housing sector are under significant financial pressure. For Sandwell Metropolitan Borough Council, operating outside of these benchmarks might be expected in the early years, particularly whilst significant regeneration and new build is in progress. Reserves are being held at well above benchmark levels in order to mitigate the risks associated with the borrowing in the early years.
8. Financing and interest costs are able to be met from existing reserves and revenues generated within the plan, reliant in part upon future newly arising net rental income to benefit the plan in the longer-term. There is significant headroom for additional investment generated in the later stages of the plan, but any downside stresses or sensitivities, particularly the need to invest more extensively in the existing stock, may mean that the Council would need to reconsider either its core spending on services or new build investment programmes.

9. The business plan reflects operating margins from year 5 which are well within benchmarks, assuming any cost pressures are mitigated and the PFI arrangements terminate as anticipated, helping provide the revenue headroom to support either a higher level of capital investment in the stock if this is required (decent homes or energy improvements), new build investment, or the repayment of some HRA debt.
10. With a level of investment per property of £38,530, which is well below benchmark values, there is likely to be little scope to review the base investment standard in considering the plans for long-term viability and for any potential to release capacity for investment in the delivery of energy works, further new homes or in the delivery of services. In fact, based upon our experience, the level of resource per dwelling incorporated into the baseline plan is likely to need to be significantly increased once the Stock Condition Survey work has concluded.
11. It is clear from the sensitivities modelled that reductions in interest rates or a positive change in rent inflation would add significantly to future capacity, whilst inclusion of the local authority average values for investment in the housing stock or a 5 year extension on rent increases at CPI plus 1% as opposed to 10, would have a significant detrimental impact on the business plan, particularly if they were to be combined.

Savills  
January 2025

## Reserves Strategy 2025/26

### Executive Summary

1. Sandwell Metropolitan Borough Council is maintaining adequate reserves for two main purposes:
  - To protect against risk, and;
  - To support investment and transformation
2. This strategy reflects how these two purposes are intrinsically linked as financial risks may reduce through appropriate investment in schemes that will generate sustainable returns.
3. The most significant risks to the Council's financial strategy are:
  - The review of Local Government financial models could reduce income to the Council (such as Fairer Funding / Business Rate Review).
  - Demand and complexity in services could increase at higher rates than those already forecast in the MTFS.
  - Increasing deficits in Sandwell Children's Trust
  - Economic factors, such as Inflation and Interest Rates, could negatively impact on expenditure and income.
  - An end to the current accounting override for negative reserves linked to the High Needs Block of the Dedicated Schools Grant
4. The most significant single elements of the Council's budget therefore have named reserves to manage these risks. This includes reserves for managing:
  - Capital Financing which is susceptible to interest rate rises on borrowing, inflation in prices or labour and materials as well as risks from abortive costs.
  - Collection Fund which can be impacted through rising debts and changes to the way Council Tax and Business Rates are calculated through national policy changes
  - MTFS annual variations due to the profile of savings and growth.
  - Other general purpose reserves cover emerging risks and events that are not forecast.

The exception is that there is currently no specific reserve to manage potential deficits within DSG on the basis government have made additional funding announcements for SEND that may prevent this risk emerging. This is also no specific reserve for likely balance sheet deficits within the Children's Trust on the basis negotiations are ongoing on how to address this in the medium term.

5. The Reserves Strategy presents information about the requirements to maintain financial reserves and provides statements on the types of reserves and current and forecast balances.

6. The Strategy is to be revised annually, in line with the process to determine the Council's Budget and will set out a clear purpose for the holding of reserves, using risk assessments and setting out principles for the management of balances in the medium term.
7. The financial review process informs the Council's thinking on reserves and a new Reserves Strategy for 2025/26.

## **Types of Reserves**

8. When reviewing medium term financial plans and preparing annual budgets the Council considers the establishment and maintenance of reserves. Two types of Revenue Reserves will be held:

### **General Reserves (Balances)**

9. This represents the non-ring-fenced balance of Council funds. There are two main purposes of general reserves: firstly, to operate as a working balance to help manage the impact of uneven cash flows and avoid unnecessary temporary borrowing; and secondly to provide a contingency to cushion the impact of emerging events or genuine emergencies. The target level of reserves retained will be risk based. General Reserves must be adequate and will increase and decrease as follows:

#### Increasing General Reserves

- Planned repayment as set out in the Medium Term Financial Strategy or HRA Business Plan, usually to recover to an adequate level in relation to a detailed risk assessment, or to prepare in advance for future risks or investment.
- Allocation of an operating surplus at the close of the financial year.

#### Decreasing General Reserves

- Planned draw-down of reserves to create investment, and to counteract the possibility of over-taxing in any financial year.
- Allocation of an operating deficit at the close of the financial year.

## **Earmarked Reserves**

10. These provide a means of building up funds, for use in a later financial year, to meet known or predicted policy initiatives or manage specific risks. Discipline is required around setting up and maintaining earmarked reserves and this Strategy sets out the Council's approach to this. Earmarked reserves will increase through decisions of the Council and will decrease as they are spent on specific intended purposes. The Council will also hold reserves where funding is unspent but where the use of the funding is restricted or ringfenced, such as for Public Health Grant, DSG or HRA.

## **Assessing the Adequacy of Reserves**

11. To assess the adequacy of unallocated general reserves the Section 151 Officer will take account of the strategic, operational and financial risks facing the Council. It is the responsibility of the Council to identify and address its operational and financial risks and develop and implement proper arrangements to manage them. This includes adequate and effective systems of internal control. The financial risks will be assessed in the context of the Councils overall approach to risk management.
12. There is a requirement for Councils to include an Annual Governance Statement within their Statement of Accounts. The Section 151 Officer ensures that the Council has in place effective arrangements for internal audit of the council environment and systems of internal control, as required by professional standards.
13. Setting the level of general reserves is just one of several related decisions in developing the Medium Term Financial Strategy and the budget for any particular year. Financial assumptions that underpin the budget are reviewed along with consideration of the Councils financial management arrangements.
14. Holding adequate reserves will depend on several budget assumptions:
  - The treatment of inflation and interest rates
  - Estimates of the level and timing of capital receipts
  - The treatment of demand led budget pressures
  - The treatment of planned efficiency savings and productivity gains
  - The financial risks inherent in any partnerships or investment decisions
  - The availability of other funds to deal with major contingencies and the adequacy of any provisions

15. Furthermore, there are other considerations that will be assessed when considering the adequacy of reserves:
  - The overall financial standing of the Council (including levels of borrowing and collection rates relating to council tax and business rates)
  - The Councils track record in effective budget management
  - Capacity to manage in-year budget pressures
  - The strength of financial information and reporting
  - The adequacy of the Councils insurance arrangements to cover major unforeseen risks
  - The Councils Financial Procedure Rules and year end procedures in relation to budget under/ overspends at Council and service level
16. These factors can only be assessed properly at a local level. A considerable degree of professional judgment is required. The Section 151 Officer may choose to express advice on the level of balances in cash and / or as a percentage of budget (to aid understanding), so long as that advice is tailored to the circumstances of the Council for that particular year.
17. Advice will be set in the context of the Councils process to manage medium term financial stability and not focus on short term considerations. The balancing of the annual budget by drawing on general reserves may be a legitimate short-term option. However, where reserves are to be deployed to finance recurrent expenditure this will be made explicit and will occur only to pump prime investment and not to regularly support such costs. Advice will be given on the adequacy of reserves over the lifetime of the Medium-Term Financial Strategy.
18. The current guidance requires the purpose, usage and the basis of transactions of earmarked reserves to be identified clearly. A review of the levels of earmarked reserves is to be undertaken as part of annual budget preparation.

## **General Reserves (General Fund and Housing Revenue Account)**

### **Purposes**

19. The purpose of general reserves is to minimise the possible impacts to the Council from:
  - Emergencies
  - In-year emerging financial issues
  - Reacting to investment opportunities
20. The in-year use of general reserves requires approval within the limits set by the Constitution and must not be used for any level of recurring spending unless that spending will be included in revenue budgets in the following financial year or a suitable payback period is agreed in advance.

21. In any event, the use of general reserves should be approved by the Section 151 Officer.

### **General Fund**

22. The Council current holds general reserves at 1 April 2024 of £19.046m (Draft Statement of Accounts 2023/24).
23. The 2024/25 budget was a balanced position with no planned contribution to or draw down from general reserves.
24. As at Quarter 2 2024/25 the projected outturn was a positive variance of £2.128m. As part of financial closedown a decision will be made on whether to allocate this surplus to general or earmarked reserves.
25. The strategic objective for the Council is to ensure that the unallocated balances should remain above 5% of net expenditure. This level of general reserves continues to provide adequate risk cover when reflecting that certain specific risks are being managed through the holding of earmarked reserves.
26. The opening position of £19.046m equates to 5.7% of net expenditure for 2024/25 and 5.2% for 2025/26. This fulfils the strategic objective and does not require further decision making as part of setting the 2025/26 budget.
27. CIPFA published a financial management code designed to support the Local Government sector as it faces continuous financial challenges. The Code also recognises that using the financial reserves to finance a deficit or to avoid difficult decisions around spending cuts provides temporary relief but is not sustainable in the long term.
28. The reserves position will continue to be monitored as part of the in-year review of forecast outturn reports and risk management.

### **Housing Revenue Account**

29. The Housing Revenue Account holds general reserves at 1<sup>st</sup> April 2024 of £48.171m (Draft Statement of Accounts 2023/24) with a budgeted contribution for 2024/25 of £149k. These reserves must be kept separate from General Reserves.
30. The HRA general reserve must continue to be managed so that it provides flexibility to manage unexpected demands and pressures without destabilising the Councils overall financial position. It can be used to correct inflation assumptions, fund increased capital spend or repay debt early.

31. The current balance equates to approximately 32% of gross spend and is considered a prudent balance in light of the risks and uncertainties in the Housing Revenue Account.
32. Savills Affordable Housing Consultancy were appointed to complete the annual refresh of the 30 year HRA Business Plan with a strategy for minimum general reserves to be set at £35m and increasing by CPI each year to allow for increases in costs.
33. This level of cover equates to approximately 25% of rent income and is considered prudent.
34. The level of minimum general reserves balance will be reviewed annually taking into consideration changes in risks and future revisions to the 30 year business plan.

### **Adequacy of General Reserves**

35. The Local Government Finance Act 1988 and 1992 and the Local Government Act 2003 emphasise the importance of sound and effective financial management in England and Wales by the statutory duty of the Section 151 Officer to report to the authority, at the time the budget is considered and the council tax set, on the robustness of the budget estimates and the adequacy of financial reserves.
36. CIPFA and the Local Authority Accounting Panel consider that local authorities should establish reserves including the level of those reserves based on the advice of their Section 151 Officer. There is no statutory or recommended minimum level of reserves as they are established by the Section 151 officer making judgements on such matters taking into account all the relevant known and expected local circumstances. Imposing a statutory minimum would therefore be against the promotion of local autonomy and would conflict with the financial freedoms offered to local authorities.
37. The Secretary of State in England has reserve powers to specify in regulations a statutory minimum level of reserves that will be used if authorities fail to remedy deficiencies or run down reserves against the advice of the Section 151 Officer. The Government has undertaken to apply this only to individual authorities in the circumstances where an authority does not act prudently and disregards the advice of its Section 151 Officer.

### **Earmarked Reserves**

#### **Purpose**

38. The purpose of an earmarked reserve is:

- To prevent an uneven impact from policy options, by allowing balances to be set aside for future year expenditure.
- To set aside amounts for projects which extend beyond one year.

39. It is the responsibility of the Directors, in consultation with the Section 151 Officer, to ensure balances are spent in line with their purpose.

40. The table below identifies the most commonly established earmarked reserves, the rationale behind why such reserves are created and maintained alongside the opening and projected closing balances for each classification.

<b>Category of Earmarked Reserve</b>	<b>Rationale</b>	<b>Opening Balance 1<sup>st</sup> April 2024 £m</b>	<b>Forecast Closing Balance 31<sup>st</sup> March 2025 £m</b>
<b>Capital</b>	Where expenditure is planned in future accounting periods, it is prudent to build up resources in advance.	£18.209	£15.549
<b>Risk</b>	Resources held to cover specific financial risks such as <ul style="list-style-type: none"> <li>• Insurance – self-insurance and payments of insurance excesses</li> <li>• Volatility – to smooth impacts of financial shocks in areas such as treasury management, NNDR &amp; Council Tax [Business rates reset and collection rates]</li> <li>• Contract price variations</li> <li>• Pay Awards</li> </ul>	£40.642	£40.414
<b>Grants</b>	Resources set-aside from grants received but expenditure not yet incurred to delivery grant objectives.	£39.450	£29.638
<b>Schools</b>	Unspent balances delegated to schools (including DSG)	£13.848	£13.848
<b>General</b>	These resources will include: <ul style="list-style-type: none"> <li>• carry forward requests where expenditure has been approved but funding is required in future accounting periods and</li> <li>• previous year-end departmental surpluses set aside to fund unforeseen departmental deficits or for one-off investment initiatives to generate future benefits.</li> </ul>	£31.195	£34.595
		<b>£143.344</b>	<b>£134.044</b>

41. For each earmarked reserve held by the Council there will be a clear protocol setting out:
  - The purpose of the reserve
  - How and when the reserve can be used
  - Procedures for the reserve's management and control
  - A process and timescale for review of the reserve to ensure continuing adequacy and relevance
  - Clear indication of payback periods and approach (if applicable)
42. When establishing reserves the Council will ensure that it complies with the Code of Practice on Local Authority Accounting in the United Kingdom and in particular the need to distinguish between reserves and provisions.
43. The protocol for earmarked reserves is set out below with the Section 151 Officer having responsibility for adherence to these protocols.

New Reserve Requests (including carry forward requests):

- Service department to submit request to Finance with supporting business case detailing amount, reason for request, budget code to fund the reserve and timeline for spending.
- These will be considered by the Section 151 Officer and Leadership Team having regard to the projected outturn forecast for the Council.
- Will be approved by Cabinet, on recommendation by the Section 151 Officer.

Use of Reserves:

- Drawdown of reserves will be approved by the Section 151 Officer ensuring that the drawdown is in accordance with the intended purpose of the reserve balance.

Reporting on Earmarked Reserve Balances:

- The opening and forecast contribution to and from individual reserves will be reported within the quarterly revenue monitoring reports to the Cabinet.

44. Earmarked reserves have the effect of transferring the tax burden across financial years as current taxpayers' funds are being used to support future years spending.
45. Balances held will be subject to an annual review as part of the budget setting process to ensure that they remain appropriate, relevant and adequate for intended purpose.
46. During 2025/26 a fundamental review of earmarked reserves will be undertaken including updating of business cases.

47. Budget proposals for 2025/26 include a proposed drawdown of £300k to fund capital investment. No other reserve drawdown is forecast and therefore levels held remain prudent.

### **Capital Reserves**

48. The Housing Revenue Account holds a Major Repairs Reserve (MRR) which is ringfenced to fund capital expenditure on dwellings within the Housing Revenue Account.
49. In accordance with accounting regulations provided by the Code, contributions into the MRR balances are funded through an annual contribution from the HRA equal to its annual depreciation charge.
50. The strategy is to maximise use of the reserve each year to fund capital investment in the housing stock thereby reducing the need to provide additional revenue contributions or borrowing.

### **Reserves Strategy Conclusion**

51. Overall, the Council is maintaining reserves that match the minimum risk levels while retaining flexibility to react to investment opportunities. This approach is supported during the medium term based on recent performance against budget and existing financial controls.
52. Enhancing protocols around the use of balances and reserves will improve control and increases openness in financial reporting and management. This approach also assists with financial planning and increases the understanding of the financial position.
53. Reserves positions are currently assessed as adequate and will continue to be reviewed throughout the financial year.

## Capital Strategy 2024/25 to 2029/30

### Introduction

1. Sandwell Metropolitan Borough Council's Capital Strategy considers the Council's long-term aspirations, corporate objectives, affordability criteria and available resources to guide capital investment decisions over the next five years. Capital expenditure relates to investment in assets and differs from the Council's revenue budget as set out in the Council's Medium Term Financial Strategy. The Council receives capital grants and external funding contributions and can raise capital finances either by selling property and other assets that are no longer needed, or by borrowing funds. This supports long-term investment in both new assets or in extending the life of existing assets.
2. The Prudential Code for Capital Finance in local authorities sets out the requirement that authorities should have in place a Capital Strategy and governance procedures for the setting and revising of the strategy and prudential indicators.
3. The Section 151 Officer is responsible for ensuring that decision-making bodies and individuals are suitably informed of the financial implications of capital investment decisions. This is achieved through established procedures and approval limits and monitoring performance. Under the Prudential Code guide, a Capital Strategy demonstrates that the local authority takes capital expenditure and investment decisions in line with service objectives and properly takes account of stewardship, value for money, prudence, sustainability and affordability.
4. This version of the Capital Strategy details the forecast outturn position for 2024/25 and the current Capital Programme covering the period 2024/25 to 2029/30. It also summarises proposed, but currently unapproved, capital schemes, anticipated to commence over the same period.

### Current Capital Programme – General Fund

5. The current Capital Programme for the General Fund (GF) is shown below in summary, with the full detailed programme included at Annex 10. It includes all projects that have proceeded through approval stage, either via delegated powers or full Cabinet and Council recommendation approvals. It also includes estimates for capital grants for 2025/26 and beyond where there is an expectation that grant funding will continue, such as Highways Maintenance and School Maintenance Grants. A base level of annual schemes that form part of a rolling programme are included for 2028/29 and 2029/30, as shown in Table 1 below. The base budgets for those years are subject to approval as part of this report.

*Table 1 – Approved Capital Programme (GF)*

Service Area	2024/25 (£000)	2025/26 (£000)	2026/27 (£000)	2027/28 (£000)	2028/29* (£000)	2029/30* (£000)	Total
Adult Social Care	1,098	-	-	-	-	-	1,098
Children & Education	9,445	46,028	10,000	10,000	10,000	10,000	95,473
Place - Environment	34,170	26,284	10,334	8,334	8,334	8,334	95,790
Place - Housing	13,543	4,800	4,800	4,800	4,800	4,800	37,543
Place - Regeneration	64,423	20,620	2,100	2,100	2,100	2,100	93,443
Assistant Chief Executive	33	-	-	-	-	-	33
Finance & Transformation	10,240	4,700	1,200	1,200	1,200	1,200	19,740
<b>Total</b>	<b>132,952</b>	<b>102,432</b>	<b>28,434</b>	<b>26,434</b>	<b>26,434</b>	<b>26,434</b>	<b>343,120</b>

*\*to be approved as part of this report*

6. Table 2 shows the forecast profiling of expenditure for the existing Capital Programme between financial years, as per the latest forecast. The implications of IFRS16 have not yet been quantified and, therefore, are not included within these figures.

*Table 2 – Approved Capital Programme (GF), with Latest Forecast Profiled Expenditure*

Service Area	2024/25 (£000)	2025/26 (£000)	2026/27 (£000)	2027/28 (£000)	2028/29* (£000)	2029/30* (£000)	Total
Adult Social Care	574	524	-	-	-	-	1,098
Children & Education	9,349	46,124	10,000	10,000	10,000	10,000	95,473
Place - Environment	26,751	33,703	10,334	8,334	8,334	8,334	95,790
Place - Housing	5,742	12,601	4,800	4,800	4,800	4,800	37,543
Place - Regeneration	29,897	55,146	2,100	2,100	2,100	2,100	93,443
Assistant Chief Executive	-	33	-	-	-	-	33
Finance & Transformation	10,240	4,700	1,200	1,200	1,200	1,200	19,740
Total	82,553	152,831	28,434	26,434	26,434	26,434	343,120

*\*to be approved within this report*

7. As shown in Tables 1 and 2, in the period 2024/25 to 2029/30, subject to approval of the Capital Strategy, total approved capital expenditure will be £343m for the General Fund.
8. As shown in Table 2, reprofiling of expenditure between financial years is likely to take place, particularly following completion of the 2024/25 capital closedown procedure when final figures are established, which may result in further reprofiling of budgets from 2024/25 into 2025/26 and beyond. Reprofiling of budgets takes place when expenditure in any year is more or less than the allocated budget for the year, in which case the remaining project budget is redistributed across the remaining project period, in accordance with the estimated profile of expenditure. This is standard practice across capital programmes that cover multi-year spending.
9. The Council may also receive additional grant notifications throughout the financial year or if bids are submitted for additional grant funding as the year progresses. These changes will be reported as part of the quarterly reporting of Capital budget monitoring.

#### Future General Fund Schemes

10. The main objective for the introduction of the Capital Strategy requirement was in response to the major expansion of local authority investment activity into the purchase of non-financial investments, particularly property. The Capital Strategy, therefore, requires local authorities to assess investments over the long-term as opposed to the three years that planning was previously conducted over.
11. Table 1 summarises the current approved capital programme for the 6 years to 2029/30. The projects included within this programme have progressed through the governance process and are deemed to have been assessed fully to ascertain the outcomes of the project against criterion of risk and reward.
12. In order to comply with the requirement to consider capital expenditure over a medium to long-term period and to determine the financial sustainability of the authority, focusing on the affordability of the capital programme, the Council has compiled a planned programme of capital schemes that have been agreed in principal by Cabinet members but have yet to complete the full due diligence process. These are described as “pipeline schemes” and are summarized in Table 3 below and detailed in Annex 10.

*Table 3 – Capital Programme (Pipeline Schemes)*

Service Area	2025/26 (£000)	2026/27 (£000)	2027/28 (£000)	2028/29 (£000)	2029/30 (£000)	Total
Adult Social Care	282	-	-	-	-	282
Children & Education	4,485	12,350	500	-	-	17,335
Place - Environment	28,947	37,740	16,525	1,625	1,625	86,462
Place - Housing	-	-	-	-	-	-
Place - Regeneration	3,638	20,070	-	-	-	23,708
Assistant Chief Executive	-	-	-	-	-	-
Finance & Transformation	121	1,625	-	-	-	1,746
Total	37,473	71,785	17,025	1,625	1,625	129,533

13. In the period 2025/26 to 2029/30, total capital expenditure on pipeline schemes yet to be approved is expected to be in the region of £130m for the General Fund. The total scheme costs detailed in Table 3 are initial estimates only. These are likely to change as work is undertaken to develop robust business cases on an individual project basis including full options appraisal and detailed costings.
14. In order for the pipeline schemes to progress into the approved Capital Programme, each scheme will follow the route of approval prescribed in Table 4 (paragraph 32) below.

#### Capital Investment Plans

15. This Capital Strategy sits alongside the Medium-Term Financial Strategy and feeds into the annual revenue budget as part of an integrated revenue and capital financial strategy. The ongoing implications for the revenue budget strategy are fully considered before any capital funding decisions are confirmed.
16. Sandwell Council has a range of ambitious, affordable capital investment plans designed to achieve the objectives set out in the Corporate Plan and 2030 Vision. Paragraphs 54 to 89 below describe the alignment between the Capital Programme and the Council's 2030 Vision.
17. There are currently over 100 General Fund schemes that are included within the 6 year programme covering a wide range of developments. The main areas of investment include the following:

#### Towns Fund (Regeneration)

18. There are currently 15 active projects within the Towns Fund programme totaling £47m. These cover the areas of Rowley Regis, Smethwick and West Bromwich. The major schemes relate to:
  - Rowley Regis - Satellite Education Hub (£8.5m)
  - Rowley Regis – Blackheath Bus Exchange (£3.7m)
  - Smethwick - Midland Met Learning Campus (£10.5m)
  - Smethwick – Grove Lane Regeneration (£4.3m)
  - West Bromwich – Retail Diversification Programme (£6.8m)
  - West Bromwich – Town Hall Quarter (£3.7m)

#### Levelling Up Partnership Wednesbury (Regeneration)

19. There are 5 projects that have commenced during 2024/25 totaling £19.7m, with the main scheme relating to the development of the Friar Park Urban Village (£11.5m).

#### Levelling Up Fund (Environment)

20. £23.7m has been included within the programme for the development of Haden Hill Leisure Centre.

#### Oracle Fusion (Finance & Transformation)

21. The programme includes £6.9m for the introduction of the new ERP system to transform Finance and HR support.

#### Highways (Environment)

22. The programme includes a variety of schemes aimed at maintaining and developing the Council's Highways network. This totals £60.1m and includes the development of Birchley Island (£5.0m).

#### Schools (Children's Services)

23. There is a budget provision of around £95.5m for investment in schools over the next 6 years.

#### Disabled Facilities Grants (Housing)

24. £36m is included within the programme to provide grants to help private homeowners to adopt their properties to accommodate disabled needs.

#### West Bromwich Cemetery (Finance & Transformation)

25. The construction of a new cemetery in West Bromwich at a cost of £3.5m.

#### Vehicles (Environment)

£9m is included in the programme to ensure our vehicle fleet is maintained.

#### ICT End User Computing Refresh (Finance & Transformation)

£9m is included in the programme to ensure our ICT Strategy is continued.

#### Property Refurbishment/PMA (Regeneration)

£12.7m is included in the programme to ensure our property portfolio is maintained and enhanced.

#### Key (Pipeline) Projects

29. The largest value projects proposed to be added into the programme are as follows. These schemes have been agreed in principal but have yet to complete the full due diligence process:

- LUP Round 3 – Grove Lane (Regeneration): £20m
- New Archive Centre (Environment): £20m
- Highways Infrastructure – Improve Management of Assets in Red Risk Condition (Environment): £19.4m
- City Region Sustainable Transport Settlements – Smethwick to Birmingham Growth Corridor (Environment): £18.7m
- Causeway Green Primary School (Children & Education): £14.5m
- City Region Sustainable Transport Settlements – A461 WCB Corridor (Environment): £12.5m
- City Region Sustainable Transport Settlements – Wednesbury to Brierly Hill Sustainable Access Measures (Environment): £7.7m

#### Allocating Resources to Capital Projects - The Capital Appraisal Process

30. The Council has a comprehensive project appraisal process, based on HM Treasury's Five Case Business Model, to assess the merits and risks of individual capital proposals and the evaluation and comparison of such projects for selection in times of limited resources. The appraisal process considers available external funding, any funding required by the Council and the resulting revenue implications of any such Council funding. It looks at alignment of proposed projects with the strategic aims of the Council and considers how the outcomes of proposed projects demonstrate alignment with the Corporate Plan. In addition, as well as support of corporate priorities, analysis of future schemes will consider whether they provide financial benefits such as:

- Invest to save
- Protection of income streams
- Avoidance of costs

31. Project appraisals are the basis for formal monitoring and reporting on any capital schemes which are approved.
32. The level of appraisal and the route of approval that each scheme will follow is summarised in Table 4 below.

*Table 4 – Capital Appraisals - Approval Process*

Total Project Costs	Director Approval	Short Appraisal	Full Appraisal	Capital Asset Management Board Approval	S151 Approval	Cabinet Member Approval	Cabinet Approval
Under £0.100m	✓			✓			
£0.101m to £0.500m		✓		✓	✓		
£0.501m to £0.999m		✓		✓	✓	✓	
£1.000m and over			✓	✓	✓	✓	✓

33. All capital project applications requiring appraisal should be submitted through Firmstep to the Financial Planning team for independent appraisal and evaluation. The Financial Planning team will produce an appraisal report of their findings back to the Project Lead Officer. It is the responsibility of the Project Lead Officer to allow sufficient time for the capital approvals process when considering applying for capital resources.
34. Once the appraisal has achieved a score which would enable it to be recommended for approval, it is the responsibility of the Project Lead Officer to follow the approval route detailed above. Projects that achieve a score of less than 65% will not be recommended for approval.
35. Democratic Services are required to publish 28 days-notice of all key decisions. The Project Lead Officer is responsible for notifying Democratic Services of key decisions in accordance with their timetable. Further guidance on what constitutes a key decision and the required timescales can be obtained from the Democratic Services.

#### Revenue Implications of Capital Investment

36. The council takes into consideration the ongoing revenue implications of capital investment and has a consolidated revenue and capital budget setting process. The Cabinet receives all reports and information about the council's revenue and capital strategies and expenditure plans. The merging of the two processes allows the council to fully consider the implications on revenue of any capital schemes (whether savings or increased costs) and also places it in a position to consider the impact of the Prudential Framework in the future.

37. The cost of borrowing over the medium term expressed through the Minimum Revenue Provision is fully incorporated into the revenue budget setting process to ensure prudence and affordability.
38. The appraisal forms submitted when requesting a scheme to be included within the capital programme highlight both the financing of borrowing costs that the council may need to incur in pursuing the scheme together with the ongoing revenue costs of 'running' the asset once it is operational. The inclusion of these costs allows decisions to be taken with full consideration of the impact on the revenue position of the council. The Council has a robust process in place to test and consider all capital investment proposals with the underlying requirement that all decisions taken are affordable.

#### Project Monitoring & Evaluating Progress

39. Capital monitoring is completed monthly and reported quarterly to the Executive Director of Finance and Transformation and the Assistant Director of Finance. Any matters of concern are then brought to the attention of the relevant Cabinet Member.
40. Reports are prepared for Cabinet on a quarterly basis. Narrative is included in the quarterly monitoring report to explain movements in capital budgets since the previous quarter. Budget monitoring reports are also presented to the Budget and Corporate Scrutiny Management Board for consideration.
41. Project Officers are consulted monthly to ensure forecast capital expenditure is accurate. Expenditure is monitored and analysed to ensure that it is in accordance with the nature of the project and can be applied to the relevant asset register.
42. Re-profiling of capital resources into future years is reflected where necessary.
43. Capital grant claims are completed in accordance with grant terms and conditions to ensure all expenditure is funded as planned.
44. Regular Capital Asset Management Board meetings are held to ensure that the capital programme is managed effectively.
45. Capital receipts are analysed monthly to ensure that projects are financed with capital receipts where such receipts are available.

#### PFI

46. The Council has previously pursued the use of Public Private Partnerships and Private Finance Initiatives as a means of funding the investment identified through the Capital Strategy and Capital Programme. The council will continue to consider future opportunities as they arise but is no longer actively pursuing this funding option.

#### Commercial Activity

47. The Council currently holds commercial properties that generate significant revenue income to the authority. At present, the authority is not actively pursuing new investment in commercial assets for the sole purpose of providing income streams to aid the future funding of services. However, any new schemes will be evaluated to ensure that Members are fully informed of the risks and rewards of such investments

### Asset Management

48. Sandwell Council is committed to proactive management of its assets, as reflected in the rolling programme of investment in buildings and ICT infrastructure. A 5-year programme of refurbishment of Sandwell Council House is now complete and will now secure this key asset for the longer-term but, alongside this investment, the Council will continue to rationalize its office accommodation to reduce ongoing costs to the council as it reaps the benefits of new, more agile ways of working.
49. The Council's biggest ever investment in its ICT infrastructure continues, as it implements a major upgrade to Oracle e-business suite; delivers a technology modernization programme; and continues to roll out an expanding digital offer.

### Knowledge and Skills

50. Sandwell Council has built up a significant pool of internal expertise and has a well-earned reputation for delivering projects on time and within budget. However, the Council will also buy in additional capacity and expertise as required.

### Delivering the Strategy

51. The Capital Programme is revised annually as part of the budget setting process and approved by Cabinet and Council. Any significant in-year variations to the programme require Cabinet approval.
52. Performance of the Capital Programme is part of the monthly financial monitoring process.

### Review

53. The Capital Strategy will be reviewed annually to ensure it remains fit for purpose and enables the Council to make the investments necessary to deliver its strategic aims.

## Sandwell 2030 Vision

54. A continuous review of the capital programme is essential to ensure that resources are aligned to the Corporate Plan and 2030 Vision at all times. The 10 ambitions which make up the Sandwell 2030 Vision are listed in the table below:-

*Table 5 – Sandwell 2030 Vision - Ambitions*

Ambition 1	Raising Aspirations & Resilience
Ambition 2	Healthier for longer & safer
Ambition 3	Young People have skills for the future
Ambition 4	Raising the quality of Schools
Ambition 5	Lowering Crime & ASB
Ambition 6	Excellent public transport to the region & beyond
Ambition 7	Major new housing along major transport routes & employment sites
Ambition 8	Create environments in the 6 towns where people choose to live
Ambition 9	Hosting industries of the future
Ambition 10	National reputation for getting things done

55. The following sections detail how capital investment at a service level is being targeted to meet these ambitions.

### Housing – Ambitions 1,2,5 & 7

56. £31.2m is included within the programme to provide grants to help private homeowners to adopt their properties to accommodate disabled needs, which is funded by Disabled Facilities Grant (DFG) provided by Government.
57. This investment sits alongside a major programme of refurbishment in council housing stock. The investment recognises Sandwell's responsibility to invest in housing assets within the Borough to promote wellbeing and help people live healthy lives - this will continue to create mixed and sustainable communities and help residents maintain their independence for longer.

### Schools – Ambitions 3 & 4

#### Primary Schools

58. Sandwell has 94 Primary Schools located across its 6 towns, 30 of these schools are now Academies, and 1 is an Independent School. One community-maintained school, and one foundation trust school (without a Trust) are scheduled to convert to an Academy in this academic year. Like many parts of the country, Sandwell has seen huge increases in its birth rate since 2011/12, with Reception cohorts growing significantly, although a falling intake has now been experienced for two successive years. Additionally, the Council has seen increased in-year migration which has affected primary year groups, NCY3 to 6, with an initial levelling off experienced since School Capacity 2019 but now increasing, and most secondary year groups.
59. The total Reception capacity in 2010 was 4,246 with an overall primary capacity of 29,336. However, with Sandwell's pupil numbers in the primary sector increasing quickly and significantly, the total Reception capacity increased to 5,070 in September 2017 and has since reduced to the current figure of 4,950 for September 2024. This offers an overall primary capacity of 34,936 and a projected Reception surplus of 11.09%.

60. The projected overall primary surplus for September 2024 was 4.08%. Although the cohort starting Reception in September 2017 saw the highest numbers since the mid-1970s, there is a notable level of surplus capacity within Key Stage 1 across the 6 towns.
61. No additional primary provision is anticipated to be required in Reception for the foreseeable future.
62. The Published Admission Numbers (PAN) at 2 primary schools in Smethwick were reduced by a form of entry at each school (60 places in total) from September 2023, and a third school in West Bromwich will reduce by a form of entry (30 places) with effect from September 2025 in response to the reducing demand for Reception places. A further school is currently considering a reduction in its PAN due to a falling roll.

#### Secondary Schools

63. There are 22 Secondary Schools in Sandwell made up of 1 Voluntary Aided School, 2 Foundation Trust Schools, 18 Academies and 1 University Technology College (11-18 years). The overall secondary capacity is 24,701 and a projected year 7 surplus of 2.1%. The projected overall secondary surplus for September 2024 was 2.43%.
64. It is projected that secondary numbers will increase by 1069 across all year groups between 2024 and 2028 as larger cohorts move up from the primary sector and inward migration continues to occur at similar levels. Based on the planned capacity for Year 7 in 2025 of 5,176, the borough wide PAN will be just sufficient to meet demand in 2025 with limited surplus of 6.86%.
65. Both Windsor Olympus Academy and Shireland CBSO Academy opened in September 2023 delivering 900, and 750 new places respectively. It has been projected that there will be a need for an additional 30 Year 7 places in Sandwell's secondary sector for the 2025/26 academic year to address local demand pressures in the Rowley Regis and Tipton areas, and in-year applications. The projections may need to revise if inward migration continues to increase at current levels.

#### Special Schools

66. During 2024 the Local Authority has continued with its major review for Special Educational Needs and Disabilities (SEND) provision, the 'Inclusion Transformation Programme' which, in part, is due to a continuing significant increase in the number of children and young people with a confirmed Education, Health and Care plan (EHCP). Over the past 2 years the total number of EHCPs has risen from 2,503 to 3,625 as at January 2024. Such an increase has created significant pressure on the availability of suitable specialist places.
67. Two new schools, High Point Academy and Elm Tree Primary Academy have opened in the last 3 years to help with demand.
68. The Authority is supporting the expansion of The Brades Lodge to provide new places. Equally minor works at The Meadows School has enabled an additional 8 places to be created, with further proposals to relocate and expand Post 16 provision. The Orchard School will expand during 2025 to provide additional primary-aged school places. Previous proposals to consider establishing a new special school remain within the overall SEND strategy, although the requirements for the type of provision has changed as a more locally based school model is developed across the school estate.
69. There is an ongoing commitment to continue with locally based solutions such as expansion of well-established Focus Provision Units to complement mainstream special school provision. With the increasing surplus capacity within Primary Schools (paragraphs 31 and 32 above), active plans are being discussed to look at alternative use of surplus teaching space to either expand or establish new local SEND provision for children within their immediate communities.

## Adult Social Care & Health – Ambition 2

70. The capital resources available to Adult Social care will be used in two main areas:

- To support the ongoing development of the social care business system; and
- To fund a range of ICT related expenditure to support mobile working, an integral element in the adult social care customer journey.

## Transport – Ambitions 6,8 & 10

71. Sandwell Councils own Resident Satisfaction results undertaken by M·E·LResearch. has returned satisfaction levels for road maintenance at 61%, a significant 34% higher than the LGA average. This represents the best relative performance of all the measures in the survey. Capital investment in the delivery of Highway Maintenance, Highway Network Improvement and Road Safety Programmes, and Traffic Management related services continues at pace.

72. The DfT capital allocation for 2025/26 is anticipated to comprise £4.741m CRSTS allocation plus £1.695m from the additional £500m announced by the Government as part of the Autumn Statement. 45. Highway Services review the condition of highway infrastructure and run a lifecycle modelling exercise every year. This identifies capital budget requirements for 2025/26 and 2026/27. A Report to Cabinet will be drafted to detail capital investment needs and options for March Cabinet.

73. Capital investments in Road Safety strategies, initiatives and programmes of work are maintaining the historic trend in the reduction of road casualties and continue to prioritise vulnerable groups identified within the Sandwell Strategic Road Safety Plan 2024-2030. Capital investment in traffic management and road improvement schemes support the related sustainable benefits of encouraging active travel and modal shift, improving air quality and addressing climate change.

74. The Council is leading the delivery of the Birchley Island transport scheme at Junction 2 of the M5 in Oldbury along with developing a bid for a future improvement at M5 Junction 1.

75. The Council is a partner in Wednesbury - Brierley Hill West Midlands Metro Corridor (£450million investment) which is the largest light rail project in Europe and has created a strategic link to Dudley and through West Bromwich to Birmingham.

76. The Council is also committed to enabling people to get around in a healthy and sustainable way which supports its health and wellbeing and its climate change strategies. The Council aims to make sure that all public transport options available locally are as green as possible, and will lobby for clean green buses for the borough as well as delivering bus priority measures on the West Midlands Core Bus Network.

77. The Council is bringing forward a programme of schemes to develop the West Midlands Cycle Network in Sandwell along with more local cycling facilities and improvements for pedestrians. These will be predominantly segregated links that are part of the highway network. The Council was one of the first Local Authorities in the West Midlands to develop a Sandwell Cycling and Walking Infrastructure Plan (SCWIP). The SCWIP was approved by Cabinet in January 2020 and various Government funding totalling £69.95m has been directed towards developing and delivering infrastructure within the SCWIP and other active travel Infrastructure measures. Many of the cycle routes and core walking zones have been delivered and the SCWIP is due to be reviewed in 2025/2026.

78. The Council will also continue to make use of its extensive canal network as a means for cycling and walking and invest in green infrastructure as part of the successful delivery of the Local Transport Plan.

79. Sandwell Highways maintain 30,850 street lighting columns, of which around 2% require placement each year. In 2024 Sandwell Council completed the conversion of over 6,000 streetlighting lanterns to LED, meaning over 95% of the Boroughs streetlights are now LED, making a significant contribution to the Councils sustainability targets.
80. The Council also maintain over 172 bridges through an annual programme of inspections. Sandwell have no bridges categorised as in 'very poor' condition, and in 2024 reduced the number of bridges that are in poor condition from 5 to 4. Both the recent flooding resulting from the South Staff Trunk Main bursts and Storms Bert and Darragh serve as a reminder of the importance of the work we do in respect of Flood Risk Management.
81. In addition, partnership work with the Canal and River Trust will enable the Council to make the best use of the borough's waterways.

#### Parks and Green Spaces – Ambitions 2 & 8

82. Sandwell has 543 green spaces, covering around 24% of the borough. Green spaces include 1,200 hectares of unrestricted green space including 32 parks and gardens, 22 green corridors, 211 amenity green spaces, 10 nature reserves, and 70 play areas. The Council is proud to have 15 green flag sites and will maintain this standard, as well as improving the quality and value of all its green spaces.
83. The Council approved a new green spaces strategy in June 2022, with a set of objective for three years to improve the quality and value scores for its green spaces. The Council has now completed 202 green space improvement plans and will be developing an allotment's review and strategy. The Council has also implemented education and volunteering programmes in its green spaces. The Council's revised trees strategy and planting plan was approved by Cabinet in February 23, and set out how the Council plans to meet its commitment to plant 15,000 new trees by 2030 and to manage and protect its tree stock.
84. The Council has benefited from several capital investment projects, including:
- The completion of £5.2m of National Lottery Heritage Fund and Sandwell Council funding for heritage and landscape improvements and a new Pavilion at West Smethwick Park.
  - The development of a £2.2m Town's Fund and Sandwell Council funding for heritage and landscape improvements, and new facilities at Britannia Park.
  - Improvements to a number of green spaces through the Wednesbury Levelling Up Partnership.
  - A new Sandwell Valley Urban Bike Track, with £600,000 from Sport England, Birmingham Council, and Sandwell Council funding.
  - Improvements to the Railer in Tipton with support from UKSPF.
  - More than 20 smaller capital improvements to parks and open spaces across Sandwell.
85. Sandwell Valley is a jewel in Sandwell's Crown and is currently reviewing developments in Forge Mill Farm and at Sandwell Valley Visitor Centre.

#### Leisure Facilities – Ambitions 1,2,9 & 10

86. The Council has developed an estate of modern leisure facilities within the borough. 2023 saw the opening of Sandwell Aquatics Centre as a community venue following the post-Commonwealth Games legacy works. Over the last 10 years the Council has now opened new leisure centres in Smethwick, Tipton, Oldbury, West Bromwich, and Wednesbury.
87. In 2023 the Council secured £20m funding from LUF2 to replace the ageing Haden Hill Leisure Centre. A further £2m was secured from Sport England in 2024. The existing centre closed in

2024 with planning permission submitted for the rebuild. The new centre is planned to start on site in 2025 with completion in 2027.

88. With the opening of Sandwell Aquatics Centre, Langley and Smethwick Swimming Centres closed. The long-term future of some of the older leisure sites will need to be considered as part of the Capital Strategy to 2028.

#### Climate Change – Ambition 8

89. Sandwell Council is now actively pursuing capital investments to deliver its climate change agenda, including Heat Networks, Heat Pump Technology and Electric Vehicle (EV) Charging Points.

## Capital Financing Strategy 2025/26

### Introduction

1. The Capital Financing Strategy is intended to give a high-level overview of how capital expenditure within Council's General Fund and Housing Revenue Account Capital Programmes will be funded.
2. The total approved Capital Programme for the General Fund is as shown in Table 1 below and for the Housing Revenue Account is as shown in Table 4 below.

### Sources of Capital Funding

3. There are several sources of funding that the Council can use to finance its Capital Programme. The current programme is primarily funded from the following sources:
  - Capital Grants
  - Capital Receipts
  - Revenue Contributions
  - Prudential Borrowing

### Capital Grants: Government Grants

4. Capital resources from the Government can be split into two categories:
  - i). *Non-ring fenced* - resources which are delivered through a grant that can be utilised on any project (albeit that there may be an expectation of use for a specific purpose).
  - ii). *Ring-fenced* - resources which are ring fenced to particular areas and therefore have restricted uses, specified by the funder.

### Capital Grants: Non-Government Contributions

5. Where there is a requirement to make an application to an external agency to receive external funding, and when appropriate to commit Council resources as matched funding to any bid for external resources, a business case should first be presented for consideration to the Capital Asset Management Board. The business case must demonstrate how the project aligns to Council's priorities and how matched funding and any revenue consequences can be managed within the context of the capital and revenue budget.

### Capital Receipts

6. Capital receipts come from the sale of the Council's assets. Where the sale of an asset leads to the requirement to repay grant, the capital receipt will be utilised for this purpose. Once this liability has been established and provided for, capital receipts will be available to support the capital programme as a corporate resource. Where the asset has been funded from prudential borrowing a review will be undertaken to determine whether the most cost-effective option is to utilise the receipt to repay debt, considering the balance sheet position of the authority.

### HRA Right to Buy Receipts

7. In most cases there will be no ring fencing of capital receipts to specific projects. One exception to this is the retained Right to Buy (RTB) receipts held by the Council under the one-for-one replacement agreement signed in June 2012 and amended in June 2013. Under this agreement any retained RTB receipts, which are not used for the specific purpose of providing replacement affordable housing, must be returned to MHCLG.

8. RTB receipts not ring-fenced under the one-for-one replacement agreement referred to above will be held specifically for the purpose of funding other capital spend commitments within the HRA.

#### Revenue Contributions

9. Subject to affordability, an element of the revenue budget can be set aside to fund the Capital Programme (Direct Revenue Financing). However, with increasing General Fund revenue pressures these opportunities are reducing.

#### Prudential Borrowing

10. The Council will investigate opportunities to resource capital projects using prudential borrowing where plans are sustainable, affordable, and prudent. Full appraisal will take place to ensure that, where appropriate, sufficient revenue returns are generated to cover the cost of borrowing.
11. Where it is considered that prudential borrowing is the appropriate method of funding, but it requires additional revenue financing, the cost will be built into the revenue budget planning process.
12. The term 'prudential borrowing' above does not automatically lead to external borrowing as the Council may be able to use cash it holds in reserves and as working capital, which is usually termed internal borrowing. The decision to borrow externally or to use existing cash will be made at an operational level when the relevant cash outflows take place, but over the course of a financial year as a whole, borrowing should be in line with the Council's Treasury Management Strategy.
13. The revenue implications of prudential borrowing are interest costs if external borrowing takes place, loss of investment interest if internal borrowing is utilised, and minimum revenue provision (MRP), which is a charge to the General Fund even if the Council does not borrow externally and chooses instead to use existing cash resources.

#### Current Capital Programme

##### General Fund

14. As per the Capital Strategy (Annex 13), the current projected Capital Programme for the General Fund is shown below in summary, with the full detailed programme included at Annex 10. The profiling of expenditure between financial years is as per the latest forecast.

*Table 1 – Approved Capital Programme (General Fund), with Latest Forecast Profiled Expenditure*

Service Area (General Fund)	2024/25 (£000)	2025/26 (£000)	2026/27 (£000)	2027/28 (£000)	2028/29* (£000)	2029/30* (£000)	Total (£000)
Adult Social Care	574	524	-	-	-	-	1,098
Children and Education	9,349	46,124	10,000	10,000	10,000	10,000	95,473
Place - Environment	26,751	33,703	10,334	8,334	8,334	8,334	95,790
Place - Housing	5,742	12,601	4,800	4,800	4,800	4,800	37,543
Place - Regeneration	29,897	55,146	2,100	2,100	2,100	2,100	93,443
Assistant Chief Executive	-	33	-	-	-	-	33
Finance and Transformation	10,240	4,700	1,200	1,200	1,200	1,200	19,740
<b>Total</b>	<b>82,553</b>	<b>152,831</b>	<b>28,434</b>	<b>26,434</b>	<b>26,434</b>	<b>26,434</b>	<b>343,120</b>

*\*to be approved within February 2025 Budget Report*

15. It is currently proposed that this expenditure will be financed as follows:

*Table 2 – Capital Financing (General Fund)*

Funding Source	2024/25 (£000)	2025/26 (£000)	2026/27 (£000)	2027/28 (£000)	2028/29 (£000)	2029/30 (£000)	Total (£000)
Grants	58,712	136,650	23,339	21,339	21,339	21,339	282,718
Capital Receipts	2,000	-	-	-	-	-	2,000
Revenue Contributions	1,098	-	-	-	-	-	1,098
Prudential Borrowing	20,743	16,181	5,095	5,095	5,095	5,095	57,304
<b>Total</b>	<b>82,553</b>	<b>152,831</b>	<b>28,434</b>	<b>26,434</b>	<b>26,434</b>	<b>26,434</b>	<b>343,120</b>

16. As shown in Table 2, the main source of funding for the existing General Fund programme is Capital grants, which accounts for 82.4% of the programme funding required.
17. The second most significant funding source is borrowing, which accounts for 16.7% of funding required. Borrowing is required to fund all programmed expenditure that is not being funded from external funding (largely capital grants), capital receipts or revenue contributions.
18. The Council has a limited amount of capital receipts to fund the current capital programme. Capital receipts generation is dependent on the sale of assets. A prudent estimate of the value of capital receipts that may be available in future years has been included within Table 2. The corresponding values are subject to change, and will be revised as the Council's asset management strategy progresses. At present, capital receipts account for 0.6% of the funding of the existing programme, with a further 0.3% of funding coming from revenue contributions.
19. The resulting revenue impact of the prudential borrowing required to fund the existing General Fund Capital Programme is shown in Table 3 below.

*Table 3 – Revenue Impact of Prudential Borrowing Required for Existing Programme*

Revenue Implications	2024/25 (£000)	2025/26 (£000)	2026/27 (£000)	2027/28 (£000)	2028/29 (£000)	2029/30 (£000)	Total Over 6 Years (£000)
Prudential Borrowing	20,743	16,181	5,095	5,095	5,095	5,095	57,304
Total Annual Revenue Impact (MRP and Interest Costs) of Prudential Borrowing	1,664	2,963	3,372	3,781	4,189	4,598	20,567

20. All borrowing costs in 2025/26 are included within 2025/26 revenue budgets, and borrowing costs in future years are incorporated into the Council's Medium Term Financial Strategy as per Appendix A.

Housing Revenue Account (HRA)

21. The current projected capital programme for the Housing Revenue Account is shown below in Table 4.

*Table 4 – Approved Capital Programme (HRA)*

Service Area (HRA)	2024/25 (£000)	2025/26 (£000)	2026/27 (£000)	2027/28 (£000)	2028/29* (£000)	2029/30* (£000)	Total (£000)
New Build	22,705	21,458	19,501	24,001	14,874	11,402	113,941
Housing Improvements	57,565	56,943	51,189	52,240	53,245	53,166	324,348
Total	80,270	78,401	70,690	76,241	68,119	64,568	438,289

*\*to be approved within February 2025 Budget Report*

22. As shown in Table 4, in the period 2024/25 to 2029/30, total approved capital expenditure is expected to be in the region of £438m, and it is currently proposed that this expenditure will be financed as follows:

*Table 5 – Capital Financing (HRA)*

Funding Source	2024/25 (£000)	2025/26 (£000)	2026/27 (£000)	2027/28 (£000)	2028/29 (£000)	2029/30 (£000)	Total (£000)
Grants	16,549	20,086	692	-	-	-	37,327
RTB Receipts (141)	943	2,655	6,813	11,842	7,437	5,701	35,391
MRR	21,917	20,520	20,638	21,125	21,553	21,969	127,722
Capital Receipts	-	4,000	4,000	4,000	4,000	4,000	20,000
Borrowing	39,075	29,140	36,547	37,274	33,129	30,898	206,063
RCCO	1,786	2,000	2,000	2,000	2,000	2,000	11,786
Total	80,270	78,401	70,690	76,241	68,119	64,568	438,289

23. The major sources of financing for the HRA Capital Programme are prudential borrowing and the Major Repairs Reserve (MRR).

## Future General Fund Pipeline Schemes

24. As per the General Fund Capital Strategy (Annex 13), a summary of proposed pipeline schemes is as follows:

*Table 6 – Capital Programme (Pipeline Schemes)*

Service Area (General Fund)	2025/26 (£000)	2026/27 (£000)	2027/28 (£000)	2028/29 (£000)	2029/30 (£000)	Total (£000)
Adult Social Care	282	-	-	-	-	282
Children and Education	4,485	12,350	500	-	-	17,335
Place - Environment	28,947	37,740	16,525	1,625	1,625	86,462
Place - Regeneration	3,638	20,070	-	-	-	23,708
Finance and Transformation	121	1,625	-	-	-	1,746
<b>Total</b>	<b>37,473</b>	<b>71,785</b>	<b>17,025</b>	<b>1,625</b>	<b>1,625</b>	<b>129,533</b>

25. As shown in Table 6, in the period 2025/26 to 2029/30, total capital expenditure on pipeline schemes yet to be approved is expected to be in the region of £130m for the General Fund, and it is currently proposed that this expenditure will be financed as follows:

*Table 7 – Capital Financing (Pipeline Schemes)*

Funding Source	2025/26 (£000)	2026/27 (£000)	2027/28 (£000)	2028/29 (£000)	2029/30 (£000)	Total (£000)
Grants	25,926	61,448	15,400	-	-	102,774
Capital Receipts	-	-	-	-	-	-
Revenue Contributions	2,992	-	-	-	-	2,992
Prudential Borrowing	8,555	10,337	1,625	1,625	1,625	23,767
<b>Total</b>	<b>37,473</b>	<b>71,785</b>	<b>17,025</b>	<b>1,625</b>	<b>1,625</b>	<b>129,533</b>

26. As shown in Table 7, the major sources of financing for the pipeline schemes are Capital grants (79.3%) and prudential borrowing (18.4%). It is also forecast that an element of revenue funding will be available to fund a small proportion of the schemes (2.3%). The majority of grant funding for the pipeline schemes is due to be secured before 1<sup>st</sup> April 2025, however, some of the funding contributions required are prospective at this time and are subject to confirmation.
27. The resulting revenue impact of the borrowing forecast to be required is shown in Table 8 below. Taking a prudent approach, estimates assume that all borrowing would be external borrowing.

*Table 8 – Revenue Impact of Prudential Borrowing Required to Fund Pipeline Schemes*

Revenue Implications	2025/26 (£000)	2026/27 (£000)	2027/28 (£000)	2028/29 (£000)	2029/30 (£000)	Total Over 5 Years (£000)
Prudential Borrowing Required	8,555	10,337	1,625	1,625	1,625	23,767
Annual Revenue Impact (MRP and Interest Costs) of 2025/26 Prudential Borrowing	663	663	663	663	663	3,315
Annual Revenue Impact (MRP and Interest Costs) of 2026/27 Prudential Borrowing	-	741	741	741	741	2,964
Annual Revenue Impact (MRP and Interest Costs) of 2027/28 Prudential Borrowing	-	-	123	123	123	369
Annual Revenue Impact (MRP and Interest Costs) of 2028/29 Prudential Borrowing	-	-	-	123	123	246
Annual Revenue Impact (MRP and Interest Costs) of 2029/30 Prudential Borrowing	-	-	-	-	123	123
Total Annual Revenue Impact (MRP and Interest Costs) of Prudential Borrowing	663	1,404	1,527	1,649	1,772	7,015

28. The additional revenue budget required to fund the borrowing costs from 2025/26 is considered to be affordable, taking into consideration all other revenue budget pressures forecast, and the corresponding additional revenue budget required has been incorporated into the Medium Term Financial Strategy, as per Appendix A.

### General Fund Total Programme

29. The existing programme, together with the pipeline schemes, gives a total programme value of £473m for the General Fund, which is scheduled in principle to be funded as follows:
- £385m is to be funded from Capital Grants (81.5%)
  - £2m from Capital Receipts (0.4%)
  - £4m from Revenue Contributions (0.9%)
  - £81m from Prudential Borrowing (17.2%)

### Affordability of Borrowing

30. The revenue costs associated with the prudential borrowing required to fund the General Fund Capital Programme represented as a percentage of the Council's net revenue budget are as follows:
- 2024/25: 5.5%
  - 2025/26: 5.6%
  - 2026/27: 5.5%
  - 2027/28: 6.0%
  - 2028/29: 6.3%
  - 2029/30: 6.2%
31. These percentages are well within expected tolerances and provide further assurance that the prudential borrowing required to fund the programme is at an appropriate level.

### Next Steps

32. The Council's Treasury Management Strategy, included at Annex 16, sets out medium and long term cash flow planning to ensure that the Council can meet its capital expenditure plans.

## Investment Strategy 2025/26

### Introduction

1. Sandwell Metropolitan Borough Council's Investment Strategy sits alongside the Capital Strategy and the Capital Financing Strategy and considers the non-treasury investments (industrial units and various commercial premises) that the Council holds in addition to cash investments which are discussed as part of the Treasury Management Strategy.
2. In general, non-treasury investments are held (a) to enhance and facilitate regeneration policy initiatives and (b) where this is so to ensure assets are held on a VFM basis such that suitable inflow of commercial rentals are received for the letting of such premises.

### Context and Background

3. In October 2019, HM Treasury increased Public Works Loan Board (PWLB) rates by 1% on the back of concerns that councils were borrowing from the PWLB in order to invest in commercial investments (retail, offices, industrial parks, land etc) purely for a yield on that investment. This does not form part of this Council's operations in the past nor looking forward.
4. The 1% increase was reversed in November 2020 following the end of a consultation, and implemented new restrictions on borrowing to ensure that councils are not acquiring assets (land or buildings) primarily for yield. The Council should not have any proposals to invest primarily for yield in its Capital Programme as this would impair access to flows of capital funding from PWLB.
5. There are no proposals within the Capital Programme for acquiring new assets for yield and this is in line with relevant guidance.
6. The portfolio of investment assets was last valued at approximately £77.1m (source: Draft Statement of Accounts 2023/24). Revenue yields generated for 2023/24 equated to 5.5% gross (5.5% 3 year average) and 3.9% net (4.2% 3 year average).
7. Yields have remained stable over recent years and will be continue to be monitored to ensure that the Councils return on this asset classification continues to provide value for money.

### Equity Investments

8. The Council holds an equity investment in Birmingham Airport; this is a historic and long term investment undertaken with the 7 West Midlands District Councils to oversee the development of Birmingham Airport which is a major regional asset for the West Midlands conurbation. Accordingly, this investment is held as a long term policy initiative the driver of which is regenerative in character.

9. Sandwell Metropolitan Borough Council own 5.6% of the total Ordinary share allocation with a nominal value of 1 penny per share; this equates to a nominal value of £182,000 (i.e. the initial cost of investment). Sandwell MBC, along with the other councils in the West Midlands holds 49% of the issued Ordinary share capital for the Airport.
10. The Council also holds 11.5% of the preference shares issued to the councils at a nominal value 1 pence per share. This equates to £1.766m for Sandwell MBC.
11. The total nominal value of the share holdings in Birmingham Airport are approximately £1.95m and represents the amount of expenditure the Council incurred in purchasing this equity investment.
12. The Council is required to hold the shares at Fair Value (i.e. open market valuation basis) and independent experts are appointed through Solihull Metropolitan Borough Council to conduct an annual valuation on behalf of all the councils investing in Birmingham Airport.
13. As at the end of 2023/24 the fair value of these shares equated to £35.6m. This has seen a modest increase of £3.1m from the previous financial year and reflects the changes in volumes of business customer use and holiday travel over the period.
14. The valuation is an estimate taking into consideration market conditions and the financial status of Birmingham Airport and is required for financial reporting in accordance with financial reporting standards and is not intended to identify the amount that might be realised from a disposal of shares.
15. Whilst the Council is entitled to dividends on the holdings of these shares, no dividends have been received in recent years and the airport recovered from the impact of COVID-19. During that period the fair value of the Councils share-holdings decreased to £16.5m.

### Strategy

16. In the future, the Council is clear that it will not be seeking to invest in properties for yield but will only do so where the major driver is to achieve regeneration goals and where the ownership of additional commercial assets is a by-product of such endeavour. This strategy will ensure that the Council can maintain access to PWLB borrowing in future to support capital investment across the whole Council asset base, including investment in the Housing Revenue Account.
17. As with infrastructure assets (which fall outside of this Investment Strategy) the Council will undertake a periodic and cyclical review to ensure that the policy drivers which led to the original acquisition are still current and that the commercial returns represent value for money for the Council.

18. Decisions on distribution of dividend income from our holdings of Birmingham Airport shares are made by the Board of the airport and therefore there is no future guarantee of such payment or indication of value to be distributed. Therefore it is prudent to exclude dividend income from the Medium Term Financial Plan due to the uncertainty and volatility of such receipts.
19. The Strategy for dividend income will be to allocate any receipt of dividend income into a Treasury Volatility Earmarked Reserve. This reserve will allow for mitigations on the revenue account for unbudgeted shocks in the interest rate markets adversely impacting on treasury costs and income. Management of this reserve will be determined by the Councils Reserves Strategy.

**Treasury Management Strategy Statement,  
Policy and Minimum Revenue Provision Policy  
2025/26**

### Introduction

1. This Treasury Management Strategy Statement provides a comprehensive view of the Council's treasury position and its projected Treasury and Prudential Indicators. The strategy recognises anticipated medium term cashflows including the proposed capital programmes for both the General Fund and the Housing Revenue Account.
2. Treasury management includes investments and borrowing related to Council activities. The strategy is approved by Council and the process is controlled within the Finance Team. The statutory indicators and limits are explained and included throughout this document and are summarised at sub-annex 6.
3. Sub-annexes included within this Strategy:
  - Sub-annex 1 Glossary
  - Sub-annex 2 Economic Background
  - Sub-annex 3 Credit and Counterparty Risk Management
  - Sub-annex 4 Approved Countries for Investment
  - Sub-annex 5 Treasury Management Role of the Section 151 Officer
  - Sub-annex 6 Summary of Treasury and Prudential Indicators

### Background

4. The Council is required to operate a balanced budget, which means that cash accessed during the year is sufficient to meet cash expenditure. The Treasury Management operation ensures that liquidity is adequately planned meaning cash is available when it is needed to resource Council activities. As cashflow is uneven the Council will use surplus monies to invest in low-risk counterparties or instruments commensurate with the Council's low risk appetite. The strategy prioritises adequate liquidity and security of funds before considering investment returns.
5. An important function of the Treasury Management service is the funding of the Council's capital programme. Capital plans frequently involve large one-off payments and provide a guide to the borrowing need of the Council. Accurate profiling of capital spend assists longer-term cash flow planning and ensures that the Council can meet its capital spending obligations when they arise. This management of longer-term cash may involve arranging long or short-term loans or using longer-term cash flow surpluses. On occasion, when it is prudent and economic, any debt previously drawn may be restructured to meet Council risk or value for money objectives.
6. The contribution the Treasury Management function makes to the Council is of critical importance. The balance of debt and investment operations ensure liquidity or the ability to meet spending commitments as they fall due. This can be either day-to-day revenue or larger one-off capital projects. The treasury operations will see a balance of the interest costs of debt and the investment income arising from cash deposits affecting the available budget. Since cash balances generally result from reserves and balances,

it is paramount to ensure adequate security of the sums invested. Inappropriately high borrowing or losses from risky investment will result in a loss to General Fund Balances and impact on the Council's ability to direct resources towards day-to-day services and achievement of the Council Plan.

7. CIPFA defines Treasury Management as:

*"The management of the local authority's borrowing, 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."*

#### Reporting Requirements

#### Capital Strategy

8. The CIPFA 2021 Prudential and Treasury Management Codes require all local authorities to prepare a capital strategy report which will provide the following:
- i) a high-level long-term overview of how capital expenditure, capital financing and Treasury Management activity contribute to the provision of services
  - ii) an overview of how the associated risk is managed
  - iii) the implications for future financial sustainability
9. The aim of the capital strategy is to ensure that all elected members fully understand the overall long-term policy objectives and resulting capital strategy requirements, governance procedures and risk appetite.
10. The capital strategy is included as a separate document within the budget report.

#### Treasury Management Reporting

11. Full council is required to receive and approve, as a minimum, three main treasury reports each year, which incorporate a variety of policies, estimates and actuals:
- i). Prudential and Treasury Indicators and Treasury Strategy (this report) – The first, and most important report is forward looking and covers:
    - a. The capital plans (including prudential indicators)
    - b. A minimum revenue provision (MRP) policy (how residual capital expenditure is charged to revenue over time)
    - c. The Treasury Management Strategy (how the investments and borrowings are to be organised), including treasury indicators
    - d. An Annual Investment Strategy (the parameters on how investments are to be managed).
  - ii). A Mid-Year Treasury Management report – This is a progress report. It updates members on the capital position, amends prudential indicators as required and seeks revisions to any policies where necessary.

- iii). An Annual Treasury report – This is a backward-looking review. It provides details of a selection of actual prudential and treasury indicators and actual treasury operations compared to the estimates within the strategy.

#### Treasury Management Strategy for 2025/26

12. The strategy for 2025/26 covers two areas:

##### Capital Issues

- i). The capital expenditure plans and the associated prudential indicators;
- ii). The Minimum Revenue Provision (MRP) policy.

##### Treasury Management Issues

- i) The current treasury position;
- ii) Treasury indicators that limit the treasury risk and activities of the council;
- iii) Prospects for interest rates;
- iv) The borrowing strategy;
- v) Policy on borrowing in advance of need;
- vi) Debt rescheduling;
- vii) The investment strategy;
- viii) Creditworthiness policy; and
- ix) Policy on use of external service providers.

13. These areas address compliance with the requirements of the Local Government Act 2003, MHCLG Investment Guidance, MHCLG MRP Guidance, the CIPFA Prudential Code and the CIPFA Treasury Management Code.

##### Training

14. The CIPFA Treasury Management Code requires the responsible officer to ensure that Elected Members with responsibility for treasury management receive adequate training in Treasury Management. This especially applies to members responsible for scrutiny.
15. Furthermore, the Code states that they expect “all organisations to have a formal and comprehensive knowledge and skills or training policy for the effective acquisition and retention of Treasury Management knowledge and skills for those responsible for management, delivery, governance and decision making.
16. The scale and nature of this will depend on the size and complexity of the organisation’s Treasury Management needs. Organisations should consider how to assess whether Treasury Management staff and board / council members have the required knowledge and skills to undertake their roles and whether they have been able to maintain those skills and keep them up to date.
17. As a minimum, authorities should carry out the following to monitor and review knowledge and skills:
  - Record attendance at training and ensure action is taken where poor attendance is identified.
  - Prepare tailored learning plans for Treasury Management officers and board/council members.

- Require Treasury Management officers and board/council members to undertake self-assessment against the required competencies (as set out in the schedule that may be adopted by the organisation).
  - Have regular communication with officers and board/council members, encouraging them to highlight training needs on an ongoing basis.”
18. Formal training will be provided to the cabinet and other elected members during 2025/26 to ensure compliance with the Code’s requirements.
  19. The training needs of Treasury Management officers are periodically reviewed with officers attending training sessions and economic/strategy updates throughout the year supported by the councils treasury consultants.
  20. A record of the training received by officers central to the Treasury function and members will be maintained by the Treasury Team.

#### Treasury Management Advisors

21. The council uses Link Group, Treasury Solutions as its external Treasury Management advisors. The council understands that responsibility for Treasury Management decisions remains with the organisation at all times and ensures that undue reliance is not placed upon the services of our external service providers. All decisions are undertaken with regards to all available information, including, but not solely, our treasury advisers.
22. The Council also recognises that there is value in employing external providers of Treasury Management services to acquire access to specialist skills and resources. The council ensures that the terms of their appointment and how their value will be assessed are agreed and documented and subjected to regular review.
23. The current contract with Link Group is due to expire end March 2025. Current processes and ongoing advice are appropriately aligned to methodology of the Link Group. However the Council must aim to achieve best value and must subject such arrangements to frequent testing and comparison. Due to the aligned methodology a March procurement process presents additional risks when compared to the financial planning cycle. The more appropriate time to review these arrangements is in the first quarter of the financial year. Procurement activity will therefore be aligned to a contract renewal date in September instead.
24. Therefore, having consulted with Procurement, and in agreement with the Section 151 Officer, a six month extension to the contract will be sought. This allows sufficient time to review contract specifications and consider the market offer from providers.
25. This procurement timescale allows sufficient time to provide the Cabinet and Council with any revised strategy or counterparty selection methodology aligned to the provider and allowing the Council to remain compliant.

#### The Capital Prudential Indicators 2025/26 – 2029/30

26. The council’s capital expenditure plans are an important driver of Treasury Management activity. The output of the capital expenditure plans is reflected in

prudential indicators, which are designed to assist member's overview and confirm capital expenditure plans.

### Capital Expenditure and Financing

27. This prudential indicator is a summary of the Council's capital expenditure plans, both those agreed previously, and those forming part of this budget cycle. Members are being asked to approve the capital expenditure forecasts as part of the 2025/26 Budget framework:

Capital expenditure £m	2023/24 Actual	2024/25 Estimate	2025/26 Estimate	2026/27 Estimate	2027/28 Estimate	2028/29 Estimate	2029/30 Estimate
Non-HRA	61.454	82.291	190.765	100.219	43.459	28.059	28.059
HRA	59.032	80.270	78.401	70.690	76.241	68.119	64.568
<b>Total</b>	<b>120.486</b>	<b>162.561</b>	<b>269.166</b>	<b>170.909</b>	<b>119.700</b>	<b>96.178</b>	<b>92.627</b>

28. The table below summarises how these plans are being financed by capital or revenue resources. Any shortfall of resources results in a funding borrowing need.

Financing of capital expenditure £m	2023/24 Actual	2024/25 Estimate	2025/26 Estimate	2026/27 Estimate	2027/28 Estimate	2028/29 Estimate	2029/30 Estimate
Capital receipts	7.089	2.943	2.655	6.812	11.842	7.437	5.701
Capital grants and Contributions	40.744	74.800	187.123	87.479	40.739	25.339	25.339
Major Repairs Reserve	18.796	21.917	20.520	20.639	21.125	21.553	21.969
Revenue Contributions	5.722	2.884	4.992	2.000	2.000	2.000	2.000
<b>Net financing need for the year</b>	<b>48.135</b>	<b>60.017</b>	<b>53.876</b>	<b>53.979</b>	<b>43.994</b>	<b>39.849</b>	<b>37.618</b>
<i>Non-HRA amounts</i>	<i>17.894</i>	<i>20.942</i>	<i>24.736</i>	<i>17.432</i>	<i>6.720</i>	<i>6.720</i>	<i>6.720</i>
<i>HRA amounts</i>	<i>30.241</i>	<i>39.075</i>	<i>29.140</i>	<i>36.547</i>	<i>37.274</i>	<i>33.129</i>	<i>30.898</i>

29. Other long-term liabilities - The above financing need excludes other long-term liabilities, such as PFI and leasing arrangements that already include borrowing instruments.

#### The Council's Borrowing Need (the Capital Financing Requirement)

30. The second prudential indicator is the council's Capital Financing Requirement (CFR). The CFR is the total historic outstanding capital expenditure which has not yet been paid for from either revenue or capital resources. It is essentially a measure of the council's indebtedness and so its underlying borrowing need. Any unfinanced capital expenditure as shown above will increase the CFR.
31. The CFR does not increase indefinitely, as the minimum revenue provision (MRP) is a statutory annual revenue charge which broadly reduces the borrowing need in line with

each assets life and so charges the General Fund budget with a notional amount which represents the economic consumption of capital assets as they are used.

32. The CFR includes any other long-term liabilities such as PFI schemes and finance leases. Whilst these increase the CFR, and therefore the council's borrowing requirement, these types of scheme include a borrowing facility and so the council is not required to separately borrow for these schemes. The council currently has £61.570m of such schemes within the CFR as at 31 March 2024 and is forecast to reduce to £57.414m by 31 March 2025.
33. Accounting Standard IFRS16 (Lease Accounting) comes into effect from 1<sup>st</sup> April 2024 and will impact the financial accounts for that year. The new standard will introduce a single lease accounting model which will recognise more assets and liabilities on the balance sheet which will increase the CFR. Project work is on-going to identify all leased assets and the 2024/25 financial statements. Therefore at the present time the CFR projections detailed below and throughout this report do not include the impact on these changes.
34. IFRS16 will not impact on the revenue cost to the council for payment for use of these assets and is an accounting adjustment to analyse the lease payment cost into interest and principal amounts and is therefore accounting presentation. An updated report will be presented at a later date detailing the impact of IFRS16.
35. The council is asked to approve the CFR projections below:

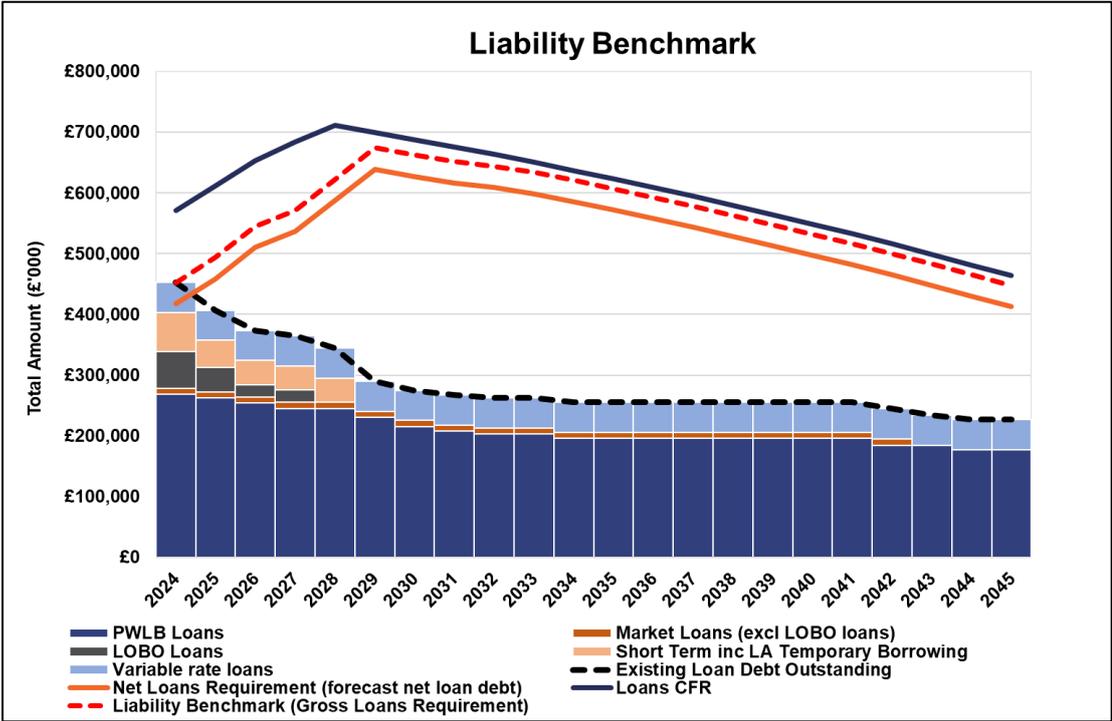
£m	2023/24 Actual	2024/25 Estimate	2025/26 Estimate	2026/27 Estimate	2027/28 Estimate	2028/29 Estimate	2029/30 Estimate
<b>Capital Financing Requirement</b>							
Non-HRA	331.866	334.313	342.835	345.062	335.203	324.710	316.658
Housing	543.637	584.389	611.905	644.923	678.496	707.745	738.261
<b>Total CFR</b>	<b>875.503</b>	<b>918.702</b>	<b>954.740</b>	<b>989.985</b>	<b>1,013.699</b>	<b>1,032.455</b>	<b>1,054.919</b>
<b>Movement in CFR</b>	<b>35.536</b>	<b>43.199</b>	<b>36.038</b>	<b>35.245</b>	<b>23.714</b>	<b>18.756</b>	<b>22.464</b>

<b>Movement in CFR represented by</b>							
Net financing need for the year	48.135	60.017	53.876	53.979	43.994	39.849	37.618
Less MRP/VRP	(8.875)	(12.662)	(13.401)	(11.980)	(12.903)	(13.357)	(11.331)
Other financing movements (i.e. PFI)	(3.724)	(4.156)	(4.437)	(6.754)	(7.377)	(7.736)	(3.823)
<b>Movement in CFR</b>	<b>35.536</b>	<b>43.199</b>	<b>36.038</b>	<b>35.245</b>	<b>23.714</b>	<b>18.756</b>	<b>22.464</b>

The revenue implications of increases in the CFR due to the additional financing requirement are included in the budget proposals for General Fund and Housing Revenue Account.

#### Liability Benchmark

36. The council is required to estimate and measure the Liability Benchmark for the forthcoming financial year and the following two financial years, as a minimum.
37. There are four components to the Liability Benchmark: -
- i) Existing loan debt outstanding: the council's existing loans that are expected to still be outstanding in future years.
  - ii) Loans CFR: this is calculated in accordance with the loans CFR definition in the Prudential Code and projected into the future based on approved prudential borrowing and planned MRP.
  - iii) Net loans requirement: this will show the Authority's gross loan debt less Treasury Management investments at the last financial year-end, projected into the future and based on its approved prudential borrowing, planned MRP and any other major cash flows forecast.
  - iv) Liability benchmark (or gross loans requirement): this equals net loans requirement plus short-term liquidity allowance.
38. The graphical representation of the liability benchmark shown below shows the headroom with the gap between Loans CFR and Existing Loan Debt Outstanding reflecting the level of underborrowing position per the current strategy. CFR projections reflect the level of new prudential borrowing per this report.



Core funds and expected investment balances

39. Whilst not a formal Treasury or Prudential Indicator, it is prudent to be mindful of the cash resources available to the Council for investment purposes. This ensures that there are sufficient resources to meet expenditure needs and also to manage the Council's under-borrowing position and debt refinancing risk. The application of

resources such as capital receipts and reserves is to either finance capital expenditure or other budget decisions to support the revenue budget. This has an ongoing impact on investments unless resources are supplemented each year from new sources such as asset sales. Detailed below are estimates of the year-end balances for each resource and anticipated day-to-day cash flow balances.

<b>Year End Resources £m</b>	<b>2023/24 Actual</b>	<b>2024/25 Estimate</b>	<b>2025/26 Estimate</b>	<b>2026/27 Estimate</b>	<b>2027/28 Estimate</b>	<b>2028/29 Estimate</b>	<b>2029/30 Estimate</b>
Fund balances / reserves	247.421	249.000	256.000	252.000	244.000	246.000	249.000
Capital receipts	42.956	48.000	45.000	40.000	30.000	10.000	5.000
Grants unapplied	125.171	125.000	90.000	70.000	60.000	50.000	30.000
Provisions	8.116	8.000	8.000	8.000	8.000	8.000	8.000
Other	-	-	-	-	-	-	-
<b>Total core funds</b>	<b>423.664</b>	<b>430.000</b>	<b>399.000</b>	<b>370.000</b>	<b>342.000</b>	<b>314.000</b>	<b>292.000</b>
Working capital*	(7.971)	6.091	6.276	4.729	2.918	2.889	1.533
Under/over borrowing	(376.628)	(407.547)	(375.055)	(344.705)	(314.704)	(286.407)	(260.406)
<b>Expected investments</b>	<b>39.065</b>	<b>28.544</b>	<b>30.221</b>	<b>30.024</b>	<b>30.214</b>	<b>30.482</b>	<b>33.127</b>

\* Working capital balances shown are estimated year-end; these may be lower or higher mid-year

#### Minimum Revenue Provision (MRP) Policy Statement

40. Under Regulation 27 of the Local Authorities (Capital Finance and Accounting) (England) Regulations 2003 ('the 2003 Regulations'), where the Council has financed capital expenditure by borrowing it is required to make a provision each year through a revenue charge (MRP).
41. MRP is sometimes referred to as the mechanism for setting aside monies to repay external borrowing. In fact, the requirement for MRP set aside applies even if the capital expenditure is being financed from the Council's own cash resources and no new external borrowing or other credit arrangement has been entered into.
42. Regulation 28 of the 2003 Regulations requires full Council to approve a Minimum Revenue Provision (MRP) Statement setting out the policy for making MRP and the amount of MRP to be calculated which the Council considers to be prudent. This statement is designed to meet that requirement.
43. In setting a prudent level of MRP local authorities must "have regard" to guidance issued from time to time by the Secretary of State for Housing, Communities and Local Government.
44. In setting a level which the Council considers to be prudent, the Guidance states that the broad aim is to ensure that debt is repaid over a period reasonably commensurate with that over which the capital expenditure provides benefits to the Council.
45. The Guidance sets out four "possible" options for calculating MRP, as set out below. However, this does not preclude the Council from using an alternative method should it decide that is more appropriate. The Council's policy approach is set out at paragraph 49.

<u>Option</u>	<u>Calculation Method</u>	<u>Applies to</u>
1: Regulatory Method	4% reducing balance – MRP will follow historical practice outlined in former regulations as 4% of the opening General Fund CFR less Adjustment A.	Expenditure incurred before 1 April 2008
2: CFR Method	4% of opening General Fund CFR	Expenditure incurred before 1 April 2008
3: Asset Life Method	MRP is calculated by reference to the useful life of the asset, using either the equal instalment or the annuity method.	Expenditure incurred after 1 April 2008
4: Depreciation Method	MRP is equal to the relevant assets depreciation charge.	Expenditure incurred after 1 April 2008

46. The two main variants of Option 3 are set out in the Guidance: (i) the equal instalment method and (ii) the annuity method. The annuity method weights the MRP charge towards the later part of the asset's expected useful life and is increasingly becoming the most common MRP option for local authorities.
47. There are also some specific set-aside requirements, for example on equity share purchases, capitalisation directions, lease contracts, loans to third parties and PFI schemes.
48. Other approaches are not ruled out however they must meet the statutory duty to make prudent MRP provision each financial year.

#### **Minimum Revenue Provision (MRP) Policy Statement for 2025/26**

49. Having regard to the current 2018 Guidance on MRP issued by DLUHC and the "options" outlined in that Guidance (the MRP Guidance), the Council is recommended to approve the following MRP Statement to take effect from 1 April 2024, on the basis that this represents "a prudent provision" in line with Regulation 28.

<u>MRP Stream</u>	<u>Policy</u>	<u>Explanation</u>	<u>Change from previous policy?</u>
Capital Expenditure incurred before 1 <sup>st</sup> April 2008	<p>MRP will be calculated on the remaining un-financed balance at 1 April 2024 using an amortisation basis over 25 years from 2024/25 through to 2048/49 inclusive. (25 years remaining)</p> <p>The discount rate to be applied will be the 25 year PWLB annuity rate as at 1 April 2024.</p>	<p>Utilising an amortisation basis for MRP ensures that the full balance is repaid in 25 years whereas Options 1 and 2 never repay the debt as they both work on a reducing balance method. This is a deviation from Options 1 and 2 of the guidance.</p>	No change
Unsupported capital expenditure incurred since 1 <sup>st</sup> April 2008	<p>MRP will be calculated on an amortised basis using the expected asset lives of the assets (Option 3 asset life), subject to a maximum useful asset life of 50 years.</p> <p>For spend before 1 April 2024, the balance for the purpose of the MRP calculation will be remaining un-financed balance as at that date and amortised over the remaining life of the asset.</p> <p>The discount rate to be applied will be the PWLB annuity rate applicable on 1 April in the year of expenditure.</p>	<p>The use of the annuity method complies with Option 3 as set out in para 58(b) of the MRP Guidance and the requirement for a maximum asset life of 50 years.</p> <p>The MRP Guidance does not suggest with discount rate(s) to use. By specifying the PWLB new loan annuity rate at 1 April of year of expenditure provides a clearly evidenced trail to the discount rate to be used.</p>	No change

<b><u>MRP Stream</u></b>	<b><u>Policy</u></b>	<b><u>Explanation</u></b>	<b><u>Change from previous policy?</u></b>
<p>Expenditure capitalised by virtue of a capitalisation direction under section 16(2)(b) of the Local Government Act 2003</p>	<p>MRP on any expenditure capitalised by way of a direction will be charged over 20 years using the asset-life method annuity approach.</p> <p>For spend before 1 April 2024, the balance for the purpose of the MRP calculation will be remaining un-financed balance as at that date and amortised over the remaining balance of the 20 year period.</p> <p>The discount rate to be applied will be the PWLB annuity rate applicable on 1 April in the year of expenditure.</p>	<p>The 20 year life is the period specified in MRP Guidance.</p> <p>The use of the annuity method complies with Option 3.</p>	<p>No change</p>
<p>MRP for service concession contracts such as PFI schemes and “right of use” lease contracts</p>	<p>The amount of the MRP charge will be equal to the amount by which the balance sheet liability is written by the principal element of either the unitary charge (for PFI contracts) or the annual payment (for leased assets)</p>	<p>This complies with para 80 of the MRP Guidance.</p>	<p>No change</p>

<u>MRP Stream</u>	<u>Policy</u>	<u>Explanation</u>	<u>Change from previous policy?</u>
Capital loans to third parties	<p>MRP will be calculated on an annuity basis over the expected useful lives of the assets purchased by third parties.</p> <p>The discount rate to be applied will be the PWLB annuity rate applicable on 1 April in the year the loan was issued.</p>	This approach complies with Option 3 of the MRP Guidance and the useful life is that set out in para 58(b) of the MRP Guidance.	<p>Minor change to clarify position on use of receipts and the calculation of MRP.</p> <p>Principal repayment of the loan by the third party (capital receipt) will be used to reduce the CFR instead of MRP.</p>
Share Capital	<p>MRP will be calculated on an annuity basis over a maximum period of 20 years.</p> <p>The discount rate to be applied will be the PWLB annuity rate applicable on 1 April in the year the share capital was acquired.</p>	This approach complies with Option 3 of the MRP Guidance and the maximum useful life of 20 years.	New Addition

Asset Lives used for MRP calculations will be determined by the Council's capital team (using RICS registered valuers where appropriate) and will be consistent with the depreciation policies set out in the Council's annual Statement of Accounts. If no life can be reasonably attributed to an asset, such as freehold land, the estimated useful life will be taken to be a maximum of 50 years. This complies with the MRP Guidance.

MRP normally commences in the financial year following the one in which the expenditure was incurred. However, in accordance with the statutory MRP Guidance, commencement of MRP may be deferred until the financial year following the one in which the asset becomes operational. This approach complies with para 63 and 64 of the MRP Guidance.

The above MRP Policy statement is considered to represent a prudent charge to the General Fund for the provision of repayment of unfinanced capital expenditure and will ensure that all unfinanced capital expenditure is funded through the MRP charge in line with the life expectancies of the assets underpinning the CFR balance.

The HRA falls outside the scope of the requirement to make an MRP. Instead, depreciation is made as a proper charge to the HRA and transferred to the major Repairs Reserve. The

Council view is that in making a depreciation charge, and holding a Major Repairs Reserve, a prudent provision has been made. This complies with para 67 of the MRP Guidance.

Whilst there is no MRP charge, the Council is still required to maintain separate CFR calculations for the HRA and General Fund to ensure that interest costs and debt charges are appropriately allocated in line with the requirements of the Local Government and Housing Act 1989.

#### West Midlands Combined Authority: Collective Investment Fund

50. The agreed Combined Authority Devolution Deal proposes the establishment of a Collective Investment Fund to support investment in the region. It is possible that some of this investment may be delivered by individual districts and funded from prudential borrowing.
51. MRP on investments in Equities will be made on an annuity profile over 20 years, as recommended by Government guidance.

#### Borrowing

52. The capital expenditure plans set out in paragraph 27 provide details of the service activity of the council. The Treasury Management function ensures that the Council's cash is organised in accordance with the relevant professional codes, so that sufficient cash is available to meet this service activity and the council's capital strategy. This will involve both the organisation of the cash flow and, where capital plans require, the organisation of appropriate borrowing facilities. The strategy covers the relevant treasury / prudential indicators, the current and projected debt positions and the annual investment strategy.

#### Portfolio Position at 31 December 2024

53. The overall Treasury Management portfolio as at 31 March 2024 and for the position as 31 December 2024 are shown below for both borrowing and investments:

Treasury Portfolio	31 March 2024		31 December 2024	
	Balance £m	Interest Rate	Balance £m	Interest Rate
<b>Treasury Investments</b>				
<b>Specified Investments:</b>				
Bank/ Building Society (Fixed Rate)	5.000	5.62%	-	0.00%
Bank/ Building Society (Variable Rate)	0.615	3.25%	17.581	3.00%
Money Market Funds (Variable Rate)	33.200	5.27%	43.611	4.78%
<b>Total Specified Investments</b>	<b>38.815</b>	<b>5.29%</b>	<b>61.192</b>	<b>4.27%</b>
<b>Total Investments</b>	<b>38.815</b>	<b>5.29%</b>	<b>61.192</b>	<b>4.27%</b>
<b>Treasury External Borrowings</b>				
Other Local Authorities	24.535	5.49%	4.535	5.40%
PWLB	282.663	4.99%	275.663	5.04%
LOBO	72.000	4.01%	72.000	4.01%
Market	15.000	5.10%	10.000	4.50%

Temporary Loans	41.821	3.74%	54.991	4.42%
Interest Free	1.286	0.00%	0.692	0.00%
<b>Total External Debt</b>	<b>437.305</b>	<b>4.73%</b>	<b>417.881</b>	<b>4.76%</b>
<b>Net Debt Position</b>	<b>398.490</b>		<b>356.689</b>	

<i>Treasury External Borrowings (Non HRA / HRA apportionment)</i>	31 March 2024		31 December 2024	
	Balance £m	Interest Rate	Balance £m	Interest Rate
<i>Non-HRA</i>	129.775	4.45%	110.351	4.53%
<i>HRA</i>	307.530	4.84%	307.530	4.84%
<b>Total External Debt</b>	<b>437.305</b>	<b>4.73%</b>	<b>417.881</b>	<b>4.76%</b>

54. The council's forward projections for borrowing are summarised below. The table shows the actual external debt, against the underlying capital borrowing need, (the Capital Financing Requirement – CFR), highlighting any over or under borrowing.

£m	2023/24 Actual	2024/25 Estimate	2025/26 Estimate	2026/27 Estimate	2027/28 Estimate	2028/29 Estimate	2029/30 Estimate
<b>External Debt</b>							
<b>Debt at 1 April</b>	<b>470.808</b>	<b>437.305</b>	<b>453.741</b>	<b>526.708</b>	<b>599.058</b>	<b>660.149</b>	<b>714.938</b>
Forecast movement in variable rate debt	1.888	5.690	3.789	3.789	3.789	3.789	3.789
Forecast debt maturities	(70.391)	(54.254)	(48.822)	(33.438)	(8.698)	(20.000)	(84.500)
Forecast new borrowing need	35.000	65.000	118.000	102.000	66.000	71.000	133.000
<b>Other long-term liabilities (OLTL) at 1 April - PFI</b>	<b>65.294</b>	<b>61.570</b>	<b>57.414</b>	<b>52.977</b>	<b>46.222</b>	<b>38.846</b>	<b>31.110</b>
Expected change in OLTL	(3.724)	(4.156)	(4.437)	(6.755)	(7.376)	(7.736)	(3.823)
<b>Actual gross debt at 31 March</b>	<b>498.875</b>	<b>511.155</b>	<b>579.685</b>	<b>645.280</b>	<b>698.995</b>	<b>746.048</b>	<b>794.513</b>
The CFR	875.503	918.702	954.740	989.985	1,013.699	1,032.455	1,054.919
<b>Over/ (Under) Borrowing</b>	<b>(376.628)</b>	<b>(407.547)</b>	<b>(375.055)</b>	<b>(344.705)</b>	<b>(314.704)</b>	<b>(286.407)</b>	<b>(260.406)</b>

55. Within the range of prudential indicators, there are several key indicators to ensure that the Council operates its activities within well-defined limits. One of these is that the Council needs to ensure that its gross debt, does not, except in the short term, exceed the total of the CFR in the preceding year plus the estimates of any additional CFR for 2025/26 and the following two financial years. This allows some flexibility for limited early borrowing for future years but ensures that borrowing is not undertaken for revenue purposes or speculative purposes.
56. The Executive Director for Finance and Transformation (Section 151 Officer) confirms that the Council complied with this prudential indicator in the current year and does not

envisage difficulties for the future. This view considers current commitments, existing plans, and the proposals in this budget report.

### Treasury Indicators: Limits to Borrowing Activity

#### The Operational Boundary

57. The Operational Boundary is the limit beyond which external debt would not normally be expected to exceed. In most cases, this would be a similar figure to the CFR, but may be lower or higher depending on the levels of actual debt and the ability to fund under-borrowing by other cash resources.

<b>Operational Boundary £m</b>	<b>2024/25 Estimate</b>	<b>2025/26 Estimate</b>	<b>2026/27 Estimate</b>	<b>2027/28 Estimate</b>	<b>2028/29 Estimate</b>	<b>2029/30 Estimate</b>
Debt	502.305	571.741	628.708	665.058	731.149	847.938
Other long-term liabilities (PFI)	86.570	82.414	77.977	71.222	63.846	56.110
<b>Total</b>	<b>588.875</b>	<b>654.155</b>	<b>706.685</b>	<b>736.280</b>	<b>794.995</b>	<b>904.048</b>

#### The Authorised Limit

58. The Authorised Limit for external debt is a key prudential indicator, which represents control over the maximum level of debt. This represents a legal limit beyond which external debt is prohibited and this limit needs to be set or revised by the full council. It reflects the level of external debt which, while not desired, could be afforded in the short term, but is not sustainable in the longer term.
59. This is the statutory limit determined under section 3 (1) of the Local Government Act 2003. The Government retains an option to control either the total of all councils' plans, or those of a specific council, although this power has not yet been exercised.
60. Due to the unknown impact of IFRS16 as referred to earlier in the report, a headroom of £40m has been included within Other Long-term Liabilities. These levels will be revised once data has been collated.
61. The council is recommended to approve the following Authorised Limit:

<b>Authorised Limit £m</b>	<b>2024/25 Estimate</b>	<b>2025/26 Estimate</b>	<b>2026/27 Estimate</b>	<b>2027/28 Estimate</b>	<b>2028/29 Estimate</b>	<b>2029/30 Estimate</b>
Debt	873.739	915.942	957.608	989.601	1,017.039	1,048.749
Other long-term liabilities (PFI)	101.570	97.414	92.977	86.222	78.846	71.110
<b>Total</b>	<b>975.309</b>	<b>1,013.356</b>	<b>1,050.585</b>	<b>1,075.823</b>	<b>1,095.885</b>	<b>1,119.859</b>

#### Prospects for Interest Rates

62. The Council has appointed Link Group as its treasury advisor and part of their service is to assist the Authority to formulate a view on interest rates. Link provided the following forecasts on 11 November 2024. These are forecasts for Bank Rate, average earnings and PWLB certainty rates, gilt yields plus 80 basis points (0.80%)

Link Group Interest Rate View	11.11.24												
	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25	Mar-26	Jun-26	Sep-26	Dec-26	Mar-27	Jun-27	Sep-27	Dec-27
<b>BANK RATE</b>	4.75	4.50	4.25	4.00	4.00	3.75	3.75	3.75	3.50	3.50	3.50	3.50	3.50
3 month ave earnings	4.70	4.50	4.30	4.00	4.00	4.00	3.80	3.80	3.80	3.50	3.50	3.50	3.50
6 month ave earnings	4.70	4.40	4.20	3.90	3.90	3.90	3.80	3.80	3.80	3.50	3.50	3.50	3.50
12 month ave earnings	4.70	4.40	4.20	3.90	3.90	3.90	3.80	3.80	3.80	3.50	3.50	3.50	3.50
5 yr PWLB	5.00	4.90	4.80	4.60	4.50	4.50	4.40	4.30	4.20	4.10	4.00	4.00	3.90
10 yr PWLB	5.30	5.10	5.00	4.80	4.80	4.70	4.50	4.50	4.40	4.30	4.20	4.20	4.10
25 yr PWLB	5.60	5.50	5.40	5.30	5.20	5.10	5.00	4.90	4.80	4.70	4.60	4.50	4.50
50 yr PWLB	5.40	5.30	5.20	5.10	5.00	4.90	4.80	4.70	4.60	4.50	4.40	4.30	4.30

*Additional notes by Link on this forecast table:*

63. Following the 30 October Budget, the outcome of the US Presidential election on 6 November, and the 25bps Bank Rate cut undertaken by the Monetary Policy Committee (MPC) on 7 November, we have significantly revised our central forecasts for the first time since May. In summary, our Bank Rate forecast is now 50bps – 75bps higher than was previously the case, whilst our PWLB forecasts have been materially lifted to not only reflect our increased concerns around the future path of inflation, but also the increased level of Government borrowing over the term of the current Parliament.
64. If we reflect on the 30 October Budget, our central case is that those policy announcements will be inflationary, at least in the near-term. The Office for Budgetary Responsibility and the Bank of England concur with that view. The latter have the CPI measure of inflation hitting 2.5% y/y by the end of 2024 and staying sticky until at least 2026. The Bank forecasts CPI to be 2.7% y/y (Q4 2025) and 2.2% (Q4 2026) before dropping back in 2027 to 1.8% y/y.
65. The anticipated major investment in the public sector, according to the Bank, is expected to lift UK real GDP to 1.7% in 2025 before growth moderates in 2026 and 2027. The debate around whether the Government's policies lead to a material uptick in growth primarily focus on the logistics of fast-tracking planning permissions, identifying sufficient skilled labour to undertake a resurgence in building, and an increase in the employee participation rate within the economy.
66. There are inherent risks to all the above. The worst-case scenario would see systemic blockages of planning permissions and the inability to identify and resource the additional workforce required to deliver large-scale IT, housing and infrastructure projects. This would lead to upside risks to inflation, an increased prospect of further Government borrowing & tax rises, and a tepid GDP performance.
67. Our central view is that monetary policy is sufficiently tight at present to cater for some further moderate loosening, the extent of which, however, will continue to be data dependent. We forecast the next reduction in Bank Rate to be made in February and for a pattern to evolve whereby rate cuts are made quarterly and in keeping with the release of the Bank's Quarterly Monetary Policy Reports (February, May, August and November).
68. Any movement below a 4% Bank Rate will, nonetheless, be very much dependent on inflation data in the second half of 2025. The fact that the November MPC rate cut decision saw a split vote of 8-1 confirms that there are already some concerns around inflation's stickiness, and with recent public sector wage increases beginning to funnel their way into headline average earnings data, the market will be looking very closely at those releases.

- 69. Regarding our PWLB forecast, the short to medium part of the curve is forecast to remain elevated over the course of the next year, and the degree to which rates moderate will be tied to the arguments for further Bank Rate loosening or otherwise. The longer part of the curve will also be impacted by inflation factors, but there is also the additional concern that with other major developed economies such as the US and France looking to run large budget deficits there could be a glut of government debt issuance that investors will only agree to digest if the interest rates paid provide sufficient reward for that scenario.
- 70. So far, we have made little mention of the US President election. Nonetheless, Donald Trump's victory paves the way for the introduction/extension of tariffs that could prove inflationary whilst the same could be said of further tax cuts and an expansion of the current US budget deficit. Invariably the direction of US Treasury yields in reaction to his core policies will, in all probability, impact UK gilt yields. So, there are domestic and international factors that could impact PWLB rates whilst, as a general comment, geo-political risks abound in Europe, the Middle East and Asia.
- 71. Our revised PWLB rate forecasts below are based on the Certainty Rate (the standard rate minus 20 bps) which has been accessible to most authorities since 1 November 2012. Please note, the lower Housing Revenue Account (HRA) PWLB rate started on 15 June 2023 for those authorities with an HRA (standard rate minus 60 bps).

PWLB Rates

- 72. The overall longer-run trend is for gilt yields and PWLB rates to fall back over the timeline of our forecasts, but the risks to our forecasts are to the upsides.

Borrowing and Investment Advice

- 73. The long-term (beyond 10 years) forecast for Bank Rate has been increased to 3.25% from 3.00%. As all PWLB certainty rates are currently significantly above this level, borrowing strategies will need to be reviewed in that context. Overall, better value can be obtained at the shorter end of the curve and short-dated fixed LA to LA monies should also be considered. Temporary borrowing rates will, generally fall in line with Bank Rate cuts.
- 74. The suggested budgeted earnings rates for investments up to about three months' duration in each financial year are rounded to the nearest 10bps and set out below.

Average earnings in each year	Now	Previously
2024/25 (residual)	4.60%	4.25%
2025/26	4.10%	3.35%
2026/27	3.70%	3.10%
2027/28	3.50%	3.25%

2028/29	3.50%	3.25%
Years 6 to 10	3.50%	3.25%
Years 10+	3.50%	3.50%

### Borrowing Strategy

75. The Council is currently maintaining an under-borrowed position. This means that the capital borrowing need, (the Capital Financing Requirement), has not been fully funded with loan debt as cash supporting the Council's reserves, balances and cash flow has been used as a temporary measure. This strategy is prudent as medium and longer dated borrowing rates are expected to fall from their current levels once prevailing inflation concerns are addressed by tighter near-term monetary policy
76. Against this background and the risks within the economic forecast, caution will be adopted with the 2025/26 treasury operations. The Executive Director for Finance and Transformation (Section 151 Officer) will monitor interest rates in financial markets and adopt a pragmatic approach to changing circumstances:
- i) If it was felt that there was a significant risk of a sharp FALL in borrowing rates, then borrowing will be postponed.
  - ii) If it was felt that there was a significant risk of a much sharper RISE in borrowing rates than that currently forecast, fixed rate funding will be drawn whilst interest rates are lower than they are projected to be in the next few years
77. Any decisions will be reported to the Cabinet at the next available opportunity.
78. Despite the above, there will be a definite need to take new loan debt during 2025/26 to cover capital financing needs, refinancing of debt maturities and cash flow requirements. Therefore the strategy in this instance would be to acquire short dated borrowing up to 5 years due to the borrowing rates expected to be elevated in the short term. These loans will be structured over a medium term maturity profile (5 years) to ensure that maturities do not all fall within the same period which would create a re-financing interest rate risk. As borrowing rates decrease, and as these loans mature, they would be replaced with longer dated debt at more affordable levels.

### Policy on Borrowing In Advance of Need

79. The council will not borrow more than or in advance of its needs purely in order to profit from the investment of the extra sums borrowed. Levels of short-term cash based investments are generally low and expected to remain so during 2025/26. Any decision to borrow in advance will be within forward approved Capital Finance Requirement estimates and will be considered carefully to ensure that value for money can be demonstrated and that the council can ensure the security of such funds.

80. Borrowing in advance will be made within the constraints that it will be limited to no more than 20% of the expected increase in borrowing need (CFR) over a three-year planning period and having due consideration to the interest rate forecasts.
81. Risks associated with any borrowing in advance activity will be subject to prior appraisal and subsequent reporting through the mid-year or annual reporting mechanism.

#### Debt Rescheduling

82. Rescheduling of current borrowing in our debt portfolio is unlikely to occur as there is still a large difference between premature redemption rates and new borrowing rates.
83. If rescheduling was done, it will be reported to the council at the earliest meeting following its action.

#### New Financial Institutions (as a source of borrowing or types of borrowing)

84. Currently the PWLB Certainty Rate is set at gilts + 40 basis points for HRA borrowing and gilts + 80 for non-HRA borrowing however, consideration may still need to be given to sourcing funding from the following sources for the following reasons:
- i) Local authorities (primarily shorter dated maturities out to 5 years or so – still cheaper than the certainty rate).
  - ii) Financial institutions (primarily insurance companies and pension funds but also some banks, out of forward dates where the objective is to avoid “cost of carry” or to achieve refinancing certainty over the next few years)
85. Our advisors will keep us informed as to the relative merits of each of these alternative funding sources.

#### Annual Investment Strategy

##### Investment policy – management of risk

86. The Ministry for Housing, Communities and Local Government, along with CIPFA have extended the meaning of ‘investments’ to include both financial and non-financial investments. This report deals solely with treasury (financial) investments, (as managed by the Treasury Management team). Non-financial investments, essentially the purchase of income yielding assets, are covered in the Investment Strategy, (a separate annex to the budget report).
87. The council’s investment policy has regard to the following: -
- i) MHCLG’s Guidance on Local Government Investments (“the Guidance”)
  - ii) CIPFA Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance Notes 2021 (“the Code”)
  - iii) CIPFA Treasury Management Guidance Notes 2021
88. The Council’s investment priorities will be security first, portfolio liquidity second and then yield (return). The council aims to achieve the optimum yield on its investments commensurate with proper levels of security and liquidity and with the council’s risk appetite.

89. In the current economic climate, it is considered appropriate to maintain a degree of liquidity to cover cash flow needs but to also consider “laddering” investments for periods up to 12 months with high credit rated financial institutions as well as wider range fund options.
90. The above guidance from the MHCLG and CIPFA place a high priority on the management of risk. This council has adopted a prudent approach to managing risk and defines its risk appetite by the following means: -
- i) Minimum acceptable **credit criteria** are applied to generate a list of highly creditworthy counterparties. This also enables diversification and thus avoidance of concentration risk. The key ratings used to monitor counterparties are the short term and long-term ratings.
  - ii) **Other information:** ratings will not be the sole determinant of the quality of an institution; it is important to continually assess and monitor the financial sector on both a micro and macro basis and in relation to the economic and political environments in which institutions operate. The assessment will also take account of information that reflects the opinion of the markets. To achieve this consideration the council will engage with its advisors to maintain a monitor on market pricing such as “**credit default swaps**” and overlay that information on top of the credit ratings.
  - iii) **Other information sources** used will include the financial press, share price and other such information pertaining to the banking sector in order to establish the most robust scrutiny process on the suitability of potential investment counterparties.
  - iv) This Council has defined the list of **types of investment instruments** that the Treasury Management team are authorised to use. There are two lists in Annex 3 under the categories of ‘specified’ and ‘non-specified’ investments.
    - a) **Specified investments** are those with a high level of credit quality and subject to a maturity limit of one year or have less than a year left to run to maturity, if originally they were classified as being non-specified investments solely due to the maturity period exceeding one year.
    - b) **Non-specified investments** are those with less high credit quality, may be for periods in excess of one year, and/or are more complex instruments which require greater consideration by members and officers before being authorised for use.
  - v) **Non-specified investments limit.** The council has determined that it will limit the maximum total exposure to non-specified investments as being 30% of the total investment portfolio.
  - vi) **Lending limits**, (amounts and maturity), for each counterparty will be set through applying the matrix table in paragraph 98.
  - vii) This council will set a limit for the amount of its investments which are invested for **longer than 365 days**, (see paragraph 112).
  - viii) Investments will only be placed with counterparties from countries with a specified minimum **sovereign rating**, (see paragraph 104).
  - ix) This council has engaged **external consultants**, (see paragraph 21), to provide expert advice on how to optimise an appropriate balance of security, liquidity and

yield, given the risk appetite of this authority in the context of the expected level of cash balances and need for liquidity throughout the year.

- x) All investments will be denominated in **sterling**.
- xi) As a result of the change in accounting standards under **IFRS 9**, this authority will consider the implications of investment instruments which could result in an adverse movement in the value of the amount invested and resultant charges at the end of the year to the General Fund. (In November 2018, the MHCLG, concluded a consultation for a temporary override to allow English local authorities time to adjust their portfolio of all pooled investments by announcing a statutory override to delay implementation of IFRS 9 for five years ending 31 March 2023 which has subsequently been extended for a further two years to 31 March 2025.
- xii) If considering '**Property Funds**' or other '**Diversified Income Funds**' in the future, the Council may look to use externally appointed fund managers.

- 91. However, this Council will also pursue **value for money** in Treasury Management and will monitor the yield from investment income against appropriate benchmarks for investment performance, (see paragraph 114). Regular monitoring of investment performance will be carried out during the year.
- 92. The above criteria regarding management of risk in Treasury Management are unchanged from last year.

Creditworthiness policy

- 93. This Council applies the creditworthiness service provided by the Link Group. This service employs a sophisticated modelling approach utilising credit ratings from the three main credit rating agencies - Fitch, Moody's and Standard & Poor's. The credit ratings of counterparties are supplemented with the following overlays: -
  - i) "watches" and "outlooks" from credit rating agencies;
  - ii) CDS spreads that may give early warning of changes in credit ratings;
  - iii) sovereign ratings to select counterparties from only the most creditworthy countries.
- 94. This modelling approach combines credit ratings, and any assigned Watches and Outlooks, in a weighted scoring system which is then combined with an overlay of CDS spreads. The end-product of this is a series of colour coded bands which indicate the relative creditworthiness of counterparties. These colour codes are used by the Council to determine the maximum duration for investments where funds are committed for investment and cannot be recalled or withdrawn before the agreed maturity date. The Council will, therefore, use counterparties within the following durational bands when committing to investment decisions:

Yellow	5 years*
Dark pink	5 years for Ultra-Short Dated Bond Funds with a credit score of 1.25
Light pink	5 years for Ultra-Short Dated Bond Funds with a credit score of 1.5
Purple	2 years
Blue	1 year (only applies to nationalised or semi nationalised UK Banks)
Orange	1 year
Red	6 months

Green	100 days
No colour	not to be used

95. The Link creditworthiness service uses a wider array of information other than just primary ratings. Furthermore, by using a risk weighted scoring system, it does not give undue preponderance to just one agency's ratings.
96. Typically, the minimum credit ratings criteria the council uses will be a short-term rating (Fitch or equivalents) of F1 and a long-term rating of A-. There may be occasions when the counterparty ratings from one rating agency are marginally lower than these ratings but may still be used. In these instances, consideration will be given to the whole range of ratings available, or other topical market information, to support their use.
97. All credit ratings will be monitored weekly as a minimum. However, the council is alerted to changes to ratings of all three agencies through its use of the Link creditworthiness service as and when they occur so adjustments to the counterparty list would be made at each event.
- if a downgrade results in the counterparty / investment scheme no longer meeting the council's minimum criteria, its further use as a new investment will be withdrawn immediately.
  - in addition to the use of credit ratings the council will be advised of information in movements in Credit Default Swap spreads against the iTraxx European Senior Financials benchmark and other market data on a daily basis via its Passport website, provided exclusively to it by Link. Extreme market movements may result in downgrade of an institution or removal from the council's lending list.
98. Sole reliance will not be placed on the use of this external service. In addition, this council will also use market data and market information, as well as information on any external support for banks to help support its decision-making process.

Y	Pi1	Pi2	P	B	O	R	G	N/C
1	1.25	1.5	2	3	4	5	6	7
Up to 5yrs	Up to 5yrs	Up to 5yrs	Up to 2yrs	Up to 1yr	Up to 1yr	Up to 6mths	Up to 100days	No Colour

	Colour (and long-term rating where applicable)	Institution Financial Limit	Time Limit for investment maturity
Banks/ Building Societies *	Yellow	£20m	5 yrs
Banks/ Building Societies	Purple	£20m	2 yrs
Banks/ Building Societies	Orange	£20m	1 yr
Banks – part nationalised	Blue	£20m	1 yr
Banks/ Building Societies	Red	£20m	6 mths
Banks/ Building Societies	Green	£15m	100 days
Banks/ Building Societies	No Colour	Not to be used	

	Colour (and long-term rating where applicable)	Institution Financial Limit	Time Limit for investment maturity
Limit 3 category – Authority’s banker (where “No Colour”)	n/a	£10m	1 day
DMADF	UK sovereign rating	unlimited	6 months
Local authorities	n/a	£20m	5 yrs
Housing associations	Colour bands	£5m	As per colour band
	Fund rating**	Institution Financial Limit	Time Limit for investment maturity
Money Market Funds CNAV	AAA	£20m	liquid
Money Market Funds LVNAV	AAA	£20m	liquid
Money Market Funds VNAV	AAA	£10m	liquid
Ultra-Short Dated Bond Funds with a credit score of 1.25	Dark Pink / AAA	£10m	liquid
Ultra-Short Dated Bond Funds with a credit score of 1.50	Light Pink / AAA	£10m	liquid

\* *The yellow colour category is for UK Government debt, or its equivalent, money market funds and collateralised deposits where the collateral is UK Government debt.*

\*\* *“Fund ratings” are different to individual counterparty ratings, coming under either specific “MMF” or “Band Fund” rating criteria.*

99. The Council’s current account and balances held in funds such as Money Market Funds are liquid and whilst the total time period funds held by each body may exceed 5 years ,being the maximum time period for investments per the strategy, the commitment is only for a single day (overnight) and available for withdrawal without notice.
100. In addition to the above counterparty selection criteria where credit ratings have been issued, the council will also include a number of other non-rated organisations where investments may be placed for service or strategic purposes. These will be classified as Non-Specified investments and details of those counterparties are included in sub-annex 3 to this report.
101. Creditworthiness - Significant levels of downgrades to Short and Long-Term credit ratings have not materialised since the crisis in March 2020. In the main, where they did change, any alterations were limited to Outlooks. Nonetheless, when setting minimum sovereign debt ratings this Council will not set a minimum for the UK.
102. CDS prices - Although bank CDS prices, (these are market indicators of credit risk), spiked upwards during the days of the Truss/Kwarteng government in the autumn of 2022, they have returned to more average levels since then. However, sentiment can easily shift, so it will remain important to undertake continual monitoring of all aspects of risk and return in the current circumstances. Link monitor CDS prices as part of their

creditworthiness service to local authorities and the Council has access to this information via its Link-provided Passport portal.

103. Notwithstanding the criteria set locally for allowable counterparties detailed above, any Central Government policy on restrictions on investments, such as sanctions, will override the local policy.

#### Limits

104. Due care will be taken to consider the exposure of the council's total investment portfolio to non-specified investments, countries, groups and sectors.

- i) **Non-specified Treasury Management investment limit.** The council has determined that it will limit the maximum total exposure of Treasury Management investments to non-specified Treasury Management investments as being 30% of the total Treasury Management investment portfolio.
- ii) **Country limit.** The council has determined that it will only use approved counterparties from the UK and from countries with a minimum sovereign credit rating of AA- from Fitch (*or equivalent*). The list of countries that qualify using this credit criteria are shown in sub-annex 4. This list will be added to, or deducted from, by officers should ratings change in accordance with this policy.

Other limits. In addition: -

- no more than £10m will be placed with any non-UK country at any time;
- limits in place above will apply to a group of companies/institutions;
- sector limits will be monitored regularly for appropriateness.

#### Investment Strategy

##### In-house funds

105. Investments will be made with reference to the core balance and cash flow requirements and the outlook for short-term interest rates (i.e. rates for investments up to 12 months). Greater returns are usually obtainable by investing for longer periods. The current shape of the yield curve suggests that the risks are relatively balanced between Bank Rate staying higher for longer, if inflation picks up markedly through 2025 post the 30 October 2024 Budget, or it may be cut quicker than expected if the economy stagnates. The economy only grew 0.1% in Q3 2024, but the CPI measure of inflation is now markedly above the 2% target rate set by the Bank of England's Monetary Policy Committee two to three years forward.
106. Accordingly, while most cash balances are required in order to manage the ups and downs of cash flow, where cash sums can be identified that could be invested for longer periods, the value to be obtained from longer-term investments will be carefully assessed.

##### Investment returns expectations

107. The current forecast shown in paragraph 62 includes a forecast for Bank Rate to fall to a low of 3.5%.

108. The suggested budgeted investment earnings rates for returns on investments placed for periods up to about three months during each financial year are as follows:

Average earnings in each year	Now	Previously
2024/25 (residual)	4.60%	4.25%
2025/26	4.10%	3.35%
2026/27	3.70%	3.10%
2027/28	3.50%	3.25%
2028/29	3.50%	3.25%
Years 6 to 10	3.50%	3.25%
Years 10+	3.50%	3.50%

109. As there are so many variables at this time, caution must be exercised in respect of all interest rate forecasts.
110. For its cash flow generated balances, the council will seek to utilise its cash manager reserve instant access and notice accounts, money market funds and short-dated deposits, (overnight to 100 days), in order to benefit from the compounding of interest.

Investment treasury indicator and limit

111. These are the total principal funds invested for greater than 365 days. These limits are set with regard to the council's liquidity requirements and to reduce the need for early sale of an investment and are based on the availability of funds after each year-end.
112. The council is asked to approve the treasury indicator and limit:

Upper limit for principal sums invested for longer than 365 days					
£m	2025/26	2026/27	2027/28	2028/29	2029/30
Principal sums invested for longer than 365 days	15.000	15.000	15.000	15.000	15.000

113. As at 31 December 2024 no treasury investments were for periods greater than 365 days.

Investment Performance

114. This council will use an investment benchmark to assess the investment performance of its investment portfolio of the 7 day compounded SONIA.

End of year investment report

115. At the end of the financial year, the council will report on its investment activity as part of its Annual Treasury Report.

#### Money Market Funds

116. A large proportion of the council's funds are currently managed on a discretionary/pooled basis by the following institutions:
- Aberdeen Standard Liquidity Fund (Lux) – Sterling Fund (Class 1)
  - Aviva Investors Sterling Liquidity Fund (Class 3)
  - BlackRock Institutional Sterling Liquidity Fund (Heritage)
  - BNP Paribas Insticash Sterling (Institutional)
  - CCLA – The Public Sector Deposit Fund (Class 4)
  - Federated Short-Term Sterling Prime Fund (Class 3)
  - Fidelity Institutional Liquidity Sterling Fund (Class A&F)
  - Invesco Sterling Liquidity Portfolio (Institutional)
  - Goldman Sachs Sterling Liquid Reserves (Institutional)
117. The Council fully appreciates the importance of monitoring the activity and resultant performance of its appointed external fund managers. In order to aid this assessment, the council is provided with a suite of regular reporting from its managers via both the Institutional Cash Distributions (ICD) Portal and the fund managers themselves.

#### The Capital Prudential and Treasury Indicators 2025/26 – 2029/30

118. The council's capital expenditure plans are the key driver of Treasury Management activity. The output of the capital expenditure plans is reflected in the prudential indicators, which are designed to assist members' overview and confirm capital expenditure plans.

#### Capital Expenditure

<b>Capital expenditure £m</b>	<b>2023/24 Actual</b>	<b>2024/25 Estimate</b>	<b>2025/26 Estimate</b>	<b>2026/27 Estimate</b>	<b>2027/28 Estimate</b>	<b>2028/29 Estimate</b>	<b>2029/30 Estimate</b>
Non-HRA	61.454	82.291	190.765	100.219	43.459	28.059	28.059
HRA	59.032	80.270	78.401	70.690	76.241	68.119	64.568
<b>Total</b>	<b>120.486</b>	<b>162.561</b>	<b>269.166</b>	<b>170.909</b>	<b>119.700</b>	<b>96.178</b>	<b>92.627</b>

#### Affordability Prudential Indicators

119. The previous sections cover the overall capital and control of borrowing prudential indicators, but within this framework prudential indicators are required to assess the affordability of the capital investment plans. These provide an indication of the impact of the capital investment plans on the council's overall finances. The council is asked to approve the following indicators:

#### Ratio of Financing Costs to Net Revenue Stream

120. This indicator identifies the trend in the cost of capital (borrowing and other long-term obligation costs net of earnings from investment income) against the net revenue stream (council tax, business rates and HRA rent/ service charge income)

%	2023/24 Actual	2024/25 Estimate	2025/26 Estimate	2026/27 Estimate	2027/28 Estimate	2028/29 Estimate	2029/30 Estimate
Non-HRA	0.9%	2.0%	2.6%	2.6%	3.1%	3.3%	2.9%
HRA	16.6%	17.0%	17.5%	18.0%	18.2%	18.5%	18.7%
<b>Total</b>	<b>5.6%</b>	<b>6.5%</b>	<b>6.8%</b>	<b>7.0%</b>	<b>7.4%</b>	<b>7.7%</b>	<b>7.5%</b>

121. A further local indicator which excludes investment income from the above calculations provides a guide on the direction of capital financing costs compared to the income generated from council tax, business rates, HRA income and non-ringfenced grants.

%	2023/24 Actual	2024/25 Estimate	2025/26 Estimate	2026/27 Estimate	2027/28 Estimate	2028/29 Estimate	2029/30 Estimate
Non-HRA	4.7%	5.5%	5.6%	5.5%	6.0%	6.3%	6.2%
HRA	18.1%	18.7%	19.0%	19.3%	19.5%	19.7%	20.0%
<b>Total</b>	<b>8.6%</b>	<b>9.5%</b>	<b>9.3%</b>	<b>9.4%</b>	<b>9.8%</b>	<b>10.1%</b>	<b>10.2%</b>

122. Considering the implications of the capital programmes as proposed within the MTFS the General Fund indicates a maximum cost implication of 6.3% against a proposed limit of 7% with the HRA rising to 20.0% by the end of the MTFS period, equalling the proposed cap.
123. Affordability and prudence of debt cost limits compared to revenue streams will be reviewed annually considering any changes to the risk environment on local government funding.
124. The estimates of financing costs include current commitments and the proposals in this budget report.

#### HRA Ratios

	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30
HRA CFR £m	543.637	584.389	611.905	644.923	678.496	707.745	738.261
Number of HRA dwellings	27,870	27,650	27,150	27,080	27,010	26,940	26,870
<b>CFR per dwelling £</b>	<b>19,506</b>	<b>21,135</b>	<b>22,538</b>	<b>23,815</b>	<b>25,120</b>	<b>26,271</b>	<b>27,475</b>
HRA debt charges £m	24.127	26.479	26.806	28.128	29.273	30.681	32.056
Number of HRA dwellings	27,870	27,650	27,150	27,080	27,010	26,940	26,870
<b>Debt cost per dwelling £</b>	<b>866</b>	<b>958</b>	<b>987</b>	<b>1,039</b>	<b>1,084</b>	<b>1,139</b>	<b>1,193</b>

#### Maturity Structure of Borrowing

125. Maturity structure of borrowing. These gross limits are set to reduce the council's exposure to large fixed rate sums falling due to refinancing and are required for upper and lower limits.

126. The council is asked to approve the following treasury indicators and limits:

<b>Maturity structure of fixed interest rate borrowing 2025/26</b>		
	<b>Lower</b>	<b>Upper</b>
Under 12 months	0%	40%
12 months to 2 years	0%	30%
2 years to 5 years	0%	30%
5 years to 10 years	0%	30%
10 years to 20 years	0%	30%
20 years to 30 years	0%	40%
30 years to 40 years	0%	50%
40 years to 50 years	0%	70%
50 years plus	0%	90%

127. The limits for periods 2 to 5 years and 5 to 10 years have been increased from 2024/25 limits to allow for short term fixed rate debt to be taken during this current period of high interest borrowing rates. This will allow the Council to refinance for longer periods (subject to interest rates having fallen to acceptable levels) at the time of maturity.

### Glossary

The following list is to assist members in the terminology and acronyms referred to within this report.

Authorised Limit	-	This is the statutory borrowing limit determined under section 3 (1) of the Local Government Act 2003. Central Government retains an option to control either the total of all councils' plans, or those of a specific council, although this power has not yet been exercised.
Capital Financing Requirement	CFR	Amounts of historic capital spend funded through borrowing that has yet to be charged to revenue through either a Minimum/ Voluntary Revenue Provision or by set aside of capital receipts.
Chartered Institute of Public Finance and Accountancy	CIPFA	Accountancy body dedicated to public financial management and is responsible for setting of accounting standards for local authorities.
Investment Counterparty	-	The organisations responsible for repaying the councils investment upon maturity and for making interest payments
Credit Default Swap	CDS	A specific kind of counterparty agreement which allows the transfer of third party credit risk from one party to the other. One party in the swap is a lender and faces credit risk from a third party, and the counterparty in the credit default swap agrees to insure this risk in exchange for regular periodic payments (essentially an insurance premium). If the third party defaults, the party providing insurance will have to purchase from the insured party the defaulted asset. In turn, the insurer pays the insured the remaining interest on the debt, as well as the principal.
Credit Rating	-	This is a scoring system that rating agencies issue organisations with, to determine how credit worthy they are with AAA being the highest rating.
Internal Borrowing	-	Amounts of Capital Financing Requirement that have not been funded by actual external borrowing (e.g. PWLB) but through temporary use of cash resources thereby reducing investment income potential offset by savings in external debt interest.

Lenders Option Borrowers Option	LOBO	A form of loan which has a clause where the lender can invoke a change in interest rate at fixed points (lenders option). The borrower (i.e. the council) can then choose to exercise their option and repay the loan without penalty if it is determined that the change in rate is not in the council's interest (borrowers option).
Minimum Revenue Provision	MRP	A statutory charge to the General Fund to set funds aside for repayment of capital expenditure not yet funded from revenue or capital resources (i.e. historic expenditure funded by borrowing)
Monetary Policy Committee	MPC	Interest rates are set by the Bank's Monetary Policy Committee. The MPC sets an interest rate it judges will enable the inflation target to be met. Their primary target (as set by the Government) is to keep inflation at or around 2%.
Money Market Fund	MMF	A pooled investment vehicle (typically AAA rated) for placement of liquid investments. It is managed by external fund managers and is usually instant access.
Operational Boundary	-	The expected level of external debt the council is expected to hold each year.
Other Long Term Liabilities	OLTL	Outstanding amounts of finance relating to finance leases or PFI contracts.
Public Works Loans Board	PWLB	Branch of HM Treasury responsible for lending to local authorities.
Sterling Overnight Index Average	SONIA	Interest rate based on actual transactions and reflects the average of the interest rates that banks pay to borrow sterling overnight from other financial institutions and other institutional investors.
Working Capital		Cash and other liquid assets needed to finance the everyday running of a business such as the payment of salaries and purchases.
Yield		The annual rate of return on an investment, expressed as a percentage.

Economic Background

The third quarter of 2024 (July to September) saw:

- GDP growth stagnating in July following downwardly revised Q2 figures (0.5% q/q)
- A further easing in wage growth as the headline 3myy rate (including bonuses) fell from 4.6% in June to 4.0% in July;
- CPI inflation hitting its target in June before edging above it to 2.2% in July and August;
- Core CPI inflation increasing from 3.3% in July to 3.6% in August;
- The Bank of England initiating its easing cycle by lowering interest rates from 5.25% to 5.0% in August and holding them steady in its September meeting;
- 10-year gilt yields falling to 4.0% in September.

Over the aforementioned period, the economy's stagnation in June and July pointed more to a mild slowdown in UK GDP growth than a sudden drop back into a recession. However, in the interim period, to 12 December, arguably the biggest impact on the economy's performance has been the negative market sentiment in respect of the fallout from the Chancellor's Budget on 30 October.

If we reflect on the 30 October Budget, our central case is that those policy announcements will prove to be inflationary, at least in the near-term. The Office for Budgetary Responsibility and the Bank of England concur with that view. The latter have the CPI measure of inflation hitting 2.5% y/y by the end of 2024 and staying sticky until at least 2026. The Bank forecasts CPI to be elevated at 2.7% y/y (Q4 2025) before dropping back to sub-2% in 2027. Nonetheless, since the Budget, the October inflation print has shown the CPI measure of inflation bouncing up to 2.3% y/y with the prospect that it will be close to 3% by the end of the year before falling back slowly through 2025. The RPI measure has also increased significantly to 3.4% y/y.

How high inflation goes will primarily be determined by several key factors. First amongst those is that the major investment in the public sector, according to the Bank of England, will lift UK real GDP to 1.7% in 2025 before growth moderates in 2026 and 2027. The debate around whether the Government's policies lead to a material uptick in growth primarily focus on the logistics of fast-tracking planning permissions, identifying sufficient skilled labour to undertake a resurgence in building, and an increase in the employee participation rate within the economy.

There are inherent risks to all the above. The worst-case scenario would see systemic blockages of planning permissions and the inability to identify and resource the additional workforce required to deliver large-scale IT, housing and infrastructure projects. This would lead to upside risks to inflation, an increased prospect of further Government borrowing & tax rises in the June 2025 Spending Review (pushed back from the end of March), and a tepid GDP performance.

Regarding having a sufficiently large pool of flexible and healthy workers, the initial outlook does not look bright. Research from Capital Economics has alluded to an increase of some 500,000 construction workers being needed to provide any chance of the Government hitting its target of 300,000 new homes being built in each of the next five years (234,000 net additional dwellings in England in 2022/23). But the last time such an increase was needed, and construction employment is currently at a nine-year low, it took 12 years to get there (1996

to 2008). Also note, as of October 2024, job vacancies in the construction sector were still higher than at any time in the 20 years preceding the pandemic.

Currently, it also seems likely that net inward migration is set to fall, so there is likely to be a smaller pool of migrant workers available who, in the past, have filled the requirement for construction worker demand. The Government plans to heavily promote training schemes, particularly to the one million 16- to 24-year-olds who are neither in education nor work. But it is arguable as to whether the employee shortfall can be made up from this source in the requisite time, even if more do enter the workforce.

Against, this backdrop, there may be a near-term boost to inflation caused by a wave of public sector cash chasing the same construction providers over the course of the next year or so, whilst wages remain higher than the Bank currently forecasts because of general labour shortages, including in social care where Government accepts there is a 150,000 shortfall at present.

Unemployment stands at a low 4.3% (September), whilst wages are rising at 4.3% y/y (including bonuses) and 4.8% (excluding bonuses). The Bank would ideally like to see further wage moderation to underpin any further gradual relaxing of monetary policy. Indeed, over the next six months, the market is currently only pricing in Bank Rate reductions in February and May – which would see Bank Rate fall to 4.25% - but further cuts, thereafter, are highly likely to be even more data-dependent.

If we focus on borrowing, a term we are likely to hear throughout 2025 is “bond vigilante”. Essentially, this represents a generic term for when the market is ill at ease with the level of government borrowing and demands a higher return for holding debt issuance. In the UK, we do not need to go back too far to recall the negative market reaction to the Truss/Kwarteng budget of 2022. But long-term borrowing rates have already gradually moved back to those levels since their recent low point in the middle of September 2024. Of course, the UK is not alone in this respect. Concerns prevail as to what the size of the budget deficit will be in the US, following the election of Donald Trump as President, and in France there are on-going struggles to form a government to address a large budget deficit problem too. Throw into the mix the uncertain outcome to German elections, and there is plenty of bond investor concern to be seen.

Staying with the US, Donald Trump’s victory paves the way for the introduction/extension of tariffs that could prove inflationary whilst the same could be said of further tax cuts. Invariably the direction of US Treasury yields in reaction to his core policies will, in all probability, impact UK gilt yields. So, there are domestic and international factors that could impact PWLB rates whilst, as a general comment, geo-political risks continue to abound in Europe, the Middle East and Asia.

In the past month, the US Core CPI measure of inflation has indicated that inflation is still a concern (3.3% y/y, 0.3% m/m), as has the November Producer Prices Data (up 3.0 y/y v a market estimate of 2.6% y/y, 0.4% m/m v an estimate of 0.2% m/m) albeit probably insufficient to deter the FOMC from cutting US rates a further 0.25% at its December meeting. However, with Trump’s inauguration as President being held on 20 January, further rate reductions and their timing will very much be determined by his policy announcements and their implications for both inflation and Treasury issuance.

Looking at gilt movements in the first half of 2024/25, and you will note the 10-year gilt yield declined from 4.32% in May to 4.02% in August as the Bank’s August rate cut signalled the start of its loosening cycle. More recently, however, 10 year gilt yields have spiked back up to 4.35%.

The FTSE 100 reached a peak of 8,380 in the third quarter of 2024 (currently 8.304), but its performance is firmly in the shade of the US S&P500, which has breached the 6,000 threshold on several occasions recently, delivering returns upwards of 25% y/y. The catalyst for any further rally (or not) is likely to be the breadth of AI's impact on business growth and performance.

**MPC meetings: 9 May, 20 June, 1 August, 19 September, 7 November 2024**

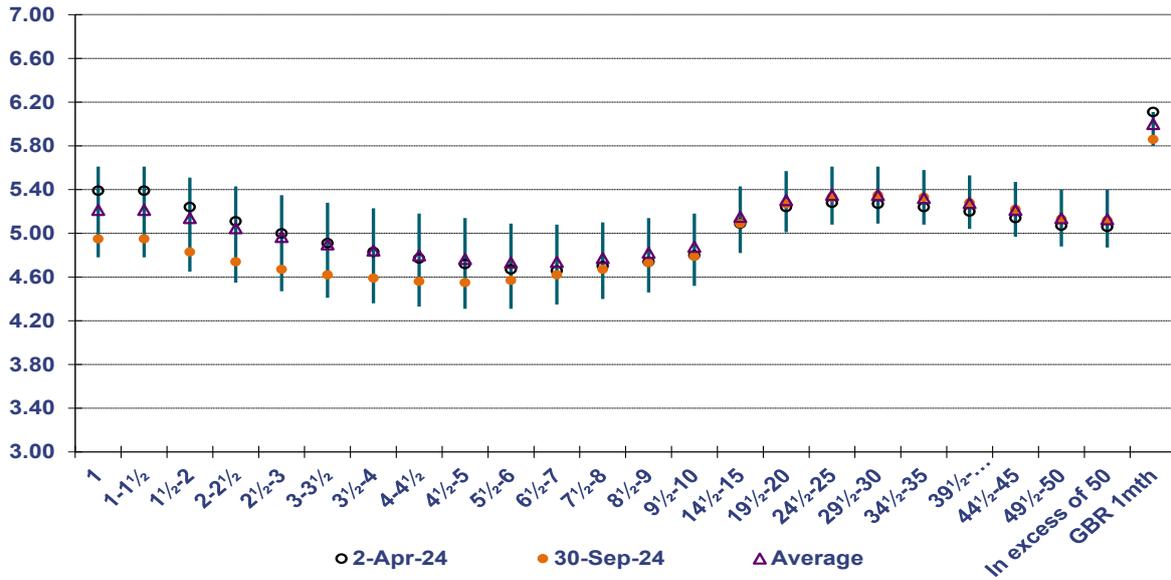
- On 9 May, the Bank of England's Monetary Policy Committee (MPC) voted 7-2 to keep Bank Rate at 5.25%. This outcome was repeated on 20<sup>th</sup> June.
- However, by the time of the August meeting, there was a 5-4 vote in place for rates to be cut by 25bps to 5%. However, subsequent speeches from MPC members have supported Governor Bailey's tone with its emphasis on "gradual" reductions over time.
- Markets thought there may be an outside chance of a further Bank Rate reduction in September, following the 50bps cut by the FOMC, but this came to nothing.
- On 7 November, Bank Rate was cut by 0.25% to 4.75%. The vote was 8-1 in favour of the cut but the language used by the MPC emphasised "gradual" reductions would be the way ahead with an emphasis on the inflation and employment data releases, as well as geo-political events.

In the chart below, despite a considerable gilt market rally in mid-September, rates started and finished the six-month period under review in broadly the same position.

**PWLB RATES 02.04.24 - 30.09.24**



### PWLB Certainty Rate Variations 2.4.24 to 30.9.24



### HIGH/LOW/AVERAGE PWLB RATES FOR 02.04.24 – 30.09.24

	1 Year	5 Year	10 Year	25 Year	50 Year
<b>02/04/2024</b>	5.39%	4.72%	4.80%	5.28%	5.07%
<b>30/09/2024</b>	4.95%	4.55%	4.79%	5.33%	5.13%
<b>Low</b>	4.78%	4.31%	4.52%	5.08%	4.88%
<b>Low date</b>	17/09/2024	17/09/2024	17/09/2024	17/09/2024	17/09/2024
<b>High</b>	5.61%	5.14%	5.18%	5.61%	5.40%
<b>High date</b>	29/05/2024	01/05/2024	01/05/2024	01/05/2024	01/05/2024
<b>Average</b>	5.21%	4.76%	4.88%	5.35%	5.14%
<b>Spread</b>	0.83%	0.83%	0.66%	0.53%	0.52%

Treasury Management Practice (TMP1) – Credit and Counterparty Risk Management

Specified Investments: All such investments will be sterling denominated, with maturities up to a maximum of 1 year, meeting the minimum 'high' quality criteria where applicable. (Non-specified investments which would be specified investments apart from originally being for a period longer than 12 months, will be classified as being specified once the remaining period to maturity falls to under twelve months.)

Non-Specified Investments: These are any investments which do not meet the specified investment criteria. A maximum of 30% will be held in aggregate in non-specified investment.

A variety of investment instruments will be used, subject to the credit quality of the institution, and depending on the type of investment made, it will fall into one of the above categories.

The criteria, time limits and monetary limits applying to 'high' rated institutions or investment vehicles that could be classified as either Specified Investments or Non-Specified Investments (i.e. where maturities are more than 12 month) are detailed in the table below:

	Minimum credit criteria / colour band	Max % of total investments / £ limit per institution	Max. maturity period **
DMADF – UK Government	Yellow	100%	6 months (max. is set by the DMO *)
UK Gilts	Yellow	£10m	5 years
UK Treasury Bills	Yellow	£10m	364 days (max. is set by the DMO*)
Bonds issued by multilateral development banks	Yellow	20% / £10m	5 years
Money Market Funds CNAV	AAA	100%/ £20m	Liquid
Money Market Funds LNAV	AAA	100%/ £20m	Liquid
Money Market Funds VNAV	AAA	50%/ £10m	Liquid
Ultra-Short Dated Bond Funds with a credit score of 1.25	AAA	50% / £10m	Liquid
Ultra-Short Dated Bond Funds with a credit score of 1.5	AAA	50% / £10m	Liquid
Local Authorities	Yellow	100%/ £20m	5 years

	Minimum credit criteria / colour band	Max % of total investments / £ limit per institution	Max. maturity period **
Term Deposits with Housing Associations	Blue Orange Red Green No Colour	20% / £5m all colours	12 months 12 months 6 months 100 days Not for use
Term Deposits with Banks and Building Societies	Blue Orange Red Green No Colour	75% / £20m 75% / £20m 75% / £20m 75% / £15m nil	12 months 12 months 6 months 100 days Not for use
CDs or Corporate Bonds with Banks and Building Societies	Blue Orange Red Green No Colour	75% / £20m 75% / £20m 75% / £20m 75% / £15m nil	12 months 12 months 6 months 100 days Not for use
Gilt Funds	UK sovereign rating	£10m	

\* DMO is the Debt Management Office of HM Treasury

\*\* maturities within 12 months would be deemed Specified Investments. All other periods would be classified as Non-Specified Investments.

The table below lists counterparties and limits for non-rated institutions that would be deemed Non-Specified Investments regardless of time until maturity.

Non-Specified Investment Category	Limit
The council's own banker if it fails to meet the basic credit criteria. In this instance balances will be minimized as far as is possible.	£10m
Building Schools for the Future Local Education Partnership. Whilst this is not a usual investment counterparty, the council is likely to invest a small amount as part of the wider Building Schools for the Future project.	£1m
Sandwell Inspired Partnership Services. Whilst this is not a usual investment counterparty, the council is likely to invest a small amount for the organisation to be use as working capital in its infancy.	£1.5m
Bond funds this Authority will seek further advice on the appropriateness and associated risks with investments in these categories.	£10m

Property funds the use of these instruments can be deemed to be capital expenditure and as such will be an application (spending) of capital resources. This council will seek guidance on the status of any fund it may consider using.	£10m
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Accounting treatment of investments. The accounting treatment may differ from the underlying cash transactions arising from investment decisions made by this council. To ensure that the council is protected from any adverse revenue implications, which may arise from these differences, we will review the accounting implications of new transactions before they are undertaken.

Approved Countries for Investment

This list is based on those countries which have sovereign ratings of AA- or higher as at 25 November 2024, (we show the lowest rating from Fitch, Moody's and S&P) and also, (except - at the time of writing - for Hong Kong and Luxembourg), have banks operating in sterling markets which have credit ratings of green or above in the Link creditworthiness service.

*Based on lowest available rating*

AAA

- Australia
- Denmark
- Germany
- Netherlands
- Norway
- Singapore
- Sweden
- Switzerland

AA+

- Canada
- Finland
- U.S.A.

AA

- Abu Dhabi (UAE)
- Qatar

AA-

- Belgium
- France
- U.K.

*Although this list includes all countries that have a credit rating above the approved minimum rating, ethical considerations will also be taken into account before a country is included in the final approved list.*

The Treasury Management role of the Section 151 Officer

The S151 officer is responsible for:

- recommending clauses, Treasury Management policy/practices for approval, reviewing the same regularly, and monitoring compliance;
- submitting regular Treasury Management policy reports;
- submitting budgets and budget variations;
- receiving and reviewing management information reports;
- reviewing the performance of the Treasury Management function;
- ensuring the adequacy of Treasury Management resources and skills, and the effective division of responsibilities within the Treasury Management function;
- ensuring the adequacy of internal audit, and liaising with external audit;
- recommending the appointment of external service providers.

Summary of Treasury and Prudential Indicators

## Prudential Indicator - Capital Expenditure and Financing:

Capital expenditure £m	2023/24 Actual	2024/25 Estimate	2025/26 Estimate	2026/27 Estimate	2027/28 Estimate	2028/29 Estimate	2029/30 Estimate
Non-HRA	61.454	82.291	190.765	100.219	43.459	28.059	28.059
HRA	59.032	80.270	78.401	70.690	76.241	68.119	64.568
<b>Total</b>	<b>120.486</b>	<b>162.561</b>	<b>269.166</b>	<b>170.909</b>	<b>119.700</b>	<b>96.178</b>	<b>92.627</b>

Financing of capital expenditure £m	2023/24 Actual	2024/25 Estimate	2025/26 Estimate	2026/27 Estimate	2027/28 Estimate	2028/29 Estimate	2029/30 Estimate
Capital receipts	7.089	2.943	2.655	6.812	11.842	7.437	5.701
Capital grants and Contributions	40.744	74.800	187.123	87.479	40.739	25.339	25.339
Major Repairs Reserve	18.796	21.917	20.520	20.639	21.125	21.553	21.969
Revenue Contributions	5.722	2.884	4.992	2.000	2.000	2.000	2.000
<b>Net financing need for the year</b>	<b>48.135</b>	<b>60.017</b>	<b>53.876</b>	<b>53.979</b>	<b>43.994</b>	<b>39.849</b>	<b>37.618</b>
<i>Non-HRA amounts</i>	<i>17.894</i>	<i>20.942</i>	<i>24.736</i>	<i>17.432</i>	<i>6.720</i>	<i>6.720</i>	<i>6.720</i>
<i>HRA amounts</i>	<i>30.241</i>	<i>39.075</i>	<i>29.140</i>	<i>36.547</i>	<i>37.274</i>	<i>33.129</i>	<i>30.898</i>

## Prudential Indicator - Capital Financing Requirement (CFR) Projections:

£m	2023/24 Actual	2024/25 Estimate	2025/26 Estimate	2026/27 Estimate	2027/28 Estimate	2028/29 Estimate	2029/30 Estimate
<b>Capital Financing Requirement</b>							
Non-HRA	331.866	334.313	342.835	345.062	335.203	324.710	316.658
Housing	543.637	584.389	611.905	644.923	678.496	707.745	738.261
<b>Total CFR</b>	<b>875.503</b>	<b>918.702</b>	<b>954.740</b>	<b>989.985</b>	<b>1,013.699</b>	<b>1,032.455</b>	<b>1,054.919</b>
<b>Movement in CFR</b>	<b>35.536</b>	<b>43.199</b>	<b>36.038</b>	<b>35.245</b>	<b>23.714</b>	<b>18.756</b>	<b>22.464</b>

Movement in CFR represented by							
Net financing need for the year	48.135	60.017	53.876	53.979	43.994	39.849	37.618
Less MRP/VRP	(8.875)	(12.662)	(13.401)	(11.980)	(12.903)	(13.357)	(11.331)
Other financing movements (i.e. PFI)	(3.724)	(4.156)	(4.437)	(6.754)	(7.377)	(7.736)	(3.823)
<b>Movement in CFR</b>	<b>35.536</b>	<b>43.199</b>	<b>36.038</b>	<b>35.245</b>	<b>23.714</b>	<b>18.756</b>	<b>22.464</b>

Prudential Indicator – Gross debt projections compared to CFR:

£m	2023/24 Actual	2024/25 Estimate	2025/26 Estimate	2026/27 Estimate	2027/28 Estimate	2028/29 Estimate	2029/30 Estimate
<b>External Debt</b>							
<b>Debt at 1 April</b>	<b>470.808</b>	<b>437.305</b>	<b>453.741</b>	<b>526.708</b>	<b>599.058</b>	<b>660.149</b>	<b>714.938</b>
Forecast movement in variable rate debt	1.888	5.690	3.789	3.789	3.789	3.789	3.789
Forecast debt maturities	(70.391)	(54.254)	(48.822)	(33.438)	(8.698)	(20.000)	(84.500)
Forecast new borrowing need	35.000	65.000	118.000	102.000	66.000	71.000	133.000
<b>Other long-term liabilities (OLTL) at 1 April - PFI</b>	<b>65.294</b>	<b>61.570</b>	<b>57.414</b>	<b>52.977</b>	<b>46.222</b>	<b>38.846</b>	<b>31.110</b>
Expected change in OLTL	(3.724)	(4.156)	(4.437)	(6.755)	(7.376)	(7.736)	(3.823)
<b>Actual gross debt at 31 March</b>	<b>498.875</b>	<b>511.155</b>	<b>579.685</b>	<b>645.280</b>	<b>698.995</b>	<b>746.048</b>	<b>794.513</b>
The Capital Financing Requirement	875.503	918.702	954.740	989.985	1,013.699	1,032.455	1,054.919
<b>Over/ (Under) Borrowing</b>	<b>(376.628)</b>	<b>(407.547)</b>	<b>(375.055)</b>	<b>(344.705)</b>	<b>(314.704)</b>	<b>(286.407)</b>	<b>(260.406)</b>

Treasury Indicators - Operational Boundary and Authorised Limit:

Operational Boundary £m	2024/25 Estimate	2025/26 Estimate	2026/27 Estimate	2027/28 Estimate	2028/29 Estimate	2029/30 Estimate
Debt	502.305	571.741	628.708	665.058	731.149	847.938
Other long-term liabilities (PFI and right of use assets)	86.570	82.414	77.977	71.222	63.846	56.110
<b>Total</b>	<b>588.875</b>	<b>654.155</b>	<b>706.685</b>	<b>736.280</b>	<b>794.995</b>	<b>904.048</b>

Authorised Limit £m	2024/25 Estimate	2025/26 Estimate	2026/27 Estimate	2027/28 Estimate	2028/29 Estimate	2029/30 Estimate
Debt	873.739	915.942	957.608	989.601	1,017.039	1,048.749
Other long-term liabilities (PFI and right of use assets)	101.570	97.414	92.977	86.222	78.846	71.110
<b>Total</b>	<b>975.309</b>	<b>1,013.356</b>	<b>1,050.585</b>	<b>1,075.823</b>	<b>1,095.885</b>	<b>1,119.859</b>

Treasury Indicator - Investment limits for periods greater than 365 days:

Upper limit for principal sums invested for longer than 365 days						
£m	2025/26	2026/27	2027/28	2028/29	2029/30	
Principal sums invested for longer than 365 days	15.000	15.000	15.000	15.000	15.000	

Note: current treasury amounts invested for periods greater than 365 days is nil

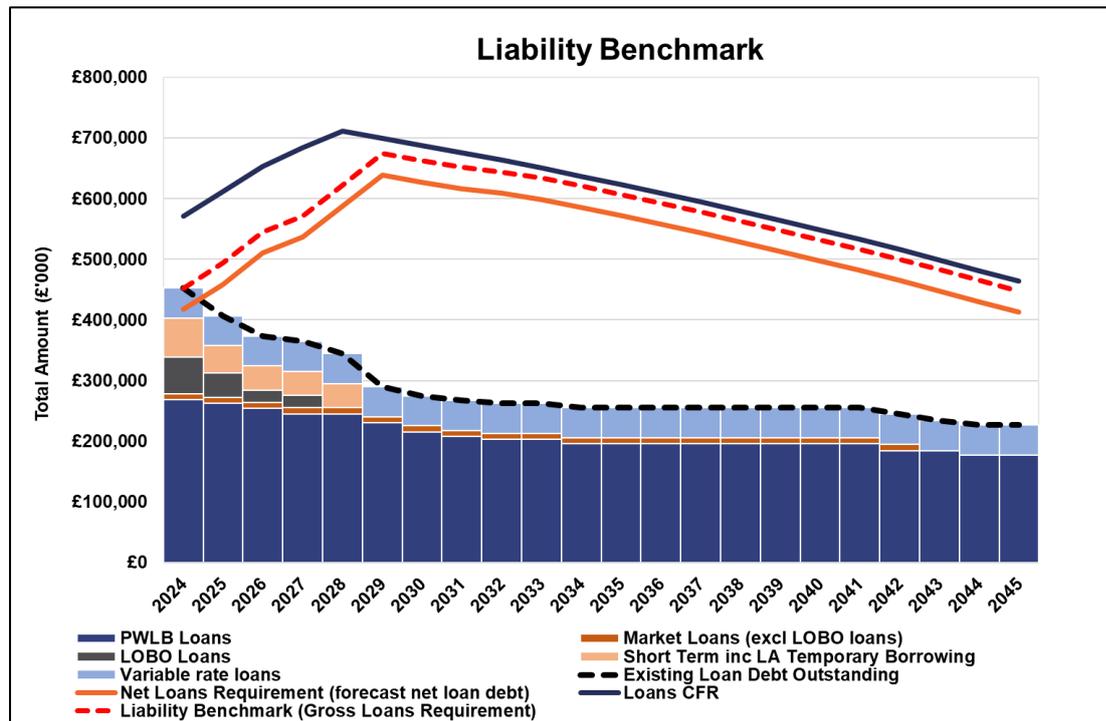
Prudential Indicator - Ratios of financing costs to net revenue stream:

%	2023/24 Actual	2024/25 Estimate	2025/26 Estimate	2026/27 Estimate	2027/28 Estimate	2028/29 Estimate	2029/30 Estimate
Non-HRA	0.9%	2.0%	2.6%	2.6%	3.1%	3.3%	3.0%
HRA	16.6%	17.0%	17.6%	18.1%	18.4%	18.7%	19.0%
<b>Total</b>	<b>5.6%</b>	<b>6.5%</b>	<b>6.8%</b>	<b>7.0%</b>	<b>7.5%</b>	<b>7.7%</b>	<b>7.6%</b>

Treasury Indicator - Maturity structure for fixed rate debt:

Maturity structure of fixed interest rate borrowing 2025/26		
	Lower	Upper
Under 12 months	0%	40%
12 months to 2 years	0%	30%
2 years to 5 years	0%	30%
5 years to 10 years	0%	30%
10 years to 20 years	0%	30%
20 years to 30 years	0%	40%
30 years to 40 years	0%	50%
40 years to 50 years	0%	70%
50 years plus	0%	90%

Prudential Indicator - Liability Benchmark



## Revenues and Benefits Policy Framework

### Background

1. The existing Revenues and Benefits Policy Framework includes a number of individual policies which are updated either through legislative requirements or through local policy decisions and requested to be approved by Council.
2. Updated Policies to be approved are included with this annex.

### Policy Framework

3. The individual policies included within this framework are listed below and summarises any changes from the previous approved policy.
  - **Corporate Debt Recovery Policy**  
Updated summons costs of £84 for Council Tax (Previously £79) and £118 for Business Rates (Previously £112)
  - **Council Tax Award of Discount Policy**  
Includes details of new legislation detailing the way in which second homes may be charged. These changes relate to properties which are left empty, is not deemed someone's sole or main residence when empty and the owner has multiple properties. At present these properties are charged 100% Council Tax from the day they become empty, but the new legislation provides Councils with discretion to charge an additional 100%. The new charges will come into effect from 1st April 2025.
  - **Council Tax Discretionary Reduction Policy**  
Reference to care leavers removed as this will be awarded as a discount.
  - **Housing Benefits Overpayment Recovery Policy**  
No changes.
  - **Discretionary Housing Payments Policy**  
No changes.
  - **National Non Domestic Rates Discretionary Relief Policy 2025-26**
    - Exclusion of private schools from 1 April 2025 as they can no longer receive mandatory charitable relief
    - Change to Retail, Hospitality and Leisure Relief for 2025/26 has reduced from 75% to 40%
    - Heat Network Relief is now mandatory
    - Local Newspaper relief ended from 1 April 2025
  - **National Non Domestic Rates Hardship Relief Policy 2025-26**
    - No changes.

- **Flood Relief Policy 2025-26**
  - No changes.
  
- **War Pension and Armed Forces Compensation Disregard Policy 2025-26**
  - No changes.
  
- **Local Council Tax Reduction Scheme Policy 2025/26**
  - Policy was amended and approved at Council on 10<sup>th</sup> December 2024 and is therefore not attached to this report.
  
- **Local Welfare Provision**
  - No changes.

# **Sandwell Metropolitan Borough Council**

## **Corporate Debt**

## **Recovery Policy**

**2025/26**

## 1. INTRODUCTION

- 1.1 This document details the Council's policies on the billing, collection and recovery of monies due to the Council. Sums due to the Council can be a mixture of statutory and non-statutory charges. The methods for billing and recovery of the statutory debts are tightly prescribed by statute.
- 1.2 This Policy sets out the general principles to be applied in relation to debt management across all services provided by the Council.
- 1.3 It is essential that all monies due are collected effectively by the Council and that debts owed are kept to a minimum. This is because the Council has both a legal duty and a responsibility to its citizens to ensure that income due is paid promptly.
- 1.4 The management of income is a key business area for the Council. The Council collects income from many streams; some of this activity is governed by legislation while others by sound principles of financial management. The key to economic, efficient, and effective income management is the creation and maintenance of a clear framework that sets out the approach, principles, and strategy within which all activities will be conducted.
- 1.5 This policy also recognises that collection of debt should be fair to everyone, especially those on limited incomes who struggle to pay or those who have not paid because of an oversight. It is also recognised that some people deliberately avoid their payment obligations by delaying their payments or choosing not to make payment and proportionate measures will be deployed to develop a culture of payment while encouraging those in need of help to get in touch with the Council at an early stage.
- 1.6 Where a person or organisation makes contact to discuss payment difficulties their circumstances will be considered fairly and objectively with a view to agreeing a reasonable payment arrangement, minimising recovery action, and avoiding potential additional costs. Where people or organisations fail to make contact or maintain their payment obligations, recovery action will continue in the wider public interest.

1.7 Underpinning this policy are effective income management processes critical to the delivery of overall Council objectives, as every pound of income that is not collected or takes extra effort to collect, ultimately leads to additional financial pressures on the Councils budget.

1.8 This policy applies to the collection of:

- Council Tax & Non-Domestic Rates Policy (**Appendix 1**)
- Housing Benefit Overpayment Recovery Policy (**Appendix 2**)
- Sundry Debt (Council Services) Policy (**Appendix 3**)
- Bankruptcy Policy (**Appendix 4**)
- Write-Offs Policy (**Appendix 5**)

1.9 This policy intends to:

- Recover all money outstanding in respect of debts owed to the Council.
- Protect the Council's finances for the good of all residents within the Sandwell area.
- Ensure that enforcement action is taken to recover debts.
- Facilitate a coordinated approach to managing multiple debts owed to the Council.
- Ensure that the Council engages with debtors when enforcing debts to take the appropriate action considering the individual circumstances of the debtor.
- Identify, where appropriate, support which may be required to those owing money to the Council;
- Giving specific considerations to vulnerable customers where appropriate.
- Apply best practice to debt collection.
- Minimise the risk of bad debts.

## 2. GENERAL PRINCIPALS

- 2.1 All directorates will work together to ensure the most appropriate arrangement for recovery of debts is achieved. In cases of multiple debts, a lead officer may be appointed. The lead officer will be responsible for liaising with relevant service areas. To assist Sandwell Council is working towards a Single View of debt across all recovery areas.
- 2.2 In all cases the Council will work with the debtor taking account of their individual circumstances in order to arrive at an arrangement that is reasonable to both themselves and the Council.
- 2.3 A flexible approach will be adopted to ensure regular payments. This reduces the risk of further action and unnecessary additional costs becoming payable, it also maintains collection.
- 2.4 Where necessary when working with debtors the Council will provide additional support with the aim of maximising their income by: -
- Providing welfare advice to ensure the debtor is receiving any benefits, reductions, and discounts they are entitled to.
  - Promoting and referring debtors to agencies who can offer personal budgeting support / debt advice/ affordable credit.

## 3. PRINCIPLES OF RECOVERY ACTION

- 3.1 The Council will ensure that: -
- Any recovery action taken will be proportionate
- Proportionality allows for a balance to be struck between the potential loss of income due to the Council and the costs of compliance.
- The approach taken will be consistent

Consistency means taking a similar approach in similar circumstances to achieve similar objectives. The Council aims to achieve this in the advice given, the use of its powers and the recovery procedures used. At the same time, the Council recognises the need to treat everyone as individuals and therefore will aim to take account of many variables such as the social circumstances of the individual, the payment history, and their ability to pay.

- The actions taken will be transparent

Transparency is important in maintaining public confidence in the Council. It means that helping people to understand what is expected of them, to meet their payment obligations and what they should expect from the Council. It also means clearly explaining the reasons for taking any recovery action and the next steps that the Council may take if payment is not made.

### 3.2 The Council will also work with the voluntary sector and advice agencies, where we collectively:

- Acknowledge that there is a distinction between can't and won't pay

The policy will ensure fairness in that every debtor has an obligation to repay their debt owed so that future services do not suffer. Those who pay promptly should not subsidise those who are not prepared to pay what they owe.

- Recognise that advice and early intervention is a key element from the perspective of all partners.

The policy will ensure that the Council and its partner organisations will treat all debtors fairly and, where possible they will promote free debt advice services. Where appropriate, payment agreements will be put in place to assist debtors in adverse financial circumstances. The decision to agree a repayment timetable will be influenced by the willingness of the debtor to take advantage of the debt advice at an early stage.

- Acknowledge that financial capability and vulnerability are sometimes underlying issues around non-payment.

The policy will seek to promote financial inclusion and early intervention by recognising that debtors may have underlying problems with money management or may not be receiving all the financial assistance to which they are entitled.

- 3.3 In all cases consideration will be given to the value of the outstanding debt and the cost of recovering that debt and where the Council believes it is uneconomical to pursue recovery the debt may be recommended for write off.

## 4. Policy Aims and Objectives

4.1 The key aims are to:

- Ensure the Council provides bills promptly and remind people quickly if they do not pay.
- Offer efficient and flexible payment methods
- Encourage people to make early contact to avoid the build-up of debt
- Inform people of their entitlement to benefits, discounts and exemptions to ensure maximum take-up and that net bills/liabilities are issued
- Inform people of the general availability of income related benefits such as Universal Credit, Pension Credits, Housing and Council Tax Reduction
- Take positive action to prevent arrears from occurring in the first place, maximising income, and entitlement at an early stage
- Take recovery action against deliberate non-payers or those who delay payment without genuine reason while always working to identify and assist those who genuinely can't pay or are finding it difficult to pay
- Where people have fallen or are likely to fall into arrears, a commitment to work with them and their representatives to set reasonable and

realistic payment levels that they can maintain, ensuring that payment arrangements reflect the ability to pay as well as the level of debt owed

- Work in a co-ordinated approach with multiple debts owed to the Council. Priority will be given to debts where non-payment could lead directly to the loss of a person's home in the case of non-payment of housing rent. Other debts owed to the Council may, depending on the circumstances, be treated to as a lower priority until payment of the priority debt owed to the Council is made
- Work in partnership with recognised advice agencies to advise people who need help and guidance to repay debts where they can get independent advice from to assist with wider financial problems

## 5. PRINCIPALS OF ENFORCEMENT ACTION

- 5.1 Where a debt remains outstanding for a service provision and there is no statutory obligation to provide the service, consideration will be given to terminate the service until such time that the debt is brought up to date.
- 5.2 Costs incurred are the responsibility of the customer, the aim of the policy is to minimise such costs wherever possible.
- 5.3 Payment orders made by a Court will take priority over any informal payment arrangement
- 5.4 We will utilise all methods of recovery available.
- 5.5 Enforcement agents and debt collection agencies instructed by the Council will be required to work within agreed guidelines, legislation and Codes of Practice always.

## 6. POLICY REVIEW

- 6.1 The policy will be reviewed annually, or sooner if appropriate, to take account of operational adjustments, feedback and or changes to legislation.

## 7. EQUALITIES

- 7.1 This policy has been produced in line with the Council's obligation to the Public Sector Equality Duty provided by the Equality Act 2010. No adverse impact on any protected characteristic has been identified as a result of this policy.

## 8. VULNERABLE CUSTOMERS

- 8.1 We understand that there are members of our community that may be considered vulnerable, therefore require additional support. Being vulnerable does not mean that you will not have to pay anything that you are legally obliged to pay.

Where we identify someone as being vulnerable, consideration should be given to:

- Longer period to pay
- Holding off enforcement action for an agreed period
- Assisting with the taxpayer to claim the right benefits, reductions, discounts or any other entitlement
- Referring a taxpayer to our Welfare Rights team if appropriate and sources of independent advice services
- Agreed temporary payment arrangement with lower repayments with a review date

We are aware that a taxpayer's vulnerability status may be temporary or permanent in nature but will vary widely. In order to aide us in identifying a vulnerable person we have a list below, identifying some characteristics of a vulnerable person. However, each case must be taken on its own merit:

- Disabled Person
- People experiencing serious illness, including mental illness
- People aged under 18
- Elderly people
- People in late stages of pregnancy

## 9. Appendices

### APPENDIX 1 - Council Tax and Business Rates Policy

#### 1.0 Introduction

1.1 This document explains the Revenues Service approach to administering the billing, collection and recovery of Council Tax as laid down by the Local Government Finance Act 1992 and Local Government Finance Act 1988 and all other supporting legislation. The document details information about the billing and recovery processes. The intention is to explain the processes clearly to show the transparent nature of the work, rather than give a detailed analysis of the legislation involved.

#### 2.0 The Billing Process

2.1 The Council recognises that providing a correct bill in an efficient way maximises the likelihood of helping customers pay on time, and it strives to issue accurate bills to customers as promptly as possible, and to offer helpful advice face-to-face, in writing, by e-mail, over the phone and through advice on the website.

2.2 All available discounts, exemptions, valuation band changes, and Council Tax reduction will be granted in appropriate cases at the earliest possible time to ensure the amount owed is correct. Customers will be given the maximum number of instalments that are available so that payment can be spread over the longest period within the year.

2.3 Discounts, exemptions and reliefs will be reviewed periodically engaging external contractors and utilising third party data where appropriate and lawful, however it remains a customer responsibility to inform the Council within 21 days of any changes in their circumstances that may affect their entitlement to any reduction in their charges.

2.4 Clear information regarding reductions, reliefs, including benefit, is widely available through leaflets that are provided with annual bills and through the website. Officers are trained to advise customers about the range of benefits, discounts, and exemptions available and how to make claims.

2.5 Where there is a joint occupation or ownership, for example joint tenants or owners, or partnerships like husband and wife, both are expected to pay the charge. All bills and other correspondence will be addressed to all the liable persons for the charge. The law says that each person will be liable both for their own share of the charge and for the whole charge (called "jointly and severally liable"), so if necessary action for recovery of the debt will be taken against any or all of the liable persons.

2.6 If a taxpayer disputes the basis of why or what they have been charged in relation to Council Tax, the Council will advise them of their appeal rights by initially writing to the Council or alternatively by seeking redress at the Valuation Tribunal for Wales.

2.7 Council Tax and Business Rates is charged for financial years beginning on 1st April and ending on 31st March the following year. Taxpayers who receive an annual bill during March will normally receive ten monthly instalments payable between April and January inclusive, but the Council also welcome taxpayers to pay over 12 months. As the financial year progresses, less months are available, so the number of instalments reduces. Between 1st May and 31st December, the number of instalments allowed for the year's charge is the number of whole months less one. New bills created from January will usually be given one instalment payable within 14 days from the date of the bill.

### **3.0 The Recovery Process**

3.1 The Council only must prove recovery documents are issued in time and in line with regulations; it is not necessary to prove customers have received them.

3.2 As Council Tax and Business Rates are statutory charges it is very important that taxpayers give it a high priority when looking at their finances. If monthly instalments are paid late, or not at all, the Council will take action to recover the overdue amounts by sending documents that explain the consequences of delaying or not making payment. Taxpayers are actively encouraged to contact the Council without delay if they experience difficulties in paying their bill.

3.3 The Council has a planned annual recovery and enforcement timetable that sets out the dates for the issue of all recovery documents like reminders, final notices, and summonses. It also details magistrates' court hearing dates and targets for transmitting accounts for further recovery action using Enforcement Agents. The enforcement taken will be:

## Reminders and Final Notice Stage:

3.4 Apart from any accounts issued near the end of a financial year, all bills include a monthly instalment scheme. It is a taxpayer's responsibility to make sure that instalments are paid on time. If taxpayers do not pay, or if they make occasional or irregular payments that are not received on or by the due date, they will be considered overdue. If this happens, recovery action will be taken, initially in the form of a **1st Reminder Notice**.

3.5 Legislation allows for reminders to be sent immediately after an instalment is due, but the Council will usually allow taxpayers 12 days after a payment has become overdue before issuing a 1st reminder.

3.6 If an overdue instalment is subject to a 1st Reminder Notice, a taxpayer is required to make payment in full of the overdue instalment within 7 days. If payment is made as required, future instalments can then be paid as shown on the bill.

3.7 If the overdue instalment is paid, but a future instalment is not paid on time a 2nd Reminder Notice will be issued. If payment is made as required, future instalments can then be paid as shown on the bill. The second reminder states clearly that no further reminder notices will be sent if future instalments are not paid on time.

3.8 If payment is not made within 7 days following the issue of a of a 1st or 2nd reminder notice, after a further seven days a Final Notice will be sent for the full amount outstanding for the year.

3.9 Additionally, a Final Notice will also be issued if part or all of an instalment is overdue for a third time. This requires the full annual charge that is outstanding, rather than just the overdue instalment, to be paid in full within seven days. If payment is not made as required a summons will be sent for the full amount outstanding for the year together with associated costs of £84 for the issue of the summons.

3.10 Dependent on how promptly taxpayers pay, no more than two reminders and one final notice will be issued in a financial year before a summons is issued. Where the right to pay by instalments is lost due to consistent late payment, or no

payment, this will only be forfeited for the current financial year; the right to pay by instalments will be reinstated when subsequent years' charges become due

3.11 Reminder and Final Notices confirm the full range of payment methods available and include information to encourage taxpayers to get in touch with the Council to discuss payment difficulties. The Council will, where appropriate, re-instate a taxpayer's instalment scheme where the taxpayer has agreed to bring the account up to date and switch to payment by direct debit for payment of future payments.

3.12 The Council will normally only offer to re-instate instalments once in any financial year following the issue of a final reminder. The Council recognises the offer to re-instate instalment may help a taxpayers meet financial obligations, but at the same time, the taxpayers previous payment history will be considered to ensure habitual late payers are not continually given the opportunity to delay payment.

### **Summons Stage:**

3.13 In the event of late or non-payment as explained above, the Council will issue a Summons at the Magistrates' Court, giving at least fourteen days' notice of the hearing date. The summons will confirm the charge outstanding together with court costs that are added to the amount payable in recognition of the extra work needed to secure payment. The additional costs charged for a summons are currently £84 for Council Tax and £118 for Business Rates.

3.14 The summons will confirm the date and time of the Magistrates Court hearing at which the Council's officer will need to satisfy the Magistrate that the customer is the liable person, does owe the amount outstanding, and that the Council has sent the correct documents to the customers' current or last known address.

3.15 Taxpayers who pay the full amount confirmed on the summons, including the additional £84 costs or £118 costs for ratepayers before the hearing date do not have to attend court, however any payment arrangement made following the issue of a summons which extends payment beyond the liability order court hearing date will be made on the basis that the application for a liability order will continue and will include the initial £ £84 court costs for Council Tax or £118 court costs for Business Rates and additional costs of .50p for the issue of a Liability Order (i.e. a total of £84.50 costs for Council Tax or £118.50 for Business Rates).

3.16 Attendance at the Magistrates Court is not compulsory, and usually the majority of customers summonsed do not attend. A taxpayer can dispute the charge or speak to the Court. The Court will give an audience to anyone who wishes to appear, however, unless the taxpayer has a valid defence then the Court is obliged to grant a Liability Order.

### **Liability Order stage**

3.17 Following the issue of a Liability Order, the Council will write to the taxpayer or ratepayer to secure full payment or to make a suitable payment agreement. The notification will also provide details of potential consequences of enforcement action (and additional enforcement (Bailiff) costs) if the taxpayer does not make payment or fails to make a payment agreement. For Council Tax matters, the Council will also request to a taxpayer complete a 'statutory request for information', with details of their employment details, and if appropriate, information about any benefit that is received. Taxpayers are required to complete and return the statutory request within 14 days.

3.18 The Council will enter into a payment agreement with a taxpayer or ratepayer using the first principle that the outstanding balance must be paid in full prior to the end of the financial year, although in cases where there is no ongoing liability, payment agreements may be extended beyond the end of the financial year, depending on the circumstances of the case.

3.19 Following the issue of a Liability and in the event of the taxpayer not returning the 'statutory request for information' or failing to make a payment agreement, the recovery action to be taken will be dependent on the circumstances of each individual case and with due regard to the most effective way for the Council to collect :

**Attachment of Earnings** – Attachments require an employer of the taxpayer (for Council Tax only) to deduct a set percentage of the earnings and send them directly to the Council to pay the outstanding Liability Order. The amount of money deducted depends on how much is earned and whether the person is paid weekly or monthly. The deductions are governed by Council Tax regulations.

**Attachment from Income Support, Job Seekers Allowance, Universal Credit and Employment Support Allowance** – Attachments require the Department of Work and Pensions to make deductions from the taxpayer's benefit. The level of deduction is fixed by the Government but does increase annually.

**Attachment of Members Allowances** – The Council may make an attachment of the allowances of an elected member.

**Taking Control of Goods & Use of Enforcement Agents** – Enforcement Agents contracted by the Council may be used where no attachment is possible or suitable. The Enforcement Agents will always be required to comply with the Taking Control of Goods Regulations 2014.

Initially, if a debt has been passed to an enforcement agent a fixed fee of £75 for each liability order will be incurred. This is known as the compliance stage and taxpayers are encouraged to make early contact with the Enforcement Team within 10 days to pay the amounts due in full or set up a realistic repayment plan.

If taxpayers fail to engage or set up a repayment plan at the compliance stage, the liability order(s) will be passed to the Enforcement Agent for a visit to be undertaken. If the Enforcement Agent is required to visit there is a fixed fee of £235 plus 7.5% for any balance due above £1,500.

The enforcement agent will normally ask taxpayers for payment in full, however the enforcement agent will normally also enter into a Controlled Goods Agreement which also provides taxpayers with an opportunity to pay.

If possessions are subject to a Controlled Goods Agreement these goods cannot be disposed or sold without the enforcement agents consent.

If taxpayers refuse to sign a Controlled Goods Agreement the enforcement agent can take goods to the value of the debt whilst at the property. There are additional costs of £110 plus 7.5% for any balance due above £1,500 if goods must be removed and sold.

If the enforcement agent decides the value of the goods is insufficient to pay the amount outstanding and there is no prospective of making payment agreement, or the taxpayer cannot be traced the enforcement agent will normally return the Liability Order to the Council which ends the enforcement agent action.

3.20 If enforcement agent action proves unsuccessful, the Council will then consider whether to take further recovery action, dependent on the specific personal and financial circumstances of each individual case and with due regard to the most effective way for the Council to collect:

**Charging Order** – For taxpayers owing £1,000 or more, the Council may apply to the County Court for an Order that places a charge on the taxpayer's property and the court, in certain circumstances, empowering the sale of the property if the taxpayer does not pay. The obtaining of a charging order does not prompt automatic payment of the amount outstanding; providing there is sufficient equity in the property value following the repayment of any outstanding mortgage or other existing registered charges, it secures payment of the debt when the property is sold. Before such action is taken, the Council will always send a final letter inviting the taxpayer to a pre-arranged meeting to make a payment agreement.

**Bankruptcy** – For taxpayers owing £5,000 or more, the Council may also consider taking bankruptcy action. Before such action is taken, the Council will always send a final letter inviting the taxpayer to a pre-arranged meeting to make a payment agreement. Bankruptcy will be considered, only as a last resort, in line with the policy in Appendix 4.

## **4.0 Write Offs**

4.1 The Council recognises that where a debt is deemed to be irrecoverable, especially after all recovery options have been considered and/or taken, prompt write off of such debts is appropriate and good practice in certain circumstances and in line with the policy in Appendix 5.

## **APPENDIX 2 - Housing Benefit Overpayment Recovery Policy**

### **1.0 Introduction**

1.1 This policy document sets out Sandwell MBC's commitment to the recovery of Housing Benefit Overpayment in accordance with the Housing Benefit Regulations 2006 and the Housing Benefit (Persons who have attained State Pension Age) Regulations 2006

It is essential that Sandwell MBC demonstrates that it carries out recovery of Housing Benefit Overpayments efficiently and effectively.

By doing so the Council:

- Reduces losses to Public Funds
- Provides revenue for the Council
- Helps reduce the loss from overpayments
- Deters fraud and error
- Demonstrates commitment to accuracy and provision of a quality service to customers.

### **2.0 General Principle**

2.1 Overpayments are established through a review of benefit entitlement, where the original decision is superseded or in rare instances the correction of an accidental error. They are amounts of benefit that have been paid to which there is no entitlement.

### **3.0 Prevention of overpayments**

3.1 We will endeavour to minimise the level of overpayments by:

- Paying Housing Benefit promptly;
- Continuously reviewing and improving our systems and working practices;
- Actively encouraging customers to promptly report changes in circumstances.

### **4.0 Identification**

4.1 Accurate and prompt identification of overpayments is important to ensure we maximise the successful recovery of the overpayment and reduce the number of complaints and appeals.

To help identify overpayments the council will:

- Establish the cause of the overpayment and whether it is recoverable and from whom it should be recovered.
- Calculate underlying entitlement in all cases
- Ensure that every overpayment has been classified correctly,
- Notify the customer of the overpayment in accordance with current legislation
- Determine the best method of recovery.
- Not commence recovery until the individual has had the right to dispute the decision (in accordance with the timescales set out in the legislation).
- Offer help and advice to customers wishing to dispute the decision to recover the overpayment.
- In the event of being unable to recover an overpayment, promptly submit the debt for 'write-off'.

## **5.0 Recoverability**

5.1 If the overpayment was caused by misrepresentation or failure to disclose information, then the overpayment must be recovered from the person who misrepresented or failed to disclose that information.

If the overpayment was caused by official error it must be recovered from the person who at the time of receiving the payments, could reasonably have been expected to know that they were being overpaid.

An overpayment can be recovered from:

- The claimant
- The partner, if they were members of the same household at the time of the overpayment was created
- The person to whom the overpayment was paid

If a deceased person has an outstanding overpayment recovery can be sought from their estate.

## **6.0 Recovery from on-going Benefit**

6.1 Where the claimant is still entitled to Housing Benefit the overpayment should be recovered from their on-going entitlement.

The maximum deductions are provided by the government on an annual basis

Where the claimant's Housing Benefit includes an earnings disregard, a disregard for Charitable / Voluntary payments or a War Pension disregard, the Housing Benefit Regulations allow 50% of the statutory disregard to be added to the claw-back rate. (It does not include the additional earnings disregard)

However, a customer can request any alternative method of recovery and each request would be considered on its own merits.

## **7.0 Where there is no on-going Benefit entitlement**

7.1 If there is no on-going benefit entitlement the overpayment will be recovered via an Invoice after 31 days of an overpayment being created. This allows the customer to request a revision, appeal or make a new claim for Housing Benefit.

The invoice will request a first payment within 14 days from the date of the invoice. If the total overpayment is less than £60.00 the invoice will request the overpayment to be paid in one instalment. If the overpayment is over £60.00 that the overpayment will be split over 12 monthly instalments.

If the debtor is unable to pay in full or the instalment amounts it is possible to make alternative arrangement which will be covered in a later paragraph.

## **8.0 Methods of Payment**

8.1 It is essential to provide flexible and convenient methods of payment. At present the Council can accept payment by the following means:

- Direct Debit
- Online using our online payment system
- Credit / Debit card
- Payment Line
- Standing order
- Cheque

- Cash

## 9.0 Non-Payment

9.1 If the customer fails to make a payment following an arrangement a reminder will be issued 20 days from the date of the original Invoice.

A final demand will be issued if still no payment is received after 40 days from the original invoice. The final demand will request a full payment of the Housing Benefit Overpayment within 7 days.

## 10.0 Arrangements

10.1 If the customer cannot pay the overpayment invoice or meet the instalment amounts in full, they are encouraged to contact the council immediately as it may be possible to make a payment arrangement.

Each request will be considered on its own merits evaluating the amount due, and the customers personal and financial circumstances. It may be necessary to issue an Income and Expenditure form to obtain a clear picture of the customer's financial circumstances. The aim is to agree a realistic arrangement to collect the unpaid invoice within a reasonable time.

Once an arrangement is agreed between Sandwell MBC and the customer, a new invoice will be issued to the customer.

## 11.0 Further recovery action

11.1 Where the customer fails to make a payment on their arrangement or no payments are received against the outstanding invoice, further recovery action will be taken.

The type of action that may be taken is as follows:

- **Recovery from the Department for Work and Pensions (DWP) Benefits.** Deductions from certain DWP Benefits will be considered
- **Recovery from Landlord payments.** Where the overpayment is recoverable from the landlord the overpayment can be deducted from their next Housing Benefit payment.

- **Council Rent account that are in credit.** If the customer is a Council tenant and has a outstanding overpayment and their rent account is in credit. The credit can be used to reduce or clear the outstanding overpayment.
- **Direct Earnings Attachment.** The Council can ask an employer to deduct any Housing Benefit Overpayment of an employee direct from their earnings.
- **Debt collecting Agency.** The Council will forward any outstanding overpayment of Housing Benefit to an agreed debt collecting agency where that customer has failed to engage, and all the above alternatives are not an option.

## 12.0 Change of Address “Gone Aways”

12.1 If correspondence is returned undelivered and marked “Gone away” or similar and a forwarding address is not already known every effort is made to find a new address for the customer.

The Council will make all legally allowable checks on different records and systems to trace the customer to continue the recovery action.

## 13.0 Unrecoverable Overpayment

13.1 In certain circumstances the Council can decide not to recover an overpayment.

Examples include:

- The customer is deceased and has left no estate to recover the overpayment from
- The customer has gone away, and the Council has been unable to trace them
- Where the overpayment is uneconomical to pursue

## 14.0 Write Offs

14.1 The Council recognises that where a debt is deemed to be irrecoverable, especially after all recovery options have been considered and/or, prompt write off of such debts is appropriate and good practice in certain circumstances and in line with the policy in Appendix 5.

## APPENDIX 3 - Sundry Debt (Council Services) Policy

### 1.0 Introduction

1.1 The Council charges and collects income from a diverse range of activities, customers and range of public bodies and private businesses. Sundry debt does not include Council Tax, Business Rates, Housing Rent or Housing Benefit Overpayments.

1.2 The value of invoices raised can range significantly from a few pounds to several hundred thousand of pounds and therefore, taken together, the value of all these sundry debts is considerable.

1.3 It is essential that the Council recovers all collectable debt owed to it and the purpose of this policy aims to:

- Maximise the collection of the Councils income
- Ensure that, where possible, payment up front is received ensuring whenever possible that collection of the fee or charge involved takes place prior to the service being provided so that credit is only given when essential to do so
- Ensure clear terms and conditions of payment appear within documentation
- Ensure invoicing and recovery procedures are carried out on an accurate and timely basis, encouraging debtors to pay promptly, and making collection and recovery activity more efficient by prioritising collection of larger debts
- Minimise the time taken to raise invoices to within 10 days of the provision of service(s)
- Minimise the time taken to collect charges or to effect recovery
- Minimise the time taken to resolve invoice disputes
- End the ongoing delivery of a non-statutory service to a customer in non-payment cases, but only where it is possible to do so.
- Minimise the level of debt owed to the Council and its provision for bad debts
- Minimise the incidence of debt that cannot be collected
- Raise corporate awareness and responsibility of the importance of prompt debt recovery across all services

1.4 The charge must, depending on legislation, always cover the cost of providing goods or service and the costs of collection, unless the Council has taken a policy decision to subsidise the service.

1.5 The charge must be invoiced in an efficient and cost-effective way, ensuring that the frequency of invoices is minimised for services that are delivery on a regular and planned basis.

1.6 The debt will remain the responsibility of the Service in which it was raised, and recovery action will be taken by the General Debt Recovery Team. It is the responsibility of the services to assist the General Debt Recovery Team in collecting debts, ensuring that information and assistance is provided to ensure debts are collected quickly.

## **2.0 Corporate Responsibilities**

2.1 All officers involved in the issuing and recovery of sundry debt invoices must ensure that:

- The Corporate Debt Recovery Policy is adhered to (specifically Appendix 3 – Sundry Debts)
- The aims of the policy are adhered to
- The parts of this policy that apply to their Service areas are correctly followed
- Specific attention is paid to prohibit the practise of not resolving invoice disputes within a reasonable period
- Budget Managers are fully aware of their responsibilities
- Relevant systems and procedures are in place
- Officers involved in the debt collection process are appropriately trained and are aware of their corporate responsibility

2.2 The Director of Finance (Section 151), Revenues & Benefits Service Manager with Internal Audit support will provide assurance that this Policy is adhered to and is effective.

## **3.0 Raising an Invoice**

3.1 A commercial approach should be adopted where fees and charges are obtained in advance or at the time of service provision. Where goods or services

provided need to be paid for after this, then the Council offers credit facilities wherever it is considered prudent to do so.

3.2 Prompt invoicing is essential to efficient debt collection; the longer the period, the less likely is prompt settlement. Invoices must therefore be raised within 10 days of the service being delivered or due.

3.3 By raising an invoice, the originating service agrees approval to take appropriate recovery action through the General Debt Recovery Team, including court action when necessary, is granted at the time the debt is raised.

3.4 Invoices must not be raised for amounts of less than £40, excluding VAT, unless the invoice relates to collection of peppercorn rents, licenses or leases in connection with occupation of Council land and property. This is in line with the Council's Financial Procedure Rules.

3.5 For payment of amounts of £40 or less services are required to request payment up front where it is reasonable and practical to do so.

3.6 The service responsible for raising the invoice must ensure that the evidence of the service provided is fully validated and that the invoice is accurate and contains sufficient detail for both billing and recovery purposes. Services must ensure that all invoice information is fully completed, including:

- Customer's full name(s)
- Customer's full address(es), including postcode(s)
- Customer's contact telephone number(s)
- Customer's e-mail address
- Name of contact officer in cases of query over the service provided
- Date of supply of service
- Purchase order number (where applicable)
- Full description of the service/goods supplied
- For each type of supply – the unit price or rate, quantity or extent of goods and services
- Amount due
- VAT amount and rate of VAT charged
- Total due
- For each type of supply – the unit price or rate, quantity or extent of goods and services, VAT amount and rate of VAT charged

3.7 The content (narrative) on the invoice should be concise but of sufficient clarity to ensure that the customer fully understands the bill.

3.8 All invoices must be raised to a correctly named legal entity. In the event of non-payment, legal action cannot be taken against a non-legal entity. Legal entities are:

- **Individuals** - This is usually someone living at a residential address. When a request is received for a service, the person's full name (title, forename(s) and surname) must be obtained and stated. Initials are not sufficient. If the request is on behalf of more than one person then the full name of each person must be obtained and stated. The full correct postal address, including postcode, must be stated.
- **Sole Traders** - Where an individual is trading in his or her own name the full name of the individual as well as the business name must be obtained e.g. Mr John Smith, trading as Fast Removals. Evidence of the name of the business could be in the form of a request for services on a business letterhead. The individual's full postal address must also be requested.
- **Partnerships** - "LLP" must be added where applicable, otherwise the full names of one, two or more partners must be stated, followed by "trading as" (as above). If LLP is applicable the full correct business address, including postcode, must be stated, otherwise the full correct postal address(es), including postcode of the partner(s) should be stated.
- **Limited companies** - the name must include "Ltd" or "Plc". Invoices can be addressed to either the current registered office or to a place of business of the company. Evidence of their Limited Company Status and registered office must be obtained by requiring confirmation of the service request on their official letterhead
- **Charities limited by guarantee** - Companies which are charitable and also limited by guarantee can be exempted from using the term "Ltd" so, for example: "Oxfam" is a correct name. Evidence of their charitable status must be obtained by requiring confirmation of the service request on their official letterhead.

- **Clubs run by a committee** - the full name(s) and address(es) of the treasurer and / or the secretary, or the trustees must be stated.
- **Trustees** – the full name(s) and address(es) of the trustee(s) and the full name of the trust must be stated.
- **Executors or Personal Representatives** – must be addressed e.g. “Mr Peter Smith! Executor of James Brown Deceased or “Personal representatives of James Brown Deceased”. The full postal address(es) of the executors/personal representatives must be stated.

3.9 An invoice should not be raised where:

- A purchase order or written agreement has not been received
- It cannot be proven that the goods and/or services have been supplied
- If the debt is already bad or doubtful

## 4.0 Payment Terms

4.1 The Council will collect monies owing to it fully and promptly in line with the Immediate payment terms as outlined on the invoice. The standard terms apply to all sundry debtor accounts raised by the Council and should not be deviated from unless with the prior approval of the Director of Finance (Section 151).

4.2 All requests from customers to enter into payment agreements must be referred to the Corporate Debt team regardless of the amount owed. The Corporate Debt team will set up and monitor all payment agreements.

4.3 Payment terms beyond the 30-day period will only be granted where a customer is not able to settle the debt in full in one payment.

4.4 The General Debt Recovery Team will withdraw payment terms if a debtor fails to maintain a payment agreement.

## 5.0 Accounting Arrangements

5.1 Services will receive the credit when an invoice is first raised.

5.2 Where debts cannot be recovered and the debt is written off, the original debt will be debited from directorate bad debt provision by way of a write off. All write

offs will be considered in accordance with the Financial Procedure Rules and in accordance with the policy guidance in Appendix 5 to this policy.

5.3 All relevant information relating to an invoice (otherwise known as a proof of debt) should be kept until at least six years after it is first issued. If at the end of that six-year period the bill still remains unpaid but payments are being made, the supporting documentation should be retained until final settlement or write off of the debt.

5.4 Appropriate accounting arrangements will be put in place to ensure that the Council reclaims VAT from HMRC on a bad debt if:

- Goods/Services have been supplied and VAT has been accounted for and paid to HMRC (as output tax), but no payment (or only a part payment has been received, and
- The amount has, or is, about to be written off in the accounts, and
- Six months have elapsed from the later of the supply date and the time when payment was due, and
- The reclaim of VAT is made within three years and six months of the date the payment was due and payable or the date of supply.

5.5 Refunds for overpayments must be submitted by the Accounts Receivable Control Team to process and reconcile the refund request to control account and journals relating to the ledger code. Refunds will only be processed where there are no other debts outstanding and due from that customer.

5.6 All credit values of £1 or under will be transferred to the Councils Central Fund after the expiry of one financial year plus the current financial year. The same process will also be followed for any credit balances where General Debt/Recovery/Accounts Receivable Control Team is unable to trace the debtor.

## **6.0 Dispute Resolutions**

6.1 Where a customer disputes an invoice with the service, the service must notify the General Debt Recovery Debt team immediately to prevent the recovery process continuing. Equally, where a customer contacts the debt team rather than the service to dispute the invoice, the matter will be referred to the service responsible for raising the invoice and recovery will be held. Full notes and reasons for the dispute must be added to the customer's account.

6.2 To ensure the efficiency of debt collection and good customer service, all disputes must be resolved by the service responsible for raising the invoice within 20 working days of the dispute being raised. The General Debt Recovery Team must be notified of the outcome of the dispute.

6.3 A dispute is not resolved unless it meets one of the following conditions:

- Customer is correct and gets a full credit
- Customer is partly correct, gets a partial credit and accepts revisions
- Customer is not correct and accepts the charge
- Customer is not correct but does not accept the decision of the service and the service is prepared to support the commencement or continuation of recovery proceedings.

6.4 Where disputes are not resolved within 20 working days of the dispute being raised, outstanding disputes will be escalated to senior service manager within the service area initiating the invoice.

6.5 Following a case referral to a senior service manager, if the service does not resolve the dispute or provide a viable reasons within a further 5 working days as to why the dispute cannot be resolved the disputed debt will be escalated to the relevant chief officer for review and resolution.

6.6 For all unresolved disputes exceeding 35 working days, the General Debt Recovery team will raise a credit note to remove the debt from the system and reverse the income from the service. The service responsible for raising the invoice will be notified when this happens. It will then be the responsibility of the service for the re-raising of the invoice once the dispute is resolved, if appropriate.

## **7.0 Accounts subject to Recovery**

7.1 Following the issue of invoices, unless there are payment agreement in place, reminders will be sent for all invoices unpaid or partly unpaid after 7 days past the invoice due date, i.e. day 37 after the invoice is raised.

7.2 If an invoice is still unpaid after a further 14 days of the invoice reminder being raised (i.e. day 51 after the invoice is raised), a further letter will be sent that explains to the customer the potential action of a referral to a debt collection

agency or legal action through the County Council that may be considered by the Council

7.3 If, after a further 14 days, after the issue of the letter referred to in 7.2, an invoice is still unpaid (i.e. day 65 after the invoice is raised) the General Debt Recovery Team will attempt to make telephone contact with the customer in an effort to resolve the matter. Where appropriate, payment agreements will be offered. If telephone contact cannot be made or contact is made but the customer does not wish to engage with the Council to resolve the matter, the General Debt Recovery Team will consider the most appropriate recovery route. Each case will be treated on its own merits, but the following guidance will normally be adhered to:

7.4 Single or multiple debts up to £500 may be referred to the Councils contracted debt collection agents to collect the amount overdue if all previous attempts to secure payment have been unsuccessful. No additional fees will be added to the original debt.

7.5 Single or multiple debts over £500 will be considered for action through the County Court if the originating service can provide the necessary supporting information to aid a successful prosecution.

7.6 Consideration will be given not to take further recovery but only in cases where it is reasonable, economic and in the interests of Council Taxpayers to do so. In any case being considered for write off, the write off guidance in appendix 5 will be followed.

7.7 In appropriate cases where County Court action is considered appropriate, any failure of services to provide supporting information to aid a successful prosecution will result in the General Debt Recovery Team raising a credit note to cancel the charge and the loss of income will be met by the service who raised the original invoice.

7.8 For debts of £5,000 or more, the Council may also consider taking bankruptcy action through the courts if sufficient assets exist to meet the outstanding amount owing to the Council. Before such action is taken, the Council will always send a final letter inviting the customer to a pre-arranged meeting to make a payment agreement. Bankruptcy will be considered in line with the policy in Appendix 4.

7.9 In some instances, despite a County Court Judgement being obtained and enforcement action being taken, such action may, in some cases, fail to produce a payment towards some or all the debt due. In these circumstances, further action is limited and in these cases the invoice will be considered for write off in accordance with the write off guidance in appendix 5.

## **8.0 Credit Notes**

8.1 There is a clear distinction between raising a credit note and writing off a debt.

8.2 A credit note to cancel or reduce a charge must only be issued to

- Correct a factual inaccuracy or administrative error in the raising of the original invoice
- Cancel an invoice where a dispute has not been resolved within 28 days
- Adjust the amount of debt due
- Cancel an invoice where the service is unable to provide sufficient documentary evidence to support the recovery of an outstanding invoice.

8.3 All credit notes must be supported by evidence that validates the reason for reducing or cancelling the invoice.

8.4 When raising credit notes, services must ensure that all information is fully completed, in the same way as invoices are raised, including:

- It must reflect an agreed reduction in value and be issued within one month of the agreement.
- Description of supply
- Rate and amount of VAT charged
- Total charge
- In addition, the invoice number and date of the original VAT invoice should be shown on the credit note.

## **9.0 Corporate Reporting and Monitoring**

9.1 All Chief Officers will be issued with a monthly report to show debt levels outstanding within their portfolios. The reporting systems will show the breakdown of aged debt levels including a comprehensive breakdown of the invoices raised these within their services which remain outstanding.

9.2 In the interests of transparency and accountability, a half yearly report will also be presented to the chief officer's team showing debt levels across the organisation together with a full breakdown of aged debt levels within each portfolio.

## **10.0 Write Offs**

10.1 The Council recognises that where a debt is deemed to be irrecoverable, especially after all recovery options have been considered and/or taken, prompt write off of such debts, including reclaiming of VAT from HMRC (where applicable) is appropriate and good practice in certain circumstances and in line with the policy in Appendix 5.

## **APPENDIX 4 - Bankruptcy Policy**

### **1.0 Introduction**

1.1 The Council is committed to using the most effective recovery methods available and this policy will ensure that the Council's very occasional use of bankruptcy is consistent and complies with all relevant legislation and best practice.

1.2 Council Tax and Business Rate regulations allow for debts over £5,000 to be considered for bankruptcy providing that Liability Orders have been obtained. For Sundry debts and Housing Benefit overpayments, bankruptcy proceedings may be taken against debtors who owe more than £5,000 where a County Court Judgement has been granted in respect of the debt.

1.3 The Council also recognises that serious nature of bankruptcy which may result in an insolvent person's property being vested in a trustee – someone who realises and distributes payment among the creditors in final settlement of their claims. The serious nature of this action cannot be underestimated as the consequences could result in a person losing their home and possessions, and be liable to pay a charge and statutory fees/costs associated with bankruptcy amounting to several thousand pounds

1.4 Given that the Council is not a preferential creditor for the purposes of bankruptcy there is no guarantee of a dividend being paid. The Council will only consider using bankruptcy as a last resort and final option and will take a cautious and diligent approach in deciding if bankruptcy is reasonable action to take.

1.5 Bankruptcy action takes place in the debtors local County Court with bankruptcy jurisdiction unless the debtor resides in London, in which case the action takes place in the High Court or the Central London High Court.

1.6 The Recovery Team will manage the administration of bankruptcy cases and proceedings in respect of Council Tax, Business Rates, Sundry Debt and Housing Benefit overpayments, with the assistance from Legal Officers in appropriate cases.

## **2.0 When bankruptcy Action may be taken**

2.1 The Recovery Team may consider using bankruptcy proceedings in the following circumstances:

- Where the debt exceeds £5,000 and the debtor appears to have sufficient assets or equity to ensure the debt is recoverable by the Official Receiver of the Insolvency Service or the Trustee in Bankruptcy.
- Where the debtor is not prepared to make a payment agreement to clear the debt within a reasonable and acceptable timescale.
- Where other methods of recovery are considered inappropriate or have failed and bankruptcy action, as a last resort, appears to be a fair and proportionate course of action.

### **3.0 Recording Information and Decisions**

3.1 When the Council consider bankruptcy proceedings, a log of events will be maintained on the customer's account throughout the process to ensure that bankruptcy remains the most appropriate course of action.

3.2 Prior to commencing bankruptcy proceedings enquiries will be made of the Revenues and Benefit records to:

- Establish a debt history and whether any previous debts have been collected within a reasonable period by other means.
- Ensure that all known benefits, discounts, and exemptions have been granted based on the information held
- Establish whether, based on any information held, the debtor may be vulnerable or unable to deal with their day to day financial affairs or have had previous debts written off.

3.3 Contact will also be made with relevant portfolio to ascertain if the debtor is known to them and therefore may be vulnerable. If the debtor is currently receiving any care service further enquiries will be made with the key worker to establish if the debtor may be vulnerable by way of, for example, age, mental illness, serious learning difficulties or where it is known that the debtor is unable to deal with their own affairs. Should it be apparent the debtor has such difficulties then consideration will be given to whether the help of other agencies should be sought, and to the appropriateness of pursuing an alternative course of action, including the potential to write off in line with the policy in appendix 5.

3.4 If records held and enquiries with relevant Directorates do not indicate that the debtor may be vulnerable then enquiries will be made with a credit reference agency and the Land Registry to establish information about the debtor's financial standing and ownership of property and assets.

3.5 In the event that vulnerability is identified then details of the perceived vulnerability will be recorded. Further enquiries will then be made with the relevant support services within the Council together with possible referral to other advice agencies and to determine an alternative method of recovery.

## **4.0 Statutory Demand**

4.1 Where a decision is taken to commence bankruptcy proceedings a formal 'statutory demand' for payment will be issued by the Council to the debtor and the service of the statutory demand upon the debtor is the first formal stage in bankruptcy proceedings.

4.2 Guidance on service requirements are set out in the Insolvency Proceedings Court Practice Direction. A letter will also be issued with the statutory demand setting out the intentions of the Council and what the debtor needs to do to comply with it.

4.3 The debtor will still have the opportunity to contact the Council, even at this stage and, depending on information supplied, it may still be possible to a short-term repayment arrangement. The debtor also has the right to apply to the County Court to have the Statutory Demand set aside.

## **5.0 Bankruptcy Petition**

5.1 The Council may present a Creditors Bankruptcy Petition to the County Court within four months of service of the Statutory Demand Notice if the debtor has not complied with it, or if alternative payment arrangements cannot be agreed following the service of the Statutory Demand.

5.2 Prior to presentation of the Petition, further enquiries will be made all relevant Directorates to establish whether the debtor has become known to them during the recent process in which case the action will be reconsidered.

5.3 The Council is required to serve the Petition upon the debtor and guidance for service requirements are set out in the Insolvency Proceedings Court Practice Direction.

5.4 At this stage, the debtor is required to pay the debt in full before the hearing of the Petition at Court otherwise the Court will be asked to make a Bankruptcy Order. The Council will always support a short adjournment of the court proceedings if the debtor provides the court with evidence that they will be able to pay in full within a very short period.

5.5 If, between the Petition being presented to the Court and the hearing of the Petition, it becomes known that the debtor does not have the capacity to deal with

the matter, then full consideration will be given to seeking an adjournment of the proceedings to enable both the debtor and the Council to obtain further advice.

## **6.0 Making of a Bankruptcy Order**

6.1 If the Court awards a Bankruptcy Order, the Official Receiver of the Insolvency Service is immediately appointed Trustee in Bankruptcy.

## APPENDIX 5 - Write Off Policy

### 1.0 Introduction

1.1 The Council recognises that where a debt is irrecoverable, prompt and regular write off of such debts is important so that the Council can budget for bad debts. An integral part of debt recovery is the effective management of bad debts to ensure that resources are applied efficiently to the collection of monies outstanding which can reasonably be expected to be collected.

1.2 The Council will seek to minimise the cost of write offs to the local taxpayers by taking all necessary and appropriate recovery action to recover what is due. All debts will be subject to the full collection, recovery and legal procedures and considerations as outlined in this Corporate Debt Recovery Policy.

1.3 Write offs will be carried out in accordance with the Councils Financial Procedure Rules, and only in cases where

- The demand or invoice has been raised correctly and is due and owing; **and**
- There is a justified reason why the debt should no longer be pursued.

1.4 The Director of Finance has delegated authority to write off debts up to £24,999. All debts considered for write off in excess £25,000 will be referred to Cabinet member for Finance and Resources for approval.

1.5 Debts will normally only be considered for write off where the account is 'closed' and there are no reoccurring debts. Only in exceptional circumstances will amounts on 'live' and ongoing accruing debts be considered for write off. All such cases must demonstrate that further recovery will not achieve collection of the debt.

1.6 The Council will record all write off decisions.

### 2.0 Reasons for Write Off

2.1 Is it not possible to list every possible scenario which could make a debt suitable for write off, however the following reasons capture the main reasons why debts become irrecoverable:

**Absconded / No Trace** The debtor has left the address listed on the invoice/bill and all reasonable attempts, including using trace agents, to find the debtor have failed.

**Deceased** The debtor has passed away and there is evidence of insufficient or no funds in the deceased persons estate to pay the amount outstanding

**Debt 'out of time'** Debts over 6 years old and where a Liability Order has not been granted (Council Tax and Business Rates), or no contact has been made and no payments have been received (in accordance with the Limitation Act 1980 as amended).

**Small Debts and debts**

**Uneconomical to pursue** When all recovery processes have been tried or considered and where the cost of proceeding to recover would be cost prohibitive to the Council and to its taxpayers.

**Debts subject to a Debt Relief Order** Where debts owed to the Council are subject to and included in a Debt Relief Order and cannot be recovered.

**Bankruptcy** The debtor is declared bankrupt and sums due before the date of bankruptcy cannot be recovered.

**Companies in Liquidation/ Wound Up / Dissolved Companies** The Company is a Limited Company registered with House and no longer exists and there is no means of recovering the debt.

### **3.0 Conditions for re-claiming VAT on Bad Debts**

3.1 The Council will be entitled to a refund of VAT from HMRC on any bad debts (excluding Council Tax, Business Rates and Housing Benefit Overpayments) if the conditions prescribed below are met:

- Goods and services have been supplied and VAT has been accounted for and paid to HMRC but no payment (or only a part payment – see 3.4) has been received.
- The debt has, or is, to be written off in the accounts and transferred to a bad debt account

- The debt must not have been assigned
- The debt has remained unpaid (or partly unpaid) for six months or more after the later of the date payment was due or the date of the supply of the goods or services
- The re-claim of VAT is made within three years and six months of the later of the date payment was due or the date of the supply of the goods or services.

3.2 The Council is required, in accordance with HMRC guidance, to retain copies of all invoices and bad debt account details for a fixed period of six years

3.3 VAT on bad debts will be re-claimed on the monthly VAT return, ensuring that appropriate VAT codes are debited with the appropriate amounts to reduce the amount of the write off recorded against the appropriate bad debt provision for the relevant Directorate.

3.4 Where the Council is re-claiming VAT on debts where part payment is received, the entitlement to bad debt relief on VAT is based on the amount outstanding for the supplies made. For a single supply, where no payment is received, the amount of VAT accounted for can be reclaimed. If a part payment of the debt is received, a refund can only be claimed on the VAT relating to the amount still unpaid.

3.5 HMRC advise that payments should be allocated to the earliest supply made unless the customer specifies that a payment is for a particular supply and pays for that supply in full.

3.6 In bad debt cases where everything except the VAT element is paid, if the customer refuses to pay the VAT element of an invoice and this is the only element outstanding, relief is limited to the VAT element of the total debt outstanding. For example, if the charge was £100 (which was paid) and £20 VAT remains outstanding, the Council is entitled to re-claim VAT of £3.33 (i.e. 1/6 of £20).

3.7 Any bad debt relief claimed on sales must be at the same rate of VAT as used for those sales, that is, 20% from 4 January 2011, 17.5% from 1 January 2010 to 3 January 2011 and 15% from 1 December 2008 to 31 December 2009.

3.8 If VAT is re-claimed on a bad debt and a payment is later received from the customer, the VAT element included in the payment must be paid over to HMRC in the tax period in which the payment is received.

3.9 For any technical queries on VAT treatment of invoices please refer to the Council's Tax Advisor.

# **Sandwell Metropolitan Borough Council**

## **Revenues and Benefits Service Council Tax Award of Discount Policy**

**2025/26**

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## 1. INTRODUCTION

- 1.1 The Local Government Finance Act 1992 provides Local Authorities with the necessary powers to reduce Council Tax by awarding discounts where specific prescribed circumstances prevail.

Each Local Authority has the right to set the level of empty property discounts to be levied on Council Tax accounts in their area.

## 2. GENERAL PRINCIPALS/REGULATIONS

- 2.1 Section 11(A) of the Local Government Act 1992, introduced by Section 75(1) of the Local Government Act 2003 gives Local Authorities the flexibility to determine what, if any, discounts should be applied to empty properties.

- 2.2 Section 11B of the Local Government Finance Act 1992, introduced by Section 12 of the Local Government Finance Act 2012, allowed for Local Authorities to charge an amount for Council Tax where properties have remained empty and unfurnished for a period of 2 years or more.

The charges were further amended by the Rating (Properties in Common Occupation) and Council Tax (Empty Dwellings) Act 2018. This is known as an 'Empty Homes Premium' and the charges are shown in Section 3 below.

From 01 April 2024 based on the recent Levelling up and Regeneration Bill of 2022 a further amendment to this section of the Local Government Finance Act will allow for Local Authorities to charge an amount for Council Tax where properties have remained empty and unfurnished for a period of 1 year or more.

The Bill also recognises the impact that high levels of second home ownership can have in some areas and will introduce a new discretionary Council Tax premium on second homes of up to 100% from 01 April 2025.

As of 01 November 2024, and to be implemented from 01 April 2025, The Council Tax (Prescribed Classes of Dwellings and Consequential Amendments) (England) Regulations 2024 will amend the Council Tax (Prescribed Classes of Dwellings) (England) Regulations 2003 (“the 2003 Regulations”) and prescribe additional classes of dwellings in relation to which a billing authority may not make a determination to apply a higher amount of Council Tax on long-term empty homes and/or dwellings occupied periodically (often referred to as second homes).

Some of the exceptions are time limited to 12 months and others run for as long as the dwelling meets the qualifying criteria. The instrument also makes necessary amendments to the Council Tax (Administration and Enforcement) Regulations 1992, the Council Tax (Demand Notices) (England) Regulations 20113 and the Local Authorities (Calculation of Council Tax Base) (England) Regulations 20124, consequential on the introduction of the premium on second homes through section 80 of the Levelling-up and Regeneration Act 2023.

### 3. PROCESS FOR SERVICES / PROVIDERS

- 3.1 The purpose of this policy is to outline the level of discount that Sandwell has resolved to apply under the regulations highlighted in Section 2 above.
- 3.2 Discounts will be applied based on information received, Council Tax accounts will be updated, and revised bills issued accordingly.

#### 3.4 The level of Council Tax discounts

Properties which are unoccupied but furnished:

This 0% discount is known as a ‘Prescribed Class B’ (or ‘PCLB’) discount

No discount is applied which means an empty furnished property has a full 100% Council Tax charge levied.

A Second Home Premium will also be applied to these properties and will therefore attract an additional 100% charge as of 01 April 2025.

200% Council Tax is payable from the date a property becomes empty but furnished, regardless of any change in ownership.

From 01 April 2025 some exceptions will apply to the additional 100% Second Home Premium for a maximum period of 12 months however, the 100% charge will remain payable (unless stated otherwise below):

- Properties that are or would be someone's sole or main residence if they were not residing in job related armed forces accommodation will not be subject to a premium.
- Annexes forming part of, or being treated as part of, the main dwelling will not be subject to a premium.
- Properties being actively marketed for sale, the exception will end either when the 12-month period has ended, when it has been sold, or when the property is no longer actively being marketed for sale.
- Properties being actively marketed for let, the exception will end either when the 12-month period has ended, when it has been let, or when the property is no longer actively being marketed for let.
- Properties which fell within exempt Class F and where probate has recently been granted.
- Job-related second homes will not be subject to a premium and will attract a 50% charge and not 100% (this exception will not apply to cases where someone chooses to have an additional property to be closer to work while having a family home elsewhere or where an individual is posted to a new location but maintain their previous address).
- Occupied caravan pitches and boat moorings will not be subject to a premium.
- Seasonal homes where year-round, permanent occupation is prohibited, specified for use as holiday accommodation or planning condition preventing occupancy for more than 28 days continuously will not be subject to a premium.

#### Empty & unfurnished property

Properties which are unoccupied and unfurnished:

No discount is applied which means an empty & unfurnished property has a full 100% Council Tax charge levied.

100% Council Tax is payable from the date a property becomes empty and unfurnished, regardless of any change in ownership.

This 0% discount is known as a 'Prescribed Class C' (or 'PCLC') discount

After two years, prior to the 1<sup>st</sup> April 2024 additional premiums for long-term empty homes will apply. (See below)

From the 1<sup>st</sup> April 2024 these additional premiums will now apply after one year

### Uninhabitable property

Properties which are uninhabitable:

No discount is applied which means uninhabitable property has a full 100% Council Tax charge levied.

100% Council Tax is payable from the date a property becomes empty and uninhabitable, regardless of any change in ownership.

This 0% discount is known as a 'Prescribed Class D' (or 'PCLD') discount

The maximum length of this discount is one year, after which, if it is empty and unfurnished, it will change to a 0% Prescribed Class C discount (100% charge)

After two years, prior to the 1<sup>st</sup> April 2024 additional premiums for long-term empty homes will apply.

From the 1<sup>st</sup> April 2024 these additional premiums will now apply after one year.

From 01 April 2025 Empty properties requiring or undergoing major repairs or structural alterations as outlined in the Local Government Finance Act 1992, may be entitled to a maximum of a 12-month exception to the Empty Homes Premium (additional 100%), however, the 100% charge will remain payable.

## Long term empty property - 'Empty Homes Premium'

Prior to 1<sup>st</sup> April 2019, properties which had been empty and unfurnished for two years or more were charged an additional 50% 'empty premium' which generated a Council Tax charge of 150%. During the period 1<sup>st</sup> April 2019 and 31<sup>st</sup> March 2024 properties which are empty and unfurnished for two years or more are charged an additional 100% 'empty premium' which generates a Council Tax charge of 200%.

- From 1<sup>st</sup> April 2024 onwards, a 100% 'premium' will apply to homes empty over 1 year, generating a Council Tax charge of 200%.
- From 1<sup>st</sup> April 2020 onwards, a 200% 'premium' applies to homes empty for over 5 years, generating a Council Tax charge of 300%.
- From 1<sup>st</sup> April 2021 onwards, a 300% 'premium' applies to homes empty for over 10 years, generating a Council Tax charge of 400%.

The appropriate premium shall apply in all cases 2, 5 or 10 years from the date the premises first became empty.

From 01 April 2025 some exceptions will apply to the additional 100% Empty Property Premium for a maximum period of 12 months however, the 100% charge will remain payable (unless stated otherwise below):

- Properties that are or would be someone's sole or main residence if they were not residing in job related armed forces accommodation will not be subject to a premium.
- Annexes forming part of, or being treated as part of, the main dwelling will not be subject to a premium.
- Properties being actively marketed for sale, the exception will end either when the 12-month period has ended, when it has been sold, or when the property is no longer actively being marketed for sale.
- Properties being actively marketed for let, the exception will end either when the 12-month period has ended, when it has been let, or when the property is no longer actively being marketed for let.
- Properties which fell within exempt Class F and where probate has recently been granted.

### 3.5 Appeals

Liable parties can appeal under S16 of the Local Government Finance Act 1992) if they disagree with either:

- the decision to treat a property as empty and hence apply empty property charges on a particular account based upon facts of that *individual case*; and/or
- the levy of an Empty Homes Premium on a particular account based upon facts of that *individual case*

In the case of an individual appeal under S16 of the Local Government Finance Act 1992, appeals should initially be made in writing to Sandwell MBC. If still aggrieved, appeals may be made to the Valuation Tribunal Service.

However the principle itself of applying 0% discount on empty property and/or the levy of Empty Homes Premium charges in Sandwell is *not* open to general appeal as it is the resolution of the Council and as such can only be appealed via Judicial Review

## 4. POLICY REVIEW

4.1 This policy will be reviewed on an annual basis.

## 5. EQUALITIES

5.1 This policy has been produced in line with the Council's obligation to the Public Sector Equality Duty provided by the Equality Act 2010. No adverse impact on any protected characteristic has been identified as a result of this policy.

**Sandwell Metropolitan Borough Council**  
**Revenues and Benefits Service**  
**Council Tax Discretionary Reduction Policy**  
**(Under S13a 1C of the Local Government**  
**Finance Act 1992)**

**2025/26**

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## 1. INTRODUCTION

- 1.1 Section 13a 1C of the Local Government Finance Act 1992 allows the Council to reduce the amount of Council Tax payable.
- 1.2 Legislation does not dictate the circumstances in which reductions apply and therefore the Council must use discretion in deciding whether or not to use these powers.
- 1.3 The Council is required to pay for any awards applied under this legislation out of its own funds and therefore awards must meet the underlying principal of offering value for money to tax payers.

## 2. GENERAL PRINCIPALS / REGULATIONS

- 2.1 Section 13a (1c) of the Local Government Finance Act 1992 (as amended by section 76 of the Local Government Act 2003) gives power to a Billing Authority (the Council) as below:
  - Where a person is liable to pay Council Tax in respect of any chargeable dwelling for any day, the Billing Authority for the area in which the dwelling is situated may reduce the amount which he is liable to pay as respects the dwelling and the day to such extent as it thinks fit.
  - The power under subsection (1) above includes power to reduce an amount to nil.
  - The power under subsection (1) may be exercised in relation to particular cases or by determining a class of case in which liability is to be reduced to an extent provided by the determination.

## 3. PROCESS FOR SERVICES

### 3.1 Policy overview

The purpose of this policy is to outline the conditions that should be satisfied in order for Sandwell MBC to consider a reduction under section 13A (1c) of the Local Government Finance Act 1992.

The policy is intended to enable the Council to provide a reduction to those people in need of help due to severe financial hardship and those most vulnerable residents.

Each case will be treated strictly on its own merits in accordance with the criteria and process laid down by the Council.

The features of the Sandwell's Section 13A (1c) policy are that:

- It is a discretionary reduction - There is no statutory right for any council taxpayer to receive a discretionary reduction.
- The operation of the reduction is for the Council to determine
- The Council may choose to vary the way in which funds are allocated according to community needs
- If the applicant is dissatisfied with any decision taken on a claim that they have made they can ask for a review/make an appeal in line with Section 3.4 of this Policy

Where the scheme relates to a Government Scheme, as referenced but not limited by Section 3.2, the features of the scheme will be as defined by Government or, where local discretion is allowed, as defined by the Council for that specific instance.

Requests for Council Tax Discretionary reduction in liability should be made by contacting the Council to discuss your circumstances. We will issue a 'Section 13A' application form where appropriate, which should then be completed and submitted to the Revenue and Benefits Service.

### **Criteria for using powers**

Each application shall include the following information:

- The amount of reduction being requested
- The reason for the request (i.e. why is the reduction needed)
- The period of time the reduction is required (e.g. the full financial year, part of a financial year or some of that period of time)
- The steps that have been taken to meet or mitigate the Council tax liability (i.e. any other discounts or reductions awarded)

## 3.2 Circumstances where reduction will be considered

### Exceptional Financial Hardship

In accordance with Schedule 1a of the Local Government Finance Act 1992, the Council has a Council Tax Reduction Scheme which provides support, through a discount, to those deemed to be in need of financial help. The Scheme has been designed to take into account the financial and specific circumstances of individuals through the use of applicable amounts, premiums and income disregards.

Applications will be accepted under this part of the policy from people who have qualified for support under the Council Tax Reduction Scheme but who are still experiencing severe financial hardship. Other taxpayers may also apply; however the Council would normally expect the taxpayer to apply for Council Tax Reduction in any case where there is potential entitlement.

As part of the process of applying for additional support, the taxpayer must supply evidence to substantiate their application including but not limited to:

- Making a separate application for assistance.
- Providing full details of their income and expenditure.
- Being able to satisfy the Council that they are not able to pay their Council Tax either in part or full.
- Accepting assistance from either the Council or third parties such as the Citizen Advice (CA) or similar organisations to enable them to manage their finances more effectively including the termination of nonessential expenditure;
- Identifying potential changes in payment methods and arrangements to assist the applicant.
- Assisting the Council to minimise liability by ensuring that all discounts, exemptions and reductions are properly granted.
- Being able to demonstrate that all reasonable steps have been taken to meet their full Council Tax liability including applications for employment or additional employment, alternative lines of credit.
- Having no access to assets that could be released and used to pay their Council Tax.

- Maximising their income through the application for other welfare benefits, cancellation of non-essential contracts and outgoings and identifying the most economical tariffs for the supply of utilities and services generally.

The Council will be responsible for assessing applications against this policy and an officer will consider the following factors in the decision-making process:

- Current household composition and specific circumstances including disability and/or caring responsibilities.
- Current financial circumstances.
- Determine what action(s) the applicant has taken or needs to take to alleviate the situation.
- Consider alternative means of support that may be available to the applicant by:
  - Re-profiling council tax debts and/or other debts.
  - Applying for a Discretionary Housing Payment for Housing Benefit (where applicable);
  - Maximising other benefits.
  - Reducing Council Tax debt by way of any applicable reductions
    - Council Tax Support (CTR)
    - Council Tax statutory exemptions
    - Council Tax discounts
    - Council Tax reductions for disabilities
  - Determining whether in the opinion of the decision maker the spending priorities of the applicant should be re-arranged.
- Requests can be made at any time, however the reduction will generally be awarded from the date the council identifies that the conditions for the discount are met or from the 1<sup>st</sup> April of the current financial year, whichever is later.
- Where extenuating circumstances are identified, the reduction may be backdated into a previous financial year.

### **Crisis – subsidence, fire etc.**

The Council will consider requests for reduction from council taxpayers who, through no fault of their own, have experienced a crisis that has made their property uninhabitable, such as a fire, subsidence, flooding caused by burst pipes etc.

This discount no longer relates to weather related flooding, which is now covered by a specific government scheme.

To be considered, the resident must remain liable to pay council tax at the property. They must have no recourse to compensation/ insurance payments, nor have recourse to any statutory exemptions or discounts.

All such requests must be made in writing detailing the **exact** circumstances of why the reduction is required and specifying when the situation is expected to be resolved.

To consider applications, the council may need to consult with other organisations as appropriate.

## **Government Schemes**

From time-to-time the Government may introduce a specific scheme in response to an event such as a natural disaster (e.g. flood relief schemes).

The Council will not consider requests from taxpayers where government guidance or policy provides for a reduction in liability in specific circumstances.

## **Tenants in Houses of Multiple Occupation**

On 01 December 2023 the Government announced changes to regulations for Houses of Multiple Occupation to ensure they are valued as a single dwelling, however, it is recognised that some tenants may have suffered financial hardship as a result of Council Tax being charged on individual rooms.

In cases where the property has been re-banded into multiple bands, tenants may be unaware about the change in their council tax liability and may be in arrears.

In such circumstances, the Council may consider using the discretionary powers under section 13A(1)(c) of the Local Government Finance Act 1992 to apply a discount to tenants' liability.

All such requests must be made in writing detailing the **exact** circumstances of why the reduction is required and the Council will make the necessary investigations into the individual's financial situation.

### **Other Circumstances**

The Council may consider discretionary reduction requests based on other circumstances; however, the Council must be of the opinion that the circumstances relating to the request warrant further reduction in their liability for Council Tax having regard to the effect on other Council Taxpayers.

No reduction will be granted where any statutory exemption or discount could be granted.

No reduction will be granted where it would conflict with any resolution, core priority or objective of the Council.

### **3.3 Period of Award**

Reduction in liability will commence from the date of application or the date when the need for financial help arose. Any reduction allowed will generally only apply in the current financial year and hence the earliest start will be 1<sup>st</sup> April of the existing financial year in which the request was received, unless good cause can be shown as to why an application was not made sooner, or there are extenuating circumstances that warrant a backdate of the reduction into a previous year.

The reduction will end on either the last day of the current financial year or the date on which the need for the reduction was removed, whichever date is earlier.

### **3.4 Administration**

#### **Responsible Officers**

The responsibility for making discretionary decisions will rest with the Director of Finance.

The Revenues and Benefits Service will liaise with the customer in each case to obtain sufficient evidence and information (in line with the criteria as laid out in this policy) to make a decision in their case.

#### **Decision making process**

The Council will decide every application for a reduction in liability where the customer has satisfied the required criteria as laid out in this policy.

The decision-making process will involve:

**Stage 1:** The Revenues and Benefits Service Manager making a recommendation to the Director of Finance, having considered each case on 'its merits' against the information provided by the customer.

**Stage 2:** The Director of Finance will decide whether to apply the reduction to reduce the charge accordingly.

#### **Changes of circumstances**

The customer has a duty to notify the Council where a change in circumstance would affect the granting of the reduction.

#### **Notification**

The Council will notify a customer of any entitlement to a reduction within 14 days of receiving sufficient information to make a decision.

The Council will notify a customer of any changes to entitlement within 14 days of receiving sufficient information to make a decision.

### **The right to seek a review and appeals**

Appeals against the Council's decision may be made in accordance with Section 16 of the Local Government Finance Act 1992.

The Council Taxpayer must in the first instance write to the Council outlining the reason for their appeal. Once received the Council will reconsider its decision and notify the Council Taxpayer accordingly.

Where the Council Taxpayer remains aggrieved, a further appeal can then be made to the Valuation Tribunal. This further appeal should be made within 2 months of the decision of the Council not to grant any reductions. Full details can be obtained from the Councils website or from the Valuation Tribunal <http://www.valuationtribunal.gov.uk>

### **Notification of review/re-determination of decision**

The Council will aim to notify a customer of its decision within 14 days of receiving a request for a review/re-determination.

### **Payment of Award**

All awards will be made by crediting the award value to the Council Tax account to which it applies.

If by crediting the award, the account moves to an overall credit balance, a refund of that balance will be considered in the normal manner.

### **Overpayment of reduction**

If the council becomes aware that the information contained in an application for a reduction was incorrect, or that relevant information was not declared (either intentionally or otherwise) the Council may seek to recover the value of any award made as a result of that application.

The award will be removed from the relevant Council Tax account and any resulting balance will be subject to the normal methods of collection and recovery applicable to such accounts.

### ***Fraud***

The Council is committed to protecting public funds and ensuring funds are awarded to the people who are rightfully entitled to them.

An applicant who tries to fraudulently claim a reduction by falsely declaring their circumstances, providing a false statement or evidence in support of their application, may have committed an offence under The Fraud Act 2006.

Where the Council suspects that such a fraud may have been committed, this matter will be investigated as appropriate and may lead to criminal proceedings being instigated.

### ***Complaints***

The Council's 'Compliments and Complaints Procedure' (available on the Council's website) will be applied in the event of any complaint received about this policy.

## **4. POLICY REVIEW**

### **4.1 Policy Review**

The policy will be reviewed annually by the Revenue and Benefits Service, or sooner if appropriate, to take account of operational adjustments and or changes to legislation.

## **5. EQUALITIES**

## **5.1 Equalities**

This policy has been produced in line with the Council's obligation to the Public Sector Equality Duty provided by the Equality Act 2010. No adverse impact on any protected characteristic has been identified as a result of this policy.

However, due to the discretionary nature of decision making the Revenues and Benefits Service will randomly sample decisions made to ensure consistency.

**Sandwell Metropolitan Borough Council**

**Housing Benefit Overpayment Recovery Policy**

**2025/26**

## 1. Introduction

This policy document sets out Sandwell MBC's commitment to the recovery of Housing Benefit Overpayment in accordance with the Housing Benefit Regulations 2006 and the Housing Benefit (Persons who have attained State Pension Age) Regulations 2006

It is essential that Sandwell MBC demonstrates that it carries out recovery of Housing Benefit Overpayments efficiently and effectively.

By doing so the Council:

- Reduces losses to Public Funds
- Provides revenue for the Council
- Helps reduce the loss from overpayments
- Deters fraud and error
- Demonstrates commitment to accuracy and provision of a quality service to customers.

## 2. General Principles

Overpayments are established through a review of benefit entitlement, where the original decision is superseded or in rare instances the correction of an accidental error. They are amounts of benefit that have been paid to which there is no entitlement.

### **Prevention of overpayments**

We will endeavour to minimise the level of overpayments by:

- Paying Housing Benefit promptly;
- Continuously reviewing and improving our systems and working practices;

- Actively encouraging customers to promptly report changes in circumstances.

## Identification

Accurate and prompt identification of overpayments is important to ensure we maximise the successful recovery of the overpayment and reduce the number of complaints and appeals.

To help identify overpayments the council will:

- Establish the cause of the overpayment and whether it is recoverable and from whom it should be recovered.
- Calculate underlying entitlement in all cases
- Ensure that every overpayment has been classified correctly,
- Notify the customer of the overpayment in accordance with current legislation
- Determine the best method of recovery.
- Not commence recovery until the individual has had the right to dispute the decision (in accordance with the timescales set out in the legislation).
- Offer help and advice to customers wishing to dispute the decision to recover the overpayment.
- In the event of being unable to recover an overpayment, promptly submit the debt for 'write-off'.

## Recoverability

If the overpayment was caused by misrepresentation or failure to disclose information, then the overpayment must be recovered from the person who misrepresented or failed to disclose that information.

If the overpayment was caused by official error it must be recovered from the person who at the time of receiving the payments, could reasonably have been expected to know that they were being overpaid.

An overpayment can be recovered from:

- The claimant
- The partner, if they were members of the same household at the time of the overpayment was created

- The person to whom the overpayment was paid

If a deceased person has an outstanding overpayment recovery can be sought from their estate.

### **Recovery from on-going Benefit**

Where the claimant is still entitled to Housing Benefit the overpayment should be recovered from their on-going entitlement.

The level of ongoing recovery will be determined by the Department for Work and Pensions.

Where the claimant's Housing Benefit includes an earnings disregard, a disregard for Charitable / Voluntary payments or a War Pension disregard, the Housing Benefit Regulations allow 50% of the statutory disregard to be added to the claw-back rate. (It does not include the additional earnings disregard)

However, a customer can request any alternative method of recovery and each request would be considered on its own merits.

### **Where there is no on-going Benefit entitlement**

If there is no on-going benefit entitlement the overpayment will be recovered via an Invoice after 31 days of an overpayment being created. This allows the customer to request a revision, appeal or make a new claim for Housing Benefit.

The invoice will request a first payment within 14 days from the date of the invoice. If the total overpayment is less than £60.00 the invoice will request the overpayment to be paid in one instalment. If the overpayment is over £60.00 that the overpayment will be split over 12 monthly instalments.

If the debtor is unable to pay in full or the instalment amounts it is possible to make alternative arrangement which will be covered in a later paragraph.

### **Methods of Payment**

It is essential to provide flexible and convenient methods of payment. At present the Council can accept payment by the following means:

- Direct Debit
- Online using our online payment system
- Credit / Debit card
- Payment Line

- Standing order
- Cheque
- Cash (Not taken at Sandwell Council House, Oldbury)

## Non-Payment

If the customer fails to make a payment following an arrangement a reminder will be issued 20 days from the date of the original Invoice.

A final demand will be issued if still no payment is received after 40 days from the original invoice. The final demand will request a full payment of the Housing Benefit Overpayment within 7 days.

## Arrangements

If the customer cannot pay the overpayment invoice or meet the instalment amounts in full, they are encouraged to contact the council immediately as it may be possible to make a payment arrangement.

Each request will be considered on its own merits evaluating the amount due, and the customers personal and financial circumstances. It may be necessary to issue an Income and Expenditure form to obtain a clear picture of the customer's financial circumstances. The aim is to agree a realistic arrangement to collect the unpaid invoice within a reasonable time.

Once an arrangement is agreed between Sandwell MBC and the customer, a new invoice will be issued to the customer.

## Further recovery action

Where the customer fails to make a payment on their arrangement or no payments are received against the outstanding invoice, further recovery action will be taken.

The type of action that may be taken is as follows:

- **Recovery from the Department for Work and Pensions (DWP) Benefits.** Deductions from certain DWP Benefits will be considered
- **Recovery from Landlord payments.** Where the overpayment is recoverable from the landlord the overpayment can be deducted from their next Housing Benefit payment.
- **Council Rent account that are in credit.** If the customer is a Council tenant and has a outstanding overpayment and their rent account is in credit. The credit can be used to reduce or clear the outstanding overpayment.

- **Direct Earnings Attachment.** The Council can ask an employer to deduct any Housing Benefit Overpayment of an employee direct from their earnings.
- **Debt collecting Agency.** The Council will forward any outstanding overpayment of Housing Benefit to an agreed debt collecting agency where that customer has failed to engage, and all the above alternatives are not an option.

### **Change of Address “Gone Aways”**

If correspondence is returned undelivered and marked “Gone away” or similar and a forwarding address is not already known every effort is made to find a new address for the customer.

The Council will make all legally allowable checks on different records and systems to trace the customer to continue the recovery action.

### **Unrecoverable Overpayment**

In certain circumstances the Council can decide not to recover an overpayment. Examples include:

- The customer is deceased and has left no estate to recover the overpayment from
- The customer has gone away, and the Council has been unable to trace them
- Where the overpayment is uneconomical to pursue

## **4. POLICY REVIEW**

The policy will be reviewed annually, or sooner if appropriate, to take account of operational adjustments and or changes to legislation.

## **5. EQUALITIES**

This policy has been produced in line with the Council’s obligation to the Public Sector Equality Duty provided by the Equality Act 2010. No adverse impact on any protected characteristic has been identified because of this policy.

**Sandwell Metropolitan Borough Council**  
**Revenues and Benefits Service**  
**Discretionary Housing Payment Policy (DHP)**  
**2025/26**

## **POLICY STATEMENT**

Sandwell MBC's objective is to treat every application for a Discretionary Housing Payment (DHP) on its individual merits.

### **1. INTRODUCTION**

Discretionary Housing Payments were introduced in July 2001 and the Local Authority is responsible for administration of the DHP scheme.

A DHP may be awarded where the Local Authority determines that a Housing Benefit or Universal Credit claimant requires further financial help towards their housing costs.

A DHP can be awarded to help cover:

- Shortfalls between the rental liability and payment of Housing Benefit or payment of Universal Credit (Housing element)
- One off DHP award to help towards removal costs
- One off DHP award to help with rent deposits
- One off DHP award for rent in advance.

Effective operation of the DHP scheme contributes to Sandwell Councils 2030 vision.

### **2. GENERAL PRINCIPALS / REGULATIONS**

The Discretionary Financial Assistance Regulations 2001 (SI 2001/1167) ensures the DHP scheme covers the introduction of Universal Credit.

### 3. PROCESS FOR SERVICES

The purpose of this policy is to specify how Sandwell Revenues and Benefits Service will operate the scheme and to indicate some of the factors that will be considered when deciding if a DHP can be awarded. Each case will be treated strictly on its own merits and all claimants will be treated equally and fairly when the scheme is administered.

The Revenues and Benefits Service is committed to working with the local voluntary sector, social landlords and other interested parties in the Borough to maximise entitlement to all available state benefits and this will be reflected in the administration of the DHP scheme. The Revenues and Benefits Service operates within the Council's anti-poverty strategy and is committed to the equitable operation of a DHP scheme.

#### 3.1 Statement of objectives

The Revenues and Benefits Service will consider making a DHP to all claimants who meet the qualifying criteria as specified in this policy. In administering the scheme, the Revenues and Benefits Service will give consideration to the guidance produced by the Department for Work and Pensions. The Revenues and Benefits Service will treat all applications on their individual merits and will seek through the operation of this policy to:

- Alleviate poverty
- Support vulnerable young people in the transition to adult life
- Help and encourage residents to sustain and maintain housing
- Prevent and reduce homelessness
- Keep families together
- Support the vulnerable in the local community to maintain their health and wellbeing
- Support disabled people living in significantly adapted accommodation – including any adaptations made for disabled children; and foster carers, whose housing benefit is reduced because of a bedroom being used by, or kept free for, foster children
- Help claimants through personal crisis and difficult events
- Assist persons within the area who qualify for Housing Benefit or Universal Credit Housing Element to move or obtain premises more suitable to their requirements
- Support people affected by welfare reform changes.

*The Revenue and Benefit Service considers that the DHP scheme should be short-term financial assistance. It is not and should not be considered as a long-term solution for any current or future entitlement restrictions set out within the Housing Benefit or Universal Credit Legislation.*

### **3.2 Main Features of the DHP scheme:**

- The scheme is discretionary. A claimant may be entitled if Housing Benefit or Universal Credit (Housing Element) is in payment.
- The amount that can be paid out by the Local Authority in any financial year is cash-limited by the Secretary of State.
- DHP's are not a payment of Housing Benefit / Universal Credit. However, the claimant must have an entitlement to Housing Benefit / Universal Credit (Housing Element) for the weeks that a DHP is being considered for
- There is a need for financial assistance.
- The claimant must reside in Sandwell.

### **3.3 DHP scheme cannot cover:**

The following elements of a claimant's rental charge or shortfall in Housing Benefit / Universal Credit (Housing Costs) that cannot be met by a DHP are:

- Ineligible charges: service charges that are not eligible for Housing Benefit/Housing Costs cannot be covered by a DHP.
- Sanctions and reductions in benefit.
- Suspended payments of Housing Benefit / Universal Credit Housing Costs element
- Shortfalls caused by Housing Benefit / Universal Credit Housing Costs overpayment recovery.
- Universal Credit reclaims of payments on account
- Council Tax Reduction.

### **3.4 What is a shortfall**

A shortfall between the rental liability and payment of Housing Benefit or payment of Universal Credit (Housing element) can occur due to:

- The rent determined by the Rent Officer / Local Housing Allowance being lower than the claimant's eligible rental liability
- Under occupation charge being applied due to the size of the claimant's household
- Reduction in Local Housing Allowance rates for under 35's

- The 65 per cent taper being applied to a claimant Housing Benefit entitlement
- A non-dependant deduction being made to the claimant's eligible rent
- The Benefit Cap has been applied
- The Family Premium being removed (From April 2016)
- The limitation of dependant's addition being applied (from April 2017)
- Where the claimant can demonstrate that they are unable to meet the housing costs from their available income

### **3.5 How to Claim a DHP**

A claim for a DHP must be made via the online claim form on [www.sandwell.gov.uk](http://www.sandwell.gov.uk). Verification of information will normally be required.

### **3.6 Commencement of a DHP Award**

The start date of an award is determined by the Revenues and Benefits Service and can be either:

- The date that the claim for a DHP is received by the Revenues and Benefits Service.
- The date on which the need arose upon request from the customer.

### **3.7 Period of a DHP Award**

In all cases, the Revenues and Benefits Service will decide the length of time for which a DHP will be awarded based on the evidence supplied and the circumstances of the claim.

- The minimum period for which the Revenues and Benefits Service will award a DHP is one week.
- The Revenues and Benefits Service will usually award a DHP for not less than 3 months or 13 weeks where it is to meet a shortfall.
- The Revenues and Benefits Service will not normally award a DHP for a period exceeding 12 months.
- Where a claimant is disabled, living in specially adapted accommodation the Revenues and Benefits Services recognise that it may be appropriate to make long-term DHP awards, exceeding 12 months

### **3.8 Award a DHP**

Decisions regarding an award of DHP will be reported to the Director of Finance.

In deciding whether to award a DHP, the Revenues and Benefits Service will consider the following:

- The shortfall between Housing Benefit/Universal Credit housing costs element and the rent liability
- Any steps taken by the claimant to reduce their rental liability
- The financial and medical circumstances (including ill health and disabilities) of the claimant, their partner and any dependants and any other occupants of the claimant's home
- The income and the essential expenditure of the claimant, their partner and any dependants or any other occupants of the claimant's home
- Any savings or capital that might be held by the claimant and/or partner
- The level of indebtedness of the claimant and/or partner
- The nature of the claimant's and/or partner's circumstances
- The amount allocated up to the cash limit set by the Secretary of State at the time of the application
- Any other special circumstances brought to the attention of the Revenues and Benefits Service.

When calculating the claimant's and partner's income Disability Living Allowance (both care and mobility components), Attendance Allowance, Personal Independent Payments and Carers Allowance will be fully disregarded.

The Revenues and Benefits Service will decide how much to award based on the individual circumstances. This may be an amount below the difference between the rent liability and the Housing Benefit/Universal credit housing costs element.

An award of a DHP does not guarantee that a further award will be made at a later date even if the claimant's circumstances have not changed.

### **3.9 Change in Circumstance**

The claimant has a duty to notify the Revenues and Benefits Service of any change in their circumstances. They must report the change as soon as possible and not later than one month from the change occurring.

The Revenues and Benefits Service can revise a DHP award to take account of a change in circumstances at any time whether to the advantage or disadvantage of the claimant.

### **3.10 Payment of DHP**

The Revenues and Benefits Service will decide the most appropriate person to pay based upon the circumstances of each case. This could include paying:

- The claimant
- Their partner (if resident in the household)
- An appointee
- Their landlord (or an agent of the landlord)
- Any third party to whom it might be most appropriate to make payment.

The Revenues and Benefits Service will pay an award of DHP by the most appropriate means available in each case. This could include payment by but is not restricted to:

- Electronic transfer (e.g. BACS)
- Crediting the claimant's rent account.

Where the DHP award is made on an ongoing basis the payment frequency will normally be aligned to the Housing Benefit/Universal Credit payment cycle.

### **3.11 Notification of the DHP award**

The Revenues and Benefits Service will inform the claimant in writing of the outcome of their application upon receipt of all information. Where the application is unsuccessful, the Revenues and Benefits Service will set out the reasons why this decision was made and explain the right of review. Where the application is successful, the Revenues and Benefits Service will notify the claimant of:

- The weekly / Monthly amount of DHP that has been awarded
- The period of the award
- The requirement to report any change in circumstances

### **3.12 The Right to seek a review**

DHP decisions are not Housing Benefit/Universal Credit decisions and are therefore not subject to the statutory dispute mechanism.

A claimant (or their appointee or agent) who disagrees with a DHP decision in relation to:

- The refusal of a DHP award
- The Amount of the DHP award
- Backdate decision
- Recovery of DHP overpayment

may request a review of the decision. A review must be made in writing to the Revenues and Benefits Service within one calendar month of the written DHP decision being issued.

Upon receipt of a review, the DHP request will be re-considered by an independent officer considering any further information provided.

When the review has been completed notification of the decision will be made in writing. The decision will be final with no other right of appeal.

Where the claimant is still not satisfied, the decision may only be challenged via the judicial review process or by complaint to the Local Government Ombudsman.

### **3.13 DHP overpayment recovery**

The Revenues and Benefits Service will seek to recover DHP's found to be overpaid. A decision letter will be issued detailing an explanation of how and the amount of the overpayment has occurred which will be included how to request a review.

The recovery will usually involve issuing an invoice to the claimant (or their appointee or agent).

The Revenues and Benefits Service will consider offsetting overpaid DHP against any future awards and will endeavour to recover all DHP overpayments to maximise the funds that are available.

Under no circumstances will recovery be made from any amounts of Housing Benefit/Universal Credit. It is most unlikely that recovery of any overpayment caused by a Sandwell official error will be sought

### **3.14 Publicity**

The Revenues and Benefits Service will publicise the scheme and will work with all interested parties to achieve this. A copy of this policy statement will be made available for inspection and will be posted on the Sandwell Council

website. Information about the amount spent will not normally be made available except at the end of the financial year.

### **3.15 Fraud**

The Revenues and Benefits Service is committed to identifying and subsequently investigating suspected fraudulent claims to benefit and DHP. Individuals who falsely declare their circumstances in order to claim DHP will have committed a criminal offence, which may lead to criminal proceedings being instigated.

### **3.16 Reporting**

On a monthly basis a report detailing all DHP applications received, decisions made and DHP fund available is forwarded to the Director of Finance for approval.

## **4. POLICY REVIEW**

The policy will be reviewed annually, or sooner if appropriate, to take account of operational adjustments and or changes to legislation.

## **5. EQUALITIES**

An equality assessment has been carried out on this policy in line with the Council's obligation to the Public Sector Equality Duty provided by the Equality Act 2010. No adverse impact on any protected characteristic has been identified as a result of this policy.

However, due to the discretionary nature of decision making the Revenues and Benefits Service will randomly sample decisions made to ensure consistency

# **Sandwell Metropolitan Borough Council**

## **Revenues and Benefits Service**

### **Non-Domestic Rates Discretionary Rate Relief Policy**

**2025/26**

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## 1. INTRODUCTION

Discretionary Rate Relief (DRR) allows a reduction in Non-Domestic Rates of up to 100% where certain provisions are satisfied. The decision to grant or not grant relief is a matter purely for the authority.

The Revenues and Benefits Service work closely with the Voluntary Sector Funding Team to administer this policy.

Sandwell MBC recognises the important role played by the Voluntary Sector in Sandwell, not only in the area of service delivery, but also as an indicator of civic engagement and the health of the social fabric of the borough.

The regulations relating to DRR can be found in Section 47 of the Local Government Finance Act 1988 (as amended).

Registered charities, registered friendly societies and community amateur sports clubs automatically qualify for a mandatory reduction to their rates bill of 80%. Sandwell MBC can consider granting DRR to these organisation's on the remaining 20%.

DRR enables Sandwell MBC to support a wide range of voluntary and community groups in Sandwell, providing a significant reduction to an organisation's running expenses.

## **2. GENERAL PRINCIPLES / REGULATIONS**

The purpose of this policy is to outline the conditions that should be satisfied for Sandwell MBC to consider relief under the Local Government Finance Act 1988 and associated legislation.

## **3. PROCESS FOR SERVICES – RELIEFS AVAILABLE**

The following reliefs are available in Sandwell under the banner of 'Discretionary Relief' for Business Rates:

- Charity and Non-Profit Making Organisations 'Top Up'
- Reliefs made available under the Localism Act 2011:
  - (i) 'Section 69' Localism Relief
- Part Occupied/Part Void Section 44A Relief
- Discretionary Relief Introduced April 2023:
  - (i) Supporting Small Business Relief
- Discretionary Reliefs introduced from 1 April 2023

The criteria for each of these reliefs is listed below, together with details on how to apply and any restrictions, where applicable

### 3.1 CHARITY AND NON-PROFIT MAKING ORGANISATIONS

Some charities and non-profit organisations are entitled to 80% mandatory 'Charity' rate relief. However, Local Authorities have the option to 'top up' that relief to 100%. Organisations that meet the requirements of this policy and the relevant criteria who are eligible for the 80% mandatory rate relief, may receive a top up of 20%.

Sandwell needs a healthy Voluntary Sector, particularly local voluntary and community organisations. This supports citizens of the borough by providing:

- **Local community-based services** – many voluntary and community sector organisations are community based and may therefore be better able to work with harder to reach groups. This complements the Council's town and neighbourhood-based approach to service delivery.
- **Choice** – by supporting voluntary and community sector organisations the Council hopes to provide a greater choice for local people in terms of the services they can access.
- **Independence** – voluntary and community sector organisations are independent bodies and are often well placed to take on a campaigning or advocacy role on behalf of local people, providing an important challenge role for the Council.
- **Opportunities for people to participate** – as volunteers as well as service users.
- **Specialist services** – many voluntary and community sector organisations develop specialisms around the particular needs of a client group.

### 3.1.1 Definition of terms

#### **Voluntary organisation:**

A formal organisation run by a management body made up of volunteers who are engaged in that activity for environmental, economic, or social good.

#### **Community group:**

A community organisation is a less formally organised body run by a management body made up of volunteers who are engaged in that activity for environmental, economic, or social good.

### 3.1.2 Who Can Apply?

The following organisations could apply for DRR 'Top Up':

- **Charities** (including charity shops that are ratepayers occupying premises used for charitable purposes).
- **Non-profit organisations** (that are not charities but the objectives of which are 'charitable', 'philanthropic' or religious, or concerned with education, social welfare, science, literature or the fine arts' or who use the premises mainly for recreation).

**Please note** – If an organisation reinvests or distributes any of its surpluses or assets (this includes share dividends) in cash or in kind, to its members or third parties it will not be considered as a non profit organisation.

Examples of these organisations include:

- Voluntary organisations
- Community groups
- Tenants and residents' groups
- Faith groups
- Housing Associations
- Co-operatives and social enterprises (that are set up to benefit of the public at large rather than its members)
- Sports organisations
- Mutules

- Grant making trusts.
- Private Schools that are an institution which is wholly or mainly concerned with providing full time education to pupils with an Education, Health and Care Plan (EHC Plan).

### 3.1.3 Who is excluded?

- Private Schools

The Government announced at the 2024 Autumn Statement that certain private schools in England with charitable status would lose their eligibility for business rates charitable rate relief from April 2025 (subject to the passing of the bill).

Private schools excluded from receiving charitable relief are those that are wholly or mainly used for the purposes of carrying on a private school.

This will include hereditaments which are themselves being directly used for education at a private school (such as classrooms, halls and sports facilities) but also hereditaments used for administrative and ancillary uses (such as offices or storage) provided they are also used for the purpose of carrying on a private school.

The meaning of private school is defined as,

- Where full-time education is provided for pupils of compulsory school age, fees or other consideration are payable for that education and it is not a nurse school.
- Where education is provided for persons over compulsory school age but under 19, providing that the institution
  - Is wholly or mainly concerned with education suitable to the requirements of such persons (for example, A levels provided at a sixth form college)
  - Is providing full-time education to persons over compulsory school age but under 19, which is wholly or mainly funded by fees or other consideration.

### 3.1.4 Eligibility Criteria

To be eligible for DRR, organisations must occupy the property for which they are seeking DRR and must:

- be used for the purposes of delivering the organisations' objectives to benefit citizens of Sandwell.
- The **majority** of premises activity service users / beneficiaries **must** reside in Sandwell.
- be based in or delivering services in Sandwell.
- Premises activities **must** be available to **all sections** of the community in Sandwell.
- be non-governmental.
- be value driven, for the social good.
- be non party political.
- not use profit that is normally reinvested into the organisation, to pay management a salary.
- reinvest at least 50% of their financial surpluses for community benefit in Sandwell. Regional and national organisations will need to reinvest at least 50% of their financial surpluses that arise from their work in Sandwell for community benefit in the borough.
- not be funded directly from taxation by any government department or agency in the provision of any function under any statutory duty.

### 3.1.5 Levels of DRR

Organisations that meet the requirements of this policy and criteria, in receipt of 80% mandatory rate relief, will receive a top up of 20%. All other successful applicants will receive 100% discretionary rate relief.

### 3.1.6 Effective Date of DRR Award

Applications will be accepted in advance of a financial year, however, for retrospective Applications, relief will only be awarded from the 1<sup>st</sup> April or the date liability started (whichever is earliest) for the financial year in which the application is made.

### 3.1.7 How to Apply

If you are advised that an application for DRR is required, it must be made using the authority's application form which is available on Sandwell MBC's

website.

**<https://www.sandwell.gov.uk/business-rates/charitable-relief>**

Details of the criteria and guidance notes are also available on Sandwell MBC's website

**<https://www.sandwell.gov.uk/downloads/download/33/charitable-and-discretionary-relief>**

All applications under this policy will be considered by the Executive Director of Finance and Transformation.

### **3.1.8 Unsuccessful DRR Applications**

There is no legal right of appeal against Sandwell MBC's use of discretionary powers. However, Sandwell MBC will accept a customer's request for a re-determination of its decision. Any further appeal must take place via judicial review.

If an application for DRR has been refused, applicants have the opportunity to request a re-determination. All requests must be made in writing, within one month of Sandwell MBC's decision. Requests will be considered by a panel of 2 officers who were not involved in the original decision.

If an unsuccessful applicant decides to make a request for re-determination, they will still need to continue to pay their business rates. If the request is successful, an amended bill will be issued.

## **3.2 RELIEF INTRODUCED BY THE LOCALISM ACT 2011**

### **Section 69 'Localism Act Relief'**

Section 69 of the Localism Act 2011 amends Section 47 of the Local Government Finance Act 1988. The changes came into effect from 1st April 2012 and extended the existing provision relating to the granting of DRR.

From 1 April 2012 any ratepayer may apply for this relief. The costs of such relief are borne solely by council taxpayers of the borough, therefore it is

essential that relief is only given to those ratepayers who will bring significant benefit to the area.

The amount of relief granted is not fixed and will be dependent on the individual circumstances of each application.

To be considered the ratepayer must meet all of the following criteria:

- The ratepayer must occupy the premises.
- The ratepayer must be relocating from outside Sandwell, or where already existing within Sandwell must operate within one of Sandwell's priority sectors, namely: -
  - Diversified manufacturing: including high value-added engineering, food production, offsite construction and health products.
  - Business, financial and customer services
  - Green industries; including environmental technologies, waste recycling and resource management and research investment.
- The ratepayer must provide significant investment in premises and/or capital equipment.
- The ratepayer must provide significant new job creation and/or safeguarding of existing jobs.
- The premises and organisation must be of significant benefit to Sandwell's residents.
- The premises and organisation must relieve the Borough of providing similar facilities.
- The ratepayer must provide facilities to certain priority groups such as the elderly, disabled, minority groups, disadvantaged groups, or provide the residents of the borough with such services, opportunities or facilities that cannot be obtained locally or are not provided locally by another organisation.
- The ratepayer must be paying its employees at least the national minimum wage.
- Not more than 50% of the ratepayer's employees must be on zero-hour contracts.
- At least 50% of the ratepayer's employees must be living in Sandwell.

and

- The ratepayer must demonstrate that Discretionary Relief will only be required short-term, and that the business /operation is financially viable in the medium/long term; and
- The ratepayer must show that the organisation will comply with all legislative requirements and operate in an ethical, sustainable, and environmentally friendly manner at all times.

Enquiries relating to this relief should be directed to the Business Rates team via our online contact us form.

<https://www.sandwell.gov.uk/contactusbusinessrates>

## **Community Benefit Clause**

Any businesses benefitting from this relief must engage with the Council's Think Sandwell Employment and Skills Team to assist with the recruitment of any new staff.

Businesses benefitting from this relief must also consider apprenticeships or develop existing employees to gain recognised qualifications e.g. NVQ's,

The business should use [www.sandwell.gov.uk/think-sandwell/think-sandwell-area-employment-team](http://www.sandwell.gov.uk/think-sandwell/think-sandwell-area-employment-team) to advertise any supply opportunities resulting from the building of new premises etc.

## **3.3 PART OCCUPIED/PART VOID SECTION 44A RELIEF ('s44A')**

### **General Explanation**

- 3.3.1 If a property is only partly occupied, Sandwell MBC has discretion to request that the Valuation Office Agency (VOA) apportion the property's rateable value between its occupied and unoccupied parts, provided it '...will remain so for a short time only'
- 3.3.2 Partially occupied rate relief (often referred to as 'Section 44A' or 's44A' Relief) is not intended to be used merely where part of a property is temporarily not used. The intention is aimed at situations where there are practical, financial or economic difficulties in

occupying or vacating all of the property, or exceptional circumstances may have arisen meaning the area is incapable of occupation at that time unique to the business.

- 3.3.3 The effect of the reduction under s44A would be to reduce the rates on the premises to the same level as would be payable if the unoccupied part formed a separate hereditament.
- 3.3.4 If a visit to the property is required to assist in making a decision on an application, the ratepayer must allow a Council Officer accompanied access to the property by appointment during normal working hours at a time and date mutually agreed. The Council Officer may take measurements and photographs as evidence during the inspection. Full rates remain payable until the visit is concluded and a decision has been made whether or not to award the s44A Relief.
- 3.3.5 Every application will be considered on its own merits, but Sandwell MBC will have particular regard to the effect on its Collection Fund and the interests of local Council Taxpayers when considering whether it is reasonable to award the relief or not. Confirmation is required that the business claiming the relief, at the very least, pays its employees the National Minimum Wage and/or the National Living Wage, as appropriate to their age and circumstances.
- 3.3.6 Following any inspection of the premises but before being referred to the VOA, applications will need to be approved by Sandwell MBC's Section 151 Officer.
- 3.3.7 If awarded, relief in the Sandwell area will only normally start from the date stated on the application and will only be awarded for up to a maximum of **three months** (or **six months for an industrial hereditament**) in a financial year. In exceptional circumstances, consideration will be given to awarding relief across financial years, for example application made late in the year.

Consideration will also be given in exceptional circumstances to awarding relief for a retrospective period where the ratepayer can demonstrate good cause for not submitting the application earlier.

- 3.3.8 For any application approved, details with regards to the unoccupied area will be forwarded to the VOA. The VOA must then issue a certificate confirming the rateable value of the unoccupied area in

order for the s44A relief to be awarded. Once the VOA has issued a certificate, relief must be awarded in accordance with it.

- 3.3.9 This is a discretionary relief, and full rates will remain payable on a partially occupied property if Sandwell MBC chooses not to exercise its power in this respect.

### Decisions by Sandwell MBC

- 3.3.10 Every application will be considered on its own merits however, in addition to the effect on the Collection Fund and local Council Taxpayer, when considering an application for Section 44A Relief, the following factors will be taken into account:
- The circumstances leading to the partial occupation.
  - Previous awards of Section 44A Relief to the same business/organisation and the net effect on Council Taxpayers
  - The intention of the business in relation to unoccupied area(s)
  - The reasonableness of the ratepayer requesting an alteration of the rating assessment from the VOA
  - The availability of evidence that the unoccupied area(s) will be empty for a short period only.
  - Full occupation being phased in over a period of time or full vacation occurring in stages over a period of time, if applicable
- 3.3.11 Relief will *not* normally be considered where:
- Access is refused and/or it has not been possible to verify the application.
  - Part occupation is likely to exceed a short time.
  - The area is not clearly defined.
  - Part occupation is seasonal or due to the nature of the business.
  - The premises are partially empty due to essential maintenance or upgrading.
  - The company is moving out of Sandwell.
  - There have been repeated requests on an annual basis, as this is not deemed 'temporary' relief.
  - There is a national crisis/pandemic affecting a significant number of businesses.
  - Government funding is available to assist.

## Applications for Relief under this scheme

- 3.3.12 Applications must be in writing. An MS Word application form is available via the following link  
[http://www.sandwell.gov.uk/info/200308/business\\_rates/2954/partly\\_occupied\\_property\\_relief\\_section\\_44a](http://www.sandwell.gov.uk/info/200308/business_rates/2954/partly_occupied_property_relief_section_44a)
- 3.3.13 As much information as possible must be provided to Sandwell MBC as detailed on the application form in order for the request to be considered. This must include a plan(s) of the premises clearly showing the unoccupied area(s) and should include measurements where possible.
- 3.3.14 Once an application has been received, if a visit is required an officer from Sandwell MBC will contact the ratepayer to arrange a suitable date to allow accompanied access for an inspection of the premises.

## Amount of relief

- 3.3.15 Where Sandwell MBC agrees to the award of a Section 44A relief, notification will be sent to the VOA to seek a reduction in the rateable value.
- 3.3.16 The amount of relief is calculated on a statutory basis, based on the rateable value of the empty area(s) of the property. The appropriate rateable value is provided to Sandwell MBC by the VOA England

## Variation and amendment of relief under the scheme

- 3.3.17 The period of relief will end on the day on which any of the following occurs:
- There is a change to the extent of the partial occupation.
  - The end of the three months/ six-month relief period, or the end of the financial year, whichever is first.
  - A new period of relief under a new application starts.
  - The premises become fully occupied or completely unoccupied.
  - The ratepayer ceases to be the person or organisation liable to pay rates in respect of the premises.

- Sandwell MBC is unable to verify, following reasonable notice, that the area remains unoccupied.

3.3.18 If there is a change in the rateable value, relief will be apportioned or removed as appropriate.

### **Notification of Decision**

3.3.19 Sandwell MBC will notify the ratepayer of their entitlement to relief by the issue of an amended demand notice. Where an application is refused, businesses will be informed by Sandwell MBC of this decision in writing.

### **Decision Review Process**

3.3.20 There is no statutory right of appeal against a decision made by Sandwell MBC regarding discretionary rate relief, including Section 44A applications. However, Sandwell MBC recognises that ratepayers should be entitled to have a decision reviewed if they are dissatisfied with the outcome.

3.3.21 Sandwell MBC will accept a written request for a review of its decision. The request should include the reasons for requesting a review and any supporting evidence.

3.3.22 A request for review must be made within one calendar month of the date of refusal.

3.3.23 The ratepayer will be notified of the outcome of the review in writing.

3.3.24 This review process does not affect a ratepayer's legal right to seek to challenge a decision by way of Judicial Review

## **3.4 Supporting Small Businesses Scheme ('SSBR')**

### **3.4.1 2023 Supporting Small Businesses Scheme ('SSBR')**

#### **Eligibility and Level of Relief**

The Government announced at the 2022 Autumn Statement that for 2023/24 to 2025/26, SSBR is to provide support to businesses losing eligibility for some or all Small Business Rate Relief or Rural Rate Relief as a result of their rateable value increasing through the 2023 revaluation.

The relief ensures small businesses do not have to pay more than £600 increase per year effective from 1 April 2023.

Charities and Community Amateur Sports clubs, who are already entitled to mandatory 80% relief, are not eligible for 2023 SSBR.

A change of ratepayers will not affect eligibility for the SSBR Scheme, but eligibility will be lost if the property falls vacant or becomes occupied by a charity or Community Amateur Sports Club.

There is no second property test for eligibility for the 2023 SSBR scheme. However, those ratepayers who during 2022/23 lost entitlement to Small Business Rate Relief (because they failed the second property test) but have, under the rules for Small Business Rate Relief, been given a 12 month period of grace before their relief ended - can continue on the 2023 SSBR scheme for the remainder of their 12 month period of grace.

### **Period of Entitlement to 2023 SSBR**

The 2017 SSBR scheme was provided to support small and medium ratepayers who had seen large increases in their bills at the 2017 revaluation, and those ratepayers have had 6 years of support to allow them to adjust to their full 2017 bills. Therefore, for those ratepayers receiving 2017 SSB relief in 2022/23, any eligibility for 2023 SSBR will end on 31 March 2024. Relief for these ratepayers is awarded for one year only.

All other eligible ratepayers receiving 2023 SSBR will receive relief for either 3 years or until they reach the bill they would have paid without the scheme.

### **Sequence of Reliefs**

SSBR is to be awarded after any eligibility to Transitional Relief and Small Business Rate Relief.

All other discretionary reliefs, including those funded by section 31 grants will be considered after the application of 2023 SSBR.

## **Subsidy Control**

The 2023 SSBR is likely to amount to a subsidy. Therefore, any relief provided by local Authorities under this scheme will need to comply with the UK's domestic and international subsidy control obligations.

The local authority is seeking to provide relief that falls below the Minimal Financial Assistance (MFA) thresholds, the Subsidy Control Act allows an economic actor (e.g. a holding company and its subsidiaries) to receive up to £315,000 in a three-year period (consisting of the 2023/24 year and the two previous financial years). MFA subsidies cumulate with each other and with other subsidies that fall within the category of 'Minimal or SPEI financial assistance'. BEIS COVID-19 business grants and any other subsidies claimed under the Small Amounts of Financial Assistance limit of the Trade and Co-operation Agreement should be counted under the £315,000 allowance.

In those cases where it is clear to the local authority that the ratepayer is likely to breach the MFA limit then the authority will automatically withhold the relief.

## **Applying the relief**

Sandwell MBC has identified the businesses that are eligible for the 2023 SSBR scheme. Ratepayers eligible for the scheme starting in the 2023/24 financial year have been automatically awarded a reduction in line with the new scheme to help off-set the increase in their business rates.

The amount of relief awarded under Supporting Small Business Relief scheme will be recalculated in the event of a change of circumstances, including changes such as a backdated change to the rateable value or the property or the award of another relief.

## **3.5 DISCRETIONARY RELIEFS INTRODUCED FROM 1<sup>st</sup> APRIL 2023**

### **3.5.1.1 Retail, Hospitality and Leisure Relief 2023/24**

The Government announced in the Budget on 17 November 2022 that it will provide a Relief of 75% up to a cash cap limit of £110,000 per business for retail, hospitality and leisure properties.

As these measures are 2023/24 only, the Government is not changing legislation, however it will reimburse local authorities that use its discretionary powers, introduced by the Localism Act (under Section 47 of the Local government Finance Act 1988, as amended) to grant relief in line with eligible criteria. Central Government will reimburse local authorities for their share of the discretionary relief under the rates retention scheme.

Applications for 2023/24 will be accepted where the business has a liability to pay rates and meets the criteria for Retail, Hospitality and Leisure relief as detailed further in this policy.

### **3.5.1.2 Retail, Hospitality and Leisure Relief 2024/25**

The Government announced in the Autumn Statement on 22 November 2023 that it would extend the Relief of 75% up to a cash cap limit of £110,000 per business for retail, hospitality and leisure properties.

As these measures are 2024/25 only, the Government is not changing legislation, however it will reimburse local authorities that use its discretionary powers, introduced by the Localism Act (under Section 47 of the Local government Finance Act 1988, as amended) to grant relief in line with eligible criteria. Central Government will reimburse local authorities for their share of the discretionary relief under the rates retention scheme.

Applications for 2024/25 will be accepted where the business has a liability to pay rates and meets the criteria for Retail, Hospitality and Leisure relief as detailed further in this policy.

### **3.5.1.3 Retail, Hospitality and Leisure Relief 2025/26**

The Government announced in the Autumn Statement on 30 October 2024 that it would extend the Relief at a rate of 40% up to a cash cap limit of £110,000 per business for retail, hospitality and leisure properties.

As these measures are 2025/26 only, the Government is not changing legislation, however it will reimburse local authorities that use its discretionary powers, introduced by the Localism Act (under Section 47 of the Local Government Finance Act 1988, as amended) to grant relief in line with eligible criteria. Central Government will reimburse local authorities for their share of the discretionary relief under the rates retention scheme.

Applications for 2025/26 will be accepted where the business has a liability to pay rates and meets the criteria for Retail, Hospitality and Leisure relief as detailed further in this policy.

#### **3.5.1.4 Key Criteria for Retail, Hospitality and Leisure relief**

- i) 75% relief for the period 1 April 2023 to 31 March 2025 or 40% relief for the period 1 April 2025 to 31 March 2026
  - A cash cap of £110,000 per business subject to:
    - The Property must be occupied
    - There is no rateable value limit
    - The Property must be used wholly or mainly as:
      - a) a shop, restaurant, café, drinking establishment, cinemas or live music venue.
      - b) for assembly and leisure; or
      - c) a hotel, guest or boarding premises, or self-catering accommodation
    - The eligible ratepayer has not refused the relief. (The eligible ratepayer cannot withdraw their refusal for either all or part of the financial year).

#### **3.5.1.5 Who can apply?**

The Department for Levelling Up Housing and Communities has issued guidance outlining what they consider eligible property uses to mean, including:

a) Shops, restaurants, cafes, drinking establishments, cinemas, and live music venues:

- **Hereditaments that are being used for the sale of goods to visiting members of the public:**
  - Shops (such as: florists, bakers, butchers, grocers, greengrocers, jewellers, stationers, off licences, chemists, newsagents, hardware stores, supermarkets, etc)
  - Charity shops
  - Opticians
  - Post offices
  - Furnishing shops/display rooms (such as: carpet shops, double glazing, garage doors)
  - Car/caravan show rooms
  - Second-hand car lots
  - Markets
  - Petrol stations
  - Garden centres
  - Art galleries (where art is for sale/hire)
  
- **Hereditaments that are being used for the provision of the following services to visiting members of the public:**
  - Hair and beauty services (such as: hairdressers, nail bars, beauty salons, tanning shops, etc)
  - Shoe repairs/key cutting
  - Travel agents
  - Ticket offices e.g.: for theatre
  - Dry cleaners
  - Launderettes
  - PC/TV/domestic appliance repair
  - Funeral directors
  - Photo processing
  - Tool hire
  - Care hire
  
- **Hereditaments that are being used for the sale of food and/or drink to visiting members of the public:**

- Restaurants
  - Takeaways
  - Sandwich shops
  - Coffee shops
  - Pubs
  - Bars
- **Hereditaments which are being used as cinemas**
  - **Hereditaments that are being used as live music venues:**
    - Live music venues are hereditaments wholly or mainly used for the performance of live music for the purpose of entertaining an audience. Hereditaments cannot be considered a live music venue for the purpose of business rates relief where a venue is wholly or mainly used as a nightclub or a theatre, for the purposes of the Town and Country planning (Use Classes) Order 1987 (as amended).
    - Hereditaments can be a live music venue even if used for other activities, but only if those other activities (i) are merely ancillary or incidental to the performance of live music (e.g. the sale/supply of alcohol to audience members) or (ii) do not affect the fact that the primary activity for the premises is the performance of live music (e.g. because those other activities are insufficiently regular or frequent, such as a polling station or a fortnightly community event)
    - There may be circumstances in which it is difficult to tell whether an activity is a performance of live music or, instead, the playing of recorded music. Although we would expect this to be clear in most circumstances, guidance on this may be found in Chapter 16 of the statutory guidance issued in April 2018 under Section 182 of the Licensing Act 2003.

b) For assembly and leisure:

- **Hereditaments that are being used for the provision of sport, leisure and facilities to visiting members of the public (including for the viewing of such activities):**

- Sports grounds and clubs
  - Museums and art galleries
  - Nightclubs
  - Sport and leisure facilities
  - Stately homes and historic houses
  - Theatres
  - Tourist attractions
  - Gyms
  - Wellness centres, spas, massage parlours
  - Casinos, gambling clubs and bingo halls
- **Hereditaments that are being used for the assembly of visiting members of the public:**
    - Public halls
    - Clubhouses, clubs and institutions
- c) Hotels, guest & boarding premises and self-catering accommodation:
- **Hereditaments where the non-domestic part is being used for the provision of living accommodation as a business:**
    - Hotels, Guest and Boarding Houses
    - Holiday Homes
    - Caravan parks and sites

This guidance is not exhaustive, and it is for Authorities to determine whether properties not listed in the guidance notes are broadly similar in nature and if so, to consider them for relief. Conversely, properties that are not broadly similar in nature to those listed should not be eligible for the discount.

Ratepayers that occupy more than one property will be entitled to a discount for each of their eligible properties, subject to any cash cap applicable in year 2024/25.

### **3.5.1.6 Retail Discount Exclusions**

The Government does not consider the following types of use to be retail use for the purposes of this discount:

- **Hereditaments that are being used for the provision of the following services to visiting members of the public:**
  - Financial services (e.g.: banks, building societies, cash points, bureaux de change, short term loan providers, betting shops)
  - Medical services (e.g.: vets, dentists, doctors, osteopaths, chiropractors)
  - Professional services (e.g.: solicitors, accountants, insurance agents/financial advisors, employment agencies, estate agents, letting agents)
  - Post office sorting offices
  
- **Hereditaments that are not reasonably accessible to visiting members of the public**

### **3.5.1.7 Claiming Retail Discount**

New applicants are required to complete an online application form available at through the link at:

[https://www.sandwell.gov.uk/info/200308/business\\_rates/4268/retail\\_relief](https://www.sandwell.gov.uk/info/200308/business_rates/4268/retail_relief)

Further information regarding the application process can be found on the same web page

### **3.5.1.8 Maximum Award**

The total amount of Government funded discount available for each property under the 2023/24 and the 2024/25 scheme is 75% and under the 2025/26 scheme is 40%, of the bill after all mandatory and discretionary reliefs have been applied but after discretionary reliefs granted under Section 47 of the Local Government Finance Act, for example: Hardship Relief and Discretionary Rate Relief for charity and not for profit organisations. The maximum discount awarded will not exceed the net liability.

### **3.5.1.9 Notification**

Where the application is successful, a revised bill will be issued.

Where the application is not successful, the applicant will be notified accordingly

### **3.5.1.10 Requirement to make payments of amounts falling due**

Ratepayers' must continue to pay any amount of business rate that fall due pending the outcome of an application. The Council may apply its normal recovery procedures in cases where payments are not received.

## **3.6.1 Local Newspaper Relief**

From 1 April 2017 the Government provided funding to local authorities so that they can provide a discount worth £1,500 in year 2017/18 and 2018/19 for office space occupied by local newspapers. The Autumn budget 2018 extended this relief to financial year 2019/20.

In a Written Ministerial Statement 27 January 2020, the Government further extended this relief to apply in the financial years 2020/21 to 2024/25.

Please note that this relief ceased from 1 April 2025.

### **3.6.2 *Eligibility Criteria***

This relief is administered under the local powers discount contained in Section 47 of the Local Government Finance Act 1988.

- The relief is available to local newspapers only
- The property must be occupied by a local newspaper and used wholly or mainly as offices for journalists and reporters
- Only one discount is available per newspaper title and per property

- Subject to subsidy limits

### **3.6.3 Exclusions**

Exclusions to this relief are local council newspapers, online publications and local magazines

### **3.6.4 Applications**

There is no application form for this relief. To apply please use our online contact us form <https://www.sandwell.gov.uk/contactusbusinessrates> giving full details of why you think your business should be considered for this relief and provide all information you think is relevant to support your application.

For the relief to be granted, Sandwell MBC must make a decision within 6 months of the end of the financial year.

### **3.6.5 The Maximum Award**

The total amount of government funded relief available is £1,500 for each financial year 2017/18 to 2024/25 for one local newspaper title and property

The relief will be applied against the net bill after all other reliefs

### **3.6.6 Notification**

Where the application is successful, a revised bill will be issued.

Where the application is not successful, the applicant will be notified accordingly.

### **3.6.7 Requirement to make a payment of amounts falling due**

Ratepayers' must continue to pay any amount of business rate that fall due pending the outcome of an application. The Council may apply its normal recovery procedures in cases where payments are not received.

### **3.7.1 Future Reliefs in 2025/26**

Should the government introduce further Business Rates Reliefs during 2025/26 we will implement these in accordance with any legislation and/or

Government guidance issued, and we will update the guidance contained in the Discretionary Relief Policy document accordingly.

## DISCRETIONARY RATE RELIEFS AND STATE AID/SUBSIDY CONTROL

### State Aid/Subsidy Control Regulations

State Aid guidance was withdrawn on 1 January 2021. The Brexit transition period has ended and new rules on Subsidy Control now apply. For current information and to see how this may affect your business please go to <https://www.gov.uk/government/publications/complying-with-the-uks-international-obligations-on-subsidy-control-guidance-for-public-authorities>

If you believe your business will exceed the new subsidy control limits you must contact the Business Rates team via our online contact us form at <https://www.sandwell.gov.uk/contactusbusinessrates> to ask for any relief already awarded to be removed from your account

## 4. POLICY REVIEW

### Policy Review

The policy will be reviewed annually, or sooner if appropriate, to take account of operational adjustments, feedback and or changes to legislation.

## 5. EQUALITIES

### Equalities

This policy has been produced in line with the Council's obligation to the Public Sector Equality Duty provided by the Equality Act 2010. No adverse impact on any protected characteristic has been identified because of this policy.

**Sandwell Metropolitan Borough Council**  
**Revenues and Benefits Service**  
**Non-Domestic Rates Hardship Relief Policy**  
**2025/26**

## **NDR Hardship Relief Policy - Contents**

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## POLICY STATEMENT

The objective of Sandwell MBC is to treat each and every application for Section 49 Hardship Relief on its individual merits.

### 1. INTRODUCTION

#### 1.1 Legislation

Sandwell MBC is aware of its duties and powers in accordance with section 49 of the Local Government Finance Act 1988. This Policy sets out how Sandwell MBC will use its powers and the criteria that must be satisfied.

Section 49 of the Local Government Finance Act 1988 gives a Billing Authority the ability, if it so wishes, to reduce amounts due for Non-Domestic Rates.

An Authority may reduce or remit the amount payable, to do so it must be satisfied that:

(a) the ratepayer would sustain hardship if the authority did not do so.

and

(b) it would be reasonable to do so having regard to the interests of other persons subject to its Council Tax charges.

## 2. GENERAL PRINCIPLES / REGULATIONS

### 2.1 Purpose

The purpose of this policy is to specify how Sandwell MBC will administer requests for relief from payment of Non-Domestic Rate and to indicate some of the factors that will be considered when deciding if relief may be granted.

Each case will be treated strictly on its merits and all applicants will be treated equally and fairly.

### 2.2 Statement of objectives

Sandwell MBC will consider applications for relief from payment of Non-Domestic Rate under the provisions of Section 49 of the Local Government Finance Act 1988.

In administering applications, Sandwell MBC will ensure that each application will be given due regard on its merits in accordance to the criteria and process laid down in this policy.

It should be noted that the test of hardship need not be confined to financial matters; all relevant factors should be considered, including the impact on the local community.

## 3. PROCESS FOR SERVICES

### 3.1 Applications

Applications will need to be made in writing by any ratepayer wishing to apply for assistance.

In all cases, evidence will be required from the ratepayer. Where this is requested, Sandwell MBC would expect the required evidence to be provided within 14 days of the request unless otherwise stated.

Where no or insufficient information is provided by the ratepayer, no relief shall be granted.

### 3.2 Criteria for using powers

Sandwell MBC will consider using its powers to reduce or remit Non-Domestic Rate liability for any Non-Domestic Rate payer.

There is a cost implication of any relief awarded which is borne locally and met from the authority's general fund. A reduction or remission of rates on the grounds of hardship should therefore be the exception rather than the rule.

The test of hardship will not be confined strictly to financial hardship. All relevant factors affecting the ability of a business to meet its liability for rates should be considered.

Each case will be considered on its own merits - however the following points should be considered for each application:

- The interests of council taxpayers in an area may go wider than direct financial interests. For example, where the employment prospects in the area would be worsened by a company going out of business, or the amenities of an area might be reduced by, for instance, the loss of the only shop in the vicinity.
- Where the granting of relief would have an adverse effect on the financial interests of council taxpayers, the case for a reduction or remission of rates payable may still, on balance, outweigh the costs to council tax payers.
- The financial position of the business ratepayer. This will need to be established by the provision of audited accounts for the three years preceding the date of the application for remission / reduction (except in the case of a new business where the previous twelve months accounts should be produced).
- The fact that a ratepayer suffers a trading loss in one year should **not** be construed as evidence that the ratepayer would suffer hardship if the rates were not remitted or reduced.
- Any other factors put forward by the ratepayer would be considered on their specific merits.
- Consideration must be given to the amount of relief that can be granted and the effect this will have on the ability of a business to continue to trade.

- Whether the business claiming the relief at the very least pays any employees the National Minimum Wage
- No more than 50% of the total number of employees must be on zero-hour contracts.
- At least 50% of employees should be living in Sandwell

Where a business is making a repeat application, this will only be considered if it can be shown that the circumstances surrounding the application have changed, the details of the application differ and the business has taken reasonable steps to improve its situation.

Where there is a national crisis/pandemic affecting a significant number of businesses and there is government funding available to assist no award will be made.

### **3.3 Period of relief**

Relief will only be granted (as a maximum) to the end of a tax period in which the reduction or remission is requested.

### **3.4 Responsible Officers**

Delegation of authority to reduce or remit non-domestic rates under the provisions of Section 49 has been granted to the Executive Director of Finance and Transformation for amounts up to and including £20,000. The responsibility for making decisions regarding amounts above £20,000 lies with the Cabinet Member for Finance and Resources.

The Non-Domestic Rates team will liaise with the ratepayer in each case to obtain sufficient detail (in line with the criteria as laid out in this policy) to enable the Revenues and Benefits Service Manager to make a decision in their case.

### **3.5 Decision making process**

Sandwell MBC will decide every application for relief where the customer has satisfied the required criteria as laid out in this policy.

The decision-making process will involve:

Stage 1: The Revenues and Benefits Service Manager makes a recommendation to the Executive Director of Finance and Transformation after considering each case on 'its merits' against the information provided by the customer.

Stage 2: The Executive Director of Finance and Transformation will decide whether to award a reduction or remission.

Stage 3: Where the reduction or remission is greater than £20,000, the Executive Director of Finance and Transformation will make a recommendation to the Cabinet Member for Finance and Resources.

### **3.6 Requirement to Make Payments**

Ratepayers must continue to pay any amount of Non-Domestic Rates that falls due pending the outcome of the application.

Sandwell MBC may apply its normal recovery procedures in cases where payments are not received.

### **3.7 Changes of Circumstances**

The ratepayer has a duty to notify Sandwell MBC where a change in circumstance would affect the granting of relief.

The change in circumstances must be notified to Sandwell MBC within 14 days of its occurrence.

Sandwell MBC can revise relief to take account of a change in circumstance.

### **3.8 Notification**

Sandwell MBC will notify a ratepayer of its decision by letter or email within 14 days of receiving sufficient information to make a decision.

### **3.9 Payments**

All awards of relief or discount will be credited against the applicant's business rates account to reduce the amount payable.

### **3.10 The right to seek a review**

Under the Local Government Finance Act 1988, there is no right of appeal against Sandwell MBC's use of discretionary powers. However, a ratepayer's request for a re-determination of its decision will be accepted.

A request for a review / re-determination must be made within four weeks of receipt of notification of the decision and must set out the reasons for the request and any supporting information.

The review process will involve re-consideration of the request on its merits by the Executive Director of Finance and Transformation. Sandwell MBC will consider whether the ratepayer has provided any additional information against the required criteria that will justify a change to its decision.

### **3.11 Notification of review / re-determination decision**

Sandwell MBC will notify a ratepayer of its decision within **28** days of receiving a request for a review or re-determination.

### **3.12 State Aid/Subsidy Control Regulations**

State Aid guidance was withdrawn on 1 January 2021. The Brexit transition period has ended and new rules on Subsidy Control now apply. For current information and to see how this may affect your business please go to <https://www.gov.uk/guidance/state-aid>

If you believe your business will exceed the new subsidy control limits you must contact the Non-Domestic Rates team using our online contact us form located at <https://www.sandwell.gov.uk/contactusbusinessrates> to ask for any relief already awarded to be removed from your account

## **4. POLICY REVIEW**

- 4.1 The policy will be reviewed annually, or sooner if appropriate, to take account of operational adjustments and / or changes to legislation.

## 5. EQUALITIES

- 5.1 This policy has been produced in line with the Sandwell MBC's obligation to the Public Sector Equality Duty provided by the Equality Act 2010.
- No adverse impact on any protected characteristic has been identified as a result of this policy.

# **Sandwell Metropolitan Borough Council**

## **Revenues and Benefits Service Flood Relief Policy**

**2025/26**

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## 1. INTRODUCTION

- 1.1 In a severe weather event with significant wide area impacts, local authorities may need central support to help their communities and businesses return to normal.
- 1.2 Section 13a 1c of the Local Government Finance Act 1992 allows the Council to reduce the amount of Council Tax payable and Sandwell's existing Discretionary Policy provides for assistance where flooding occurs in a one-off situation.
- 1.3 In December 2017 the government introduced a Flood Recovery Framework which provides local authorities in England with a core package of business and community recovery support.
- 1.4 The government will decide when this support will be made available as weather incidents with localised impact will not usually trigger a recovery support package. Funding might typically be deployed when facing severe weather which impacts multiple numbers of local authorities, such as those where nationwide storms take place.
- 1.5 This policy is provided to ensure the Council is prepared should a core scheme be activated and will allow suitable preparations to be made in respect of planning for flood events.

## 2. GENERAL PRINCIPALS / REGULATIONS

- 2.1 The core package introduced through the Flood Relief Framework comprises of the following schemes:
  - Community recovery grant
  - Business recovery grant
  - Council Tax discount scheme
  - Business Rates relief scheme
- 2.2 If the government instruct the Council that a core scheme is activated any upfront funding provided will be distributed based on the initial estimated numbers of eligible households and businesses reported by the authority.

## 3. Community Recovery Grant

### 3.1 Scheme Overview

A £500 grant will be paid to the Council for each eligible household badly affected by the relevant weather event. Authorities will be expected to pass these grants directly onto eligible households.

Funding will be paid to Council's via Section 31 grant based on the number of households estimated to be eligible.

### 3.2 Eligible Households

Primary residences – Households whereas a result of the relevant weather event flood water entered the habitable areas of the residence or

Flood water did not enter into the habitable areas, but the Council regards that the residence was otherwise considered unliveable for any period of time.

Second homes, empty homes and student accommodation are not eligible under the scheme.

HMO's should be considered 'one front door' except where they are separated for Council Tax purposes and blocks of flats should be treated in the same way.

## 4. Business Recovery Grant

### 4.1 Scheme Overview

A £2500 grant will be paid to the Council for each eligible business to help support recovery in the aftermath of a severe weather event. Authorities will be expected to pass these grants directly onto eligible businesses.

Funding will be paid to Council's via Section 31 grant based on the number of businesses estimated to be eligible.

The scheme covers small and medium sized businesses within flooded areas. Where larger businesses have been seriously affected this should be discussed as early as possible with the Council's MHCLG Recovery Liaison Officer and DLUHC. Councils should consider any other ways in which it can help larger businesses.

## 4.2 Eligible Businesses

Small and medium sized businesses:

- Directly impacted by the weather event, for instance where there was flood damage to the property, equipment, and/or stock, or;
- Indirectly impacted by the weather event and as a result of flooding have directly suffered a loss of trade. This might apply where for instance there was flood damage to the property, equipment and or stock or the business has no/restricted access to premises, equipment or stock, restricted access to customers, suppliers and/or staff.

Funding should not be used to reward poor business practice or for routine expenses or costs that are recoverable elsewhere.

## 5. Council Tax Discount Scheme

### 5.1 Scheme Overview

Local authorities have discretion to reduce Council Tax liability under S13A 1C where the Flood Relief Scheme is activated following severe weather. The following discounts can be applied and will be refunded back to the Council by DLUHC:

100% discount for a minimum of 3 months or while anyone is unable to return home if longer for **primary residences** whereas a result of the relevant weather event:

- Flood water entered into the habitable areas or;

- Flood water did not enter the habitable areas but the local authority regards that the residence was otherwise considered **unliveable** for any period of time

AND

- 100% Council Tax reduction on temporary accommodation for anyone unable to return to their home, in parallel with the discount on their primary residence where applicable.

Funding will be paid to Council's via Section 31 grant and will typically be paid retrospectively considering actual spend at the end of the financial year.

## 5.2 Eligible Households

Primary residences – Households whereas a result of the relevant weather event flood water entered the habitable areas of the residence

Unliveable households may be determined based on the guidelines below:

- Where access to the property is severely restricted (e.g. upper floor flats with no access);
- Key services such as sewage, drainage and electricity are severely affected;
- The adverse weather has resulted in other significant damage to the property such that it would be, or would have been, advisable for residents to vacate the premises for any period of time, regardless of whether or not they actually vacate;
- Flooded gardens or garages will not usually render a household eligible but there may be exceptions where it could be demonstrated that such instances mean effectively that the property is unliveable

Residences impacted in multiple flood events can receive repeat support where it is made available by the government in respect of separate weather events.

Where the scheme is activated concurrently for two separate instances of flooding within 3 months of each other, the two discount periods would run concurrently.

## 6. Business Rate Relief Scheme

### 6.1 Scheme Overview

Where the Business Rates Relief Scheme is activated following severe weather the government will provide funding up to State Aid de-minimus levels for eligible authorities to grant 100% rate relief of three months, or until the business is able to resume trading from the property if longer.

Funding will be paid to Council's via Section 31 grant and will typically be paid retrospectively in light of actual spend at the end of the financial year.

### 6.2 Eligible Businesses

- The hereditament was directly impacted by the relevant weather event, for instance flood damage to the property, equipment, and/or stock; or the business could not function due to lack of access to premises, equipment and/or stock as a result of the relevant weather event, and no alternatives were available

#### AND

- Business activity undertaken at the hereditament is adversely affected as a result; and
- The rateable value of the hereditament is less than £10 million

Hereditaments occupied by the Billing Authority are not eligible.

In considering whether the business activity has been adversely affected the Council should consider the impact of the flooding in the full context of all business activities undertaken at the hereditament. Very small or insignificant impacts should not be considered for this scheme.

The Council could decide to offer further discretionary discounts outside of this scheme.

The relief should be calculated ignoring any prior year adjustments in liabilities which fall liable on the day.

Ratepayers that occupy more than one property may be granted relief within the scheme for each of their eligible properties.

Businesses impacted in multiple flood events can receive repeat support where it is made available by the government in respect of separate weather events.

Where a new hereditament is created as a result of a split or merger from a hereditament which for the day immediately prior to the split or merger met the criteria for the scheme, funding will be provided to allow relief to be given for the remaining balance of the three months.

If the ratepayer in a hereditament changes the relief will continue to be given.

Hereditaments empty at the time it was flooded will not qualify for a payment via this scheme. If it becomes empty after the flood, then it will receive the normal 3- or 6-months empty property rate free period or will continue to receive the balance of the flooding relief.

Where a seriously damaged property is taken out of the rating list it is not liable for business rates. Once the property returns to the rating list it may be eligible for any remaining period of flood relief.

## **7. Scheme Administration**

### **7.1 Responsible Officers**

The Revenues and Benefits Service will primarily oversee the award of grant payments applicable to any of the schemes and reductions in Council Tax and Business Rates as detailed in this policy.

### **7.2 Decision making process**

The government will determine when a severe weather event has taken place and in turn when the Flood Recovery Framework applies.

Where an extended recovery period is anticipated, DLUHC Recovery Liaison Officers will take over from DLUHC Government Liaison Officers to act as a single point of contact between local authorities and central government for the duration of the recovery period.

The Council's designated Liaison Officer should be informed of any property, infrastructure or wider impacts that may be cause for concern to aid cross-government discussions around the need for particular recovery support.

### **7.3 Decision making process**

The Council will notify a customer of any entitlement to a grant or relief within 14 days of receiving sufficient information to make a decision.

The Council will notify a customer of any changes to entitlement within 14 days of receiving sufficient information to make a decision.

### **7.4 Reviews and re-determination of a decision**

The Council will investigate any challenges against decisions made in respect of the scheme and will aim to notify a customer of its decision within 14 days of receiving a request for a review/redetermination.

### **7.5 Payment of Awards**

Awards payable through Community Recovery Grant or Business Recovery Grant Schemes will be made payable through the Councils electronic finance systems into customer bank accounts.

Awards payable through the Council Tax Discount and Business Rate Relief Schemes will be made by crediting the award value to the Council Tax or Business Rates account to which it applies.

### **7.6 Overpayment of Awards**

If the council becomes aware that the basis of information received to pay a grant or relief was inaccurate or incorrect or that relevant information was not declared (either intentionally or otherwise) the Council may seek to recover the value of any award.

Awards will be removed from the relevant Council Tax or Business Rates account and any resulting balance will be subject to the normal methods of collection and recovery applicable to such accounts.

## **7.7 Fraud**

The Council is committed to protecting public funds and ensuring funds are awarded to the people who are rightfully entitled to them.

An applicant who tries to fraudulently claim a relief by falsely declaring their circumstances, providing a false statement or evidence in support of their application, may have committed an offence under The Fraud Act 2006.

Where the Council suspects that such a fraud may have been committed, this matter will be investigated as appropriate and may lead to criminal proceedings being instigated.

## **7.8 Complaints**

The Council's 'Compliments and Complaints Procedure' (available on the Council's website) will be applied in the event of any complaint received about this policy.

# **8. POLICY REVIEW**

- 8.1 This policy will be reviewed annually by the Revenue and Benefits Service, or sooner if appropriate, to take account of operational adjustments and or changes to legislation.

# **5. EQUALITIES**

- 9.1 This policy has been produced in line with the Council's obligation to the Public Sector Equality Duty provided by the Equality Act 2010. No

adverse impact on any protected characteristic has been identified as a result of this policy.

However, due to the discretionary nature of decision making the Revenues and Benefits Service will randomly sample decisions made to ensure consistency.

# **Sandwell Metropolitan Borough Council**

## **Housing Benefit War Pension and Armed Forces Compensation Disregard Policy**

**2025/26**

## POLICY STATEMENT

War Pension and Armed Forces Compensation will be paid to those persons eligible to receive it and Sandwell have decided to disregard this income when assessing entitlement to Housing Benefit. This will be aligned to the Council's Council Tax Reduction Policy with key principles of tackling inequality and reducing poverty.

### 1. INTRODUCTION

- 1.1 The Housing Benefit Regulations 2006 make provision for the first £10.00 of income from War Widows (Widowers)/War Disablement Scheme and the Armed Forces Compensation Scheme to be disregarded in any benefit assessment. The cost of this disregard is fully reimbursed to the Council.
  
- 1.2 The Social Security Administration Act 1992 gives the Council discretion to disregard any amount it chooses in addition to the statutory provision. The Council has taken advantage of this provision and fully disregarded income claimants receive from the War Widows (Widowers)/War Disablement Scheme and the Armed Forces Compensation Schemes.

## 2. GENERAL PRINCIPLES

- 2.1 The Council will fully disregard income from War Widows (Widowers)/War Disablement Scheme and the Armed Forces Compensation Scheme when assessing entitlement to Housing Benefit.
- 2.2 The 100% disregard of funds received as War Widows (Widowers)/War Disablement Scheme and the Armed Forces Compensation Scheme awards aims to:
- Ensure that members of the armed forces who have been disabled during service or the widows or surviving civil partner of those who died in the service of their country, should not be penalised by having their pensions or payments made in relation to their service, taken into account in the calculation of their Housing Benefit entitlement
  - Ensure income from the schemes is treated consistently when assessing entitlement to Housing Benefit
  - Ensure continued alignment between treatment of these incomes under the Housing Benefit scheme set by the Department for Works and Pensions and Sandwell Council's own Council Tax Support Scheme
  - Ensure that everyone gets fair treatment and equal opportunity
  - Promote a transparent and simple assessment methodology that is easily understood
  - Provide staff with guidance for making reasonable, fair and consistent decisions

## 3. PROCESS FOR SERVICES

### ***3.1 Administration of the scheme***

A statutory disregard of £10 is required from current payments of War Widows (Widowers)/War Disablement Scheme and the Armed Forces Compensation Scheme in accordance with the Housing Benefit Regulations 2006. These payments include:

- War disablement pension
- War Widows/widowers pension

- Guaranteed Income Payments (GIP's) under the Armed Forces and Reserve Forces Compensation Scheme (AFRFCS) payments
- Service Attributable Pension (SAP) injury or illness attributable to service on or before April 1975
- Any comparable payment paid by Government of a country outside Great Britain
- A pension paid under the law of the Federal Republic of Germany or Austria to victims of National Socialist Persecution

But not pre-1973 War Widow's Special Payments which are already disregarded in full.

## **3.2 Legislation**

The Regulations providing for this are:

- The Housing Benefit Regulations 2006 paragraph 40(2) and schedule 5
- Housing Benefit (Persons who have attained the age qualifying for the State Pension Credit) Regulations 2006 paragraph 33(9) and schedule 5
- Sections 134 and 139 of the Social Security Administration Act 1992 provide the Council with the discretion to modify the Housing Benefit Scheme by disregarding a further amount, or all, of specified war disablement pensions and payments. The Housing Benefit and Council Tax Benefit (War Pension Disregards) Regulations 2007 (as amended) which prescribe which pensions and payments these are.

## **4. POLICY REVIEW**

- 4.1 The policy will be reviewed annually, or sooner if appropriate, to take account of operational adjustments and or changes to legislation.

## **5. EQUALITIES**

- 5.1 This policy has been produced in line with the Council's obligation to the Public Sector Equality Duty provided by the Equality Act 2010. No

adverse impact on any protected characteristic has been identified as a result of this policy.

# **Sandwell Metropolitan Borough Council Local Welfare Provision (LWP) Policy**

**2025/26**

## POLICY STATEMENT

The Local Welfare Provision (LWP) scheme is to assist and support vulnerable residents of Sandwell in meeting their day to day needs for subsistence or financial support or where they require assistance to maintain their independence within the community. This will be aligned to the Council's key principles of tackling inequality and reducing poverty.

### 1. INTRODUCTION

#### *Local Welfare Provision*

LWP will enable the Local Authority to provide assistance / support to vulnerable people in hardship situations. The overall intention is to use LWP to complement the existing support that the Council and its partners give to residents.

When making a decision consideration will be given to the following priorities:

- To support vulnerable young people in the transition to adult life
- Safeguard Sandwell residents in their homes
- Help those who are trying to help themselves
- Keep families together
- Help provide stability to children
- Support the vulnerable in the local community
- Prevent homelessness for those at risk of losing their home
- Help customers through personal crisis and difficult events
- Support people affected by domestic violence

### 2. GENERAL PRINCIPLES

#### *Considerations for an award*

- The scheme is purely discretionary; a resident does not have a statutory right to an award

- The process will be based on application being made and will be dependent upon a need and eligibility-based assessment.
- Awards will be made by way of vouchers or goods.

## ***The LWP will consist of 2 key aspects of support:***

### **Planned Support**

Intended to help vulnerable people over the age of 18 (young adults aged between 16 and 18 may also be considered where they are unable to receive assistance through Section 17), live as independent a life as possible in the community. This form of support can be considered where the applicant is in receipt of benefit and is moving into independent living.

Planned support is also available to people if they are leaving accommodation in which they received significant and substantial care and supervision and they expect to be discharged within 6 weeks. Examples of such accommodation:

- hospital or another medical establishment
- care home
- hostel
- staff intensive sheltered housing
- local authority care
- Prison or detention centre

*Unless there are exceptional circumstances such as someone who lives at home and receives support from their family or family members are unable to assist due to the demands of their own financial, health or general circumstances, applications from single people living with other family members will not be awarded as they are likely to have access to assistance from other family members.*

### **Responsive / Emergency Support**

To meet a need that has arisen as a consequence of an emergency, disaster, exceptional circumstances or a pressing need that is strikingly different from the pressures generally associated with managing a low income and is the only way of preventing or mitigating serious risk to health or safety to the claimant or a member of their immediate family, which cannot be met by another source.

### **Forms of Support**

- *Planned / Responsive support* will be the direct provision of furniture subject to meeting the eligibility criteria and the need assessment. The following items may be provided:

- Second-hand furniture
- White goods
- Emergency Support will be the direct provision of:
  - Food Bank Vouchers
  - Pre-payment Vouchers for fuel and travel

### 3. PROCESS FOR SERVICES

#### ***Eligibility***

Consideration will be given when the person or family has a reasonable need for an item or items to support or sustain independent living, subject to the availability of the items and the budget has sufficient resources to meet the need.

In cases where DWP or other Government departments have a primary responsibility to residents, The Local Authority will first advocate for residents to secure entitlements.

Individuals may receive support if they are age 18 and over and in receipt of:

- Income Support
- Income based Jobseekers Allowance; or
- Income related Employment and Support Allowance
- Pension Credit Guaranteed
- Contribution based Job Seekers Allowance\*
- Contribution based Employment and Support Allowance\*
- Universal Credit (means tested maximum award rate/where the award does not include an earnings disregard)
- Reside in Sandwell

*\*Claims will only be considered under these circumstances where the claimant and/or their partner has no dependants or any other income / capital.*

#### **Exclusions**

Local Welfare Provision will not be awarded for any items that a government department or Council service has a statutory responsibility to provide.

The following people are excluded for support in all circumstances:

- Prisoners and people lawfully detained, including those released on temporary licence (but not those released on parole or on bail pending a court hearing)
- Members of a religious order who are fully maintained by the order

The following people are excluded from support except in very limited circumstances:

- Full-time students can only receive support for expenses arising out of a disaster
- Someone who is a 'person from abroad' (i.e. who fails or would fail the habitual residence test for the purpose of Income Support, Pension Credit, Income-based Job Seekers Allowance or Income Related Employment Support Allowance, Universal Credit) they can only receive support for expenses arising out of a disaster
- Customers who are subject to the Benefit Cap. As it deemed that they have an income in excess of more than £20,000
- A customer who has savings of more that £1K

### **Benefit Sanctions**

People subject to certain disallowances or sanctions to their Job Seekers Allowance, Employment Support Allowance, Income Support, Pension Credit or Universal Credit or equivalent welfare benefits will not normally be eligible for support.

However because of the nature of benefit sanctions each case will be considered on its own merits and where it is clear that failing to provide support would present significant risk to the claimant or, their immediate family or dependant which cannot be met by another source then support may be provided.

### **Universal Credit – Waiting period**

People who have made a claim for Universal Credit (UC) and are waiting for their first payment will not normally be eligible for support through LWP. However, because of the actual time taken for the first payment of UC to be made there may be circumstances where support through LWP is required. Each request will be considered on its own merits and where it is clear that support cannot be obtained from any other source (such as payments in advance from the Department for Work and Pensions, savings or lieu of notice pay) and failing to provide support would present significant risk to the claimant or their immediate family, support through LWP will be considered.

### ***How to request Support***

Applications can be made via the online claim form on [www.sandwell.gov.uk](http://www.sandwell.gov.uk). sufficient information will need to be submitted with the application to enable an assessment of eligibility and need.

## ***Decision making process***

Decision making for any request for support will be processed by the LWP Team in the Revenues and Benefits service area.

- Once all relevant data / information has been collected and the eligibility has been satisfied. An officer from the team will contact both successful and unsuccessful residents. If successful, the awards will be provided in line with the resident's needs.
- If unsuccessful the resident will be given the reasons for the decision and details of the appeals process. Also, what other options are available to them i.e. advice and information on other services.
- If the information is incomplete or further supporting evidence is required, an officer will contact the resident for the necessary information. Once all relevant data has been collected a decision will be made.
- Local Authority may request any reasonable evidence in support of an application. Such requests may be requested by phone or in writing.
- Local Authority reserves the right to verify any information or evidence provided by the resident in appropriate circumstances.
- If the resident is unable to or does not provide the required evidence, the local authority will still consider the request and will take into account any other available information.

## ***Value of Awards***

Each case will be assessed on individual circumstances. The value of the items provided will be at the discretion of the Local Authority but will be based on standard prices for items including the cost of delivery and installation where appropriate.

Planned / Responsive awards will be limited to 1 award within any 12-month period.

Emergency awards will be limited to 3 awards within a 6-month period.

## ***Outcome***

Once all information to support a request has been received, the referral will be processed within 14 working days.

The LWP Team will provide written notification of an award of support to the Resident or the officer representing the individual and the supplier of goods.

Written notification will include details of:

- The support to be provided

- How, when and where the award can be accessed

To avoid unnecessary delay, residents may be asked for alternative contacts methods such as email or telephone to speed up the outcome confirmation.

## ***Out of Hours Arrangements***

Local Welfare Provision will not operate outside of normal office working hours.

## ***Review / Reconsideration***

A resident can ask for reconsideration if they can demonstrate there has been a factual error based on the decision made, an oversight on a significant piece of evidence or where new evidence has come to light, that was not provided with the original request form. In either circumstance, the resident must provide the relevant details.

Such requests must be made in writing to the Revenues and Benefit Service.

The review will be carried out by the Revenues and Benefits Service by an independent officer. Their decision will be final with no other right of appeal.

## ***Monitoring Arrangements***

The central coordinating function sitting with the Revenue and Benefits service area will monitor the number and amount of awards / refusals in relation to planned and emergency support on a monthly basis to ensure decisions are being made fairly and consistently and in line with the Council's equality duties.

## **4. POLICY REVIEW**

The policy will be reviewed annually, or sooner if appropriate, to take account of operational adjustments and or changes to legislation.

## **5. EQUALITIES**

This policy has been produced in line with the Council's obligation to the Public Sector Equality Duty provided by the Equality Act 2010. No adverse impact on any protected characteristic has been identified as a result of this policy.