

Medium-Term Financial Strategy

2026/27 to 2030/31



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1 Report of the Chief Finance Officer (s.151 Officer)

Introduction

Section 25(1) of the Local Government Act 2003 requires members to 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.

This report focuses on the activity within the financial cycle that provides assurance of financial stability and how the Council can manage financial risks and opportunities through an appropriate reserves strategy.

Sandwell Council has a track record of sound financial management and control. This has continued in 2025/26. The budget included £20m of income and expenditure changes and these are achieving high levels of success. Any emerging issues have been identified quickly and mitigated. Performance is published via reports to senior leadership and the Cabinet, and with ongoing reporting to the Council's Scrutiny Boards. This activity has meant that, at Quarter Two, the Council is forecasting an underspend within the revenue General Fund.

The Council continues to report positive achievements against the strategic aims of the Council Plan. This has included the announcement of a 'Good' rating from OFSTED for Children's Services and the Council was a finalist in the LGA Awards category for Most Improved Council. Such evidence indicates a positive direction of travel in relation to the assessment of value for money.

Looking at overall financial standing I have reviewed controls and decision-making processes to assure myself that this track record is sustainable. This report highlights several opportunities to further improve financial management in support of the Council's aims.

Financial Management within the Financial Cycle

The Council manages a rolling budget cycle. In-year financial monitoring and year-end reporting informs the medium-term financial plans. The Council made further improvements to financial reporting in 2025. Delays in completing the statutory accounts are almost resolved. Incomplete accounts could have cast doubt on the financial reporting of the gross budget, assets, liabilities and reserves but, despite the delays, there is appropriate assurance that financial plans are based on robust forecasts. It is an important focus for the Finance Team to achieve statutory deadlines in 2026. This will provide greater assurance that the classification of income and expenditure and the balances of reserves are reported properly.

Monthly monitoring reports are comprehensive and report progress against all budget decisions. The Council has maintained the financial controls provided through VFM Panels, Consultancy Approvals and Vacancy Management. The effectiveness of financial controls is supported by a focused and resourced audit plan approved by Audit and Risk Committee.

The benefits of the transition to Oracle Fusion were reported, alongside the project implementation closure report, to the Budget and Corporate Scrutiny Management

Board in April 2025. The Steering Group has been re-focused to concentrate on the movement of the project from implementation, through stabilisation to optimisation and on to innovation.

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. Officers of the Council use professional networks, economic forecasts, in-year performance, peers and engagement with government officials to develop up to date financial forecasts. In June 2025 this process identified the need to increase expenditure by up to £32.8m in 2026/27. This increase was required to fund pressure from deficits in children's social care, inflation associated with Adult Social Care services and increasing costs in contracts and pay. To address this position officers of the Council worked with Cabinet members to develop proposals via established Star Chambers. The Cabinet published proposals in October 2025 that could achieve a balanced budget. Proposals were subject to consultation via face-to-face interviews, stakeholder panels, on-line surveys and public scrutiny by committee. The feedback is included within the MTFS report and is considered an appropriate level of engagement to support members in their decision making.

The local government finance settlement, published in December 2025, included important changes related to Fairer Funding and Business Rate Retention as well as reflecting government policy direction and the latest economic forecasts from the Chancellor. This multi-year settlement covered 2026/27 to 2028/29 and moved away from recent single year settlements. Looking at scenarios and forecasts compared to the funding outlook from the settlement presents emerging financial deficits in the Council's MTFS. This is not uncommon in Local Authority financial forecasting but the stability of a multi-year settlement reinforces the need for the Council to address these deficits at a local level.

To address the medium-term deficits the Council is building on its Transformation Programme. This programme includes cross-cutting initiatives to improve services, improve productivity and reduce forecast expenditure. The programme must establish transparent reporting and assurance around the scope and benefits of each project and the overall programme. The pace of change, and ensuring all change realises its intended benefits, is critical to ongoing financial stability. Progress against the programme must become a feature of the in-year monitoring of performance within the Council.

The Council has developed an affordable capital programme largely focused on maintenance of existing assets. Appraisal and due diligence remain appropriate. The development of ambitious capital proposals to effectively support the Council's priorities needs to be a prominent feature of the financial cycle though. The MTFS provides an affordable level of capital spending to support such a review. Analysis of whole life costs, benefits and balance sheet management will need to improve within these financial parameters.

Housing, Schools and Wholly Owned Company

In 2025 I identified three areas of the Council's budget that required attention. These were the Council's Housing Revenue Account, the High Needs Block within the Dedicated Schools Grant and spending on Children's Social Care through the

Sandwell Children's Trust. Each of these areas of material expenditure present long-term financial challenges.

The wholly owned Sandwell Children's Trust contract sum-negotiations were extended to enable external review of the forecast spending requirements. Negotiations focused on addressing the deficit of £19m and strategies to manage rising placement costs over the life of the current contract. In November 2025 Council approved a three-year contract sum to cover 2025/26 to 2027/28 reflecting forecast annual expenditure and reducing the deficit to nil. This was agreed however, during, and after, the negotiation process there have been emerging issues related to the accuracy of financial reporting and forecasting within the Trust. I will review the risks and resilience of our current arrangements supported by recent audits and the internal reviews that are being considered by the Trust Board.

The Housing Improvement Programme focuses on the Council's responsibilities as a social landlord and importantly responds to the Housing Regulator's C3 Assessment. I reported in 2025 that this programme was not unbalancing the HRA but the scale of the required response, alongside other relevant economic factors, means this is no longer the case. The revenue forecasts are in deficit as the Council addresses backlogs of work. The capital programme has also had to be restructured to make it affordable in the short term and there is further work necessary to ensure all lessons learnt from historical project overruns are addressed. Reserves have been accumulated but this is not a reflection of a financial strategy rather a reflection of delays in essential spending. The reserves can address short term deficits but the MTFS identifies several financial mitigations that are essential to ensure the HRA returns to a sustainable state. Progress on these financial mitigations must now become a feature of the ongoing reporting of the Improvement Programme.

High Needs Block spending, related to Special Educational Needs, within the Dedicated Schools Grant remains a significant risk at a national and local level. Funding is insufficient compared to forecast spending and will be in a deficit position locally for the foreseeable future without action. The Government has committed to review funding as well as consider the treatment of deficits. The materiality and historical response to this financial issue does not provide any comfort that funding will simply increase. The Council has therefore started a programme that engages children, parents, teachers and relevant professionals within the Council and the NHS to improve outcomes and financial stability of SEND Services. Capital spending on education services remains appropriate but sufficiency planning is in progress to ensure the Council continues to meet demand for all types of education requirements.

Risk Management

The Council's Audit and Risk Committee, Leadership Team and Performance Board receive regular strategic risk reports. Reports are prepared by Internal Audit and engages senior 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.

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 is 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. The Reserves Strategy has developed to align the financial impact of strategic risks to the requirement to hold reserves to mitigate this impact.

Assessment of the Robustness of Future Estimates

The Council has a sound approach to setting its financial strategy. There remains an ongoing need for existing financial controls to eliminate waste, enhance efficiencies and improve focus on long term outcomes. Work to optimise the benefits of the Council's core financial systems is focused on automation of such controls in the short term. This approach will provide more data on spending and income to enhance opportunities for analysis and insight. The wider transformation programme remains critical to creating longer term sustainability and this will be informed by improving data analysis.

The processes and governance in place at Sandwell give adequate opportunity for professional advice and due diligence and stakeholder engagement. This allows decision makers to be informed and supports them in making achievable financial proposals. Improvements in the production of business cases and the decisive response to address challenged financial targets is further evidence of appropriate financial control. My view is that the estimates in this report are therefore robust.

Management of Reserves

The Council has enhanced the reserves strategy that was introduced in 2025/26. The strategy defines the reasons for holding reserves and the approach to reviewing reserve levels. The MTFS does not factor in the use of General Reserves in the medium term to balance the financial deficits occurring from 2027/28 onwards. This reflects the strategic intent to implement transformation activity to address emerging financial deficits rather than take an unsustainable approach of using reserves. Earmarked reserves are held for varied reasons aligned to managing material risks or liabilities as well as supporting service change and they will be used for the intended purpose within the MTFS. Reserves have been reviewed to ensure they align to the strategic aims and risks of the Council Plan.

Assessing the Adequacy of the Proposed Financial Reserves

In-year financial performance has enabled reserves to be used for their intended purpose and not have to be re-purposed to cover overspending or emerging risks. This includes addressing the financial deficit within the Children's Trust from reserves set aside to cover spending in Children's Social Care and addressing short term deficits within the HRA from ring-fenced reserves. 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

The financial pressure on Local Government services is widely reported. Some Councils continue to suffer severe financial stress and in some cases are depending on financial support to maintain essential services whilst longer-term solutions are

developed. This evidences the importance of ensuring financial proposals are robust and that the financial strategy is backed by adequate reserves. My professional opinion is that estimates within Sandwell Council's budget are robust and that the reserves are adequate.

The Council is on a clear path to develop the Sandwell Story and achieve the Council Plan. Local ambition to address deprivation is built into the medium-term financial plans of the Council and this needs to develop further to align long-term spending plans.

There is no space for complacency when considering the risks associated with economic indicators and demand for services in the future. The multi-year settlement provides a degree of stability but only if the Council's priorities are adhered to. Through a focus on investment returns, value for money, aligned with strong financial controls and transformation at pace, the Council will achieve financial stability over the medium-term.



Alex Thompson,
Executive Director
Finance &
Transformation
(S151)

2 Executive Summary

- 2.1 The Medium-Term Financial Strategy (MTFS) shows how the council can deploy resources to achieve the strategic themes within the Council Plan. It shows how expenditure and income must change to ensure that services are adequate to address local need, meet financial pressures from inflation and increasing demand and achieve statutory compliance.
- 2.2 The Council Plan 2024 – 2027 contains the following strategic themes:
- Growing Up in Sandwell
 - Living in Sandwell
 - Healthy in Sandwell
 - Thriving Economy in Sandwell
 - One Council One Team
- 2.3 Resources within the MTFS will be prioritised to support the delivery of services fulfilling the aims of the Council Plan.
- 2.4 The council spends over £1bn per year on providing local services to residents and businesses. This includes revenue spending on day-to-day activities as well as longer term spending on assets such as buildings, highways and vehicles.
- 2.5 The council must balance its annual budget. This document updates the October 2025 MTFS and includes revisions to the forecasts of expenditure and income for 2026/27 onwards. This document predominantly focuses on decisions to update spending in relation to the General Fund.
- 2.6 In 2026/27 the council is intending to increase General Fund expenditure by approximately £36m to support the following services:
- £24m additional budget directed into adult and children's social care
 - £3m other contractual inflation
 - £2m new or additional services provided to support council priorities, such as tackling anti-social behaviour and ensuring that intervention and assessment is provided as quickly as possible to children with special educational needs and disabilities
 - £3m corrections to budgets across the council, particularly to ensure that income budgets are aligned with demand for services and the level of income received from residents and external partners
 - £4m additional contingency budgets, held in case of contract inflation increases or staff pay increases over and above the expected increases
- 2.7 To afford this increase in expenditure, the council is proposing to increase income, or reduce expenditure, as follows:
- £9m increase in funding provided by the government through the Local Government Finance Settlement

- £10m additional income from council tax base growth and 4.99% increase in council tax
- £4m from business rates growth
- £3m reduction in contribution to the Collection Fund regarding historic deficit balances
- £2m contributions from reserves
- £8m efficiency and income generation proposals detailed in Annex 3

2.8 The impact of these changes on service budgets highlights how the council is committing most of its funding, and increased expenditure, to support services for vulnerable adults and children:

Forecast 2026/27 Directorate Net Budgets

Directorate	Restated Net Budget Before Growth and Efficiencies	2026/27 Proposed Growth	2026/27 Proposed Efficiencies and Income Generation	2026/27 Net Budget Before Reserve Transfers	2026/27 Transfers to/ (From) Earmarked Reserves	2026/27 Net Budget
	£m	£m	£m	£m	£m	£m
Adult Social Care and Health	134.041	12.103	(1.846)	144.298	-	144.298
Children and Education	134.940	15.517	(1.011)	149.446	(6.597)	142.849
Place	95.558	5.135	(2.717)	97.976	(0.180)	97.796
Finance and Transformation	28.743	2.274	(1.700)	29.317	-	29.317
Assistant Chief Executive	23.785	0.333	(0.511)	23.607	-	23.607
Chief Executive	0.480	0.006	-	0.486	-	0.486
Corporate Budgets	13.933	0.266	-	14.199	5.250	19.449
Net Expenditure	431.480	35.634	(7.785)	459.329	(1.527)	457.802

2.9 The council has a track record of strong financial control. Overspending is mitigated promptly, and reserves are adequate compared to risks. This has been achieved through making timely and informed decisions, implementing those decisions and regularly reviewing financial performance. Officers will continue to review financial targets and update the financial forecasts within the Medium-Term Financial Plan (MTFP) as more information becomes available.

2.10 The Annexes to the MTFS give additional detail on all of our financial strategies. Every element of the council's MTFS is presented to Cabinet and Council in February to support final decisions to set the budget for the forthcoming year.

2.11 The immediate requirement of this MTFS is focused on achieving a balanced budget for 2026/27 whilst protecting service levels to vulnerable children and adults. The proposals in this document achieve that objective. Growth from

inflation in prices and demand for services continues to exceed income forecasts, however. This creates a continued need to review services and achieve efficiencies or make service changes. There are forecast budget gaps in future years and therefore early engagement of options to meet that deficit will be vital to ensure that the ambitions of the Council Plan remain achievable.

3 Sandwell Borough

- 3.1 Sandwell is one of seven constituent authorities that established the West Midlands Combined Authority in 2016 and comprises six towns Oldbury, Rowley Regis, Smethwick, Tipton, Wednesbury and West Bromwich.
- 3.2 Sandwell is home to over 342,000 residents who live in more than 131,000 households.
- 3.3 The local economy of circa £6.6 billion has over 11,600 active businesses.
- 3.4 Sandwell celebrated its 50th Anniversary during 2024/25 and launched the new Council Plan 2024-27 with the focus on getting the basics right and providing vital services for our residents. The main themes of the plan are:
 - Growing up in Sandwell
 - Living in Sandwell
 - Healthy in Sandwell
 - Thriving Economy in Sandwell
 - One Council, One Team
- 3.5 Local resident surveys highlight that the cost of living remains challenging to many residents, and the council continues to provide support through a range of initiatives. Additionally, the Tackling Poverty Plan offers support and advice to help residents manage their finances and access benefits.

4 Background

- 4.1 The Medium-Term Financial Strategy (MTFS) represents the council's approach to resourcing the Council Plan 2024 to 2027. The MTFS extends through to 2031 to ensure that the approach is presented as a set of sustainable proposals in the medium term.
- 4.2 The council provides a wide range of services to residents of all ages and businesses and has several directorates managing delivery of these services. These services are grouped across three main funds:

- **General Fund:** Net budgets for services are funded from council tax, business rates and any un-ringfenced government grants. Ringfenced government grants and charges paid by service users are included within directorate net budgets.
 - **Housing Revenue Account (HRA):** The HRA is a statutory ringfenced account within the council's budget, which manages the social housing stock. The ringfence ensures that council tax income is not used to support the HRA, nor can housing rent income be used to fund services provided through council tax receipts. Expenditure is funded through rental income from the housing stock, service charges and other fee income.
 - **Dedicated Schools Grant (DSG) and School Budgets:** The council receives DSG from central government and distributes funding to the council-maintained schools through an agreed funding method presented to the Schools Forum each year, prior to Council approving the overall MTFS and budget proposals. The council, like many other councils across the country, is experiencing significant cost pressures associated with the High Needs Block and Special Educational Needs and Disabilities (SEND). Deficits relating to the High Needs Block do not currently impact on the General Fund but are held separately within the accounts of the council.
- 4.3 The council must set a legal, balanced annual budget. To achieve this requirement, all financial proposals must be robust. This means that they are not only financially sound but are also subject to adequate engagement, scrutiny and approval. Officers of the council implement the financial proposals once they have been approved by the elected members.
- 4.4 To achieve a balanced budget, the council has created proposals that ensure that 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 and initiatives that reduce demand, alongside increases in income from local taxation and direct charges for services.
- 4.5 The financial outlook for public services, including local government, is challenging. This means that 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.
- 4.6 This MTFS outlines financial proposals that prioritise services in a sustainable way. But, to achieve this, it also includes proposals that may impact on services

and that increase the financial contribution required from local residents. All of the proposals are detailed within this report and a comprehensive consultation exercise has been undertaken to seek views from the council's stakeholders. Results of the consultation, included at Annex 1, have been considered to assist the council in making decisions on its final financial plans.

- 4.7 The council has established a track record of strong financial management. Overspending is 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.
- 4.8 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.
- 4.9 Within the MTFS, the Medium-Term Financial Plan (MTFP) contains the latest assumptions and financial limits. These are updated on a regular basis. This report reflects the impact of updated financial assumptions since the October 2025 MTFP was produced. The MTFP outlines any funding gap and provides detail on the response to such gaps. All of the proposals put forward to balance the budget for 2026/27 are set out in Annex 3.
- 4.10 It is important to state that the estimates in this report 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.
- 4.11 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.

5 Budget and Performance Monitoring in 2025/26

- 5.1 Regular financial monitoring ensures expenditure is in line with original estimates and allows for potential issues to be addressed so that mitigations can be put in place to reduce risks. This process helps inform the Medium-Term Financial Plan. Monitoring takes place across all funds:
- 5.2 **General Fund:** Financial monitoring at the end of Quarter 2 forecast a net underspend of £0.101m for the General Fund, after transfers to or from earmarked reserves. This represents less than 1% of the net budget of £365.783m. As and when potential issues arise, which cannot be easily mitigated, these are incorporated into the MTFP for future years so that a realistic expenditure forecast is visible and early action is taken to reduce

budget shortfalls. Accordingly, £2.361m of new budget pressures that have emerged within the Quarter 2 budget monitoring position have been added into the MTFP for 2026/27.

- 5.3 **Housing Revenue Account:** In relation to the HRA, which is funded from housing rents and not from Council Tax, the original budgeted draw from the HRA's general reserve in 2025/26 was £3.336m. However, principally due to addressing a backlog of repairs and one-off expenditure to mitigate asset management pressures relating to stock condition, damp and mould, housing disrepair claims and a backlog of voids works, it is currently forecast that a transfer from the HRA's general reserve of £6.493m will be required within the current year in order to balance the budget at year-end. Current income and expenditure trends have informed the estimates of costs and income in future years.
- 5.4 **Dedicated Schools Grant:** The budget for council-maintained schools in 2025/26 is £290.911m and is currently forecasting a deficit of £6.863m, wholly attributed to the High Needs Block. Following the use of the High Needs Block surplus brought forward from previous years (held in reserves) of £2.696m, the net overspend is forecast to be £4.167m at the end of the year. There is currently a statutory override in place which ensures that any deficits relating to the High Needs Block are not charged to General Fund reserves. High Needs Block budget deficits are not just a local factor, but a national trend which the government has acknowledged. The government intends to bring forward a paper setting out plans for reform of SEND provision.
- 5.5 **Sandwell Children's Trust (SCT):** SCT is a separate legal entity wholly owned by the council. The council commissions children's social care provision from SCT via the Children and Education budget through an agreed contract fee. The contract fee for 2025/26 has been increased, as approved by Full Council in November 2025, to take into account pressures being experienced in social care placement costs, which is a position being reported nationally, and also to include a contribution to reduce the cumulative historic deficit built up by the Trust. Therefore, this increased contract fee has resulted in no forecast outturn variance being projected by SCT in the current year.
- 5.6 A further key element of the monitoring of General Fund budgets is to review progress against delivery of required budget efficiencies to be implemented in the financial year. For 2025/26, the council is monitoring delivery of efficiencies of £21.070m, including £19.328m agreed within the 2025/26 MTFS presented to Council in February 2025 as well as £1.742m of efficiencies brought forward from previous years that remained undelivered at 1st April 2025.

Description of General Fund Efficiencies	£m
New efficiencies agreed within Budget Report presented to Council in February 2025	19.328
2024/25 efficiencies not delivered on an ongoing basis	0.813
2023/24 efficiencies not delivered on an ongoing basis	0.929
Total Ongoing Efficiencies Required in 2025/26	21.070

- 5.7 Forecast delivery in 2025/26 against the total above is shown in the table below, as at Quarter 2. 63% of the required efficiencies have been rated as delivered on an ongoing basis (rated green), with a further 7% with plans in place to be delivered by year end (rated amber). In addition to this, 12% of efficiencies are forecast to be delivered on a one-off basis in year (rated blue).

Directorate	Has Been Delivered on an Ongoing Basis £m	Likely to be Delivered on an Ongoing Basis by Year End £m	Likely Not to be Delivered In Year £m	Likely to be Delivered In Year on a One-Off Basis Only £m	Total £m
Adult Social Care	3.411	0.284	-	-	3.695
Children and Education	0.917	0.242	1.815	-	2.974
Place	2.656	0.651	1.083	2.569	6.959
Assistant Chief Executive	0.738	0.261	0.161	-	1.160
Finance and Transformation	1.123	-	0.626	-	1.749
Corporate Budgets	4.533	-	-	-	4.533
Total	13.378	1.438	3.685	2.569	21.070
Q2 Delivery	63%	7%	17%	12%	100%

- 5.8 Consideration has been given to the deliverability of the efficiencies that have been rated red, in order to determine the likelihood of the efficiencies being delivered in the future. This has resulted in budget growth of £2.699m being added into the MTFP from 2026/27 in order to 'write out' the efficiency targets that are not considered deliverable. The remainder of the red rated efficiencies that are not delivered at year end, but which are still required to be delivered, will be required to be achieved from 1st April 2026 so that a budget pressure is not created within 2026/27 from further non-delivery.

6 General Fund Budget Pressures

Price Inflation and Demand for Services

- 6.1 It is acknowledged that budget growth is needed within all directorates, as costs increase year on year, predominately due to inflation and increased demand for services, and budgets need to reflect the realistic cost of those services. There are also instances where historic policy changes or fee increases have not generated the financial results originally expected, and therefore adjustments may be required to ensure that budgets match a realistic level of demand for services.
- 6.2 As in previous years, 'Star Chamber' meetings have taken place to discuss these adjustments and agree that, where these proposed budget increases are unavoidable or cannot be mitigated, they will be included within the updated MTFP. Star Chamber events included the Chief Executive, Section 151 Officer, Cabinet Portfolio Holder, relevant Executive Director, Service Directors and Finance Business Partners. Only those unavoidable pressures or growth items which would see benefits to residents or generate other efficiencies are included in the draft budget presented in this report. Further detail of forecast budget pressures included within the MTFP is provided at Annex 2.
- 6.3 The most significant areas of budget growth for the council relates to adult and children's social care. In relation to adult social care, the cost to the council has increased by 60% over the last five years, driven by rising demand, increased complexity of needs and inflationary growth. These factors result in significant increases in costs for councils across the country.
- 6.4 The MTFP includes £10.328m ongoing growth from 2026/27 for inflationary and demographic increases to adult social care placement costs. £0.633m of this is as a result of the Chancellor's Budget announcement in November 2025 relating to the increase from April 2026 in the National Living Wage, which is likely to result in increased fees to be paid to social care providers.
- 6.5 The MTFP also provides £7.404m ongoing budget growth from 2026/27 for children's social care, as well as additional contract payments to Sandwell Children's Trust to be funded from reserves of £6.597m in both 2026/27 and 2027/28. These costs form part of the approved Sandwell Children's Trust three-year contract sum, which intends not only to provide a viable and sustainable level of income for the Trust over the three years, but also sufficient funding to offset the cumulative deficit built up by the Trust to the end of the 2024/25 financial year.
- 6.6 In total the council is directing over £24m of budget growth into adult and children's social care in 2026/27, in order to ensure that services to the council's most vulnerable residents are protected and adequately funded.

Pay Inflation

- 6.7 A large proportion of the council's expenditure is on paying employees who deliver the services that the council provides. Due to the high value of the associated budgets, there needs to be a realistic assumption of future costs for salaries and pension contributions, to ensure that budgets are increased sufficiently to match expenditure in future years.
- 6.8 The October 2025 MTFP included a provision of 3% per annum for pay increases which was based on future national pay increase assumptions from the Office of Budget Responsibility (OBR), which is an independent advisory body to central government. However, having subsequently received information from the pension fund actuary on future pay assumptions, and having considered inflation forecasts, the revised assumption for future pay awards included in this MTFP has been updated to 3.6% per annum. This additional cost of £0.920m per annum has been included within service directorate budgets within the updated MTFP.
- 6.9 Union proposals for pay increases will almost certainly exceed the service budgets growth included in the MTFP and will also lead to protracted negotiations between employers and unions. Therefore, to mitigate risks of final agreed pay increases being more than service budget provision, a separate contingency budget of approximately £2m has been created, which if not required can be redirected to other priorities.
- 6.10 As well as paying salaries, the council is required to contribute to the West Midlands Pension Fund for employees enrolled in the scheme. The council's contribution rates into the pension scheme are reviewed every three years, with 2026/27 being the first year of the new three-year period. At the time of the October MTFP it was acknowledged that contribution rates would fall from their current 24.6% of pensionable pay, but the amount of reduction could not be quantified. It has now been confirmed that the primary contribution rate to the pension scheme will now be 19.1%, which is due to the pension fund being in a fully funded position. This has reduced contributions from the General Fund by £5.861m from 2026/27. The revised contribution rate will continue for the following three years, through to 2028/29.

Other Budget Pressures

- 6.11 As stated in section 5 of this report (Budget and Performance Monitoring in 2025/26), the monitoring of revenue budgets throughout the year acts as a mechanism for the identification of new budget pressures. Budget pressures often emerge within a financial year, as an income budget that isn't being achieved, as an efficiency to be delivered that becomes unachievable, as loss of external income, or as a requirement for additional services. All of these

factors result in net additional costs to the council which must be included in the MTFP where the net additional costs are unavoidable and will be recurrent.

Summary

- 6.12 The following table summarises known budget pressures that have been included within the revised MTFP, totalling £35.634m. The trajectory of growth in adult and children's social care costs particularly results in significantly increased forecast costs across the lifespan of the MTFP model.

	2026/27 £m	2027/28 £m	2028/29 £m	2029/30 £m	2030/31 £m
Adult and children's social care costs	24.239	36.324	42.508	55.441	69.044
Reduction in contributions to the pension fund per recent valuation	(5.846)	(5.846)	(5.846)	(5.846)	(5.846)
Pay inflation	5.709	11.636	17.776	24.140	30.731
General contract and utilities inflation	2.962	5.705	8.611	11.596	14.666
Additional services	2.063	1.866	2.105	1.951	1.972
Budget corrections (<i>realignment of income forecasts, adjustments to savings projections, loss of grant</i>)	3.575	2.877	2.877	2.877	2.877
Other corporate budget adjustments	(0.435)	2.215	3.115	4.115	5.115
Contingencies	4.386	7.042	7.042	7.042	7.042
Adjustments to recharge income due to increased costs	(1.019)	(1.019)	(1.019)	(1.019)	(1.019)
Net Pressures/ Growth	35.634	60.800	77.169	100.297	124.582

- 6.13 Proposals to vary the council's expenditure and income through growth, inflationary pressures or other factors are included within the table above. These highlight the significant changes required over the medium term to help the council to provide appropriate support to residents and businesses.

7 Government Funding

Local Government Finance Settlement

- 7.1 The Provisional Local Government Finance Settlement was received in December 2025. Following consultation with local authorities on 'Fair Funding 2.0', the government has aimed to 'simplify' funding to local authorities by consolidating a number of core grants awarded into the Revenue Support Grant, which is a grant that many councils receive as part of their core funding. A complication of this for Sandwell is that the council is in a minority of councils

that does not receive the Revenue Support Grant, as the council has elected for '100% Business Rates Retention' which means that the council retains a greater share of business rates collected than the majority of local authorities are entitled to retain, but it also makes the council ineligible to receive Revenue Support. Therefore, to compensate the council for the core grants removed within the Provisional Settlement, the government will replace those core grants with additional Business Rates Top-Up Grant. The table below shows the impact of this on the core grants that are part of the council's budget.

Grants Impacted by the Consolidation of Funding	2025/26 Allocation £m	Consolidation from 2026/27 £m	2026/27 Allocation (Before Additional Funding) £m
Government Grants Credited to Services	102.492	(65.696)	36.796
Recovery Grant	11.784	-	11.784
Employer National Insurance Contributions Grant	3.529	(3.529)	-
New Homes Bonus	0.379	(0.379)	-
Business Rates Top-Up Grant	43.246	69.604	112.850
Total Grants Impacted	161.430	-	161.430

- 7.2 Although there are several grants that are currently credited directly to service budgets that will be consolidated from 2026/27, the majority of the impact relates to the Social Care Grant, which is currently credited to Adult Social Care and Children and Education budgets and has a value of £55.391m, and the Market Sustainability and Improvement Fund grant, which is currently credited to Adult Social Care and has a value of £8.085m. The replacement of these grants with increased Business Rates Top-Up grant is mostly presentational within the council's budget, but it does have the impact of reducing income within service directorates and increasing unringfenced funding (which is received 'below the line'), and this has the effect of significantly increasing the council's net budget. It doesn't change the overall value of government grant funding received, however.
- 7.3 In relation to additional government funding as a result of 'Fair Funding 2.0', the outcome of the Local Government Finance Settlement for the council has been notification of additional unringfenced grant income of £8.727m in 2026/27, albeit that figures are provisional at present. This additional unringfenced grant income relates to the following grants:

Unringfenced Grant	Allocation After Consolidation £m	Additional Funding to be Received in 2026/27 £m	Revised 2026/27 Allocation £m
Recovery Grant	11.784	1.206	12.990
Business Rates Top-Up Grant	112.850	7.521	120.585
Total Grants Impacted	124.634	8.727	133.575

- 7.4 In addition to the increase to unringfenced grant funding of £8.727m, the council has also been notified of an additional £3.314m of ringfenced grant funding to be received in 2026/27 in relation to Families First Partnership, Homelessness, Rough Sleeping and Domestic Abuse grants. The MTFP assumes that this increased grant funding must be matched with corresponding additional expenditure within services, and therefore there is no impact on the budget shortfall for the council.
- 7.5 As anticipated, 'Fair Funding 2.0' marks a change to the recent one-year government settlements, as councils have received a three-year provisional settlement from the government, that includes funding from 2026/27 to 2028/29. A three-year settlement provides certainty for the council, which helps us to plan effectively, taking into account changes to government funding well in advance of the 2027/28 and 2028/29 financial years.
- 7.6 However, the financial impact of the three-year settlement is very limited for the council in both 2027/28 and 2028/29 and makes a minimal impact on closing the council's forecast budget shortfall in those years. Provisional settlement figures over the three-year settlement period are as follows:

Unringfenced Grant	Revised 2026/27 Allocation £m	Anticipated 2027/28 Allocation £m	Anticipated 2028/29 Allocation £m
Recovery Grant	12.990	11.784	11.784
Business Rates Top-Up Grant	120.585	122.316	123.678
Total Grants Impacted	133.575	134.100	135.462
Increase in Funding from Previous Year	8.727	0.525	1.362

- 7.7 As set out in the table above, the council expects to receive additional government grant income of just £0.525m in 2027/28 and £1.362m in 2028/29.
- 7.8 When the government announces financial settlements, it describes the resulting increase in funding for councils in terms of 'core spending power'. 'Core spending power' describes the total of a council's council tax, business rates and core grants income. In relation to the Provisional Local Government Settlement, in headline terms, Sandwell's increase in core spending power is

5.0%. The majority of this increase comes from council tax increases. The average core spending power increase for all local authorities in 2026/27 is 5.7%. As core government grant funding increases by smaller amounts in 2027/28 and 2028/29, the increase in core spending power is forecast to be 3.0% and 3.1% for those years respectively. The significant majority of the increases to core spending power in those years are as a result of forecast increases in council tax income.

8. Local Response to Mitigate Budget Pressures

Council Tax

- 8.1 Tax Base – The tax base is an estimate of the number of chargeable properties for the financial year (expressed as a number of Band D properties) and considers any likely exemptions, discounts or reliefs. The October 2025 MTFS included a forecast increase in the tax base of 1.80%, generating an expected additional £2.638m in revenue from council tax. The approved tax base, as reported to the Cabinet on 10th December 2025, set a tax base of 81,818.4, that being an actual increase of 1.81% and therefore in line with original expectations.
- 8.2 The government has set a 4.99% cap on council tax increases for 2026/27 for councils with responsibility for adult social care without requiring a resident vote. The Core Spending Power within the Local Government Finance Settlement (the total income that central government has determined that the council needs to fund its revenue expenditure) assumes that these councils will increase their council tax by the 4.99%. The recommendation is that council tax is increased by 4.99% annually to support all services including adult social care needs. This increase, alongside the increase in the tax base referred to above, will generate an additional £10.098m in income compared to 2025/26, increasing the council tax income budget to £156.663m.
- 8.3 Most Sandwell properties fall within Council Tax Band A and B (approximately 76%) and residents in these properties would see their council tax increasing by up to £1.36 per week, assuming no other entitlement to reductions:

4.99% increase	Band A	Band B
2025/26 Council Tax (Sandwell MBC element only)	£1,215.84	£1,418.48
2026/27 Proposed Council Tax (Sandwell MBC element only)	£1,276.51	£1,489.27
Increase per year	£60.67	£70.79
Increase per week	£1.17	£1.36

Business Rates

- 8.4 Since 2013, a new system of business rates retention began in England which transferred some of the benefits of growth to councils by allowing them to retain some of that additional income generated.
- 8.5 Sandwell renewed the agreement with the government to retain 100% of business rates (with 1% to be distributed to the West Midlands Fire and Rescue Authority) for a further 10 years from 2024/25. 100% business rates retention applies to a minority of councils, including Sandwell, with the majority of councils continuing to retain 50% of business rates income, with 50% being the proportion to be paid to the government.
- 8.6 This enhanced retention scheme provides additional benefits to the council, as any growth in business rates income from new businesses entering the borough is retained by the council. The council has benefitted from substantial additional income in recent years from that growth, which has supported the spending need to deliver services.
- 8.7 Business rates chargeable to the businesses within Sandwell are calculated on each premise's rateable value, multiplied by a factor known as a multiplier. Both of these values are determined by central government departments and cannot be adjusted by the council.
- 8.8 There are several central government policies where businesses are entitled to various reliefs to reduce the amount payable to the council, such as Small Business Rate Relief.
- 8.9 It is recognised that councils should not be adversely affected by loss of income from business rates as a result of central government policy and therefore the council receives Section 31 Grant income to replace the lost revenue from those reliefs provided.
- 8.10 There is also a complex mechanism to ensure that no council is adversely affected from a low baseline of income from business rates, nor councils benefitting from receiving more income than they are deemed to need to deliver their services. This is actioned through a top-up and tariff arrangement to redistribute income based on the Fair Funding Allocation. The council has a top-up arrangement where the government provides additional grant to add to the council's assumed baseline income from business rates, to a level which the government considers to be the council's total funding need from business rates.
- 8.11 The current government committed to reviewing the business rates system during 2025/26, with changes to be implemented with effect from 1st April 2026. A number of consultations were issued during 2025, and the results of the consultation were confirmed in the Provisional Local Government Finance Settlement, being:
- Business Rates Reset – This exercise is to establish a fundamental reset of retained growth that many have councils benefited from in

previous years. Whilst some growth has been retained locally within the Provisional Settlement, a proportion has been redistributed across all councils. The losses in income from business rates are being tapered across the multi-year settlement and has been included in the MTFP.

- Revaluation – The Valuation Office Agency (a branch of His Majesty's Revenue and Customs – HMRC) has undertaken an exercise to revalue all businesses subject to business rates and will apply a new Rateable Value with effect from 1st April 2026. The last revaluation was from 1st April 2023.
- Multipliers and Reliefs – A business premises' Rateable Value is multiplied by the multiplier as set by Central Government. For 2025/26 there were two multipliers (Small Business at 49.9p and Standard Multiplier at 55.5p). For 2026/27 these have increased to 5 multipliers:
 - Small Multiplier at 43.2p
 - Standard Multiplier at 48.0p
 - Small Retail Hospitality and Leisure Multiplier at 38.2p
 - Standard Retail Hospitality and Leisure Multiplier at 43.0p
 - High Value Multiplier at 50.8p

8.12 As part of the process to set the council's budget for 2026/27, officers have completed a statutory government return to indicate the expected income from business rates for 2026/27, taking into account the impact of all the above changes in the complex system. Estimates are that income to be received in respect of business rates (to include the Section 31 compensation grants receivable due to reliefs issued) will be £167.572m, which is an increase of £3.837m when compared with the budget of £163.735m in 2025/26.

8.13 As Sandwell is participating in the enhanced retention scheme, the council forgoes Revenue Support Grant as it is deemed that this is rolled into the additional income recovered through business rates. For 2026/27 the Provisional Settlement has assumed that the baseline funding level (the total income from business rates and top-up grant) would be £285.688m. Any income generated above this baseline will be retained as growth until the next reset in the system. Budget estimates, based on the recent statutory government return completed, show that the council will expect to receive an additional £2.469m in income compared the government's Provisional Settlement assumptions.

	Local Government Finance Settlement 2026/27 £m	Sandwell Budget 2026/27 (Based on NNDR1 Statutory Return) £m
Estimated income from Business Rates	165.103	167.572
Top-up Grant	120.585	120.585
Baseline Funding Level/ Base Budget	285.688	288.157

- 8.14 The government, as part of the Provisional Settlement, had assured councils that where income falls below the baseline funding levels then the 100% safety net mechanism will allow councils to recover additional funding from the government up to their baseline funding level.
- 8.15 As net income from business rates is a large proportion of non-ringfenced funding, the council engages with external experts which provide the council with their interpretation of what government policy could look like and advise on potential impacts of changes on this significant income stream over the life of MTFP.

Investment Income

- 8.16 The council invests its daily surplus cash balances in accordance with its approved Treasury Management Strategy. This provides additional income into the council to support service delivery.
- 8.17 The principles of investing surplus cash are security, liquidity and yield, taken in that order:
- Security – ensuring cash is deposited with safe financial institutions to reduce risk of non-repayment back to the council
 - Liquidity – making sure that the council has enough daily cash balances available to cover its spending needs
 - Yield – only after security and liquidity have been considered will the council look to achieve the best return on its investment.
- 8.18 Investment returns are generally linked to UK interest rates, which can be volatile over the medium term. Therefore, to ensure that there are no significant peaks or troughs in the 5-year MTFP, the council will utilise an earmarked reserve to smooth the impact on the General Fund. Where surpluses have been achieved then these will be deposited into the reserve and where a shortfall is being experienced then there will be a draw from reserves.
- 8.19 The council also holds shares in Birmingham Airport for which dividend payments are received. Due to the uncertainty of timing and values of these

dividend receipts, the council will not budget for such amounts but will transfer any in year receipts to the earmarked reserve for use in future years.

- 8.20 The Treasury Management Strategy for 2026/27 is attached at Annex 18 which includes the investment strategy and policy for selection of investment counterparties.

Collection Fund Surplus/Deficit

- 8.21 As part of the annual budget setting process there is a requirement to calculate forecast surplus or deficit balances held within the collection fund as at 31st March for council tax and business rates. These values are then either charged or repaid to the preceptors (including Sandwell). Surplus or deficits arise through variations to original estimates, such as amounts actually collected and growth in dwellings or businesses. The table below shows the amounts charged or credited to the General Fund for 2025/26 and budgeted amounts for 2026/27.

	Amounts (credited) or debited to the General Fund for 2025/26 £m	Amounts (credited) or debited to the General Fund for 2026/27 £m	Change £m
Business Rates	1.082	0.363	(0.719)
Council Tax	2.373	(0.354)	(2.727)
Total	3.455	0.008	(3.447)

- 8.22 The 2026/27 budget includes a reduction of £3.447m in the charge from the collection fund relating to deficit balances held.

Flexible use of Capital Receipts

- 8.23 In 2026/27, the council may wish to make use of the facility to use capital receipts to fund revenue expenditure that implements business change and transformation. This will be subject to sufficient capital receipts being available.
- 8.24 An updated Flexible Use of Capital Receipts Strategy is included at Annex 16 and presents the application of receipts against this Strategy in 2024/25 and 2025/26 and also the proposed areas of transformation investment for 2026/27.

Reserves

- 8.25 A Reserves Strategy was introduced within the 2025/26 Medium-Term Financial Strategy, which seeks to ensure that the council holds adequate reserves to protect against risk but also to support investment and transformation. The Reserves Strategy has been updated, although it maintains the same aims. The updated strategy is included at Annex 19.

- 8.26 The council does not generally rely on the use of reserves to support ongoing service delivery, and no use of reserves to support ongoing service delivery is included within the draft budget for 2026/27.
- 8.27 This MTFP does, however, support the use of earmarked reserves over three years (2025/26 to 2027/28) to fund the deficit of the Sandwell Children's Trust to ensure that the Trust's financial position and ongoing viability is robust and supported through an adequate contract sum to allow efficient and effective delivery of the Trust's duties.
- 8.28 Subject to audit of the council's 2024/25 accounts, at the beginning of the 2025/26 financial year the council is holding General Fund earmarked reserves of £159.558m. Net contributions from earmarked reserves of £1.527m are proposed in 2026/27, taking into account the draw from reserves to fund increased contract payments to the Sandwell Children's Trust, and also taking into account proposed contributions to transformation reserves and the creation of a new reserve to mitigate against the impacts of adverse weather events.
- 8.29 A summary of earmarked reserve balances and the proposed contributions to and from earmarked reserves in 2026/27 is included within Annex 19. Earmarked reserve balances remain adequate to fund transformation and investment activities and to mitigate all identified risks.
- 8.28 The 2026/27 budget also proposes the addition of £0.750m to 'top-up' the General Fund balance, which is the council's general reserve. This contribution to reserves is proposed in order to ensure that the General Fund balance remains above 5% of net expenditure, in accordance with best practice.
- 8.30 The Section 151 Officer is responsible for making a professional judgement about the adequacy of reserves. This judgement is included with the Section 25 Report within this Strategy.

9. Closing the Budget Gap

- 9.1 The growth required to expenditure budgets, as set out in General Fund Budget Pressures section of this MTFS, viewed alongside the projection for future government funding and income from council tax and business rates results in a forecast General Fund budget shortfall of £7.785m in 2026/27 (reduced from £8.353m as at October MTFS report). The annual budget shortfall is forecast to increase to £30.231m by 2030/31.

	2026/27 £m	2027/28 £m	2028/29 £m	2029/30 £m	2030/31 £m
Forecast Net Expenditure Requirement	465.587	485.683	508.650	531.777	556.062
Funding					
Non-Ringfenced Grants	(12.990)	(11.784)	(11.784)	(11.784)	(11.784)
Retained Business Rates	(167.572)	(170.714)	(173.913)	(177.391)	(180.939)
Top-up Grant	(120.585)	(122.316)	(123.678)	(126.152)	(128.675)
Collection Fund Adjustments	0.008	-	-	-	-
Council Tax	(156.663)	(167.442)	(178.961)	(191.273)	(204.433)
Total Funding	(457.802)	(472.256)	(488.336)	(506.600)	(525.831)
Net Deficit Before Efficiency Proposals	7.785	13.427	20.314	25.177	30.231

- 9.2 There is a legal requirement to prepare and approve a balanced budget by March 2026, and throughout the year the Cabinet and Senior Leadership Team worked alongside budget managers and finance officers to prepare a list of efficiency and income generation proposals which were consulted on during October and November 2025. These efficiency and income generation proposals totalled £8.353m for 2026/27. These proposals have been subject to further testing, and they have been revised down to £7.785m following review.
- 9.3 The budget consultation included an engagement programme combining over 1,000 face-to-face resident surveys, an on-line survey which attracted 225 responses plus targeted sessions with businesses, the voluntary sector, community organisations, trade unions and other key stakeholders. A summary of the results of the consultation exercise is detailed at Annex 1.
- 9.4 The final efficiency and income growth proposals for approval are presented at Annex 3 and are sufficient to close the budget gap for 2026/27. The ongoing nature of these proposals also makes progress towards reducing and closing the budget gap for 2027/28 and beyond.
- 9.5 The following table summarises the latest financial position for the General Fund budget over the life of the MTFS.

	2026/27 £m	2027/28 £m	2028/29 £m	2029/30 £m	2030/31 £m
Forecast Net Expenditure Requirement	465.587	485.683	508.650	531.777	556.062
Total Funding Available	(457.802)	(472.256)	(488.336)	(506.600)	(525.831)
Net Deficit Before Efficiency Proposals	7.785	13.427	20.314	25.177	30.231
Efficiencies Recommended for Adoption	(7.785)	(8.205)	(8.685)	(8.161)	(8.641)
Revised Forecast Deficit	-	5.222	11.629	17.016	21.590

- 9.6 Assumptions included within the MTFP for future years will change as more information is received, including updated rates of inflation, announcements of staff pay awards and government policy updates. However, the council must assume that no further government funding will be received during the initial three-year settlement period (2026/27 to 2028/29), over and above the funding already announced.

Fees and Charges

- 9.7 The suite of efficiency and income generation proposals includes a council-wide proposal relating to fees and charges income. The October MTFP assumed a core 2% uplift in general fees and charges, unless levels were specified by the government or unless there are other relevant constraints.
- 9.8 The 2% included in the MTFP was based on the government's target for Consumer Price Inflation (CPI). However, CPI remains high and the final proposed fees and charges include an increase of 3.5% which generates additional income of £0.062m above the £0.480m estimate originally included.
- 9.9 The council is conscious of the cost of living across the borough and has not increased fees and charges across all areas. However, the council needs to seek to recover its cost of providing services that are subject to a usage charge, to prevent these services from being subsidised through council tax revenues which are chargeable to all.
- 9.9 The final suite of detailed fees and charges for approval is included at Annex 5.
- 9.10 Further work will be done during 2026/27 to scrutinise fees and charges, including benchmarking against other councils, to ensure that fees and charges to service users are meeting policy and pricing objectives.

10. General Fund Capital Investment

- 10.1 The purpose of the Capital Programme is to create new assets or to extend 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.
- 10.2 Details of the proposed General Fund capital programme are presented at Annex 9. The proposed programme includes existing approved projects plus a suite of 'pipeline' projects, which are proposed but still subject to due diligence. 'Pipeline' projects will be brought forward for appraisal at the appropriate time and added into the capital programme following completion of a successful appraisal and the appropriate approval process.
- 10.3 The capital programme budget for 2026/27 totals £70.848m, prior to approval of any 'pipeline' project requests. Including proposed 'pipeline' project expenditure of £37.300m, the total capital budget in 2026/27 could be up to £108.148m. To the end of 2030/31, the budget for existing projects is proposed to be £326.945m, and up to £442.019m when including all 'pipeline' proposals.
- 10.4 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 2025/26, the budgeted figure of £22m is approximately 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 revenue budget shortfall for the council 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 below 6% of council net budget for the period of the MTFS.
- 10.5 Calculations of revenue costs of the draft General Fund capital pipeline projects plus existing costs are shown in the table below:

Revenue Costs of Borrowing to Fund the Capital Programme	2026/27	2027/28	2028/29	2029/30	2030/31	Total
	£m	£m	£m	£m	£m	£m
Cost of project spend up to end of 2025/26	17.736	18.290	18.796	17.022	18.280	90.124
Cost of core programme projects	0.745	1.837	2.532	3.227	3.923	12.264
Cost of pipeline scheme proposals	0.646	1.979	2.783	2.962	3.045	11.415
Projected Revenue Cost	19.127	22.106	24.111	23.211	25.248	113.803
MTFP Proposed Revenue Budget	22.415	25.815	26.715	27.715	28.715	131.375
Annual (Surplus)/Deficit	(3.288)	(3.709)	(2.604)	(4.504)	(3.467)	(17.572)

- 10.6 As shown in the table above, revenue borrowing costs are affordable over the 5-year life of the proposed programme. To ensure that the impact on the General Fund remains sustainable and within the 6% limit set within the strategy, any revenue borrowing cost budget surpluses or deficits will be transferred into or out of the Capital Financing earmarked reserve that was created at the end of the 2024/25 financial year. Revenue implications of capital investment proposals have been included in the MTFS and costs remain below the cap of 6% of net budget. This cap is not a national requirement but has been set locally to ensure that sufficient other resources remain available to fund the critical services that the council provides.
- 10.7 There is sufficient headroom within the MTFP to fund an additional £40m of borrowing over the 5-year MTFP to support future capital initiatives that align with delivering the Council Plan.
- 10.8 The updated Capital Strategy and Capital Financing Strategy are included at Annexes 14 and 15.

11. Housing Revenue Account (HRA)

- 11.1 The HRA is the ringfenced budget operated by the council which contains the income and expenditure relating to services connected with the council's Housing Landlord role. The main source of income is from the rental of its housing stock and is not supported with income from council tax.
- 11.2 Work has been ongoing to update the 30-year HRA Business Plan using specialist external consultants working closely with officers of the council to understand where financial pressures are being experienced and to understand the phasing of new build housing projects, which are required to meet housing demand.
- 11.3 Whilst the HRA Business Plan (included at Annex 13) shows that the 30-year HRA financial projections to be fundable in the long-term, there are significant risks in the short-term which would require draws from reserves to fund annual budget deficits. The table below summarises the gross income and expenditure projections and the annual deficit over the life of the MTFP which would need to be funded from the HRA's general reserve.

	2026/27	2027/28	2028/29	2029/30	2030/31
Forecast	£m	£m	£m	£m	£m
Gross Expenditure	165.894	168.825	172.590	177.068	181.081
Gross Income	(157.037)	(161.730)	(167.044)	(172.090)	(177.455)
HRA (Surplus)/ Deficit*	8.857	7.094	5.546	4.978	3.625

**Totals may not necessarily agree to sum of individual values due to rounding*

- 11.4 The deficits in the short term are not sustainable and would reduce HRA reserves below the required minimum working balance; that being 10% of HRA gross income.
- 11.5 The budget proposals presented for approval will request that the deficit projection for 2026/27 of £8.857m be funded from HRA general reserves.
- 11.6 Asset management costs and other expenditure costs are increasing at a faster rate than the income generated by tenants' rent, and this situation is exacerbated by a significant increase in 'right to buy' sales. The government's 'Rent Convergence' policy is expected to increase rental income for the HRA in the future, but as yet no announcement has been made on when or if this can be implemented. Annex 10 of this MTFS gives a detailed explanation of the pressures faced by the HRA and an action plan for mitigations to be explored during 2026/27. Mitigations to reduce expenditure must be put in place to ensure that the reserve balance is adequate in the medium-term.
- 11.7 A significant component of the HRA is capital investment in existing stock to ensure it remains in a condition that meets standards required. The HRA capital programme also includes plans to build and acquire new dwellings. The table below summarises the capital investment proposals with full details included at Annex 11.

	2026/27	2027/28	2028/29	2029/30	2030/31
HRA Capital Programme	£m	£m	£m	£m	£m
New Builds and Acquisitions	37.012	18.472	18.036	17.396	17.396
Investment in existing stock	51.762	52.433	55.265	54.224	36.457
Total Capital Spend	88.774	70.905	73.301	71.620	53.853

- 11.8 Over the medium-term, the HRA capital programme assumes that all new build schemes and acquisitions will be funded from capital receipts; principally 'right to buy' sales. Prudential borrowing will be undertaken purely for investment in existing housing stock. The draft capital programme has been reflected within the HRA's 30-Year Business Plan, included at Annex 13.

12. Dedicated Schools Grant (DSG)

- 12.1 The Dedicated Schools Grant is provided to councils to support schools and is allocated across four distinct areas:
- Schools Block
 - Central Schools Services Block
 - High Needs Block
 - Early Years Block
- 12.2 DSG allocations for 2026/27 for all Sandwell schools were announced in December 2025 at a level of £538.913m, reduced to £529.663m after adjustments; that being an increase of 5.31% from the previous year.

- 12.3 Like many other councils across the country, the cost of the High Needs Block now exceeds the grant provision available. The council has been in the position to date that reserves carried forward from previous years have been sufficient to fund overspends in year, however, the position for 2025/26 will see the reserve position becoming a deficit reserve, estimated to be £4.167m. There are currently accounting regulations in place that prevent the deficit becoming a charge on the General Fund and therefore it will instead be held as a negative balance on overall council resources. This statutory override is now extended to 31st March 2028.
- 12.4 The provisional High Needs Block allocation for 2026/27 after adjustments is £81.779m, which is an increase of £4.172m in comparison with the 2025/26 allocation after adjustments of £77.607m. This provisional allocation of £81.779m for 2026/27 is unlikely to be sufficient to cover all relevant costs.
- 12.5 Whilst the position does not directly affect the General Fund, it does have an indirect impact as there will be fewer cash resources available for the council to invest to generate investment interest.
- 12.6 Annex 12 details the allocations across the four blocks of the DSG and provides some additional context to the national position regarding SEND provision with the deficit now reportedly exceeding £6 billion nationally.
- 12.7 The Council is working on a mitigation strategy to address the significant demand on the High Needs Block. Work is underway with a strategic partner to enhance and progress the SEND transformation programme over a 12-month period. A series of anticipated areas of work have been identified that will look at:
- SEND strategy and forward planning
 - Locality model
 - Implementation of a SEND service restructure
 - The design of a 'front door model' for Inclusive Learning Services
 - Supporting the development of a 'whole school' SEND and inclusion offer for schools
 - Home to school transport.

13. Risk Management

- 13.1 The council's Audit and Risk Assurance Committee and the Strategic Leadership Team and Performance Board receive regular strategic risk reports. Reporting is led by Internal Audit with input from other senior officers as risk 'owners'. This process allows for regular review and challenge, ensuring that the risks remain relevant and are being addressed with any mitigation activity.
- 13.2 The table below summarises some of the key risks to delivery of the MTFS and the mitigations in place.

Risks to the MTFP	Headline Mitigation(s)
Failure to constrain expenditure within relevant budget headings.	The Council monitors its budget monthly, with regular updates to Strategic Leadership Team and Cabinet, advising on key variances. Budget managers are asked to offer mitigations to any adverse variances. Council-wide mitigations will be enacted as required, including spending or vacancy freezes. General Fund revenue spend in excess of £1,000 is submitted to a Value for Money Panel for approval or rejection.
Failure to prepare for balancing budget shortfalls	Early preparation of the MTFS, including establishment of an officer MTFS working group chaired by the Section 151 Officer and membership across key council departments including finance, democratic services, communications and legal. Engagement with the Cabinet and public consultation to establish priorities.
Failure to maintain adequate reserve balances.	A Reserves Strategy was implemented in 2025/26, and reserves are under the control of the Section 151 Officer with monthly monitoring and review. A review of reserve balances and ongoing requirement for them to be held has been undertaken to ensure that balances held align with the council's risks.
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, 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. Contingency budgets and reserves are also included across the MTFP.
Inability to fund the Capital Programme arising from continuing	Established capital principles are set down to ensure adequate planning embedded in the MTFS process. This includes a

risers in interest rates and higher cost of borrowing.	prudent estimate of revenue costs associated with the borrowing need to be capped at 6% of net budget. Further mitigation includes the capital funding volatility reserve to fund material fluctuation in interest rates or be replenished should budget surpluses be achieved.
Sandwell Children's Trust accumulated balance sheet deficit.	The Council has undertaken comprehensive work with the Trust and external consultants to establish a realistic management fee going forward from 2025/26 and an agreed drawdown from our risk management earmarked reserves to clear the deficit and place the Trust on a new stable footing.

14. Next Steps

- 14.1 As stated in section 9 of this report (Closing the Budget Gap), assuming that the suite of efficiency and income generation proposals are adopted, action taken is forecast to be sufficient to mitigate the General Fund budget shortfall within 2026/27.
- 14.2 The work carried in relation to setting the draft budget for 2026/27 has been sufficient to:
- Be able to protect services provided to vulnerable people and ensure that those services are adequately funded
 - Identify efficiency and income generation proposals sufficient to close the budget gap
 - Ensure that efficiency and income generation proposals are robust and sustainable, contributing to reducing the budget shortfall throughout the MTFS period
 - Be able to maintain the council's existing assets
 - Maintain adequate reserve levels
- 14.3 However, a budget shortfall remains from 2027/28, as shown in the table below.

	2026/27 £m	2027/28 £m	2028/29 £m	2029/30 £m	2030/31 £m
Net Deficit Before Efficiency Proposals	7.785	13.427	20.314	25.177	30.231
Efficiencies Recommended for Adoption	(7.785)	(8.205)	(8.685)	(8.161)	(8.641)
Revised Forecast Deficit	-	5.222	11.629	17.016	21.590

- 14.4 Following receipt from the government of the Provisional Local Government Settlement for 2026/27 to 2028/29, the council must work on the basis that no further government funding, over and above the values announced to date, will be received until at least 2029/30. The analysis within the above table, therefore, shows that the council must locally identify and implement new net budget reductions to balance its budget from 2027/28. These net budget reductions must be sustainable over the MTFS period. Budget reductions could be made from cost reductions or from increases in income, but the overwhelming proportion of these must be made on a recurring basis.
- 14.5 In support of the need to improve efficiency and reduce costs, the council is developing 10 transformation projects, aiming to strengthen the effective delivery of the aims of the Council Plan. The 10 transformation projects in development are as follows:
- Assets and Property
 - Fleet
 - Strategic Leisure
 - Adult Social Care
 - SEND
 - Brilliant at the Basics
 - Digital
 - Aspiring Sandwell
 - Customer Focus
 - Culture Change
- 14.6 Effective transformation will be key to ensuring that the council is able to balance its budget in future years.
- 14.7 A further iteration of the MTFS will be presented to Cabinet in October 2026, including updated income and expenditure forecasts, as estimates are refined, new information becomes available and proposals are developed to address the budget shortfall from 2027/28.
- 14.8 In relation to 2026/27 efficiency and income generation measures, a supporting business case has been developed in relation to each proposal, including an action plan for delivery. Monitoring of delivery will be carried out regularly, and reported to the Strategic Leadership Team on a monthly basis and to the Cabinet on a quarterly basis, as part of the monitoring of budgets within the new financial year.

Budget 2026/27 Communication and Consultation Results

1. Summary

- 1.1. Sandwell Council undertook a comprehensive budget consultation between **16 October and 28 November 2025** to inform the Medium-Term Financial Strategy (MTFS) for 2026/27. The consultation was designed to achieve two key objectives:
 - a) **Communicate the Council's financial position and priorities** to residents and stakeholders.
 - b) **Gather views from communities likely to be impacted by budget proposals**, ensuring transparency and inclusivity in decision-making.
- 1.2. The engagement programme combined a **face-to-face survey of 1,101 residents**, an **online survey open to all stakeholders attracting 225 responses**, and targeted sessions with businesses, voluntary and community organisations, trade unions, strategic partners, and children and young people. This approach ensured a broad and representative range of voices contributed to shaping the Council's financial plans.
- 1.3. Feedback from the consultation highlighted significant concerns about the **cost of living**, with 91% of residents worried and nearly a third reported they were struggling financially. These pressures strongly influenced views on budget proposals, with widespread opposition to a Council Tax increase and limited support for income generation measures.
- 1.4. Despite these challenges, residents and stakeholders expressed clear priorities for investment: **safe and clean communities, housing, education, and support for children and families**. These priorities align closely with the Council's existing areas of planned investment, and reinforce the importance of protecting essential services while delivering efficiency savings.
- 1.5. The consultation confirms the need for a balanced approach—maintaining vital services, addressing financial pressures, and implementing savings that minimise impact on residents. The insights gathered will inform the Council's budget-setting process and ensure decisions reflect the priorities and concerns of the people of Sandwell.

2. Stakeholders and Methodology

- 2.1. The following section sets out the methodology used to capture the views of residents and representatives of communities across Sandwell on the Council's budget for 2026/27, together with the results.

2.2. Consultation ran from **16 October to 28 November 2025**. It was extensive and involved a wide range of stakeholders internally and externally. The stakeholders and the methods of **consultation, development and communication** is set out in the table below:

Stakeholder Group	Consultation	Communication
Scrutiny	• Scrutiny Committees • Online Survey	• Social Media • Key Communications Messages Document • Councillors Newsletter
Ward Councillors		• Pre Council Market Place • Online Survey • Briefings • Councillors Newsletter • Social Media • Key Communications Messages
MPs	• Opportunity via regular briefings with Senior Officers and Cabinet Members	• Social media (video, webpages, local press)
Resident	• Face to Face Survey targeted 1,101 residents representative of the borough population • Online survey (225 responses)	• Press release to local media outlets • Sandwell Herald - Autumn • Website updates • Social media (video and posts)
Employees	• Online survey	• Council communication (intranet, desktop, email) • Social media (video, webpages, local press)
Trade Unions	• Face to face meeting with all TUs recognised by Sandwell • Online survey	• Council communication (intranet, desktop, email) • Social media (video, webpages, local press)
Opposition Councillors/ Independent	• Scrutiny Meetings • Online Survey	• Members newsletter • Council communication (intranet, desktop, email) • Social media (video, webpages, local press) • Pre Council Market Place

Stakeholder Group	Consultation	Communication
		• Online Survey
Voluntary sector	• Online survey • VCS forum (22 people from 18 organisations)	• Social media (video, webpages, local press)
Strategic partners (police, health etc)	• Strategic partner roundtable (6 partners) • Online survey	• Social media video, webpages, local press)
Business sector	• Business sector roundtable (Business Ambassadors 9 attendees) • Online survey	• Business Growth Summit (120 businesses) • Social media video, webpages, local press)
Children and Young People	• UK Parliament Week with young people (52) • Bespoke consultation with care experienced young people (9 attendees) • Online Survey	• Social media video, webpages, local press)
Education establishments	• Online survey • UK Parliament Week with young people • Strategic Partners	• Social Media video, webpages, local press
Adult services	• Online Survey • Sandwell Herald	• Social Media video, webpages, local press

3. Budget Consultation Communications for 2025

3.1. To increase understanding and accessibility for residents across Sandwell, we have:

- increased the use of infographics to explain the budget process, especially useful to those who do not speak English as a first language; and
- translated our budget proposals into an example household budget.

3.2. The Sandwell Herald, distributed in October 2025, featured a whole page regarding the budget with a call to complete the consultation. This was distributed to all households (138,077) plus 8,764 businesses, 2,279 care

home residents and 500 to council premises including libraries and front-facing offices.

- 3.3. We have created a landing page on the council's website for the budget so all of our documents and policies can be found in one place. We will update this throughout the year, and we hope this will lead to a more transparent and accessible home to share all information relating to the budget process. The budget consultation link was featured on every page of the Council's website for a total of 14 days over the consultation period. The budget consultation webpage on sandwell.gov.uk had 2,014 hits – compared with 3,650 hits last year.
- 3.4. Almost 46,000 accounts on Instagram, Facebook and X saw the council's 11 budget consultation posts on the council's social media channels - compared with 20,000 accounts being reached by 15 posts in 2024.
- 3.5. A [budget consultation video](#) was produced in-house to explain how the council's budget is funded, a breakdown of how it is spent, the council's priorities for the next financial year and how to get involved in the budget consultation. This video was shared on YouTube, X, Facebook and Instagram. Across all channels it was viewed more than 31,500 times – compared with 14,500 views for the video produced in 2024.

4. Specific Consultation Activity and Events

- 4.1. The consultation activity aimed to:
 - capture the priorities of residents and stakeholders to determine whether the council's proposals were aligned;
 - Determine the level of support for the proposals for balancing the council's budget through generating income, reducing spend and making services more efficient; and
 - Give stakeholders an opportunity to put forward any alternative proposals for balancing the council's budget.
- 4.2. To capture the views of as many stakeholders as possible, we designed a comprehensive programme of consultation activity and events:
 - Face to face survey of a representative sample of 1,101 residents from across the Borough conducted by an independent market research organisation
 - Open online survey across the Borough aimed at residents; partners; voluntary and community sector; businesses and children and young people. The survey attracted 225 responses.
 - Focus group sessions with:
 - Three Trades Unions - Unison; Unite; GMB

- Business Ambassadors (9 attendees)
 - Care experienced young people through the Forum for Independent Young Adults (9 attendees)
 - Voluntary and Community Sector organisations (22 attendees from 18 organisations, out of the 110 invited to attend)
 - Strategic Partners roundtable attended by six strategic partners
 - Workshop with Primary School children as part of UK Parliament (52 young people)
 - Marketplace event at the Business Growth Summit (120 businesses)
- 4.3. We also received direct email correspondence from members of the public with detailed feedback on the budget that was built into the consultation key messages.

5. Feedback from Consultation Activity and Events

5.1. This section details the feedback from two residents' surveys and the bespoke group consultation events above.

5.2. Face to Face Survey

5.2.1. Resident Financial Pressures:

- **91% concerned** about cost of living; **29% struggling to make ends meet.**
- Hardship is higher among **social/private tenants, Smethwick, Wednesbury & Tipton residents, and those with chronic health conditions.**

5.2.2. Top priorities for council spend, ranked from five themes:

1. **Living in Sandwell (32%)** – Safety, clean spaces, affordable housing.
2. **Growing Up in Sandwell (27%)** – Early years support, thriving schools, family advice.
3. **Healthy in Sandwell (15%)** – Health access, independent living.
4. **One Council One Team (16%)** – Fair, high-quality services.
5. **Thriving Economy (10%)** – Jobs, transport, sustainable growth.

5.2.3. Key drivers:

- Feeling safe in communities and housing quality dominate “Living in Sandwell.”
- Child development and education drive “Growing Up.”
- Health access and support for vulnerable groups underpin “Healthy in Sandwell.”

5.2.4. Balancing budget preferences:

- Strong opposition to raising council tax:
 - Only **5% agree** with a 4.99% increase; **83% disagree**.
 - Raising council tax is the **least popular option** (11% in top 3 choices).
- Reluctance to pay more for services: **60% unwilling to pay extra for any listed service**.
- Preferred measures to achieve a balanced budget:
 - Sell/develop council buildings (**68% top choice**).
 - Stop/reduce discretionary services (**71% in top 3**).
 - Charging more for paid-for services and introducing new charges are moderately supported.

5.2.5. Views on savings proposals to save **£4.4m/year from April 2026**:

- Delivering Smarter Support Services – £382k (**agreed by 51%**).
- Reducing High-Cost Services – £2.26m (**agreed by 51%**).
- Making Services Fit for the Future – £731k (**agreed by 53%**).
- Maximising Income & Commercial Opportunities – £1.03m (**least popular; 34% agree, 31% disagree**).

5.2.6. Key Insights:

- **Living in Sandwell** and **Growing Up in Sandwell** are top priorities.
- **Older residents (55+)** lean toward safety and health; **younger residents (18–34)** prioritise jobs and schools.
- **Financially stretched groups** strongly oppose tax rises and extra charges.
- Alternative proposals are accepted more than tax increases, but enthusiasm is limited.

5.2.7. The full report from the face-to-face survey is included at Annex 1A.

5.3. Online Survey

5.3.1. The online residents' survey ran from **16 October to 28 November** and received 225 responses. The table below sets out the demographics of the respondents compared to the borough-wide average:

	Non BME	BME	Female	Male	No disability	Disability
Survey	78%	22%	55%	36%	45%	45%
Borough Average	57%	43%	51%	49%	77%	23%

5.3.2. Respondents were asked for their priorities in terms of Sandwell's Council Plan priorities. Their **top two priorities** were:

- 1) **Living in Sandwell – creating and maintaining a safe, clean borough with good housing**
- 2) **Thriving Economy in Sandwell – jobs and skills for local people**

5.3.3. The least preferred priority was Healthy in Sandwell – helping people stay **healthy; protecting the vulnerable**.

5.3.4. In terms of **balancing the budget** the following options were considered and prioritised:

- Selling and developing Council buildings and introducing charges for services that the Council does not have a legal requirement to provide **were most preferred options**.
- The **least preferred options** were raising Council Tax; stopping or reducing services that the Council does not have a legal requirement to provide and charging more for paid services.

5.3.5. In terms of **balancing the budget** the following options were considered and prioritised:

- In respect of raising Council Tax by 4.99%: **68% disagrees**; and **17% agreed**
- In terms of **doing things differently**, the following results were received:
 - **Delivering Smarter Support Services** – £382k (agreed by 62%).
 - **Reducing High-Cost Services** – £2.26m (agreed by 73%).
 - **Making Services Fit for the Future** – £731k (agreed by 68%).
 - **Maximising Income & Commercial Opportunities** – £1.03m (least popular; agree by 48%).

5.3.6. Respondents were finally asked where the Council should focus its spent. This was a free text options and the top three responses were as follows:

- 1) Children's future
- 2) The economy
- 3) The elderly and the vulnerable.

5.4. **Focus Groups**

5.4.1. This section sets out the key messages from focus groups with representatives of different stakeholders across the borough.

Trade Unions

Date: 22nd October

Attendees: Representatives from Unison; GMB and Unite.

The Trades Unions received a presentation from the Executive Director, Finance and Transformation with the Director of HR present and the Assistant Chief Executive. The presentation included the background to the budget and the budget setting process; an overview of the Medium-Term Financial Strategy position; outline of the budget proposals including any implications for staff, details of the consultation and timescales. There was a positive response to the budget and attendees had no key concerns.

Business Ambassadors

Date: 13 November 2025

Attendees: Representatives from 9 businesses

The business ambassadors received a presentation from the Executive Director Finance and Transformation. The presentation included the background to the budget and the budget setting process; an overview of the Medium-Term Financial Strategy position; outline of the budget proposals and a summary of those affecting businesses. A summary of the discussion points is set out below.

The business ambassadors had no issues with the proposed budget. General comments were on:

- Business rates
- Concern about the deficit on the Children's Trust
- Discussion on appetite for investment
- Concern about brownfield sites and asset disposal
- Issues concerning SEND transport and the use of Motability cars
- Impact of road closures on businesses

Care Experienced Young People - Forum for Independent Young Adults

Date: 19 November 2025

Attendees: 10 young people

The Executive Director Finance and Transformation gave a presentation to the Forum for Independent Young Adults on the Council's budget: how it is made up; where the spend is and how the council is funded and the challenges it faces. The young people present were then allocated a fictional £100m to spend across a range of services, in denominations of £5m, £10m, £15m and £20m. The total had to add

up to £100m. They gave feedback on what decisions they made; what they spent the most on. **The top four priorities were children's services; housing; schools and roads and travel.**

Young People's Service Priorities

1. **Children's Services by far the top priority**
2. Housing
3. Schools and Learning
4. Roads and Travel
5. Older People and Adults
6. Health and Wellbeing
7. Keeping People Safe and Jobs and work
8. Arts and Culture
9. Parks and Leisure
10. Bins and Recycling
11. Climate Action

Discussion also took place on areas such as mental health and the safety of young people on the streets and knife crime and supporting children and young people to access information and learning through school earlier to help them as they grow.

Voluntary and Community Sector

Date: 20 November 2025

Attendance: 22 attendees, 18 voluntary and community sector organisations

The meeting was chaired by Councillor Paul Moore, Deputy Leader of Sandwell Council. The Executive Director Finance and Transformation gave a presentation on the budget. The presentation included the background to the budget and the budget setting process; an overview of the Medium-Term Financial Strategy position; outline of the budget proposals and a summary of those relevant to the community and voluntary sector. A summary of the discussion is set out below.

- Concerns were expressed about rising costs, the need for core funding, and commissioning timescales.
- Emphasis was on transparency, partnership, and recognition of sector value.
- Requests for improved funding stability and social value in procurement.
- Overall, the group agreed that the budget was a stable one with no surprises

Strategic Partners Roundtable

Date: 20 November 2025

Attendees: 6 partners

The Executive Director Finance and Transformation gave a presentation on the proposed budget, and the Deputy Leader opened the discussion. A summary of the discussion is set out below.

- General agreement with the budget proposals
- General discussion on shared financial pressures across NHS, police, and education
- SEND funding challenges and need for health/social care integration
- Opportunities for joint working on capital projects and integrated planning
- Interest in pooling resources for prevention and workforce development.
- Collaboration on partnership working.

Young People - UK Parliament week

Date: 25 November

Attendees 52 young people

The Executive Director Finance and Transformation gave a presentation to a large group of primary school children on the Council's budget; how it is made up; where the spend is and how the council is funded and the challenges it faces. The young people present were then allocated a fictional £100 to spend across a range of services, in denominations of £5, £10, £15 and £20. The total had to add up to £100m. They gave feedback on what decisions they made; what they spent the most on and why. They were asked which services mattered most to them.

Budget Prioritisation feedback

Highest area of spend for the young people:

- Children and families - support those needing additional support, safety
- Health and wellbeing
- Housing – to sustain children and families
- Schools and learning
- Safety
- Climate action
- Jobs and work

Lowest priority

- Arts and culture
- Parks and leisure

5.5. Key Messages from Budget Consultation 2025

5.5.1. Extensive Engagement Delivered

- Consultation ran from **16 October to 28 November 2025**, reaching thousands of residents and stakeholders through surveys, focus groups, and digital channels.
- Over **1,300 residents engaged directly** (face-to-face and online), alongside businesses, voluntary sector organisations, trade unions, strategic partners, and young people.

5.5.2. Cost of Living Pressures dominates feedback

- **91% of residents are concerned about the cost of living**, with nearly a third struggling to make ends meet.
- Financial hardship is most acute among tenants, certain towns, (Smethwick, Wednesbury and Tipton) and those with chronic health conditions.

5.5.3. Clear priorities from residents for Sandwell's future:

- **Living in Sandwell** – safety, clean spaces, housing and the environment.
- **Growing Up in Sandwell** – education and family support.
- **Healthy in Sandwell** – health access and independence.
- Young people emphasised **children's services, housing, schools, safety, and mental health**.

5.5.4. Businesses and strategic partners emphasised the need for investment and the negative impact of any increased of business rates.

5.5.5. Strong Opposition to Council Tax Increase:

- **83% of face-to-face respondents and 68% online respondents disagree** with a 4.99% rise.
- Residents prefer alternative measures such as **selling/developing council buildings** and **reducing discretionary services**.

5.5.6. Support for Efficiency Savings, Limited Appetite for Income Generation

- Broad agreement on proposals to **reduce high-cost services** and **make services fit for the future**.
- **Maximising income and commercial opportunities** was the least supported option.

5.5.7. Stakeholder Perspectives Align with Residents

- **Voluntary sector**: Concern over rising costs, need for funding stability, and partnership working.
- **Businesses**: Focus on the negative impact of any increased business rates business rates and investment appetite.
- **Strategic partners**: Shared financial pressures; interest in joint working and integrated planning.

- **Young people:** Prioritised children/families, health, housing, education, and safety.

5.5.8. Alignment with Council Spend

- Priority areas for investment—children and families, housing, and community safety.
- The Council is proposing budget growth in Children and Education; Adult Social Care and Place to continue to meet the needs of vulnerable people and invest in our borough's future -
- Investment in housing – both our own stock and attracting funding to build new housing

5.5.9. In conclusion, the budget proposals set out in the council's MTFS align with those of the residents and others who participated in the budget consultation activities. Respondents were generally supportive of the council's proposals to balance the budget, but high concerns of cost of living drives low support for council tax increases.

Sandwell budget survey

Key messages

Prepared by: Steve Handley

Date: 9th December 2025

01 Background and methodology

Research objectives and method



- In October and November 2025, M·E·L Research interviewed a randomly selected sample of 1,101 Sandwell residents.
- The purpose of this research was to explore the views of residents on spending priorities as Sandwell Council works to set its budget for 2026/27.
- This fresh data on local priorities, and preferences for delivering further council savings will be taken forward into the budget setting process.

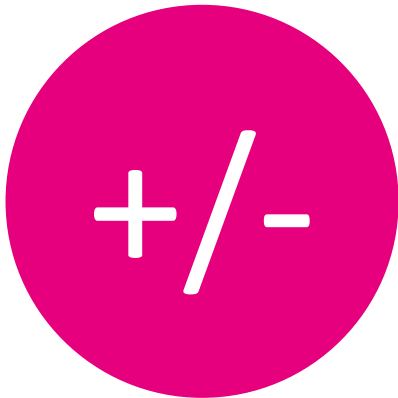


- A stratified random locational sampling approach was used.
- Census Output Areas were selected at random within wards as sample points.
- At ward level, quotas were set by age and gender to ensure that the sample reflected the characteristics of the borough's population.

Data weighting and confidence level



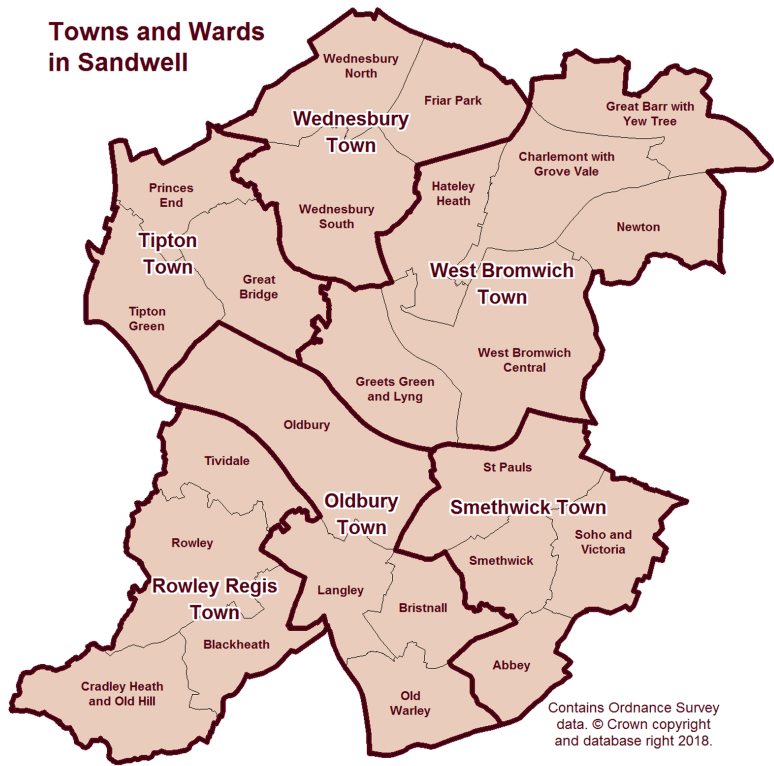
- In total 1,101 interviews were completed.
- Quotas were applied at ward level to ensure a diverse mix of residents were interviewed.
- The final dataset has weights applied by ward, age and gender, using 2021 Census population data to ensure that it is representative.



- The sample size of 1,101 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.

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

Contextual information given to respondents (1)

“

The Council spends around £366m each year on day-to-day services, such as refuse collections, recycling, street cleansing, providing libraries and leisure centres and adult and children's social care services. They must meet all their legal requirements but can make choices in how they deliver some of these services.

Using their residents' survey and listening to residents they also know that people want to see them invest in things which matter - such as preventing anti-social behaviour, having some of the best roads in the country, and having green spaces which improve quality of life.

”

Contextual information given to respondents (2)

“

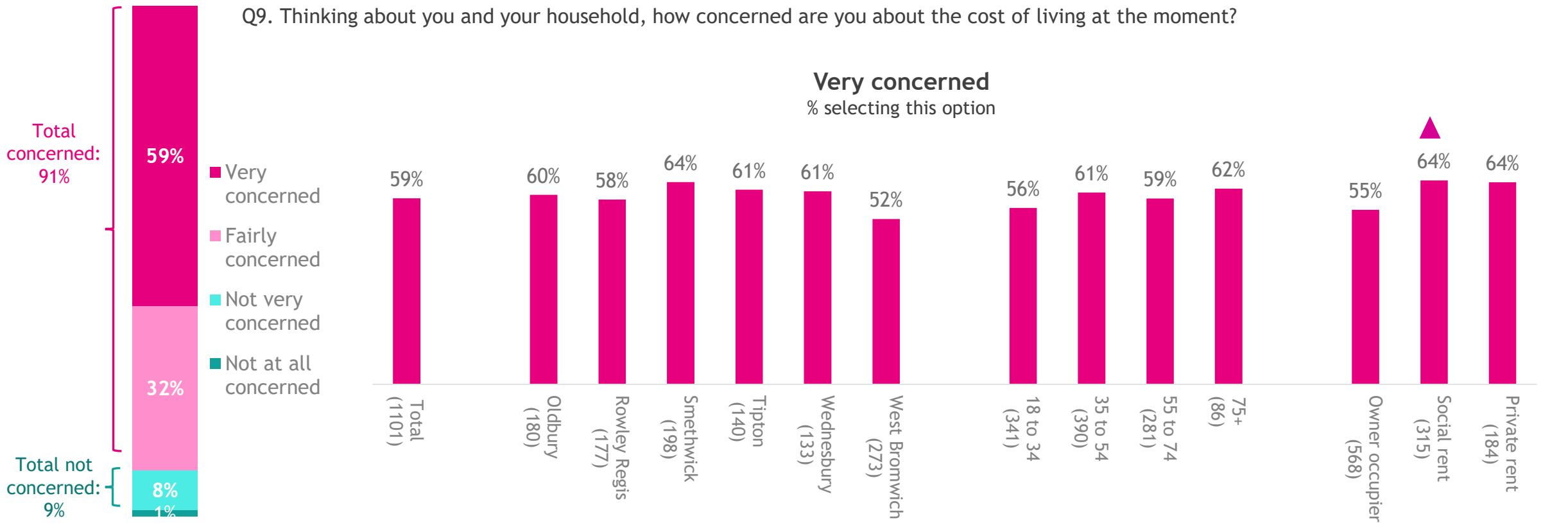
The Council's capital programme will see investment in town centres, more affordable housing and delivering on its masterplans to bring new life to the six towns. They also want to keep your council tax as one of the lowest in the region. The decisions they make when setting the budget will show that they are a caring council that gets things done.

Whilst wanting to make these investments, the Council is also facing similar pressures to residents and other councils from inflation and rising costs. The cost-of-living crisis is also creating more demand for some council services. This means that difficult decisions need to be made when the Council sets its budget.

”

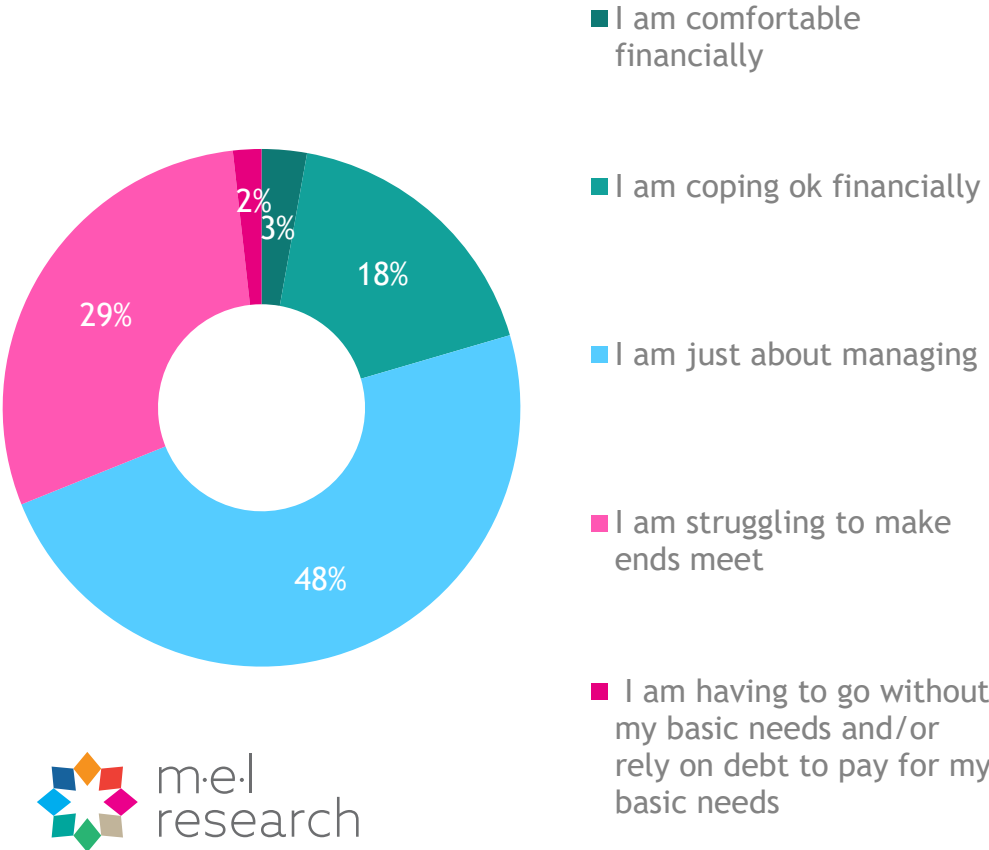
02 Financial pressures for residents

Concern about the cost of living is high: over half of residents are very concerned about this, rising to 64% among social housing tenants



Three in ten residents currently indicate that they are struggling financially. Most commonly residents suggest they are just about managing

Q10. Thinking about your current financial situation, which of these statements best applies to you?



29% of residents agree that 'I am struggling to make ends meet'	
Significantly higher...	Significantly lower...
• Wednesbury (43%) and Tipton (37%)	• West Bromwich (24%)
• Female residents (33%)	• Male residents (25%)
• Chronic health conditions (40%)	• No chronic health condition (25%)
• Economically inactive residents (35%)	• Economically active (25%)
• Social tenants (41%) and private tenants (39%)	• Owner occupiers (20%)

03 Balancing priorities

Council Priorities Considered



Growing Up in Sandwell

Giving children and young people the best start in life: Supporting families and protecting vulnerable children and young people; Improving education/skills for all children and young people



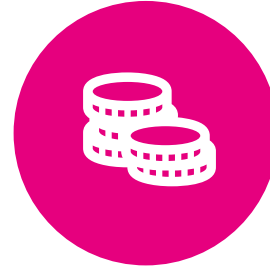
Living in Sandwell

Creating and maintaining a safe and borough; and providing good quality safe and affordable housing



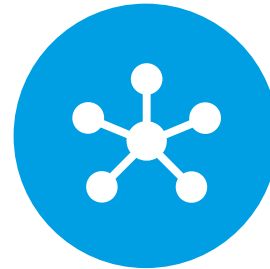
Healthy in Sandwell

Helping people stay healthy; protecting vulnerable adults and investing in providing high quality adult social care services



Thriving economy in Sandwell

Jobs and skills for local people; improving our road network, transport and housing Supporting businesses and creating jobs in Sandwell while being environmentally responsible

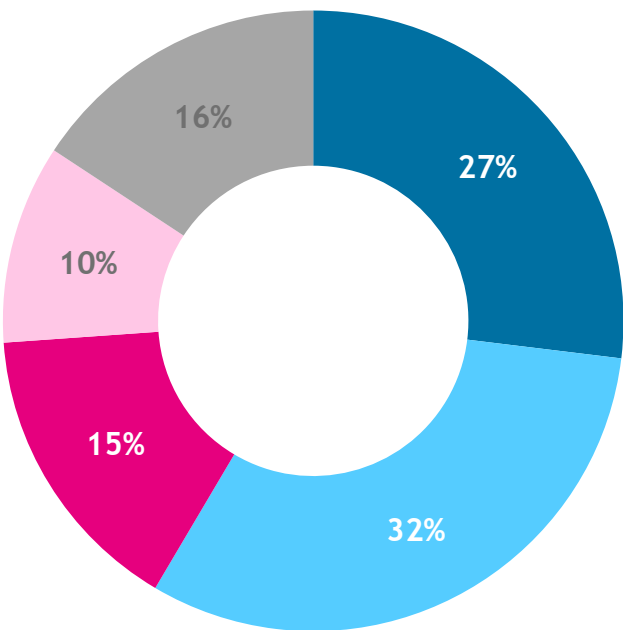


One Council One Team

Making sure services are high quality and fair for everyone

Living in Sandwell (32%) and Growing up in Sandwell (27%) are residents’ top priority themes

Q1: Sandwell Council wants to know what residents’ value the most. Through our Council Plan, Sandwell Council works to make a difference for residents across five themes. Which of these themes is most important to you?



■ Theme 1: Growing Up in Sandwell	Particularly important for: Smethwick residents (37%), private tenants (35%) and 18-34s (34%)
■ Theme 2: Living in Sandwell	Particularly important for: Tipton residents (41%), white residents (34%) and 55-74s (34%).
■ Theme 3: Healthy in Sandwell	Particularly important for: 75+ (27%), 55-74s (24%) and Oldbury residents (22%).
■ Theme 4: Thriving Economy in Sandwell	Particularly important for: 18-34s (18%) and those without chronic health conditions (12%).
■ Theme 5: One Council One Team	Particularly important for: Wednesbury (39%) and Tipton residents (37%) and social tenants (19%).

Reasons for resident priorities - themes within comments given



Growing Up in Sandwell

Giving children and young people the best start in life: Supporting families and protecting vulnerable children and young people; Improving education/skills for all children and young people

Reason for prioritising	%
Child development and welfare (Net)	64%
Good for children/their future/good start in life	40%
I have children/a family	17%
Support needed for vulnerable children and families	14%
Safe and nurturing environment/community	4%
Education and youth services (Net)	31%
Education/schools are important/need improvements	19%
Opportunities for youth development/empowerment	11%
Local services improvement needed	4%
Family support and safety (Net)	18%
Good for families/family support	11%
Safety/comfort	4%
Safe play areas for children	3%
Sample size:	229



Living in Sandwell

Creating and maintaining a safe and borough; and providing good quality safe and affordable housing

Reason for prioritising	%
Community wellbeing (Net)	39%
Safety and wellbeing in the community	32%
Safe spaces for children/community	9%
Environmental concerns (Net)	22%
Crime and safety concerns/traffic issues	10%
Litter/trash cleanliness issues	6%
Infrastructure/drainage and property damage issues	5%
Rubbish collection issues/concerns	5%
Housing issues (Net)	20%
Housing shortage/suitability/quality issues	11%
Essential affordable housing	6%
Affordable housing access/quality	4%
Safety and security (Net)	19%
Safety concerns/need for improved security	10%
Increased police visibility/presence	4%
Safety and security enhancements	3%
Community safety improvements/infrastructure maintenance	2%
Community identity (Net)	10%
Community pride/local identity	4%
Desirable living environment/community	3%
Preference for standard options	3%
Other	5%
Sample size:	232

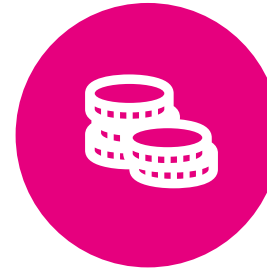
Reasons for resident priorities - themes within comments given



Healthy in Sandwell

Helping people stay healthy; protecting vulnerable adults and investing in providing high quality adult social care services

Reason for prioritising	%
Health and wellness access (Net)	80%
Importance of health/wellness	47%
Access/quality issues in health and social care services important	35%
Quality health services/access to care	7%
Support for vulnerable populations (Net)	27%
Support for vulnerable individuals/community assistance needed	21%
Resource limitations/service gaps for vulnerable populations	7%
Other	2%
Don't know	1%
Sample size:	97

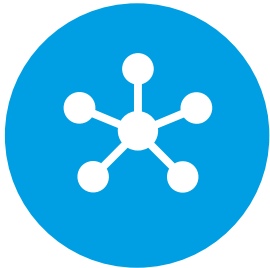


Thriving economy in Sandwell

Jobs and skills for local people; improving our road network, transport and housing Supporting businesses and creating jobs in Sandwell while being environmentally responsible

Reason for prioritising	%
Jobs/employment (Net)	51%
Jobs needed/job creation	28%
Good job opportunities	12%
Jobs/skill development importance	12%
Economic development (Net)	33%
Economic growth/prosperity	20%
Support for local business	15%
General/community benefits (Net)	23%
Community benefits/well-being	15%
Important (general comments)	9%
Services/infrastructure (Net)	19%
Road network improvement/enhancement	13%
Public transport related comments	6%
Other	3%
Sample base:	69

Reasons for resident priorities - themes within comments given



One Council One Team

Making sure services are high quality and fair for everyone

Reason for proritising	%
Service quality and fairness (Net)	46%
Fairness in service access/delivery required	37%
Balanced resource allocation required	9%
Services (Net)	24%
High-quality services overall/ all important	15%
Current service issues mentioned	9%
General positivity to this theme (Net)	17%
Other	13%
Sample base:	54

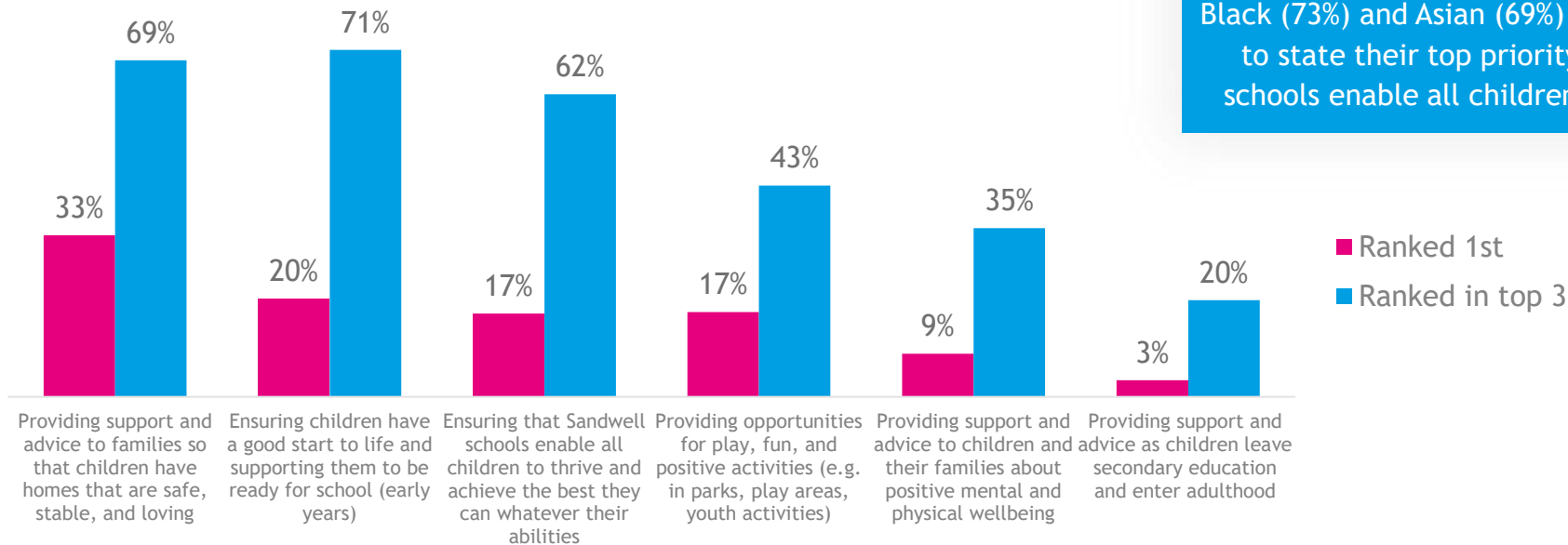
Advice and support for families, early years support and thriving schools are top priorities for *growing up*

Q2. Sandwell Council want to help children grow up safe, healthy and ready to achieve in school. Which of these areas do you think it is most important for Sandwell Council to play a role?



Growing Up in Sandwell

Giving children and young people the best start in life: Supporting families and protecting vulnerable children and young people; Improving education/skills for all children and young people



Key group differences (top 1)

Within theme 1, 18-34s are more likely to prioritise support and advice about positive mental and physical wellbeing (40% as top priority, 35% total).

Black (73%) and Asian (69%) residents are more likely to state their top priority as ensuring Sandwell schools enable all children to thrive and achieve.

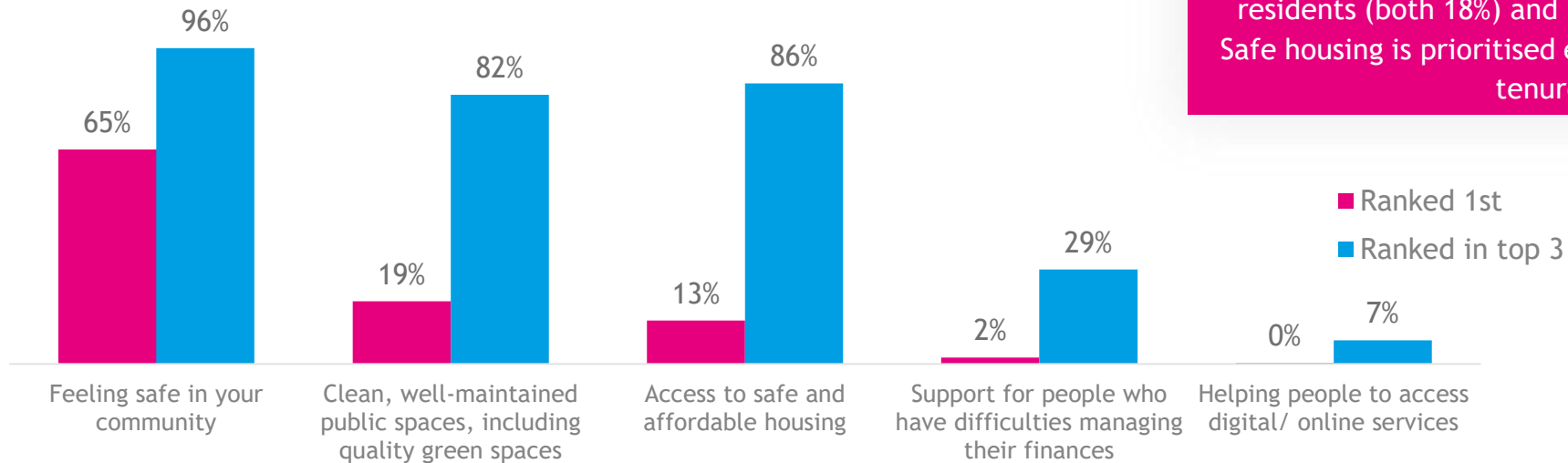
Feeling safe leads the list of *Living in Sandwell* priorities, with public space maintenance and housing also important

Q3. Thinking about your local neighbourhood, please rank the following things you would like to see improved in the next 12 months



Living in Sandwell

Creating and maintaining a safe and borough; and providing good quality safe and affordable housing



Key group differences (top 1)

Feeling safe in your community is particularly important for 75s+ (76% top priority), Rowley Regis (74%) and Tipton residents (74%).

Access to safe and affordable housing is more likely to be the top priority for Oldbury and Smethwick residents (both 18%) and black residents (21%). Safe housing is prioritised equally in each housing tenure.

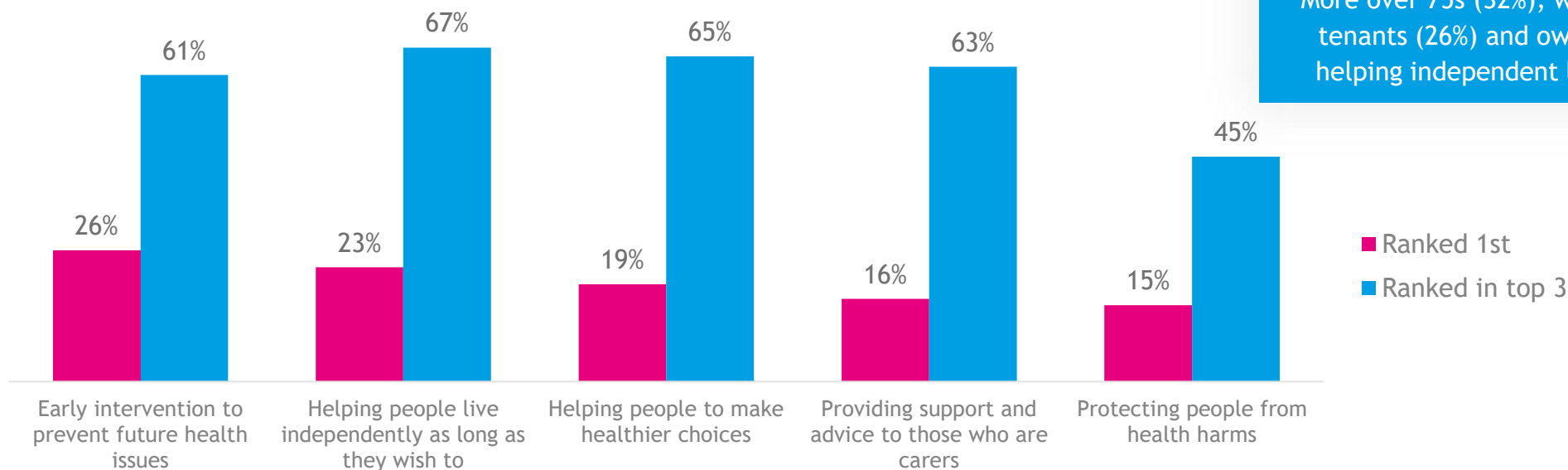
When considering possible health priorities there is far less differentiation in resident choices

Q4. Which of the following health and wellbeing issues do you think it is most important for Sandwell Council to improve?



Healthy in Sandwell

Helping people stay healthy; protecting vulnerable adults and investing in providing high quality adult social care services



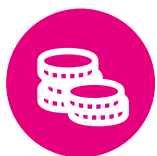
Key group differences (top 1)

Black (35%) and Asian (33%) residents are even more likely to say early intervention is their top priority, as well as those in Smethwick (50%).

More over 75s (32%), white residents (28%), social tenants (26%) and owner-occupiers (24%) place helping independent living as their top priority.

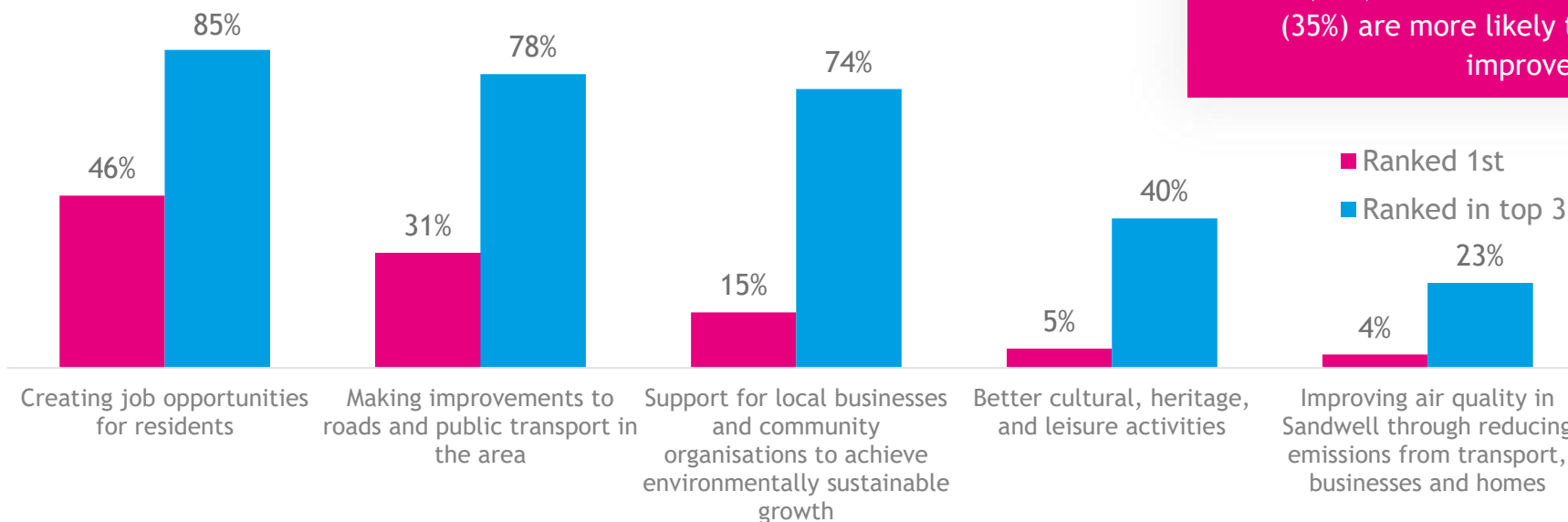
Job opportunities, followed by improvements to roads and public transport are the top priorities for the Sandwell economy

Q4. Please rank the following economic and environmental priorities from most to least important



Thriving economy in Sandwell

Jobs and skills for local people; improving our road network, transport and housing Supporting businesses and creating jobs in Sandwell while being environmentally responsible



Key group differences (top 1)

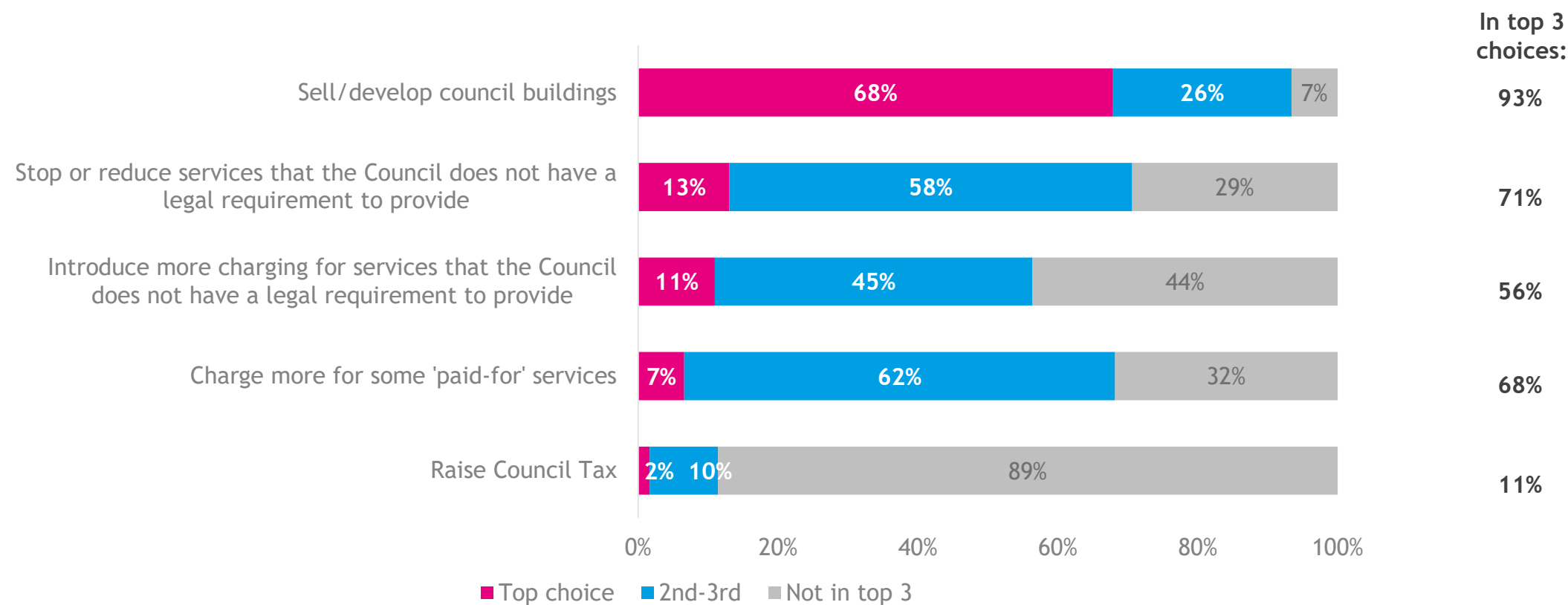
18-34s (51%) and those concerned about the cost of living (48%) are more likely to prioritise job opportunities.

Smethwick (40%) and West Bromwich (39%) residents, 55-74s (36%) and those with chronic health conditions (35%) are more likely to prioritise transport improvements.

04 Balancing the budget

Raising council tax is least popular measure that the council can take to balance its budget

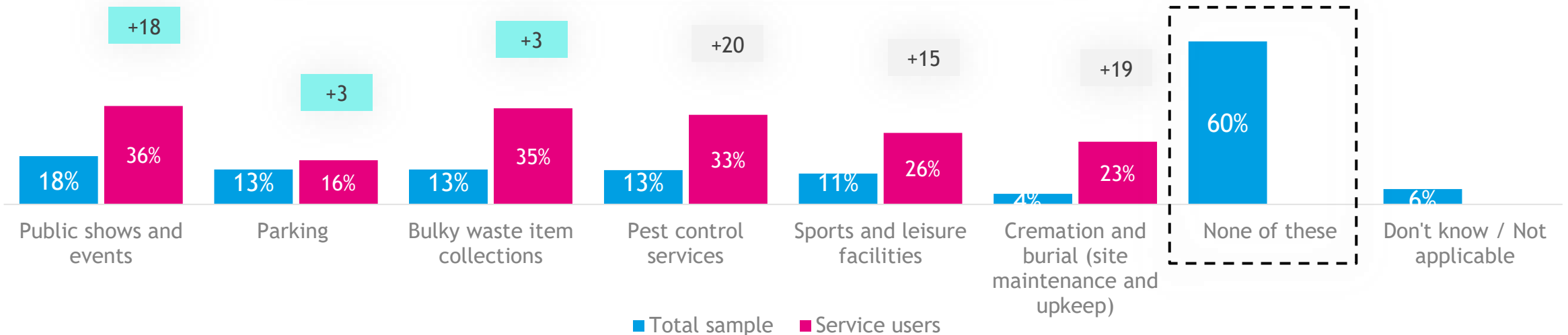
Q6. Which of the following options would you support to enable the Council to make savings and efficiencies to balance its budget in 2026/27?



There is high opposition to paying more for services: three fifths aren't prepared to pay more for *any*

Q6B. Taking into consideration the financial challenge the Council is facing in future years, and in order to make efficiencies and savings and limit any reductions to services, which of the below would you be prepared to pay more for?

Service users are more likely than others to accept paying more for that service
- but in all cases, no more than a third of service users would be prepared to pay more.



Contextual information given to respondents (3)

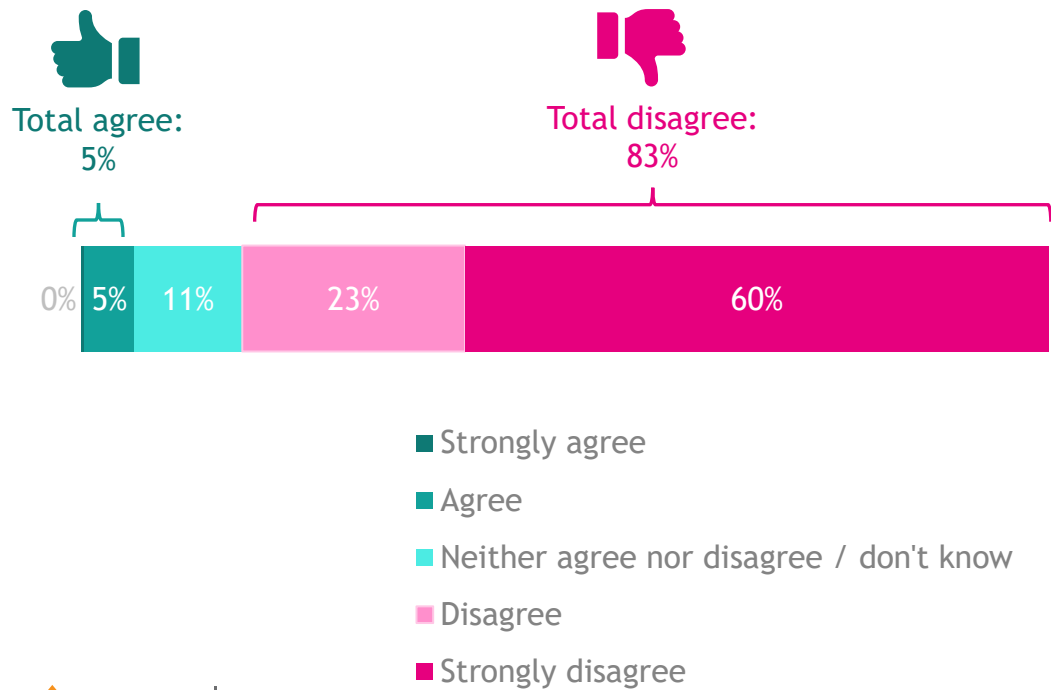
“

Central Government only allows Councils to increase Council Tax by a maximum of 4.99% per year. A 1% increase would raise around £1.5m a year for Sandwell Council.

”

Opposition to a 4.99% Council Tax increase is expressed by four in five residents. Within this, six in ten strongly disagree with this proposal

Q7. If Sandwell Council was to increase Council Tax by 4.99% it would be able to provide and protect more services. What is your view on a 4.99% increase in Council Tax for 2026/2027?



Residents least opposed to proposal (total agree)	Residents most opposed to proposal (total disagree)
- Unconcerned about the cost of living (16%) - Smethwick residents (11%)	- Going without the basics (92%) - Tipton residents (89%) - Chronic health condition (89%) - Female residents (86%) - Concerned about the cost of living (86%)

05 Doing things differently

Contextual information given to participants (4)

The Council will make sure services to other organisations and administration costs on government grants are not charged to Council Tax payers, saving £3.360m. We will also reduce budgets and remove vacant posts where no longer needed where projects have ended, or activities are no longer required, saving a further £0.585m.

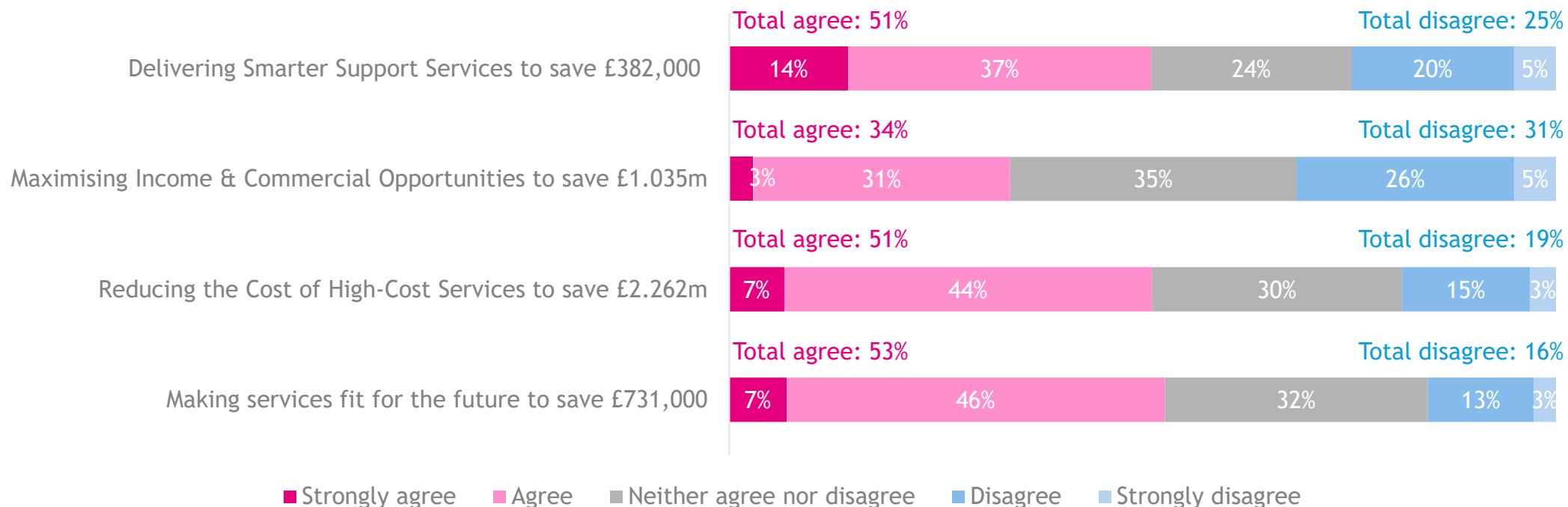
But we still need to do more to balance the budget. We have developed the following proposals to reduce our spending by just over £4.4m a year from April 2026.

- **Delivering Smarter Support Services to save £382,000**
by making the best use of technology to streamline business processes and being smarter about how we procure and manage ICT contracts
- **Maximising Income & Commercial Opportunities to save £1.035m:** Increasing our fees and charges, where we have discretion to, by at least 2% each year, and exploring commercial opportunities to generate income. This includes marketing our Direct Cremation Services, Community Alarms and Legal Services to raise income from more demand.

- **Reducing the Cost of High-Cost Services to save £2.262m:**
Making sure we are getting the maximum savings from the changes made in 2024/25 to the way we deliver services whilst still securing value for money for our residents (for example, continuing to encourage recycling to sell materials and reduce the cost of waste disposal, investing in our leisure facilities to increase visitor numbers and reduce running costs, and making sure travel assistance for children with special educational needs meets the needs of families in a cost effective way).
- **Making services fit for the future to save £731,000:**
Reviewing the way we deliver services to meet the needs of residents and the broad aims of the council, with a focus on value for money. For example, investing in pedestrian crossings to increase safe school crossings where there are vacant School Crossing Patrols; reviewing contracts such as for Family Hubs to continue providing access to family support; and reviewing services across Daycare and Extra Care facilities to better meet needs of service users.

Three of the four proposals to reduce spending receive more public support than opposition. The exception is maximising income & commercial opportunities as a third (31%) disagree with this strategy

Q7. We have developed the following proposals to reduce our spending by just over £4.4m a year from April 2026. To what extent do you agree or disagree with the following proposals?



06 Key insights

Summary

Balancing priorities

Living in Sandwell and Growing up in Sandwell are the Council priorities most commonly supported by residents.

55-74s and white residents are particularly likely to prioritise *Living in Sandwell*, within which feeling safe in the community is the most important aspect.

Growing up in Sandwell is most important for 18-34s and private tenants, with early years advice services and support at the pre-school and school levels among residents' most important aspects.

Balancing the budget

There is majority opposition to raising council tax, particularly among those most hard-hit by the cost of living.

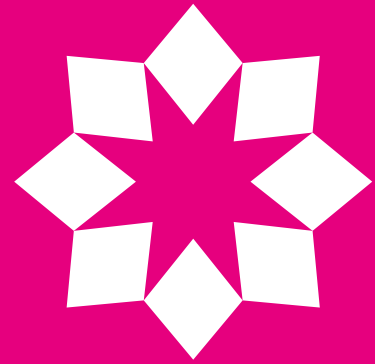
Raising council tax is the least popular measure the council can take to balance its budget, with fewer than 1 in 10 residents selecting it within their top 3 choices of actions.

Just 5% agree with a 4.99% council tax increase, with those going without the basics and with chronic health conditions most opposed. There's also reluctance to pay more for services, even among service users, completing a challenging picture.

Doing things differently

In this context, the alternative proposals are largely accepted (albeit with limited enthusiasm).

More residents agree than disagree with all of the four proposals - with a majority agreeing with making services fit for the future, reducing the cost of high-cost services and delivering smarter support services. Residents have more reservations about income & commercial opportunities (34% agree, 31% disagree), suggesting that this is a more sensitive topic to be aware of when communicating with residents.



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Budget Growth Proposals

Budget growth, as detailed below, is required to allow for increases in costs due to inflation, changes in the population of Sandwell and their needs, either through population growth or changes in the age profile, or to correct historic estimates.

All amounts represent a variation to the approved budget for 2025/26.

Directorate	Income/ Expenditure	Description	2026/27 £m	2027/28 £m	2028/29 £m	2029/30 £m	2030/31 £m
Adult Social Care:							
	Expenditure	Costs of Adult Social Care Inflationary and demographic changes on external costs	10.238	20.224	30.543	40.954	51.971
	Expenditure	Pay Inflation Reduction in pension contributions following pension fund valuation	(0.879)	(0.879)	(0.879)	(0.879)	(0.879)
		Average salary increases are forecast at 3.6% per annum (including National Insurance and Pension)	1.649	3.360	5.132	6.968	8.870
	Expenditure	Growth Increased investment in Social Work	0.812	1.026	1.246	1.473	1.473
	Expenditure	Budget Corrections Hospitals Team - Unachievable historic savings target	0.294	0.294	0.294	0.294	0.294
	Expenditure	Recharge Income Adjustment to recharges to reflect increased costs of service delivery	(0.011)	(0.011)	(0.011)	(0.011)	(0.011)
Total			12.103	24.014	36.325	48.799	61.718
Children and Education:							
	Expenditure	Sandwell Children's Trust Contract Contract price variation due to inflation and demographic changes	7.404	9.503	11.965	14.487	17.073

Directorate	Income/ Expenditure	Description	2026/27 £m	2027/28 £m	2028/29 £m	2029/30 £m	2030/31 £m
	Expenditure	Sandwell Children's Trust Contract Contribution to historic deficit (to be funded from Earmarked Reserves)	6.597	6.597	-	-	-
	Expenditure	Pay Inflation Reduction in pension contributions following pension fund valuation	(0.350)	(0.350)	(0.350)	(0.350)	(0.350)
		Average salary increases are forecast at 3.6% per annum (including National Insurance and Pension)	0.655	1.334	2.037	2.768	3.523
	Expenditure	Growth Additional staffing resource within Partnerships and Inclusive Learning plus additional investment in Adoption at Heart	0.703	0.722	0.741	0.760	0.781
	Expenditure	Budget Correction Removal of grant contribution	0.508	0.508	0.508	0.508	0.508
Total			15.517	18.314	14.901	18.173	21.535
Place:							
	Expenditure	Pay Inflation Reduction in pension contributions following pension fund valuation	(0.864)	(0.864)	(0.864)	(0.864)	(0.864)
		Average salary increases are forecast at 3.6% per annum (including National Insurance and Pension)	1.624	3.313	5.063	6.876	8.754
	Expenditure	General Inflation Unavoidable inflationary increases on key contracts (incl waste collection and Leisure Trust) plus utility prices	2.146	4.257	6.518	8.844	11.240
	Expenditure	Growth Sandwell Local Plan	0.180	-	-	-	-

Directorate	Income/ Expenditure	Description	2026/27 £m	2027/28 £m	2028/29 £m	2029/30 £m	2030/31 £m
	Expenditure	Growth Maintenance of vent trenches and costs associated with replacement pay and display machines plus tree maintenance works and one-off litter pick and street cleanse	0.690	0.440	0.440	0.040	0.040
	Expenditure	Growth Additional investment in Anti-Social Behaviour service	0.750	0.750	0.750	0.750	0.750
	Expenditure	Growth Additional investment in fleet services repairs and maintenance costs	0.353	0.353	0.353	0.353	0.353
	Expenditure	Growth/ Technical Adjustments Reversal of temporary growth included in 2025/26 budget	(0.606)	(0.606)	(0.606)	(0.606)	(0.606)
	Expenditure	Budget Corrections Reduction in income streams from UKSPF grant, planning fees, land charges and building control plus reprofiling of savings forecasts	1.153	0.679	0.679	0.679	0.679
	Expenditure	Recharge Income Adjustment to recharges to reflect increased costs of service delivery	(0.291)	(0.291)	(0.291)	(0.291)	(0.291)
Total			5.135	8.031	12.042	15.781	20.055
Finance & Transformation:							
	Expenditure	Pay Inflation Reduction in pension contributions following pension fund valuation Average salary increases are forecast at 3.6% per annum (including National Insurance and Pension)	(0.646)	(0.646)	(0.646)	(0.646)	(0.646)
	Expenditure	General Inflation Unavoidable inflationary increases on key contracts	0.198	0.198	0.198	0.198	0.198

Directorate	Income/ Expenditure	Description	2026/27 £m	2027/28 £m	2028/29 £m	2029/30 £m	2030/31 £m
	Expenditure	Growth Additional investment in resources for Financial Services, Legal and Procurement	0.681	0.681	0.681	0.681	0.681
	Income	Budget Corrections Reduction in income streams from burial and cremation services	0.350	0.350	0.350	0.350	0.350
	Income	Budget Corrections Reduction in Housing Benefit Admin Grant and contribution from the Collection Fund for NDR Cost of Collection Allowance	0.114	0.114	0.114	0.114	0.114
	Expenditure	Budget Corrections Additional investment in Oracle Fusion support and correction to Hybrid print and mail budget, plus adjustment to savings projections	0.719	0.719	0.719	0.719	0.719
	Expenditure	Recharge Income Adjustment to recharges to reflect increased costs of service delivery	(0.351)	(0.351)	(0.351)	(0.351)	(0.351)
Total			2.274	3.528	4.827	6.172	7.566
Assistant Chief Executive:							
	Expenditure	Pay Inflation Reduction in pension contributions following pension fund valuation Average salary increases are forecast at 3.6% per annum (including National Insurance and Pension)	(0.297) 0.559	(0.297) 1.141	(0.297) 1.744	(0.297) 2.369	(0.297) 3.017
	Income	Budget Corrections Extension of SCVO contract for one further year, to be funded from core budget rather than grant income	0.224	-	-	-	-
	Expenditure	Budget Corrections Unachievable historic savings target relating to VCS grants	0.213	0.213	0.213	0.213	0.213

Directorate	Income/ Expenditure	Description	2026/27 £m	2027/28 £m	2028/29 £m	2029/30 £m	2030/31 £m
		Recharge Income					
	Expenditure	Adjustment to recharges to reflect increased costs of service delivery	(0.366)	(0.366)	(0.366)	(0.366)	(0.366)
Total			0.333	0.691	1.294	1.919	2.567
Chief Executive:							
		Pay Inflation					
	Expenditure	Reduction in pension contributions following pension fund valuation	(0.007)	(0.007)	(0.007)	(0.007)	(0.007)
		Average salary increases are forecast at 3.6% per annum (including National Insurance and Pension)	0.013	0.025	0.038	0.052	0.066
Total			0.006	0.018	0.031	0.045	0.059
Corporate Budgets:							
		Pay Inflation					
	Expenditure	Reduction in pension contributions following pension fund valuation	(2.803)	(2.803)	(2.803)	(2.803)	(2.803)
		General Inflation - West Midlands Combined Authority					
	Expenditure	Changes in fees and levies payable	0.600	1.213	1.841	2.482	3.137
		General Inflation					
	Expenditure	Unavoidable inflationary increases on non-service budgets (audit fee)	0.018	0.037	0.054	0.072	0.091
		Growth - Technical Adjustments					
	Expenditure	Changes to Aspiration Fund allocation for future investment (set at £10m ongoing)	(1.500)	(1.500)	(1.500)	(1.500)	(1.500)
		Corporate Budgets - West Midlands Combined Authority					
	Expenditure	Reduction in contributions re share of Business Rates Income	(1.500)	(1.500)	(1.500)	(1.500)	(1.500)
		Corporate Budgets - Treasury Management					
	Expenditure	Changes in cost of borrowing net of investment income	0.315	3.715	4.615	5.615	6.615

Directorate	Income/ Expenditure	Description	2026/27 £m	2027/28 £m	2028/29 £m	2029/30 £m	2030/31 £m
	Expenditure	Corporate Budgets - Contribution to General Fund Balance Contribution required to ensure minimum general reserve balances held are at least 5% of Net Budget	0.750	-	-	-	-
	Expenditure	Contingency Budgets Adjustments to manage risks	4.386	7.042	7.042	7.042	7.042
Total			0.266	6.204	7.749	9.408	11.082
Grand Total			35.634	60.800	77.169	100.297	124.582

Efficiency and Income Generation Proposals

Detailed General Fund efficiency and income generation proposals by service directorate:

Directorate/ Portfolio	Income/ Expenditure	Category	New or Existing Proposal	Description	2026/27 £m	2027/28 £m	2028/29 £m	2029/30 £m	2030/31 £m
Adult Social Care:									
Adult Social Care, Health & Wellbeing	Income	Making the best use of grants and contributions	New	Better Care Fund Additional income will be received as a result on inflationary increase to funding for activities operated by Adult Social Care service	(1.296)	(1.296)	(1.296)	(1.296)	(1.296)
Adult Social Care, Health & Wellbeing	Expenditure	Making services fit for the future	New	Review of In-House Extra Care Services A review will be carried out of staffing at day care and extra care facilities, realigning posts to a rota to better reflect service needs and deleting vacant posts that are no longer required	(0.310)	(0.310)	(0.310)	(0.310)	(0.310)

Directorate/ Portfolio	Income/ Expenditure	Category	New or Existing Proposal	Description	2026/27 £m	2027/28 £m	2028/29 £m	2029/30 £m	2030/31 £m
Adult Social Care, Health & Wellbeing	Expenditure	Reduce budgets and remove vacant posts where no longer needed	New	External Placements – Extra Care Housing Block Contract Reduction Reduction in the Extra Care Housing Block Contract in line with average activity levels. Block contracts in this area have seen recurring underspends in recent years.	(0.100)	(0.100)	(0.100)	(0.100)	(0.100)
Adult Social Care, Health & Wellbeing	Income	Maximising income and commercial opportunities	New	Community Alarms Income Increased income from installation and ongoing rental agreements for community alarm service. Current income projections are exceeding budget, so this adjustment will not affect residents but sets a more realistic income projection	(0.100)	(0.100)	(0.100)	(0.100)	(0.100)
Adult Social Care, Health & Wellbeing	Income	Maximising income and commercial opportunities	Existing	Fees and Charges Increase Annual inflationary increase in fees and charges will result in additional income for the council.	(0.040)	(0.040)	(0.040)	(0.040)	(0.040)
Total					(1.846)	(1.846)	(1.846)	(1.846)	(1.846)

Directorate/ Portfolio	Income/ Expenditure	Category	New or Existing Proposal	Description	2026/27 £m	2027/28 £m	2028/29 £m	2029/30 £m	2030/31 £m
Children and Education:									
Children & Families	Expenditure	Reducing the cost of high-cost services	New	SEND Transport Efficiencies Provision of SEND travel assistance is a statutory responsibility. The projected efficiency is a result of improved cost control - the type and quality of provision is unaffected Reduced following recalculation of updated demographic growth and number of school days.	(0.604)	(0.604)	(0.604)	-	-
Children & Families	Expenditure	Making services fit for the future	New	Family Hubs Contract Renegotiation Recommissioning of core Family Hubs contract, currently valued at £3.195m per year. Recommissioning will deliver efficiencies of £0.100m per annum (a 3.1% reduction in costs)	(0.100)	(0.100)	(0.100)	(0.100)	(0.100)

Directorate/ Portfolio	Income/ Expenditure	Category	New or Existing Proposal	Description	2026/27 £m	2027/28 £m	2028/29 £m	2029/30 £m	2030/31 £m
Children & Families	Expenditure	Making services fit for the future	New	Sandwell Transition Education Partnership Service (STEPS) Reduced Staffing Costs Reduction in funding required for the STEPS Centre. There are fewer newly arrived pupils requiring immediate placement, so there is a reduction in the amount of service provision required	(0.070)	(0.070)	(0.070)	(0.070)	(0.070)
Children & Families	Expenditure	Reduce budgets and remove vacant posts where no longer needed	New	Reduction in External Legal Costs The council is responsible for legal claims relating to children and young people involved with social care, using insurance or solicitors to resolve cases depending on the nature of the claim. Although Sandwell Children's Trust took over service provision in 2018, legacy legal claims remain the council's responsibility. These have declined over time, which has led to a reduction in expenditure	(0.050)	(0.050)	(0.050)	(0.050)	(0.050)

Directorate/ Portfolio	Income/ Expenditure	Category	New or Existing Proposal	Description	2026/27 £m	2027/28 £m	2028/29 £m	2029/30 £m	2030/31 £m
Children & Families	Expenditure	Reduce budgets and remove vacant posts where no longer needed	New	No Recourse to Public Funds – Efficiency Reductions Following the transfer of responsibility for the NRPF budget to Children and Education in October 2023 and the creation of a dedicated role to manage spending and support social workers, proactive engagement has led to reduced expenditure. Based on actual and projected expenditure for 2024/25 and 2025/26, it is proposed to further reduce the budget by £0.050m, in addition to previous reductions	(0.050)	(0.050)	(0.050)	(0.050)	(0.050)
Children & Families	Income	Making the best use of grants and contributions	New	School Improvement – Additional DSG Income An extra £0.030m for School Improvement services is being funded by the Dedicated Schools Grant (DSG) through a delegation from School's Forum, reducing the equivalent amount of funding required from the General Fund	(0.030)	(0.030)	(0.030)	(0.030)	(0.030)

Directorate/ Portfolio	Income/ Expenditure	Category	New or Existing Proposal	Description	2026/27 £m	2027/28 £m	2028/29 £m	2029/30 £m	2030/31 £m
Adult Social Care, Health & Wellbeing	Income	Making the best use of grants and contributions	New	Uplift of Public Health 'Redirects' Additional uplifted Public Health Grant income to support increasing relevant costs within services across the council. Adjusted following detailed review.	(0.074)	(0.074)	(0.074)	(0.074)	(0.074)
Children & Families	Income	Maximising income and commercial opportunities	Existing	Fees and Charges Increase Annual inflationary increase in fees and charges will result in additional income for the council.	(0.033)	(0.033)	(0.033)	(0.033)	(0.033)
Total					(1.011)	(1.011)	(1.011)	(0.407)	(0.407)
Place:									
Environment & Highways	Income	Making the best use of grants and contributions	New	Utilise Extended Producer Responsibility Grant Funding Make use of grant funding to reduce the level of resource required from the General Fund to support Waste services	(0.600)	(0.400)	(0.400)	-	-

Directorate/ Portfolio	Income/ Expenditure	Category	New or Existing Proposal	Description	2026/27 £m	2027/28 £m	2028/29 £m	2029/30 £m	2030/31 £m
Environment & Highways	Income	Maximising income and commercial opportunities	New	Highway Ancillary Functions Successful management and process administration of third-party claims and skips and scaffolding applications from 2024/25 has resulted in increased income generation	(0.060)	(0.060)	(0.060)	(0.060)	(0.060)
Environment & Highways	Expenditure	Making services fit for the future	New	Replace School Crossing Patrols with Pedestrian Crossings Due to ongoing vacancies and recruitment challenges in the school crossing patrol service, it is proposed for 2026/2027 to replace five unfilled patrol positions with capital-funded formal pedestrian crossings, offering safe, all-day community access while generating year-on-year revenue efficiencies and making use of annual grants for permanent road safety improvements.	(0.025)	(0.025)	(0.025)	(0.025)	(0.025)

Directorate/ Portfolio	Income/ Expenditure	Category	New or Existing Proposal	Description	2026/27 £m	2027/28 £m	2028/29 £m	2029/30 £m	2030/31 £m
Environment & Highways	Expenditure	Reducing the cost of high-cost services	Existing	Alternate Weekly Refuse Collections Switching refuse and recycling to fortnightly collections (alternate weeks), separating recycling into 2 different receptacles to reduce disposal costs. An additional £1.295m per annum efficiency from 2026/27 to bring the total annual efficiency to £3.895m (part year efficiency achievable in 2025/26)	(1.295)	(1.295)	(1.295)	(1.295)	(1.295)
Environment & Highways	Income	Making services fit for the future	Existing	Highways –Christmas Lights Secure efficiency via new contractual arrangements from 2026 onwards	(0.050)	(0.050)	(0.050)	(0.050)	(0.050)
Environment & Highways	Income	Maximising income and commercial opportunities	Existing	Garden Waste Income Increase in garden waste subscription fee from 2027	-	(0.200)	(0.200)	(0.200)	(0.200)

Directorate/ Portfolio	Income/ Expenditure	Category	New or Existing Proposal	Description	2026/27 £m	2027/28 £m	2028/29 £m	2029/30 £m	2030/31 £m
Environment & Highways	Expenditure	Making services fit for the future	Existing	UTC System Support Efficiencies implemented in 2025/26 through transferring responsibility from Wolverhampton to Transport for West Midlands are only achievable for part of the life of the MIFP, so are reversed in future years	-	0.060	0.060	0.060	0.060
Housing & Planning	Expenditure	Reduce budgets and remove vacant posts where no longer needed	New	Housing & Planning Deletion of a vacant post within the service	(0.025)	(0.025)	(0.025)	(0.025)	(0.025)
Neighbourhoods & Communities	Expenditure	Reducing the cost of high-cost services	New	West Bromwich Leisure Centre – Energy Benchmarking Energy costs at West Bromwich Leisure Centre have stabilised and are now below the level of budget previously set, delivering an efficiency of £0.110m per annum	(0.110)	(0.110)	(0.110)	(0.110)	(0.110)

Directorate/ Portfolio	Income/ Expenditure	Category	New or Existing Proposal	Description	2026/27 £m	2027/28 £m	2028/29 £m	2029/30 £m	2030/31 £m
Neighbourhoods & Communities	Expenditure	Reducing the cost of high-cost services	New	Sandwell Leisure Trust – Expected Management Funding Agreement Surplus Following a series of business improvements that have increased income and generated efficiencies, Sandwell Leisure Trust (SLT) returned a proportion of its management fee to the council in 2024/25, as per the contractual arrangement that is in place. The position is anticipated to be favourable again in 2025/26 and ongoing for the remainder of the partnership	(0.075)	(0.075)	(0.075)	(0.075)	(0.075)

Directorate/ Portfolio	Income/ Expenditure	Category	New or Existing Proposal	Description	2026/27 £m	2027/28 £m	2028/29 £m	2029/30 £m	2030/31 £m
Neighbourhoods & Communities	Income	Making the best use of grants and contributions	New	Additional Use of Domestic Violence Grant The council received a £0.216m uplift in its 2025-26 Domestic Abuse Safe Accommodation allocation, and if this continues, a larger share could support staff costs, replacing part of the current General Fund allocation. This proposal uses the designated settlement funding for half of two officer posts working across Domestic Abuse services, with the arrangement subject to review if future funding is reduced	(0.065)	(0.065)	(0.065)	(0.065)	(0.065)

Directorate/ Portfolio	Income/ Expenditure	Category	New or Existing Proposal	Description	2026/27 £m	2027/28 £m	2028/29 £m	2029/30 £m	2030/31 £m
Regeneration & Infrastructure	Expenditure	Reduce budgets and remove vacant posts where no longer needed	New	Planning Regeneration – Deletion of Levelling Up Post The Levelling Up Partnership programme will wind down during 2026/27 and consequently there is a position that will no longer be required. Postholder is currently seconded into the position and will return to their substantive role	(0.062)	(0.062)	(0.062)	(0.062)	(0.062)
Regeneration & Infrastructure	Expenditure	Reduce budgets and remove vacant posts where no longer needed	New	Planning Regeneration – Reduction in Non-Staffing Expenditure Reduction in non-staffing budget relating to Levelling Up programmes, due to winding down of projects	(0.050)	(0.050)	(0.050)	(0.050)	(0.050)
Regeneration & Infrastructure	Expenditure	Reduce budgets and remove vacant posts where no longer needed	New	Regeneration Management Supplies and Services Budget Reduction Removal of supplies and services budget that is no longer required	(0.050)	(0.050)	(0.050)	(0.050)	(0.050)

Directorate/ Portfolio	Income/ Expenditure	Category	New or Existing Proposal	Description	2026/27 £m	2027/28 £m	2028/29 £m	2029/30 £m	2030/31 £m
Adult Social Care, Health & Wellbeing	Income	Making the best use of grants and contributions	New	Uplift of Public Health 'Redirects' Additional uplifted Public Health Grant income to support increasing relevant costs within services across the council. Adjusted following detailed review.	(0.012)	(0.012)	(0.012)	(0.012)	(0.012)
Environment & Highways, Housing & Planning, Neighbourhoods & Communities, Regeneration & Infrastructure	Income	Maximising income and commercial opportunities	Existing	Fees and Charges Increase Annual inflationary increase in fees and charges will result in additional income for the council.	(0.238)	(0.238)	(0.238)	(0.238)	(0.238)
Total					(2.717)	(2.657)	(2.657)	(2.257)	(2.257)

Directorate/ Portfolio	Income/ Expenditure	Category	New or Existing Proposal	Description	2026/27 £m	2027/28 £m	2028/29 £m	2029/30 £m	2030/31 £m
Finance & Transformation:									
Finance & Resources	Income	Making the best use of grants and contributions	New	Oracle Fusion HR Recharge A review of Oracle Fusion usage identified that the Housing Revenue Account covers 21.5% of system costs, reflecting the HR share based on number of system users and transactions, with the General Fund covering 78.5% of costs. As a result of this and a reset of Oracle Fusion revenue budgets, the annual HR recharge needs to rise by £0.520m per annum from 2026/27	(0.520)	(0.520)	(0.520)	(0.520)	(0.520)

Directorate/ Portfolio	Income/ Expenditure	Category	New or Existing Proposal	Description	2026/27 £m	2027/28 £m	2028/29 £m	2029/30 £m	2030/31 £m
Finance &Resources	Income	Making the best use of grants and contributions	New	Revenues &Benefits –Crisis and Resilience Fund Admin Costs The new Crisis and Resilience Fund, announced to replace the temporaryHousehold Support Fund and incorporate Discretionary Housing Payments, provides multi-year funding for local authorities to deliver preventative support during financial crises and reduce reliance on emergencyfood parcels, with 5% of the funding proposed for scheme administration	(0.300)	(0.300)	(0.300)	(0.300)	(0.300)
Finance &Resources	Income	Maximising income and commercial opportunities	New	Registration Services – Increased Market Share of Direct Cremations Adjustments to direct cremation services—such as more competitive fees and an increased number of slots—are projected to boost market share, with new income from a 33% uptake in slots forecast to generate £0.160m per annum	(0.160)	(0.160)	(0.160)	(0.160)	(0.160)

Directorate/ Portfolio	Income/ Expenditure	Category	New or Existing Proposal	Description	2026/27 £m	2027/28 £m	2028/29 £m	2029/30 £m	2030/31 £m
Finance &Resources	Income	Maximising income and commercial opportunities	New	Legal Services –Increased Income from Sandwell Children’s Trust Increase in income from Sandwell’s Children’s Trust via recharges to support the costs of the work done for SCT by the council’s Data Protection Officer and Legal team (Information Governance)	(0.100)	(0.100)	(0.100)	(0.100)	(0.100)
Finance &Resources	Expenditure	Reduce budgets and remove vacant posts where no longer needed	New	Legal Services –Supplies and Services Efficiencies Current proposals include sharing DocuSign across the Council, with projected annual efficiencies of £0.039m from reduced printing and delivery. Further efficiencies include £0.020m by ending the Copyright Licensing Agency licence and £0.004m by discontinuing the Document Exchange system	(0.063)	(0.063)	(0.063)	(0.063)	(0.063)

Directorate/ Portfolio	Income/ Expenditure	Category	New or Existing Proposal	Description	2026/27 £m	2027/28 £m	2028/29 £m	2029/30 £m	2030/31 £m
Finance &Resources	Income	Maximising income and commercial opportunities	New	Revenues &Benefits – Recovery of Court Costs The proposal adjusts the budgeted income for Court Costs from business rates, increasing the budget by £0.050m to reflect consistent receipts over the past three years and current economic conditions	(0.050)	(0.050)	(0.050)	(0.050)	(0.050)
Finance &Resources	Income	Maximising income and commercial opportunities	New	Legal Services Income – Information Governance, Mediation and Commercial Contracts Income will increase by £0.050m through increased external service sales, beginning with public sector partners and schools	(0.050)	(0.050)	(0.050)	(0.050)	(0.050)
Finance &Resources	Expenditure	Reduce budgets and remove vacant posts where no longer needed	New	Elections Support Team Removal of a vacant post in the Elections Service team that is no longer required	(0.050)	(0.050)	(0.050)	(0.050)	(0.050)

Directorate/ Portfolio	Income/ Expenditure	Category	New or Existing Proposal	Description	2026/27 £m	2027/28 £m	2028/29 £m	2029/30 £m	2030/31 £m
Finance &Resources	Expenditure	Smarter support services	New	Digital Mail The Council currently uses a mail system that needs paper and printing, but in future will change this process and send messages online using a safe, protected website. This keeps important information secure and means that there is less need for expenditure on traditional post services	(0.049)	(0.049)	(0.049)	(0.049)	(0.049)

Directorate/ Portfolio	Income/ Expenditure	Category	New or Existing Proposal	Description	2026/27 £m	2027/28 £m	2028/29 £m	2029/30 £m	2030/31 £m
Finance &Resources	Income	Maximising income and commercial opportunities	New	Appointeeship Unit – Fees and Charges Income The Appointeeship Unit manages finances for around 450 vulnerable clients, ensuring that their bills, benefits, and expenses are handled according to regulations. While fees do not cover full costs, income has risen in recent years, and with the introduction of a £365 'wind up' fee from April 2025, plus regular fee increases for Deputyships determined by the Court of Protection, the service's income budget can be increased by £0.030m to reflect current income generated by the service	(0.030)	(0.030)	(0.030)	(0.030)	(0.030)

Directorate/ Portfolio	Income/ Expenditure	Category	New or Existing Proposal	Description	2026/27 £m	2027/28 £m	2028/29 £m	2029/30 £m	2030/31 £m
Finance &Resources	Expenditure	Reduce budgets and remove vacant posts where no longer needed	New	Decommission ICTContracts No Longer Required ICTServices manage an annual budget of over £8.600m, and a high-level contract review for 2026/27 has identified net efficiency opportunities of £0.026m; further efficiency work and resource planning will support the ongoing ICTstrategy and financial planning	(0.026)	(0.026)	(0.026)	(0.026)	(0.026)
Finance &Resources	Expenditure	Making services fit for the future	New	Registration Services Staff Efficiencies Conversion of two vacancies in the Register Office and Bereavement Services teams into entry level positions	(0.015)	(0.015)	(0.015)	(0.015)	(0.015)
Finance &Resources	Income	Maximising income and commercial opportunities	New	Rolling ICTEquipment Rebates Income generated through cash rebates from disposal of redundant equipment	(0.005)	(0.005)	(0.005)	(0.005)	(0.005)

Directorate/ Portfolio	Income/ Expenditure	Category	New or Existing Proposal	Description	2026/27 £m	2027/28 £m	2028/29 £m	2029/30 £m	2030/31 £m
Finance &Resources	Expenditure	Reduce budgets and remove vacant posts where no longer needed	New	FOI/ SARS Process Efficiencies Expenditure on administering and responding to FOIs and SARS will be reduced as a result of implementing process efficiencies	(0.004)	(0.004)	(0.004)	(0.004)	(0.004)
Finance &Resources	Expenditure	Making services fit for the future	Existing	Cash Handling and Bank Charges Review of cash handling contract – Opportunity to implement direct banking and to amend frequencies and locations of cash collections	(0.048)	(0.048)	(0.048)	(0.048)	(0.048)
Various	Income	Maximising income and commercial opportunities	Existing	Fees and Charges Increase Annual inflationary increase in fees and charges will result in additional income for the council.	(0.230)	(0.230)	(0.230)	(0.230)	(0.230)
Total					(1.700)	(1.700)	(1.700)	(1.700)	(1.700)
Assistant Chief Executive:									
Leader	Expenditure	Reduce budgets and remove vacant posts where no longer needed	New	Cabinet Support Removal of a vacant establishment post in the Cabinet Support function which is no longer required	(0.055)	(0.055)	(0.055)	(0.055)	(0.055)

Directorate/ Portfolio	Income/ Expenditure	Category	New or Existing Proposal	Description	2026/27 £m	2027/28 £m	2028/29 £m	2029/30 £m	2030/31 £m
Finance &Resources	Expenditure	Making services fit for the future	Existing	Contact Centre Models Review of contact centre models – Improvements to the efficiency and responsiveness of the customer service functions across the organisation	(0.113)	(0.113)	(0.113)	(0.113)	(0.113)
Finance &Resources	Expenditure	Smarter support services	Existing	Smarter Support Services Efficiencies from the implementation of Oracle Fusion – Efficiencies through process improvement, streamlining of transactional and day to day administrative-type duties across HR functions, as a result of business process reengineering activity following the implementation of Oracle Fusion	(0.333)	(0.333)	(0.333)	(0.333)	(0.333)
Adult Social Care, Health & Wellbeing	Income	Making the best use of grants and contributions	New	Uplift of Public Health 'Redirects' Additional uplifted Public Health Grant income to support increasing relevant costs within services across the council. Adjusted following detailed review.	(0.010)	(0.010)	(0.010)	(0.010)	(0.010)

Directorate/ Portfolio	Income/ Expenditure	Category	New or Existing Proposal	Description	2026/27 £m	2027/28 £m	2028/29 £m	2029/30 £m	2030/31 £m
Total					(0.511)	(0.511)	(0.511)	(0.511)	(0.511)
Total Directorate Efficiencies					(7.785)	(7.725)	(7.725)	(6.721)	(6.721)
Council Wide:									
Finance & Resources	Income	Maximising income and commercial opportunities	Existing	Fees and Charges Increase Annual inflationary increase in fees and charges will result in additional income for the council. Efficiency will be apportioned across the council's directorates Adjusted to take into account the current rate of inflation with 2026/27 increases transferred to individual directorates.	-	(0.480)	(0.960)	(1.440)	(1.920)
Total					-	(0.480)	(0.960)	(1.440)	(1.920)
Grand Total					(7.785)	(8.205)	(8.685)	(8.161)	(8.641)

General Fund MTFP Change Log:

2026/27 Forecast Budget Shortfall

Date	Activity	2026/27 Forecast Budget Shortfall Excluding Efficiency and Income Generation Proposals £m	2026/27 Value of Efficiency and Income Generation Proposals £m	2026/27 Forecast Budget Shortfall Including Efficiency and Income Generation Proposals £m
Feb-25	Council approves 2025/26 budget but with a forecast balanced budget for 2026/27 in the MTFS	2.7	(2.7)	-
Jun-25	Finance review of assumptions: • Inflation • Pay award • Council tax base • Council tax increase (formerly Adult Social Care Precept) • Business rates income • Impact of forecast 'Business Rates Reset' • Collection Fund surplus/deficit adjustment • Contingency budgets	4.1	(2.7)	1.4
Jul-25	£1.4m new efficiencies target apportioned across directorates to meet revised deficit projection			
Aug-25	Star Chamber meetings held with CEO, CFO and Portfolio Holders: • Additional budget pressures, particularly relating to adult social care and to the Sandwell Children's Trust contract • Mitigations • Additional efficiencies proposed	13.7	(8.4)	5.4
Sep-25	Finance review of assumptions • Collection Fund surplus/deficit adjustment • Contingency budgets	12.8	(8.4)	4.4

Date	Activity	2026/27 Forecast Budget Shortfall Excluding Efficiency and Income Generation Proposals £m	2026/27 Value of Efficiency and Income Generation Proposals £m	2026/27 Forecast Budget Shortfall Including Efficiency and Income Generation Proposals £m
Sep-25	Leadership Team and Cabinet review: - Analyse Star Chamber output - Agree mitigations to balance the 2026/27 budget: Reduction of Aspiration Fund expenditure to £10m per annum: (£1.8m) Use of one-off dividend income transferred to reserves: (£2.6m)	8.4	(8.4)	-
Oct-25	MTFS reported to Cabinet	8.4	(8.4)	-
Nov-25	Finance review of assumptions: - Pay award - Pension contributions - Budget pressures emerging within quarter 2 budget monitoring position - New budget pressures from 2026/27 - Impact of Chancellor's Budget, particularly in relation to National Living Wage - Review and testing of efficiency and income generation proposals - Council tax base (following CTB1) - Collection Fund surplus/deficit adjustment - Contingency budgets Indicative information received to suggest that Provisional Settlement would be sufficient to close the budget shortfall, but no formal figures received	11.7	(8.0)	3.7

Date	Activity	2026/27 Forecast Budget Shortfall Excluding Efficiency and Income Generation Proposals £m	2026/27 Value of Efficiency and Income Generation Proposals £m	2026/27 Forecast Budget Shortfall Including Efficiency and Income Generation Proposals £m
Dec-25 / Jan-26	Provisional Settlement, and Leadership Team and Cabinet local response: - Impact of Provisional Settlement: (£14.1m) - Remove use of reserves to balance the budget: £2.6m - Increase contingency budgets relating to contract costs: £2.8m - Increase budget for borrowing costs following increase to net budget: £1.0m - Increase transformation reserves: £4.0m	8.0	(8.0)	-
Jan-26	Final revisions to draft budget: - Business rates income (following NNDR1) - New budget pressures from 2026/27 - Cabinet member priority expenditure - Review of recharges to the Housing Revenue Account - Review and testing of efficiency and income generation proposals - Collection Fund surplus/deficit adjustment - Review of contingency budgets - Creation of new 'severe weather' reserve: £1.250m - Addition of £0.750m to the General Fund balance	7.8	(7.8)	-
Feb-26	MTFS reported to Cabinet and Council	7.8	(7.8)	-

ADULT SOCIAL CARE

Service Provided	2025/26 Fee/Charge	Proposed 2026/27 Fee/Charge	% Increase	Comments
Meals				
Fountain Court – Breakfast	£2.65	£2.74	3.5%	Inclusive of VAT
Fountain Court – Lunch	£4.20	£4.35	3.5%	Inclusive of VAT
Fountain Court – Tea	£1.45	£1.50	3.5%	Inclusive of VAT
Lunch - Willow Gardens	£4.20	£4.35	3.5%	Inclusive of VAT
Lunch - Walker Grange	£4.20	£4.35	3.5%	Inclusive of VAT
Community Meals – Hot	£5.30	£5.49	3.5%	Rate agreed per MTFS - inclusive of VAT
Wellbeing charge within Extra Care Housing (per week)	£45.40	£46.99	3.5%	Welfare service not VATable
Wellbeing charge within Extra Care Housing (per week)	£45.40	£46.99	3.5%	Welfare service not VATable
Community Alarms				
Community Alarms - weekly service charge (Other Tenants 52 weeks pa)	£5.30	£5.49	3.5%	Welfare service not VATable
Community Alarms - Installation charge	£30.60	£31.67	3.5%	Welfare service not VATable
Financial Deputyship				
Category I - Work up to & including the date upon which the Court appoints a Deputy	£944.00	£944.00	0.0%	Fees set in accordance with Practice Direction 19B – Fixed Costs and Deputy Remuneration in the Court of Protection. Fees are subject to amendment when/if Court of Protection guidance is revised
Category IV - Annual Management Fee - Year 1 * (Previously Category II)	£982.00	£982.00	0.0%	
Category IV - Annual Management Fee - Year 2+ * (Previously Category II)	£824.00	£824.00	0.0%	
* OR Annual Management Fee (If savings are below £20,300)	3.50%	3.50%	0.0%	
Category V - Property Management Fee (Previosuly Category III)	£380.00	£380.00	0.0%	
Category VI - Preparation of annual report to the OPG (Previously Category IV)	£274.00	£274.00	0.0%	
Category VII - Preparation of basic HMRC income tax return (Previously Category VI)	£89.00	£89.00	0.0%	No longer charged
Travel per hour	£0.00	£0.00		
Deceased Administration Fee	£365.00	£377.00	3.3%	
Appointeeship Charges				
Weekly charge for Appointeeship Administration - Residential Accommodation	£10.00	£10.35	3.5%	
Weekly charge for Appointeeship Administration - Living in the Community	£15.00	£15.50	3.3%	
Deferred Charges				
Application Fee (CCBU)	£125.00	£125.00	0.0%	Set by the government
Valuation Fee and Coal Authority Report	£340.00	£340.00	0.0%	Set by the government
Legal Work & 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	

* 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.

PUBLIC HEALTH

Service Provided	2025/26 Fee/Charge	Proposed 2026/27 Fee/Charge	% Increase	Comments
Environmental Permitting Fees (set by Government)	https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/636243/env-permit-part-b-fees-2017.pdf			Set by the government
Workplace Physical Activity Sessions	£2.15	£2.25	4.7%	Internal staff wellbeing, outside the scope of VAT
Landfill location plan and data sheet	£48.95	£50.65	3.5%	Inclusive of VAT
Check if property <250m from landfill site	£13.15	£13.65	3.8%	Inclusive of VAT
Detailed report on contaminated land/hour	£92.50	£95.75	3.5%	Inclusive of VAT

YOUTH SERVICE

Service Provided	2025/26 Fee/Charge	Proposed 2026/27 Fee/Charge	% Increase	Comments
Section A - Malthouse Stables				
Climbing Wall/ Mobile Climbing Wall - week days	£53.85	£55.73	3.5%	
Associated Preparation fee week days - week days	£94.65	£97.96	3.5%	
Climbing Wall/ Mobile Climbing Wall Saturday	£63.15	£65.36	3.5%	
Associated Preparation fee week days - Saturdays	£110.35	£114.21	3.5%	
Climbing Wall/ Mobile Climbing Wall Sundays and Bank Holidays	£71.80	£74.31	3.5%	
Associated Preparation fee week days - Sundays and Bank Holidays	£120.00	£124.20	3.5%	
All Other Mobile activities	£53.85	£55.73	3.5%	
Meeting Room Hire	£23.50	£24.32	3.5%	
Section A - Malthouse Stables Activities with Instruction Sandwell Residents				
Adult	£12.90	£13.35	3.5%	
Junior (under 18)	£8.60	£8.90	3.5%	
Section A - Malthouse Stables Activities with Instruction Out of Borough Users				
Adult	£21.55	£22.30	3.5%	
Junior (under 18)	£14.60	£15.11	3.5%	
Section B - Moorings				
UNDER 20 FT	£24.15	£25.00	3.5%	
21 - 30 FT	£29.95	£31.00	3.5%	
31 - 40FT	£37.65	£38.97	3.5%	
41 - 50 FT	£45.55	£47.14	3.5%	
51 - 60 FT	£52.10	£53.92	3.5%	
61 - 70 FT	£58.85	£60.91	3.5%	
71 FT AND OVER	£66.85	£69.19	3.5%	
Section C - transport				
0-50 MILES	£0.85	£0.88	3.5%	
50+ MILES	£0.70	£0.72	3.5%	
Hire of driver per hour	£16.45	£17.03	3.5%	
Hire of minibus per day	£59.05	£61.12	3.5%	
Section D - Coneygre Art Centre				
Meeting Room	£23.50	£24.32	3.5%	
Dance Studio	£29.80	£30.84	3.5%	
Multi Purpose Room	£29.80	£30.84	3.5%	
Theatre	£40.70	£42.12	3.5%	
Meeting Room	£174.35	£180.45	3.5%	
Dance Studio	£193.35	£200.12	3.5%	
Multi Purpose Room	£193.35	£200.12	3.5%	
Theatre	£287.95	£298.03	3.5%	

Section E - Conegre Arts Centre - Recording Studio			
Sandwell Residents	£32.80	£33.95	3.5%
non-Sandwell Residents and Businesses	£39.35	£40.73	3.5%
Sandwell Residents	£262.45	£271.64	3.5%
non-Sandwell Residents and Businesses	£301.85	£312.41	3.5%
Section E - Conegre Arts Centre - Multi Media Room			
Sandwell Residents	£32.80	£33.95	3.5%
non-Sandwell Residents and Businesses	£39.35	£40.73	3.5%
Sandwell Residents	£262.45	£271.64	3.5%
non-Sandwell Residents and Businesses	£301.85	£312.41	3.5%

Mobile Youth Provision			
Weekday - Cost per hour	£75.00	£77.63	3.5%
Weekday - Preparation fee	£80.00	£82.80	3.5%
Saturdays - £100 preparation fee plus £120 per hour	£100.00	£103.50	3.5%
Saturdays - £100 preparation fee plus £120 per hour	£120.00	£124.20	3.5%
Sundays/Bank Holidays - £100 preparation fee plus £150 per hour	£100.00	£103.50	3.5%
Sundays/Bank Holidays - £100 preparation fee plus £150 per hour	£150.00	£155.25	3.5%

RESIDENTIAL SERVICES

Residential Centres are designed to operate at full cost recovery
Increases would be applied from September to August (academic year)

2 NIGHT RESIDENTIALS - Ingestre Hall and Edgmond Hall

Service Provided	2025/26 Fee/Charge	Proposed 2026/27 Fee/Charge	% Increase	Comments
2 NIGHT RESIDENTIALS: INGESTRE HALL AND EDGMOND HALL				
Non-Sandwell Groups				
Low Season	£164.00	£164.00	0.00%	Removed a £4 dicount for Mon-Weds visits. Shorter low season period at Edgmond Hall to offset held prices. Date range extended at Edgmond Hall to cover the low season prices and maximise year-round occupancy Benchmarking and booking patterns identify need to minimise this increase, cover with increase to mid-band above. Note minimum charge per group (for sole occupancy) has increased so that £pp can be minimised, and increase weekly income.
Mid Season	£188.00	£196.00	4.26%	
High Season	£206.00	£212.00	2.91%	
Sandwell Academies (20% subsidy on Non-Sandwell rate)				
Low Season	£131.00	£131.00	0.00%	As above
Mid Season	£150.00	£157.00	4.67%	
High Season	£165.00	£170.00	3.03%	
Sandwell Maintained Schools (30% subsidy on Non-Sandwell rate)				
Low Season	£114.00	£115.00	0.88%	As above
Mid Season	£132.00	£137.00	3.79%	
High Season	£144.00	£148.00	2.78%	

2 NIGHT RESIDENTIALS: FRANK CHAPMAN CENTRE	2025/26 Fee/Charge	Proposed 2026/27 Fee/Charge	% Increase	
Non-Sandwell Groups				
Low Season	£164.00	£169.00	3.0%	
Mid Season	£188.00	£199.00	5.9%	
High Season Frank Chapman Centre	£216.00	£224.00	3.7%	
Sandwell Academies (20% subsidy on Non-Sandwell rate)				
Low Season	£131.00	£135.00	3.1%	Benchmarking and booking patterns identify need to minimise this increase, cover with increase to mid-band above.
Mid Season	£150.00	£159.00	6.0%	
High Season	£175.00	£179.00	2.3%	
Sandwell Maintained Schools (30% subsidy on Non-Sandwell rate)				
Low Season	£114.00	£118.00	3.5%	As above
Mid Season	£132.00	£139.00	5.3%	
High Season	£154.00	£157.00	1.9%	

4 NIGHT RESIDENTIALS - INGESTRE HALL AND EDGMOND HALL	2025/26 Fee/Charge	Proposed 2026/27 Fee/Charge	% Increase	
Non-Sandwell Groups				
Low Season	£299.00	£299.00	0.0%	Removed a £4 dicount for Mon-Weds visits. Shorter low season period at Edgmond Hall to offset held prices. Date range extended at Edgmond Hall to cover the low season prices and maximise year-round occupancy Benchmarking and booking patterns identify need to minimise this increase, cover with increase to mid-band above. Note minimum charge per group (for sole occupancy) has increased so that £pp can be minimised, and cover weekly operating cost.
Mid Season	£352.00	£366.00	4.0%	
High Season	£384.00	£398.00	3.6%	
Sandwell Academies (20% subsidy on Non-Sandwell rate)				
Low Season	£239.00	£239.00	0.0%	As above
Mid Season	£282.00	£294.00	4.3%	
High Season	£307.00	£318.00	3.6%	
Sandwell Maintained Schools (30% subsidy on Non-Sandwell rate)				
Low Season	£209.00	£209.00	0.0%	As above
Mid Season	£247.00	£256.00	3.6%	
High Season	£269.00	£279.00	3.7%	
Non-Sandwell Groups (LARGE GROUPS)				
Low Season	£279.00	£284.00	1.8%	Incentivising larger group sizes from full fee-paying groups maximises income and subsidises Sandwell groups.
Mid Season	£333.00	£351.00	5.4%	
High Season (except Frank Chapman Centre)	£366.00	£383.00	4.6%	
Sandwell Academies (LARGE GROUPS)				
Low Season	£226.00	n/a	n/a	Further subsidy to Sandwell academy groups is not sustainable. Proposed to remove this additional discount Note that the large groups additional subsidy was not available to maintained schools.
Mid Season	£267.00	n/a	n/a	
High Season (except Frank Chapman Centre)	£291.00	n/a	n/a	
High Season Frank Chapman Centre	£301.00	n/a	n/a	

4 NIGHT RESIDENTIALS - FRANK CHAPMAN CENTRE	2025/26 Fee/Charge	Proposed 2026/27 Fee/Charge	% Increase
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Non-Sandwell Groups				
Low Season	£299.00	£306.00	2.3%	Benchmarking and booking patterns identify need to minimise this increase, cover with increase to mid-band below.
Mid Season	£352.00	£373.00	6.0%	
High Season	£394.00	£418.00	6.1%	
Sandwell Academies (20% subsidy on Non-Sandwell rate)				
Low Season	£239.00	£245.00	2.5%	As above
Mid Season	£282.00	£298.00	5.7%	Higher increases to ensure sustainability.
High Season	£317.00	£334.00	5.4%	
Sandwell Maintained Schools (30% subsidy on Non-Sandwell rate)				
Low Season	£209.00	£214.00	2.4%	
Mid Season	£247.00	£261.00	5.7%	
High Season	£279.00	£293.00	5.0%	
Sandwell Academies (LARGE GROUPS)				
Low Season	£226.00	n/a	n/a	Further subsidy to Sandwell academy groups is not sustainable. Proposed to remove this additional discount Note that the large groups additional subsidy was not available to maintained schools.
Mid Season	£267.00	n/a	n/a	
High Season	£301.00	n/a	n/a	

4 NIGHT RESIDENTIALS - PLAS GWYNANT	2025/26 Fee/Charge	Proposed 2026/27 Fee/Charge	% Increase	
Non-Sandwell Groups				
Low Season	£363.00	£378.00	4.1%	Benchmarking idicates a further increase £pp is not sustainable. Offset by minimum charge per group (for sole occupancy) increasing so that £pp can be minimised, and cover weekly operating cost after successful trial.
Mid Season	£401.00	£417.00	4.0%	
High Season	£449.00	£456.00	1.6%	
Sandwell Academies (20% subsidy on Non-Sandwell rate)				
Low Season	£290.00	£302.00	4.1%	
Mid Season	£321.00	£334.00	4.0%	
High Season	£359.00	£365.00	1.7%	
Sandwell Maintained Schools (30% subsidy on Non-Sandwell rate)				
Low Season	£254.00	£265.00	4.3%	As above
Mid Season	£281.00	£292.00	3.9%	
High Season	£314.00	£319.00	1.6%	

Proposed prices run for an Academic Year - September 2026 to August 2027.

3.5% across the board would not cover increases to salaries, utilities and food inflation.

The reviewed pricing strategy targets low cost/high occupancy year round. Informed by benchmarking exercise and booking patterns.

A minimum charge applies at all centres based on a set number of paid participant places. Schools can share to meet minimum numbers, or combine year groups

Increased minimum charges for sole occupancy at Edgmond Hall and Frank Chapman Centre are designed to minimise price £pp increases, and increase weekly revenue.

Large group discounts encourage non-Sandwell schools to bring bigger numbers and greater income for 4-night visits. A further discount for Sandwell Academies would be unsustainable.

Large Group Numbers: 65+ at Ingestre (capacity 90); 45+ at Frank Chapman and Edgmond (capacity 60).

Sandwell Care Experienced Children attend free of charge with their schools during term-time.

Frank Chapman Centre now has separate charging structure, as with Plas Gwynant, to better reflect specific centre operating costs due to the nature of activities provided.

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

Low season: the first 2 weeks of the autumn term; 1 Dec - 31 Jan (not Dec at Edgmond Hall)

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

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

PUBLIC PROTECTION, COMMUNITY SAFETY & LICENSING

3.5%

Service Provided	2025/26 Fee/Charge	Proposed 2026/27 Fee/Charge	% Increase	Comments
ENVIRONMENTAL HEALTH AND TRADING STANDARDS				VAT inclusive where applicable
Fixed Penalty Notices				
Failure to produce waste transfer note	£300.00	£300.00	0.0%	Set in legislation
Failure to produce waste carriers docs	£300.00	£300.00	0.0%	Set in legislation
Offences in relation to waste receptacles (Household)	£100.00	£100.00	0.0%	Set in legislation
Offences in relation to waste receptacles (Commercial)	£100.00	£100.00	0.0%	Set in legislation
Fixed penalty for the unauthorised deposit of waste	£400.00	£400.00	0.0%	Set in legislation
Offences in relation to intruder alarm notification	£75.00	£75.00	0.0%	Set in legislation
Noise Act 1996, noise from licensed premises-by statute	£500.00	£500.00	0.0%	Set in legislation
Noise Act 1996, offence in relation to noise from dwellings	£100.00	£100.00	0.0%	Set in legislation
Miscellaneous				
Performing Animals Act	£300.00	£310.00	3.3%	
Riding Establishments	£257.00	£266.00	3.5%	
Pet Shops	£280.00	£290.00	3.6%	
Animal Boarding Establishments	£280.00	£290.00	3.6%	
Dog breeding establishments	£280.00	£290.00	3.6%	
Dangerous wild animals	£257.00	£266.00	3.5%	
Skin Piercing Premises	£290.00	£300.00	3.4%	
Registration of persons skin piercing (at same time of applying for a premises registration or where another person skin piercing licence is applied for)	£94.00	£97.29	3.5%	
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)	£222.00	£230.00	3.6%	
Mobile Trader Consents (ice cream vans)	£615.00	£636.00	3.4%	
Food Hygiene Rating Scheme Reinspection	£194.00	£201.00	3.6%	
Food Safety Health Export Certificates	£100.00	£103.50	3.5%	
Reissue of Food Safety Health Export Certificate	£41.00	£42.00	2.4%	
Provision of statements to solicitors	£219.00	£227.00	3.7%	
Primary Authority				
Primary Authority - Regulatory Services and PSH	£94.00	£97.00	3.2%	
Trading Standards Environmental Health				
Hourly rate	£148.00	£153.18	3.5%	
Responsible Retailer Scheme	£194.00	£201.00	3.6%	

Service Provided	2025/26 Fee/Charge	Proposed 2026/27 Fee/Charge	% Increase	Comments
LICENSING				
Licensing Act 2003				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%	

PUBLIC PROTECTION, COMMUNITY SAFETY & LICENSING

3.5%

Service Provided	2025/26 Fee/Charge	Proposed 2026/27 Fee/Charge	% Increase	Comments
				VAT inclusive where applicable
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%	
New applications and variations according to rateable value				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%	
Multiplier applied to premises used exclusively or primarily for the supply of alcohol for consumption on the premises				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%	
Annual Fee (charge) according to rateable value				
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%	
Annual Charge multiplier applied to premises used exclusively or primarily for the supply of alcohol for consumption on the premises				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%	
New application and variation clubs according to rateable value				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%	
Annual charge clubs according to rateable value				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%	
Additional premises licence fee (Number in attendance at any one time)				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%	

PUBLIC PROTECTION, COMMUNITY SAFETY & LICENSING

3.5%

Service Provided	2025/26 Fee/Charge	Proposed 2026/27 Fee/Charge	% Increase	Comments VAT inclusive where applicable
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%	
Additional Annual fee payable if applicable				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%	
Gambling Act 2005				
New small casino premises				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%	
Converted casino premises licences				
Grant	No Casino Policy			
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
Bingo premises licence				
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
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

PUBLIC PROTECTION, COMMUNITY SAFETY & LICENSING

3.5%

Service Provided	2025/26 Fee/Charge	Proposed 2026/27 Fee/Charge	% Increase	Comments VAT inclusive where applicable
Copy licence	£25.00	£25.00		Statutory Fee
Notification of change	£50.00	£50.00		Statutory Fee
Betting premises (track) licence				
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		Statutory Fee
Notification of change	£50.00	£50.00		Statutory Fee
Betting premises (other) licence				
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		Statutory Fee
Notification of change	£50.00	£50.00		Statutory Fee
Family entertainment centre premises licence				
Grant	£2,000.00	£2,000.00	0.0%	Max £,2000.00
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
Adult gaming centre premises				
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
Temporary Use Notice				
Temporary Use Notice	£500.00	£500.00	0.0%	
Temporary Use Notice - Copy Notice	£25.00	£25.00	0.0%	
Licensed Premises Gaming Machine Permit				
Grant	£150.00	£150.00	0.0%	
Grant (Existing Operator)	£100.00	£100.00	0.0%	
Annual Fee	£50.00	£50.00	0.0%	

PUBLIC PROTECTION, COMMUNITY SAFETY & LICENSING

3.5%

Service Provided	2025/26 Fee/Charge	Proposed 2026/27 Fee/Charge	% Increase	Comments
Variation	£100.00	£100.00	0.0%	VAT inclusive where applicable
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%	
Club Gaming & Club Machine Permits				
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%	
Lottery Registration:-				
Grant statutory fee	£40.00	£40.00	0.0%	
Annual statutory fee	£20.00	£20.00	0.0%	
Automatic Entitlement – up to two Cat C or D machines				
Notification	£50.00	£50.00	0.0%	
Unlicensed Family Entertainment Centre				
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%	
Prize Gaming Permit				
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%	
Sex Establishments				
Sex Establishments (grant)	£4,950.00	£5,123.00	3.5%	
Sex Establishments (renewal)	£3,630.00	£3,757.00	3.5%	
Sex Establishments (transfer)	£3,630.00	£3,757.00	3.5%	
Sex Establishments (variation)	£3,630.00	£3,757.00	3.5%	
Sexual Entertainment Venues (grant)	£3,630.00	£3,757.00	3.5%	
Sexual Entertainment Venues (renewal)	£3,630.00	£3,757.00	3.5%	
Sexual Entertainment Venues (transfer)	£3,630.00	£3,757.00	3.5%	
Sexual Entertainment Venues (variation)	£3,630.00	£3,757.00	3.5%	
Scrap Metal Dealers Act 2013				
Grant/Renewal of Site Licence - one site	£604.00	£625.00	3.5%	
Each additional site on grant/renewal application	£288.50	£299.00	3.6%	
Grant/Renewal of Collectors Licence	£308.50	£319.00	3.4%	
Replacement or copy licence	£36.50	£38.00	4.1%	
Variation to change licensee name	£42.00	£43.00	2.4%	
Variation to change site details (add or remove a site)	£64.00	£66.00	3.1%	
Variation to change Site Manager	£98.50	£102.00	3.6%	

PUBLIC PROTECTION, COMMUNITY SAFETY & LICENSING

3.5%

Service Provided	2025/26 Fee/Charge	Proposed 2026/27 Fee/Charge	% Increase
Service Provided	2025/26 Fee/Charge	Proposed 2026/27 Fee/Charge	% Increase
PEST CONTROL			
Rats Treatment in properties	£79.00	£82.00	3.8%
Mice	£79.00	£82.00	3.8%
Wasps	£69.00	£71.00	2.9%
Cockroaches	£105.00	£109.00	3.8%
Fleas	£76.00	£79.00	3.9%
Bedbugs	£126.00	£130.00	3.2%
Insects (Other) 'Indoor Only' treatments for carpet beetles / moths / flies	£58.00	£60.00	3.4%
Call outs for advisory service and/or pest identification (no treatments undertaken)	£39.00	£40.00	2.6%
Missed Appointment	£39.00	£40.00	2.6%

Comments
VAT inclusive where applicable

Service Provided	2025/26 Fee/Charge	Proposed 2026/27 Fee/Charge	% Increase
TAXI LICENSING DRIVERS			
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*	£104.00	£104.00	0.0%
New Hackney Carriage Driver's Licence Application*	£104.00	£104.00	0.0%
Private Hire Driver's Licence Renewal Application*	£104.00	£104.00	0.0%
Hackney Carriage Driver's Licence Renewal Application*	£104.00	£104.00	0.0%
New Dual Private Hire and Hackney Carriage Driver's Licence Application*	£155.00	£155.00	0.0%
Dual Private Hire and Hackney Carriage Driver's Licence Renewal Application*	£155.00	£155.00	0.0%
New 3-year Private Hire Driver's Licence Application*	£303.00	£303.00	0.0%
New 3-year Hackney Carriage Driver's Licence Application*	£303.00	£303.00	0.0%
Renewal 3-year Private Hire Driver's Licence Application*	£303.00	£303.00	0.0%
Renewal 3-year Hackney Carriage Driver's Licence Application *	£303.00	£303.00	0.0%
New 3-year Dual Private Hire and Hackney Carriage Driver's Licence Application*	£454.00	£454.00	0.0%
Renewal 3-year Dual Private Hire and Hackney Carriage Driver's Licence Application*	£454.00	£454.00	0.0%

DBS fee excluded and now shown separately (below).
DVLA fee excluded as DVLA no longer offer the check service.

DBS fee excluded and now shown separately (below).
DVLA fee excluded as DVLA no longer offer the check service.

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DBS fee excluded and now shown separately (below).
DVLA fee excluded as DVLA no longer offer the check service.

PUBLIC PROTECTION, COMMUNITY SAFETY & LICENSING

3.5%

Service Provided	2025/26 Fee/Charge	Proposed 2026/27 Fee/Charge	% Increase	Comments
				VAT inclusive where applicable
DBS Disclosure Application* (Private Hire)	£56.00	£56.00	0.0%	Fee increase set by DBS Service and approved by Parliament for increase to commence December 2024
DBS Disclosure Application* (Hackney Carriage)	£56.00	£56.00	0.0%	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%	
Knowledge test (Dual Private Hire and Hackney Carriage Driver's Licence)	£30.00	£30.00	0.0%	
* non-refundable minimum administration fee is payable on every licence application	£30.00	£30.00	0.0%	
VEHICLES				
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)*	£297.50	£297.50	0.0%	Excludes Interim Vehicle Check fee as now payable direct to Fleet Services
Hackney Carriage Licence - New Vehicle (Brand new vehicle)*	£297.50	£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)*	£298.50	£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)*	£298.50	£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)*	£270.50	£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)*	£270.50	£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)*	£289.00	£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)*	£289.00	£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)*	£49.00	£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)*	£49.00	£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%	
* non-refundable minimum administration fee is payable on every licence application.	£30.00	£30.00	0.0%	
OPERATORS				

PUBLIC PROTECTION, COMMUNITY SAFETY & LICENSING

3.5%

Service Provided	2025/26 Fee/Charge	Proposed 2026/27 Fee/Charge	% Increase
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%
* non-refundable minimum administration fee is payable on every licence application.	£30.00	£30.00	0.0%

Comments
VAT inclusive where applicable

Service Provided	2025/26 Fee/Charge	Proposed 2026/27 Fee/Charge	% Increase
ENVIRONMENTAL PROTECTION AND ENFORCEMENT			
Fixed Penalty Notices			
Depositing Litter	£500.00	£500.00	0.0%
Dog Fouling	£150.00	£150.00	0.0%
Graffiti & Flyposting	£500.00	£500.00	0.0%
Breach of Public Space Protection Order	£100.00	£100.00	0.0%
Breach of Community Protection Notice	£100.00	£100.00	0.0%
Abandoned Vehicle	£200.00	£200.00	0.0%
Fly Tipping	£1,000.00	£1,000.00	0.0%
Householder Duty of Care	£600.00	£600.00	0.0%
Repairing Cars on the highway	£100.00	£100.00	0.0%
Exposing vehicles for sale on the highway	£100.00	£100.00	0.0%
Transit Site			
Weekly Rental	£110.00	£114.00	3.5%
Deposit for caravan pitch	£300.00	£310.00	3.5%

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Service Provided	2025/26 Fee/Charge	Proposed 2026/27 Fee/Charge	% Increase
EVENTS			
Fairs & Circuses (per day)			
Up to 4 Adult Attractions &/or up to 8 Junior Attractions - Mon to Thur	£213.00	£220.50	3.5%
Up to 4 Adult Attractions &/or up to 8 Junior Attractions - Fri to Sun (Inc Bank Hols)	£426.05	£441.00	3.5%
Up to 7 Adult Attractions &/or up to 12 Junior Attractions - Mon to Thur	£304.35	£315.00	3.5%
Up to 7 Adult Attractions &/or up to 12 Junior Attractions - Fri to Sun (Inc Bank Hols)	£608.75	£630.10	3.5%
8+ Adult Attractions and/or 13+ Junior Attractions - Mon to Thur	£426.05	£441.00	3.5%
8+ Adult Attractions &/or 13+ Junior Attractions - Fri to Sun (inc Bank Hols)	£852.20	£882.00	3.5%
Onsite non operational days excluding 2 days Build and 1 day Break.	£15.00	£15.00	
Water Supply	Cost plus 10% admin charge	Cost plus 10% admin charge	
Electricity Supply	Cost plus 10% admin charge	Cost plus 10% admin charge	
Fairs & Circuses 1/2 day rate 1- 4 hours for special events			
Up to 4 Adult Attractions &/or up to 8 Junior Attractions - Mon to Thur	£106.50	£110.30	3.5%
Up to 4 Adult Attractions &/or up to 8 Junior Attractions - Fri to Sun (Inc Bank Hols)	£213.02	£220.50	3.5%
Up to 7 Adult Attractions &/or up to 12 Junior Attractions - Mon to Thur	£152.17	£157.50	3.5%

New charge

PUBLIC PROTECTION, COMMUNITY SAFETY & LICENSING

3.5%

Service Provided	2025/26 Fee/Charge	Proposed 2026/27 Fee/Charge	% Increase	Comments VAT inclusive where applicable
Up to 7 Adult Attractions &/or up to 12 Junior Attractions - Fri to Sun (Inc Bank Hols)	£304.37	£315.10	3.5%	
8+ Adult Attractions and/or 13+ Junior Attractions - Mon to Thur	£213.02	£220.50	3.5%	
8+ Adult Attractions &/or 13+ Junior Attractions - Fri to Sun (inc Bank Hols)	£426.10	£441.10	3.5%	
Special Events in Parks (per day)				
Hire of Bandstand (Full Day)	£121.80	£126.10	3.5%	
Hire of Bandstand (Half Day)	£60.90	£63.00	3.4%	
Filming - TV / Production companies per day	£243.60	£252.10	3.5%	
Event application license fee (commercial event organisers to apply for own license)	£73.15	£75.70	3.5%	
Event manager on the day support (per hour)	£60.90	£63.00	3.4%	
Site fee per day - Community / Charity small (1 - 249 attendees)	£60.90	£63.00	3.4%	
Site fee per day - Community / Charity Med (1) (250 - 499 attendees)	£121.80	£126.10	3.5%	
Site fee per day - Community / Charity Med (2) (500 - 999 attendees)	£243.60	£252.10	3.5%	
Site fee per day - Community / Charity large (1) (1000 - 2499 attendees)	£486.95	£504.00	3.5%	
Site fee per day - Community / Charity large (2) (2500 - 3999 attendees)	£730.40	£756.00	3.5%	
Site fee per day - Community / Charity Very large (4000- 5999 attendees)	£1,095.00	£1,133.30	3.5%	
Site fee per day - Community / Charity Major (1) (6000 -7499 attendees)	£1,217.35	£1,260.00	3.5%	
Site fee per day - Community / Charity Major (2)7500 - 10000)	£1,826.00	£1,889.90	3.5%	
Set Days and De-Rrig Days - Community/Charity - All Events	10% of Daily fee			
Site fee per day - Commercial Event - Small (1 - 249 attendees)	£365.25	£378.00	3.5%	
Site fee per day - Commercial Event - Medium (1)l (250 - 499 attendees)	£608.75	£630.10	3.5%	
Site fee per day - Commercial Event - Medium (2) (500 - 999 attendees)	£1,217.35	£1,260.00	3.5%	
Site fee per day - Commercial Event - Large (1) (1000 - 2499 attendees)	£1,826.02	£1,889.90	3.5%	
Site fee per day - Commercial Event - Large (2) (2500 - 3999 attendees)	£6,086.25	£6,299.30	3.5%	
Site fee per day - Commercial Event - V. Large (4000 - 5999 attendees)	£7,608.56	£7,874.90	3.5%	
Site fee per day - Commercial Event - Major (1) (6000- 7499 attendees)	£9,130.26	£9,449.80	3.5%	
Site fee per day - Commercial Event - Major (2) (7500 - 10000 attendees)	£10,651.97	£11,024.80	3.5%	
Set Days and De-Rrig Days - All Events	10% of Daily Fee	10% of Daily Fee		
Water Supply	10% of total Hire charge	10% of total Hire charge		
Electricity Supply	10% of total Hire charge	10% of total Hire charge		
Sandwell Valley full or part use of venue eg: Showground , Paddocks & King Georges etc	Negotiable			

GREEN SERVICES

3.5%

Service Provided	2025/26 Fee/Charge	Proposed 2026/27 Fee/Charge	% Increase	Comments
Allotments				
Allotment Plot Sandwell Residents	£52.00	£53.80	3.5%	
Allotment Plot non-Sandwell Residents	£103.95	£107.60	3.5%	
Allotment raised bed		£30.00		New Charge
Allotment Tenant Water Fee		£5.00		New Charge
Association sites (Rent/ Admin Charge)		£25.00		New Charge
Outdoor Pitches-Regular Users (Ex VAT) SANDWELL LEAGUES				
Class A - Pitches with changing facilities	£85.25	£88.20	3.5%	
Class A - Junior - Concessionary Charge	£54.90	£56.80	3.5%	
Mini Soccer/7 a Side - Children's football no changing	£42.65	£44.10	3.4%	
Self Managed (per pitch per season)	£267.85	£277.20	3.5%	
Self Managed (opening of changing rooms)		£400.00		New Charge
Playzone Hire (per hour)		£5.00		New Charge
Football Training				
Football Training Commercial Operator (Season fee)		£250.00		New Charge
Pitch overmarking (per pitch)	£24.40	£25.30	3.7%	
Room Hire Changing Rooms and Pavilions				
Barnford/Red House/QE2 Churchfields/Victoria Smethwick (Minimum 2 hours)	£73.15	£75.70	3.5%	
Barnford/Red House/QE2 Churchfields/Victoria Smethwick (per additional hour)	£36.50	£37.80	3.6%	
Coaching/Training Sessions				
Personal Trainer up to 5 people - yearly fee		£200.00		New Charge
Bootcamp - 6 people or more - yearly fee		£800.00		New Charge
Personal Trainer up to 5 people - ad hoc session		£20.00		New Charge
Bootcamp - 6 people or more - ad hoc session		£25.00		New Charge
Cricket - Regular Users (Ex VAT) SANDWELL LEAGUES				
Wicket and dressing rooms	£121.80	£126.10	3.5%	
Wicket only - no changing	£91.40	£94.60	3.5%	
Synthetic Wicket	£26.85	£27.80	3.5%	
Outdoor Activities - Minor Games				
Bowls (per person per hour)	£4.90	£5.10	4.1%	
Bowls (per person per hour) - Concessionary Charge	£2.45	£2.50	2.0%	
Bowls Season Ticket/Club use. Part/self-maintained green	£304.35	£315.00	3.5%	
Bowls Season Ticket/Club use. Council maintained	£949.50	£982.70	3.5%	
Council Event Charges				
Albion Match Day Parking - Per Match (pre-booked)	£5.40	£5.60	3.7%	
Albion Match Day Parking - Per Match (not pre-booked)	£8.55	£8.80	2.9%	
Event Parking - Per Day / Evening (pre-booked)	£5.40	£5.60	3.7%	
Event Parking - Per Day / Evening (not pre-booked)	£8.55	£8.80	2.9%	
Event Parking - Per Day / Evening (Premium Event) - pre-booked	£8.55	£8.80	2.9%	
Event Parking - Per Day / Evening (Premium Event) - not pre booked	£10.70	£11.10	3.7%	

GREEN SERVICES

3.5%

Service Provided	2025/26 Fee/Charge	Proposed 2026/27 Fee/Charge	% Increase	Comments
Small Event (Under 1,000 per day)				
Concessions / Stalls - Food and Drink	£64.25	£66.50	3.5%	
Concessions / Stalls - Products	£42.85	£44.30	3.4%	
Concessions / Stalls - Community Group / Charity	£21.40	£22.10	3.3%	
Medium Event (1,000 - 4,999 per day)				
Concessions / Stalls - Food and Drink	£85.70	£88.70	3.5%	
Concessions / Stalls - Products	£53.55	£55.40	3.5%	
Concessions / Stalls - Community Group / Charity	£21.40	£22.10	3.3%	
Premium Event (5,000 - 10,000 per day)				
Concessions / Stalls - Food and Drink	£160.65	£166.30	3.5%	
Concessions / Stalls - Products	£85.70	£88.70	3.5%	
Concessions / Stalls - Community Group / Charity	£21.40	£22.10	3.3%	
Event Infrastructure Hire				
Hire of trestle tables (per table)	£6.10	£6.30	3.3%	
Hire metal / wooden stakes (per stake)	£1.85	£1.90	2.7%	
Hire of 6x3m marquee	£73.15	£75.70	3.5%	
Hire of 3x3m marquee	£36.50	£37.80	3.6%	
Hire of chairs	£2.45	£2.50	2.0%	
Hire of megaphone	£12.25	£12.70	3.7%	
Hire of high vis vests	£2.45	£2.50	2.0%	
Hire of hot water urn	£7.25	£7.50	3.4%	
Hire of rope (per metre)	£1.35	£1.40	3.7%	
Hire of crowd control barriers	£4.90	£5.10	4.1%	
Hire of wheelie bins (without litter removal)	£12.25	£12.70	3.7%	
Hire of PA System and microphone	£118.20	£122.30	3.5%	
Hire of vehicle & 2 staff (4 hours)	£365.25	£378.00	3.5%	
Hire of vehicle & 2 staff (8 hours)	£730.40	£756.00	3.5%	
Fishing				
Day/Part Day max 2 rods - all Sandwell waters	£7.65	Free		
Day/Part Day max 2 rods - all Sandwell waters - Concessionary Charge	£4.50	Free		
Season Ticket - All Sandwell waters	£63.85	Free		
Season Ticket - All Sandwell waters - Concessionary Charge	£32.05	Free		
Outdoor Activities - Water Based at Swan Pool				
Long Distance Swimming (per event)	£42.65	£44.10	3.4%	
Sailing and Windsurfing (per boat per annum)				
Club Use	£88.65	£91.80	3.6%	
Club Use - Concessionary Charge	£50.90	£52.70	3.5%	
Sandwell Valley				
Parking Charges (Annual Pass)	£48.75	£50.50	3.6%	
Caravan site (per night per van - minimum charge)	£8.55	£8.80	2.9%	

GREEN SERVICES

3.5%

Service Provided	2025/26 Fee/Charge	Proposed 2026/27 Fee/Charge	% Increase	Comments
Horse Grazing only - per horse per week	£23.65	£24.50	3.6%	
Hay Bales - per bale including delivery	£36.50	£37.80	3.6%	
Helicopter Landings (Minimum charge)				
Loss of Car Parking Waiver	£50.00	£51.80	3.6%	
Visitor Services Room Hire				
Sandwell Valley Visitor Centre - New Barn - Day	£26.85	£27.80	3.5%	
Sandwell Valley Visitor Centre - New Barn - Evenings	£37.55	£38.90	3.6%	
Sandwell Valley Visitor Centre - Study Centre - Day - p/hr	£26.85	£27.80	3.5%	
Sandwell Valley Visitor Centre - Study Centre - Evenings - p/hr	£37.55	£38.90	3.6%	
Dartmouth Park Meeting Room - Day	£11.85	£12.30	3.8%	
Dartmouth Park Meeting Room - Evenings	£13.45	£13.90	3.3%	
Sandwell Valley Visitor Centre - Gardens Hire - Day	£96.40	£99.80	3.5%	
Sandwell Valley Visitor Centre - Gardens Hire - evenings	£128.50	£133.00	3.5%	
Sandwell Valley Visitor Centre - Courtyard Hire - Day	£96.40	£99.80	3.5%	
Sandwell Valley Visitor Centre - Courtyard Hire - Evenings	£128.50	£133.00	3.5%	
Sandwell Valley Visitor Centre - Raindeer Pen - Day - p/hr	£37.55	£38.90	3.6%	
Sandwell Valley Visitor Centre - Full Venue Hire - Day	£374.85	£388.00	3.5%	
Sandwell Valley Visitor Centre - Full Venue Hire - Evenings	£428.40	£443.40	3.5%	
Tea and Coffee p/person	£2.50	£2.60	4.0%	
Non-Peak Days (Term Time Days)				
Pop Up Shop Hire (Small - per day)	£32.15	£33.30	3.6%	
Pop Up Shop Hire (Large - per day)	£53.55	£55.40	3.5%	
Weekends / Peak Days (Non Term Time Days)				
Pop Up Shop Hire (Small - per day)	£37.55	£38.90	3.6%	
Pop Up Shop Hire (Large - per Day)	£58.95	£61.00	3.5%	
Premium Event Days / Evenings				
Pop Up Shop Hire (Small - per day)	£53.55	£55.40	3.5%	
Pop Up Shop Hire (Large - per Day)	£74.95	£77.60	3.5%	
Cancelled Room Bookings - 14 days notice	50%	50%	0.0%	
Cancelled Room Bookings - 7 Days Notice	80%	80%	0.0%	
Cancelled Room Bookings - under 7 days notice	100%	100%	0.0%	
West Smethwick Park				
Studio Hire Community Charge (Per Hour)	£18.25	£18.90	3.6%	
Studio Hire Commerical Charge (Per hour)	£23.55	£24.40	3.6%	
Private Hire - upstairs only (per hour)	£63.25	£65.50	3.6%	
Private Hire - upstairs only (per hour - after 8pm)	£78.95	£81.70	3.5%	
Full Venue hire Community Charge	£126.40	£130.80	3.5%	
Full Venue Hire Commerical Charge	£158.00	£163.50	3.5%	
Sons of Rest Community Hire	£12.15	£12.60	3.7%	
Sons of Rest Commercial Hire	£15.20	£15.70	3.3%	

GREEN SERVICES

3.5%

Service Provided	2025/26 Fee/Charge	Proposed 2026/27 Fee/Charge	% Increase	Comments
Sons of Rest Hire - After 4pm (Per Hour)		£45.00		New
Sons of Rest Private Party Hire (Per Hour)		£29.00		New
Cleaning Fee Following Hire		£70.00		New
Lightwoods House and Park				
Commerical Hire of Long Room Combined (per hour) - Weekday	£78.00	£80.70	3.5%	
Commercial Hire of Long Room Combined (per hour) - Weekend and after 8pm	£132.00	£136.60	3.5%	
Commerical Hire of Long Room Bandstand End (per hour) - Weekday	£42.00	£43.50	3.6%	
Commercial Hire of Long Room Bandstand End (per hour) - Weekend and after 8pm	£72.00	£74.50	3.5%	
Commerical Hire of Long Room Aviary End (per hour) - Weekday	£36.00	£37.30	3.6%	
Commercial Hire of Long Room Aviary End (per hour) - Weekend and after 8pm	£60.00	£62.10	3.5%	
Commercial Hire of Shakespeare Gardens (inc. Marquee) - per hour - weekday	£108.00	£111.80	3.5%	
Commercial Hire of Shakespeare Gardens (inc. Marquee) - per hour - Weekend and after 8pm	£144.00	£149.00	3.5%	
Commerical Hire of Lightwoods House Full Venue Hire -per hour - Weekday	£360.00	£372.60	3.5%	
Commercial Hire of Lightwoods House Full Venue Hire -per hour - Weekend and after 8pm	£480.00	£496.80	3.5%	
Hire of Weatherhead Bar up to 4 Hours	£99.00	£102.50	3.5%	
Hire of Weatherhead Bar over 4 Hours	£198.00	£204.90	3.5%	
Community Class Hire of The Chance Room p/hr	£20.60	£21.30	3.4%	
Community Class Hire of The Long Room (Whole) p/hr	£56.65	£58.60	3.4%	
Community Class Hire of The Long Room (Bandstand End) p/hr	£30.90	£32.00	3.6%	
Community Class Hire of The Long Room (Aviary End) p/hr	£25.75	£26.70	3.7%	
Community Class Hire of The Shakespeare Gardens and Marquee p/hr	£100.00	£103.50	3.5%	
Community Class Hire of The Shakespeare Gardens p/hr	£55.00	£56.90	3.5%	
Community Class Hire of The Marquee p/hr	£45.00	£46.60	3.6%	
Tea and Coffee p/person	£2.50	£2.60	4.0%	
Hire of Urn	£20.00	£20.70	3.5%	
Damage Bond - Events exceeding 80 guests where alcohol is consumed	£150.00	£155.30	3.5%	
Damage Bond - Events not exceeding 80 guests where alcohol is consumed	£100.00	£103.50	3.5%	
Damage Bond - Events exceeding 80 guests where alcohol is not consumed	£100.00	£103.50	3.5%	
Damage Bond - Events not exceeding 80 guests where no alcohol is consumed	£75.00	£77.60	3.5%	
Microphone and Speaker	£15.00	£15.50	3.3%	
Projector and Screen	£20.00	£20.70	3.5%	
Portable Whiteboard	£15.00	£15.50	3.3%	
Flipchart (including Paper)	£15.00	£15.50	3.3%	
Other Charges				
Memoral Bench (purchase of standard bench and install)	£2,088.45	£2,161.50	3.5%	
Weddings				
Lightwoods Park and House - Package One (Max 60 people) Off Peak, Max 10 hours including Ceremony	£1,750.00	£1,811.30	3.5%	
Lightwoods Park and House - Package One (Max 60 people) Peak, Max 10 hours Including Ceremony	£2,350.00	£2,432.30	3.5%	
Lightwoods Park and House - Package Two (Max 100 people) Off Peak, Full Day Hire (Max 16 hours) Including Ceremony	£3,300.00	£3,415.50	3.5%	

GREEN SERVICES

3.5%

Service Provided	2025/26 Fee/Charge	Proposed 2026/27 Fee/Charge	% Increase	Comments
Lightwoods Park and House - Package Two (Max 100 people) Peak, Full Day Hire Max (Max 16 hours) Including Ceremony	£4,200.00	£4,347.00	3.5%	
Lightwoods House Wedding Reception and Engagement Parties Only Per Hour	£225.00	£232.90	3.5%	
Lightwoods Park and House - Engagement and Shoot (Per Hour)	£178.50	£184.70	3.5%	
Drinks Reception (£12pp)	£12.25	£12.70	3.7%	
Chiffon Chair Drapes	£1.30	£1.30	0.0%	
Wedding Ceremony - Lightwoods House or Sandwell Valley VC		£650.00		New Fee
Sandwell Valley Weddings - Option 1 8 Hours		£2,400.00		New Fee
Sandwell Valley Weddings - Option 1 10 Hours		£3,000.00		New Fee
Sandwell Valley Weddings - Option 2 8 hours		£3,000.00		New Fee
Sandwell Valley Weddings - Option 2 10 hours		£3,600.00		New Fee
Additional Hours Option 1 and 2 p/hr		£300.00		New Fee
Sandwell Valley Weddings - Option 3 (3 day hire of paddock)		£5,000.00		New Fee
Optional Extras				New Fee
Bluetooth Speaker		£50.00		New Fee
Digital Display Boards		£50.00		New Fee
Catering Surcharge for facility use		£50.00		New Fee
Access to Walled Garden		£128.50		New Fee
Corkage - Alcohol per bottle		£8.00		New Fee
Corkage - Soft Drink per bottle		£4.00		New Fee
Table Linen up to 10 cloths		£80.00		New Fee
Table Linen over 10 cloths		£120.00		New Fee
Candleabra / Fern Centre Pieces p/table		£20.00		New Fee
Crisp Wall (not including Crisps)		£15.00		New Fee
Lightwoods House - Welcome Stand		£15.00		New Fee
Easels		£5.00		New Fee

Proposed Charges				
Forge Mill Farm- Visits				
Per Adult per Day	£5.50	£5.50	0.0%	
Per Child Per day (age 2-14)	£6.50	£6.50	0.0%	
Per Day - Concessionary Charge	£4.50	£4.50	0.0%	
Family ticket (2 adults & up to 3 children)	£27.00	£27.00	0.0%	
Family ticket (1 adult & up to 3 children)	£21.50	£21.50	0.0%	
Per Adult per Day (peak)		£6.50		New
Per Child Per day (age 2-14) (peak)		£7.50		New
Per Day - Concessionary Charge (peak)		£5.50		New
Family ticket (2 adults & up to 3 children) (peak)		£31.00		New
Family ticket (1 adult & up to 3 children) (peak)		£25.00		New
Play Barn session (age 2-14)	£3.00	£3.00	0.0%	

GREEN SERVICES

3.5%

Service Provided	2025/26 Fee/Charge	Proposed 2026/27 Fee/Charge	% Increase	Comments
Special Event Prices per person (Variable)	Up to £45	Up to £55		
Forge Mill Farm/Sandwell Valley- Education and outreach				
School visit-Welly to Belly/Great Outdoor Challenge (Base rate-Includes up to 20 students & 2 teachers)	£250.00	£265.00	6.0%	
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)	£250.00	£250.00	0.0%	
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	£365.00	4.3%	
Out of hours Additional Child/Adult (first 60)	£9.50	£9.50	0.0%	
Out of hours Additional Child/Adult (over 60)	£7.50	£7.50	0.0%	
Forge Mill Farm- Other Bookings				
Birthday Party Base Rate (includes 10 children farm plus play tickets, kids' lunch boxes, 5 adults and party room for 2 hours)	£250.00	£250.00	0.0%	
Birthday Party- Additional child	£18.00	£18.00	0.0%	
Birthday Party- Additional adult	£5.50	£5.50	0.0%	
Natural Play barn classroom Booking (Term time, day time) Whole day	£100.00	£105.00	5.0%	
Natural Play barn classroom Booking (Holiday/ weekends/After Hours)	£140.00	£145.00	3.6%	
Natural Play Barn Booking After hours (2 hours)	£450.00	£465.00	3.3%	
Event field and grass car park booking	£1,000.00	£1,100.00	10.0%	

ENVIRONMENT & FLEET

3.5% Waste disposal - out of scope of VAT

Service Provided	2025/26 Fee/Charge	Proposed 2026/27 Fee/Charge	% Increase	Comments
Trade Waste Charges - (Standard Pricing Structure provided by Serco - Indicative costs only)				
50 Blue Trade Sacks (including disposal and Waste Transfer Note)	£192.60	£199.30	3.5%	
1100 Litre Euro Container	£20.10	£20.80	3.5%	
660 Litre Mini Euro Container	£13.70	£14.20	3.6%	
360 Litre Mini Euro Container	£9.70	£10.00	3.1%	
240 Litre Wheeled bin	£8.30	£8.60	3.6%	
50 Sacks - Co-mingled mixed dry recycling (Including disposal and Waste Transfer Note)	£90.30	£93.50	3.5%	
240 Litre Co-mingled mixed dry recycling	£6.80	£7.00	2.9%	
360 Litre Co-mingled mixed dry recycling	£7.80	£8.10	3.8%	
660 Litre Co-mingled mixed dry recycling	£10.40	£10.80	3.8%	
1100 Litre Co-mingled mixed dry recycling	£14.60	£15.10	3.4%	
FEL Skip GW 4M	£56.40	£58.40	3.5%	
FEL Skip GW 6M	£67.70	£70.10	3.5%	
FEL Skip GW 8M	£84.70	£87.70	3.5%	
Admin Charge/Annual DoC - National Charge	£88.00	£91.10	3.5%	
Landfill tax per tonne	£126.15	£130.75	3.6%	Set by Government
Domestic Charges Bulky Collections:				
Fridge/Freezer	£15.10	£15.60	3.3%	
Bulky - 1 item	£18.00	£18.60	3.3%	
Bulky - 2 to 4 items	£25.00	£25.90	3.6%	
Bulky - 5 to 8 items	£50.00	£51.80	3.6%	
Garden Waste				
Garden Waste collection - fortnightly annual subscription	£40.00	£40.00	0.0%	
Replacement containers - Lost and stolen:				
180 litre wheeled bin (any type)	£30.00	£31.10	3.7%	
240 litre wheeled bin (any type)	£30.00	£31.10	3.7%	
360 litre wheeled bin (any type)	£30.00	£31.10	3.7%	
Concessionary rate	£6.10	£6.30	3.3%	

HIGHWAYS

Service Provided	2025/26 Fee/Charge	Proposed 2026/27 Fee/Charge	% Increase	Comments
Highways Act 1980				
Section 171 Consent for making of excavations in the Street Administration & Inspection Fee (excluding footway crossings)	£925.00	£960.00	3.8%	
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	£48.00	4.3%	
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	£30.00	3.4%	
Retrospective Skip Permit Fee	£220.00	£230.00	4.5%	
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	£285.00	3.6%	
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	£350.00	2.9%	
Section 177 Consideration of a temporary application to deposit a crane on the public highway (charge for each licence issued)	£145.00	£150.00	3.4%	
Section 177 Consideration of a permanent application for highway projections (charge for each licence issued)	£340.00	£350.00	2.9%	
Footway Crossing				
Footway Crossing inspection and Supervisory Fee. *Fee approved by Cabinet Member at his meeting on 17th October 2008.	£250.00	£250.00	0.0%	No increase - already aligns with other local authorities
Street Naming and Numbering				
Street Naming - Section 17 of the Public Health Act 1925	£270.00	£280.00	3.7%	
Property Numbering - Section 64 of the Town Improvement Clauses Act 1847	£170 plus £30 per plot	£180 plus £30 per plot	5.8%	
	£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		
Traffic Signals				
Consideration of application for switch on/off of traffic signals on Week days	£275.00	£285.00	3.6%	
Consideration of application for switch on/off of traffic signals at Weekends	£750.00	£775.00	3.3%	
Road Traffic Regulation Act 1984				
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%	Already aligned to other local authorities
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%	Already aligned to other local authorities
Section 38 Agreement				
% 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%	Already aligned to other local authorities
Section 278 Agreement				

HIGHWAYS

Service Provided	2025/26 Fee/Charge	Proposed 2026/27 Fee/Charge	% Increase	Comments
% 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%	Already aligned to other local authorities
Technical Appraisal for Private Road - % of estimated construction costs of highways and sewers in conjunction with road adoptions. Minimum charge of £1000	4.0%	4.0%	0.0%	
Land Drainage Consent under S23 of Land Drainage Act 1991	£50.00	£50.00	0.0%	
Highways				
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		Section 50 and Section 171 are aligned generally aligned.
S50 Administration & Inspection Fee (of which £150 is nationally agreed inspection fee)	£925.00	£960.00	3.8%	
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%	
Permit Fees				
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		
Off Street Car Parking Charges - Long Stay Season Tickets				
Annual All Areas 1 Nominated day per week (West Bromwich - Season Ticket A)	£80.00	£80.00	0.0%	To be considered through the parking charges review
Annual All Areas 2 Nominated days per week (West Bromwich - Season Ticket A)	£190.00	£190.00	0.0%	To be considered through the parking charges review
Annual All Areas 3 Nominated days per week (West Bromwich - Season Ticket A)	£360.00	£360.00	0.0%	To be considered through the parking charges review
Annual All Areas 4 Nominated days per week (West Bromwich - Season Ticket A)	£530.00	£530.00	0.0%	To be considered through the parking charges review
Annual All Areas 5 Nominated days per week (West Bromwich - Season Ticket A)	£700.00	£700.00	0.0%	To be considered through the parking charges review
Monthly All Areas 1 Nominated day per week (West Bromwich - Season Ticket A)	£8.00	£8.00	0.0%	To be considered through the parking charges review
Monthly All Areas 2 Nominated days per week (West Bromwich - Season Ticket A)	£19.00	£19.00	0.0%	To be considered through the parking charges review
Monthly All Areas 3 Nominated days per week (West Bromwich - Season Ticket A)	£36.00	£36.00	0.0%	To be considered through the parking charges review
Monthly All Areas 4 Nominated days per week (West Bromwich - Season Ticket A)	£53.00	£53.00	0.0%	To be considered through the parking charges review
Monthly All Areas 5 Nominated days per week (West Bromwich - Season Ticket A)	£70.00	£70.00	0.0%	To be considered through the parking charges review
Annual Outside West Bromwich 1 Nominated day per week (Season Ticket B)	£50.00	£50.00	0.0%	To be considered through the parking charges review
Annual Outside West Bromwich 2 Nominated days per week (Season Ticket B)	£125.00	£125.00	0.0%	To be considered through the parking charges review
Annual Outside West Bromwich 3 Nominated days per week (Season Ticket B)	£250.00	£250.00	0.0%	To be considered through the parking charges review
Annual Outside West Bromwich 4 Nominated days per week (Season Ticket B)	£350.00	£350.00	0.0%	To be considered through the parking charges review
Annual Outside West Bromwich 5 Nominated days per week (Season Ticket B)	£500.00	£500.00	0.0%	To be considered through the parking charges review
Monthly Outside West Bromwich 1 Nominated day per week (Season Ticket B)	£5.00	£5.00	0.0%	To be considered through the parking charges review
Monthly Outside West Bromwich 2 Nominated days per week (Season Ticket B)	£12.50	£12.50	0.0%	To be considered through the parking charges review
Monthly Outside West Bromwich 3 Nominated days per week (Season Ticket B)	£25.00	£25.00	0.0%	To be considered through the parking charges review
Monthly Outside West Bromwich 4 Nominated days per week (Season Ticket B)	£35.00	£35.00	0.0%	To be considered through the parking charges review
Monthly Outside West Bromwich 5 Nominated days per week (Season Ticket B)	£50.00	£50.00	0.0%	To be considered through the parking charges review
Car Parking General				
Waivers up to 7 days	£16.56	£17.00	2.7%	Inflation increase rounded down

HIGHWAYS

Service Provided	2025/26 Fee/Charge	Proposed 2026/27 Fee/Charge	% Increase	Comments
Waivers after/longer than 7 days	£7.93	£8.20	3.4%	Inflation increase rounded down
Suspensions	£75.67	£78.00	3.1%	Inflation increase rounded down
West Bromwich Town Centre - Off Street Pay & Display plus on street Long Stay Shaftsbury Street				
Up to 30 minutes	£0.80	£0.80	0.0%	To be considered through the parking charges review
Up to 1 hour	£1.40	£1.40	0.0%	To be considered through the parking charges review
Up to 2 hours	£2.40	£2.40	0.0%	To be considered through the parking charges review
Up to 3 hours	£3.40	£3.40	0.0%	To be considered through the parking charges review
Up to 4 hours	£4.40	£4.40	0.0%	To be considered through the parking charges review
Long Stay - Over 4 hours	£9.00	£9.00	0.0%	To be considered through the parking charges review
Outside West Bromwich - Off Street Pay & Display plus on street Long Stay at Albert Street and Stafford Street, Wednesbury				
Up to 30 minutes	£0.40	£0.40	0.0%	To be considered through the parking charges review
Up to 1 hour	£0.70	£0.70	0.0%	To be considered through the parking charges review
Up to 2 hours	£1.20	£1.20	0.0%	To be considered through the parking charges review
Up to 3 hours	£1.70	£1.70	0.0%	To be considered through the parking charges review
Up to 4 hours	£2.20	£2.20	0.0%	To be considered through the parking charges review
Long Stay - Over 4 hours	£5.00	£5.00	0.0%	To be considered through the parking charges review
All Areas - Short stay On Street Pay & Display				
Up to 15 minutes	£0.30	£0.30	0.0%	To be considered through the parking charges review
Up to 30 minutes	£0.60	£0.60	0.0%	To be considered through the parking charges review
Up to 1 hour	£1.20	£1.20	0.0%	To be considered through the parking charges review
1 – 2 hours	£2.40	£2.40	0.0%	To be considered through the parking charges review
Parking Permit, Voucher and regulation charges				
1 st Residents Permit	£46.34	£46.34	0.0%	To be considered through the parking charges review
2 nd Residents Permit	£54.05	£54.05	0.0%	To be considered through the parking charges review
Authorised replacement of all Permits	£19.32	£19.32	0.0%	To be considered through the parking charges review
20 – 2 Hour Visitors Vouchers	£10.35	£10.35	0.0%	To be considered through the parking charges review
10 – 6 Hour Visitors Vouchers	£11.61	£11.61	0.0%	To be considered through the parking charges review
Weekly Visitor Voucher	£11.61	£11.61	0.0%	To be considered through the parking charges review
Business Permit (Annual)(In resident Scheme areas)	£257.60	£257.60	0.0%	To be considered through the parking charges review
3rd Residents Permit	£128.80	£128.80	0.0%	To be considered through the parking charges review
advisory disabled markings	£110.00	£115.00	4.5%	
"H" BAR MARKINGS	£110.00	£115.00	4.5%	
Parents annual parking permit charges for P& D car parks for limited period AM and PM	£51.52	£51.52	0.0%	To be considered through the parking charges review
TRO MAKING - Statutory process, adverts, public consultation, procure & install road signs, road lines etc.	£5,922.50	£5,922.50	0.0%	Already aligned to other local authorities
Resident permit for commercial vehicles	£154.56	£154.56	0.0%	To be considered through the parking charges review
Bikeability session cancellation charges to schools per session	£334.88	£334.88	0.0%	
Event Parking Off Street	£10.00	£10.00	0.0%	To remain the same
Event Parking On Street	£10.00	£10.00	0.0%	To remain the same
Bikeability session per child	£15.41	£15.41	0.0%	

BUILDING CONTROL, PLANNING & PROPERTY SEARCHES

Service Provided	2025/26 Fee/Charge	Proposed 2026/27 Fee/Charge	% Increase	Comments
Building Control				
TABLE A - STANDARD CHARGES FOR THE CREATION OR CONVERSION TO NEW HOUSING				
Table A Category 1 - Number of dwellings: 1				
Plan Charge	£345.55	£357.64	3.5%	Charge includes VAT
Inspection Charge	£518.24	£536.38	3.5%	Charge includes VAT
Building Notice Charge +20%	£1,036.45	£1,072.73	3.5%	Charge includes VAT
Regularisation Charge (does not include electrical inspection & test)	£1,165.95	£1,206.76	3.5%	Non vatable - Service only available via Council
Table A Category 2 - Number of dwellings: 2				
Plan Charge	£388.66	£402.26	3.5%	Charge includes VAT
Inspection Charge	£777.26	£804.46	3.5%	Charge includes VAT
Building Notice Charge +20%	£1,399.15	£1,448.12	3.5%	Charge includes VAT
Regularisation Charge (does not include electrical inspection & test)	£1,574.05	£1,629.14	3.5%	Non vatable - Service only available via Council
Table A Category 3 - Number of dwellings: 3				
Plan Charge	£518.26	£536.40	3.5%	Charge includes VAT
Inspection Charge	£1,036.44	£1,072.72	3.5%	Charge includes VAT
Building Notice Charge +20%	£1,865.54	£1,930.83	3.5%	Charge includes VAT
Regularisation Charge (does not include electrical inspection & test)	£2,098.75	£2,172.21	3.5%	Non vatable - Service only available via Council
Table A Category 4 - Number of dwellings: 4				
Plan Charge	£647.80	£670.47	3.5%	Charge includes VAT
Inspection Charge	£1,122.80	£1,162.10	3.5%	Charge includes VAT
Building Notice Charge +20%	£2,124.60	£2,198.96	3.5%	Charge includes VAT
Regularisation Charge (does not include electrical inspection & test)	£2,390.25	£2,473.91	3.5%	Non vatable - Service only available via Council
Table A Category 5 - Number of dwellings: 5				
Plan Charge	£777.25	£804.45	3.5%	Charge includes VAT
Inspection Charge	£1,209.00	£1,251.32	3.5%	Charge includes VAT
Building Notice Charge +20%	£2,383.80	£2,467.23	3.5%	Charge includes VAT
Regularisation Charge (does not include electrical inspection & test)	£2,681.80	£2,775.66	3.5%	Non vatable - Service only available via Council
Table A Category 6 - Number of dwellings: 6				
Plan Charge	£863.75	£893.98	3.5%	Charge includes VAT
Inspection Charge	£1,338.84	£1,385.70	3.5%	Charge includes VAT
Building Notice Charge +20%	£2,642.80	£2,735.30	3.5%	Charge includes VAT
Regularisation Charge (does not include electrical inspection & test)	£2,973.20	£3,077.26	3.5%	Non vatable - Service only available via Council
Table A Category 7 - Number of dwellings: 7				
Plan Charge	£906.85	£938.59	3.5%	Charge includes VAT
Inspection Charge	£1,554.70	£1,609.11	3.5%	Charge includes VAT
Building Notice Charge +20%	£3,057.50	£3,164.51	3.5%	Charge includes VAT
Regularisation Charge (does not include electrical inspection & test)	£3,439.70	£3,560.09	3.5%	Non vatable - Service only available via Council
Table A Category 8 - Number of dwellings: 8				
Plan Charge	£950.10	£983.35	3.5%	Charge includes VAT
Inspection Charge	£1,770.56	£1,832.53	3.5%	Charge includes VAT
Building Notice Charge +20%	£3,264.70	£3,378.96	3.5%	Charge includes VAT
Regularisation Charge (does not include electrical inspection & test)	£3,672.80	£3,801.35	3.5%	Non vatable - Service only available via Council
Table A Category 9 - Number of dwellings: 9				
Plan Charge	£993.20	£1,027.96	3.5%	Charge includes VAT
Inspection Charge	£1,986.30	£2,055.82	3.5%	Charge includes VAT

BUILDING CONTROL, PLANNING & PROPERTY SEARCHES

Service Provided	2025/26 Fee/Charge	Proposed 2026/27 Fee/Charge	% Increase	Comments
Building Notice Charge +20%	£3,575.60	£3,700.75	3.5%	Charge includes VAT
Regularisation Charge (does not include electrical inspection & test)	£4,022.65	£4,163.44	3.5%	Non vatable - Service only available via Council
Table A Category 4 - Over 10 dwellings				
Plan Charge, Inspection Charge, Building Notice Charge, Regularisation Charge				
TABLE B - Domestic Extensions to a Single Building				
Table B Category 1 - Single storey Extensions, less than 10m2				
Plan charge	£226.75	£234.69	3.5%	Charge includes VAT
Inspection charge	£272.05	£281.57	3.5%	Charge includes VAT
Building Notice	£598.60	£619.55	3.5%	Charge includes VAT
Regularisation	£673.35	£696.92	3.5%	Non vatable - Service only available via Council
Table B Category 2 - Single storey extension greater than 10m2but less than 40m2				
Plan charge	£317.40	£328.51	3.5%	Charge includes VAT
Inspection charge	£362.70	£375.39	3.5%	Charge includes VAT
Building Notice	£816.20	£844.77	3.5%	Charge includes VAT
Regularisation	£918.25	£950.39	3.5%	Non vatable - Service only available via Council
Table B Category 3 - Single storey extension greater than 40m2 but less than 100m2				
Plan charge	£408.20	£422.49	3.5%	Charge includes VAT
Inspection charge	£498.70	£516.15	3.5%	Charge includes VAT
Building Notice	£1,088.30	£1,126.39	3.5%	Charge includes VAT
Regularisation	£1,224.30	£1,267.15	3.5%	Non vatable - Service only available via Council
Table B Category 4 - Two storey extension not exceeding 40m2				
Plan charge	£362.70	£375.39	3.5%	Charge includes VAT
Inspection charge	£408.20	£422.49	3.5%	Charge includes VAT
Building Notice	£925.00	£957.38	3.5%	Charge includes VAT
Regularisation	£1,040.65	£1,077.07	3.5%	Non vatable - Service only available via Council
Table B Category 5 - Two storey extension greater than 40m2 but less than 200m2				
Plan charge	£453.50	£469.37	3.5%	Charge includes VAT
Inspection charge	£544.15	£563.20	3.5%	Charge includes VAT
Building Notice	£1,197.10	£1,239.00	3.5%	Charge includes VAT
Regularisation	£1,346.75	£1,393.89	3.5%	Non vatable - Service only available via Council
Table B Category 6 - Loft conversion floor area not exceeding 50m2				
Plan charge	£362.70	£375.39	3.5%	Charge includes VAT
Inspection charge	£272.05	£281.57	3.5%	Charge includes VAT
Building Notice	£761.75	£788.41	3.5%	Charge includes VAT
Regularisation	£857.00	£887.00	3.5%	Non vatable - Service only available via Council
Table Garage - Domestic Garages and Carports				
Table Garage Category 7 - Non-exempt detached garage or carport up to 100m2				
Plan charge	£272.05	£281.57	3.5%	Charge includes VAT
Inspection charge				
Building Notice	£326.54	£337.97	3.5%	Charge includes VAT
Regularisation	£367.30	£380.16	3.5%	Non vatable - Service only available via Council
Table Garage Category 8 - Non-exempt attached single storey garage or carport up to 100m2				
Plan charge	£226.75	£234.69	3.5%	Charge includes VAT
Inspection charge	£226.75	£234.69	3.5%	Charge includes VAT

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Service Provided	2025/26 Fee/Charge	Proposed 2026/27 Fee/Charge	% Increase	Comments
Building Notice	£544.15	£563.20	3.5%	Charge includes VAT
Regularisation	£612.15	£633.58	3.5%	Non vatable - Service only available via Council
Table Garage Category 9 - Conversion of a garage to habitable use				
Plan charge	£181.45	£187.80	3.5%	Charge includes VAT
Inspection charge	£226.75	£234.69	3.5%	Charge includes VAT
Building Notice	£489.65	£506.79	3.5%	Charge includes VAT
Regularisation	£550.95	£570.23	3.5%	Non vatable - Service only available via Council
Pre-application works Category 10 - Trial hole				
Inspection charge	£145.55	£150.64	3.5%	Charge includes VAT
TABLE C - Alterations to a Single Domestic Building				
Table C Category 1 - Installation of a controlled fitting , i.e. installation of a bathroom, or of a wc, shower, bath or sink				
Plan charge (FP)	£272.06	£281.58	3.5%	Charge includes VAT
Inspection charge				
Building notice charge (N)	£326.54	£337.97	3.5%	Charge includes VAT
50% reduction if carried out at same time as an extension (FP)	£136.03	£140.79	3.5%	Charge includes VAT
50% reduction if carried out at same time as an extension (N)	£163.27	£168.98	3.5%	Charge includes VAT
Regularisation charge	£367.30	£380.16	3.5%	Non vatable - Service only available via Council
Table C Category 2. a - Foundation underpinning of main house				
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
Table C Category 2.b - Foundation underpinning of wing building				
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
Table C - Category 2 - Solid Conservatory Roof				
Plan charge (FP)	£114.62	£118.63	3.5%	Charge includes VAT
Inspection charge	£152.90	£158.25	3.5%	Charge includes VAT
Building notice charge (N)	£320.86	£332.09	3.5%	Charge includes VAT
Regularisation charge	£360.95	£373.58	3.5%	Non vatable - Service only available via Council
Table C Category 3 - Internal alterations to layout or structural alterations , that are not ancillary to an extension				
Plan charge (FP)	£181.42	£187.77	3.5%	Charge includes VAT
Inspection charge	£181.42	£187.77	3.5%	Charge includes VAT
Building notice charge (N)	£399.10	£413.07	3.5%	Charge includes VAT
50% reduction if carried out at same time as an extension (FP)	£181.42	£187.77	3.5%	Charge includes VAT
50% reduction if carried out at same time as an extension (N)	£199.55	£206.53	3.5%	Charge includes VAT

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Service Provided	2025/26 Fee/Charge	Proposed 2026/27 Fee/Charge	% Increase	Comments
Regularisation charge	£448.95	£464.66	3.5%	Non vatable - Service only available via Council
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				
Plan charge (FP)	£272.06	£281.58	3.5%	Charge includes VAT
Inspection charge				
Building notice charge (N)	£326.54	£337.97	3.5%	Charge includes VAT
50% reduction if carried out at same time as an extension (FP)	£136.03	£140.79	3.5%	Charge includes VAT
50% reduction if carried out at same time as an extension (N)	£163.27	£168.98	3.5%	Charge includes VAT
Regularisation charge	£367.30	£380.16	3.5%	Non vatable - Service only available via Council
Table C Category 4. b - Reroofing of main house				
Plan charge (FP)	£117.96	£122.09	3.5%	Charge includes VAT
Inspection charge	£117.96	£122.09	3.5%	Charge includes VAT
Building notice charge (N)	£272.06	£281.58	3.5%	Charge includes VAT
50% reduction if carried out at same time as an extension (FP)	£117.96	£122.09	3.5%	Charge includes VAT
50% reduction if carried out at same time as an extension (N)	£136.03	£140.79	3.5%	Charge includes VAT
Regularisation charge	£306.10	£316.81	3.5%	Non vatable - Service only available via Council
Table C Category 4. c - Reroofing of wing building/extension				
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
Table Electric - Electrical Installations, inspection and test				
Table Electric Category 1 - Certification of electrical works by non-registered but suitably qualified competent persons				
Building Notice	£117.95	£122.08	3.5%	Charge includes VAT
Regularisation charge	£132.70	£137.34	3.5%	Non vatable - Service only available via Council
Table Window - Window and Door Replacement				
Table Window Category 1 - Up to 10 frames				
Plan charge (FP)				
Inspection charge				
Building notice charge (N)	£136.10	£140.86	3.5%	Charge includes VAT
50% reduction if carried out at same time as an extension				
Regularisation charge	£153.05	£158.41	3.5%	Non vatable - Service only available via Council
Table Window Category 2 - Over 10 frames				
Plan charge (FP)				
Inspection charge				
Building notice charge (N)	£181.45	£187.80	3.5%	Charge includes VAT
Regularisation charge	£204.10	£211.24	3.5%	Non vatable - Service only available via Council
TABLE D - ALL OTHER NON-DOMESTIC WORK & NEW BUILD - including Non-domestic extensions and new build up to 200m2 (Use of buildings excluding industrial and storage buildings)				
Table D Category 1 - Floor area not exceeding 10m2				

BUILDING CONTROL, PLANNING & PROPERTY SEARCHES

Service Provided	2025/26 Fee/Charge	Proposed 2026/27 Fee/Charge	% Increase	Comments
Plan charge (FP)	£311.30	£322.20	3.5%	Charge includes VAT
Inspection charge	£444.90	£460.47	3.5%	Charge includes VAT
Regularisation charge	£850.65	£880.42	3.5%	Non vatable - Service only available via Council
Table D Category 2 - Floor area greater than 10m2 but less than 40m2				
Plan charge (FP)	£444.90	£460.47	3.5%	Charge includes VAT
Inspection charge	£622.75	£644.55	3.5%	Charge includes VAT
Regularisation charge	£1,200.95	£1,242.98	3.5%	Non vatable - Service only available via Council
Table D Category 3 - Floor area greater than 40m2 but less than 100m2				
Plan charge (FP)	£622.75	£644.55	3.5%	Charge includes VAT
Inspection charge	£800.70	£828.72	3.5%	Charge includes VAT
Regularisation charge	£1,601.30	£1,657.35	3.5%	Non vatable - Service only available via Council
Table D Category 4 - Floor area greater than 100m2 but less than 200m2				
Plan charge (FP)	£889.66	£920.80	3.5%	Charge includes VAT
Inspection charge	£1,067.50	£1,104.86	3.5%	Charge includes VAT
Regularisation charge	£2,201.80	£2,278.86	3.5%	Non vatable - Service only available via Council
Table Industrial - Use for Industrial and storage Purposes				
Table Industrial Category 1 - Floor area not exceeding 10m2				
Plan charge (FP)	£266.95	£276.29	3.5%	Charge includes VAT
Inspection charge	£266.95	£276.29	3.5%	Charge includes VAT
Regularisation charge	£600.50	£621.52	3.5%	Non vatable - Service only available via Council
Table Industrial Category 2 - Floor area greater than 10m2 but less than 40m2				
Plan charge (FP)	£444.90	£460.47	3.5%	Charge includes VAT
Inspection charge	£444.90	£460.47	3.5%	Charge includes VAT
Regularisation charge	£1,000.80	£1,035.83	3.5%	Non vatable - Service only available via Council
Table Industrial Category 3 - Floor area greater than 40m2 but less than 100m2				
Plan charge (FP)	£533.75	£552.43	3.5%	Charge includes VAT
Inspection charge	£533.75	£552.43	3.5%	Charge includes VAT
Regularisation charge	£1,200.95	£1,242.98	3.5%	Non vatable - Service only available via Council
Table Industrial Category 4 - Floor area greater than 100m2 but less than 200m2				
Plan charge (FP)	£711.70	£736.61	3.5%	Charge includes VAT
Inspection charge	£711.70	£736.61	3.5%	Charge includes VAT
Regularisation charge	£1,601.30	£1,657.35	3.5%	Non vatable - Service only available via Council
TABLE E - ALL OTHER NON-DOMESTIC WORK				
Category 1a - Window replacements , Fixed price - Installation of up to 10 frames				
Plan charge	£177.95	£184.18	3.5%	Charge includes VAT
Inspection charge	£0.00			
Regularisation charge	£200.15	£207.16	3.5%	Non vatable - Service only available via Council
Category 1b - Window replacements , Fixed price - Installation of up to 20 frames				
Plan charge	£266.95	£276.29	3.5%	Charge includes VAT
Inspection charge				
Regularisation charge	£300.30	£310.81	3.5%	Non vatable - Service only available via Council
Category 2a - Renovation of thermal element - Estimated cost less than £50,000				
Plan charge				Fees merged into category 5
Inspection charge				Fees merged into category 5

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Service Provided	2025/26 Fee/Charge	Proposed 2026/27 Fee/Charge	% Increase	Comments
Regularisation charge				Fees merged into category 5
Category 2b - Renovation of thermal element - Estimated cost between £50,001-£100,000				
Plan charge				Fees merged into category 5
Inspection charge				Fees merged into category 5
Regularisation charge				Fees merged into category 5
Category 2 - Installation of mezzanine storage platform up to 500m2, Fixed price				
Plan charge	£622.75	£644.55	3.5%	Charge includes VAT
Inspection charge	£355.90	£368.36	3.5%	Charge includes VAT
Regularisation charge	£1,100.85	£1,139.38	3.5%	Non vatable - Service only available via Council
Category 3a - Office or shop fit out, Fixed price- Floor area up to 200m2				
Plan charge	£266.95	£276.29	3.5%	Charge includes VAT
Inspection charge	£266.95	£276.29	3.5%	Charge includes VAT
Regularisation charge	£600.50	£621.52	3.5%	Non vatable - Service only available via Council
Category 3b - Office or shop fit out, Floor area between 200-1000m2				
Plan charge	£444.90	£460.47	3.5%	Charge includes VAT
Inspection charge	£444.90	£460.47	3.5%	Charge includes VAT
Regularisation charge	£1,000.80	£1,035.83	3.5%	Non vatable - Service only available via Council
Category 4a - Alterations not described elsewhere, Fixed price Estimated cost less than £5,000				
Plan charge				Fees no longer exist
Inspection charge				Fees no longer exist
Regularisation charge				Fees no longer exist
Category 4a - Alterations not described elsewhere, Fixed price Estimated cost £1-£25,000				
Plan charge	£266.95	£276.29	3.5%	Charge includes VAT
Inspection charge	£355.90	£368.36	3.5%	Charge includes VAT
Regularisation charge	£700.60	£725.12	3.5%	Non vatable - Service only available via Council
Category 4b - Alterations not described elsewhere, Fixed price Estimated cost £25,001-£50,000				
Plan charge	£444.90	£460.47	3.5%	Charge includes VAT
Inspection charge	£533.75	£552.43	3.5%	Charge includes VAT
Regularisation charge	£1,100.85	£1,139.38	3.5%	Non vatable - Service only available via Council
Category 5d - Alterations not described elsewhere, Fixed price Estimated cost £50,001-£75,000				
Plan charge				Fees merged into category 5e
Inspection charge				Fees merged into category 5e
Regularisation charge				Fees merged into category 5e
Category 4c - Alterations not described elsewhere, Fixed price Estimated cost £50,001-£100,000				
Plan charge	£711.70	£736.61	3.5%	Charge includes VAT
Inspection charge	£800.70	£828.72	3.5%	Charge includes VAT
Regularisation charge	£1,701.45	£1,761.00	3.5%	Non vatable - Service only available via Council
Demolition of Buildings	£120.00	£124.20	3.5%	Charges include VAT - Charge implemented from January 2025
Planning				
Category I - Development Type : Operation				
Category 1a - The erection of dwellinghouses (other than development within category 6 below). Where the application is for outline planning permission				

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Service Provided	2025/26 Fee/Charge	Proposed 2026/27 Fee/Charge	% Increase	Comments
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
Category 1b - where the application is permission in principle				
fees per 0.1 hectares of the site area	£503.00	£503.00	0.0%	National Planning Fees set by Central Government
Category 1c - The erection of dwellinghouses (other than development within category 6 below). Where the application is not for outline planning				
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
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				
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
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				
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
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				
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

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Service Provided	2025/26 Fee/Charge	Proposed 2026/27 Fee/Charge	% Increase	Comments
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				
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
Category 4 - The erection of glasshouses on land used for the purposes of agriculture.				
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	0.0%	National Planning Fees set by Central Government
Category 5 - The erection, alteration or replacement of plant or machinery.				
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	0.0%	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
Category 6 - The enlargement, improvement or other alteration of existing dwellinghouses.				
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
Category 7 - The carrying out of operations (including the erection of building) within the curtilage of an existing dwelling house				
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
Category 8 - The construction of car parks, service roads and other means of access				
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
Category 9 - The carrying out of any operations connected with exploratory drilling for oil or natural gas.				
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.		£0.00		
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
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.				

BUILDING CONTROL, PLANNING & PROPERTY SEARCHES

Service Provided	2025/26 Fee/Charge	Proposed 2026/27 Fee/Charge	% Increase	Comments
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	0.0%	National Planning Fees set by Central Government
Category 10 - The carrying out of any operations not coming within any of the above categories, for the winning and working of minerals				
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
Category II - The carrying out of any operations not coming within any of the above categories				
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
Category 12 - The change of use of a building to use as one or more separate dwellinghouses.				
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
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.				
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
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).				
Fees	£578.00	£578.00	0.0%	National Planning Fees set by Central Government
Category 15 - Development Type : Advertisements				
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
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
Category 17 - Determinations, Whether the prior approval of the Council is required for –				
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

BUILDING CONTROL, PLANNING & PROPERTY SEARCHES

Service Provided	2025/26 Fee/Charge	Proposed 2026/27 Fee/Charge	% Increase	Comments
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
Category 18a - Variation of condition(s).				
Removal or variation of condition(s) on a planning permission	£293.00	£293.00	0.0%	National Planning Fees set by Central Government
Category 18b - Request for confirmation that one or more planning conditions have been complied with.				
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
Category 18c - A Non-material Amendment following a Grant of Planning Permission				
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
Category 19 - Lawful Development Certificate				
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		
Category Concession - EXEMPTIONS FROM PAYMENT				
Pre-planning application charges				
Householder proposals (domestic extensions	£100.00	£103.50	3.5%	Non vatable - Service only available via Council - Fee increase implemented from January 2025
Changes of use	£250.00	£258.75	3.5%	Non vatable - Service only available via Council - Fee increase implemented from January 2025
1 - 4 dwellings	£250.00	£258.75	3.5%	Non vatable - Service only available via Council - Fee increase implemented from January 2025
5 or more dwellings	£1,000.00	£1,035.00	3.5%	Non vatable - Service only available via Council - Fee increase implemented from January 2025
Commercial <10,000sqm	£250.00	£258.75	3.5%	Non vatable - Service only available via Council - Fee increase implemented from January 2025
Commerical >10,000sqm	£1,000.00	£1,035.00	3.5%	Non vatable - Service only available via Council - Fee increase implemented from January 2025
Telecoms	£333.00	£344.66	3.5%	Non vatable - Service only available via Council - Fee increase implemented from January 2025
Adverts (Hoardings)	£250.00	£258.75	3.5%	Non vatable - Service only available via Council - Fee increase implemented from January 2025
Adverts other	£50.00	£51.75	3.5%	Non vatable - Service only available via Council - Fee increase implemented from January 2025
Trees <10	£30.00	£31.05	3.5%	Non vatable - Service only available via Council - Fee increase implemented from January 2025
Trees >10	£75.00	£77.63	3.5%	Non vatable - Service only available via Council - Fee increase implemented from January 2025
S106 enquiries	£170.00	£175.95	3.5%	Non vatable - Service only available via Council - Fee increase implemented from January 2025
High Hedges				
High Hedges Complaint	£450.00	£465.75	3.5%	Non vatable - Service only available via Council
PROPERTY SEARCHES & ASSOCIATED LAND CHARGES SERVICES				

BUILDING CONTROL, PLANNING & PROPERTY SEARCHES

Service Provided	2025/26 Fee/Charge	Proposed 2026/27 Fee/Charge	% Increase	Comments
Standard Charges				
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	£109.25	£113.07	3.5%	Charge includes VAT
Additional parcels	£26.28	£27.20	3.5%	Charge includes VAT
Con29(R) - Commercial	£225.65	£233.55	3.5%	Charge includes VAT
Additional parcels	£26.28	£27.20	3.5%	Charge includes VAT
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)	£101.95	£105.52	3.5%	Charge includes VAT
Set of Compiled data to complete a Con29(R) except that Publicly available	£83.00	£85.91	3.5%	Charge includes VAT
Con29(O) Enquiries 5-22	£14.58	£15.09	3.5%	Charge includes VAT
Limestone Enquires	£29.15	£30.17	3.5%	Charge includes VAT
Landfill Enquiries	£14.55	£15.06	3.5%	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	£36.40	£37.67	3.5%	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	£18.20	£18.84	3.5%	Non vatable - Service only available via Council
Planning Decision Notices - Fee per Decision Notice	£2.40	£2.48	3.5%	Charge includes VAT
Building Regulations – Supply of Approvals/Completion Certificates - Fee per Approval/Certificate	£12.10	£12.52	3.5%	Non vatable - Service only available via Council
Supply copy of Section 38 & 104 Agreements	£60.75	£62.88	3.5%	Non vatable - Service only available via Council
Supply copy of Section 106 Agreements	£60.75	£62.88	3.5%	Non vatable - Service only available via Council
Supply copy of Tree Preservation Order	£18.20	£18.84	3.5%	Non vatable - Service only available via Council
Supply copy of Combined Drainage Agreement	£18.20	£18.84	3.5%	Non vatable - Service only available via Council
MISCELLANEOUS SERVICES & DOCUMENTS				
A4 B&W Plain paper copying	£0.25	£0.26	3.5%	Charge includes VAT
A3 B&W Plain paper copying	£0.45	£0.47	3.5%	Charge includes VAT
A4 Colour Plain paper copying	£1.40	£1.45	3.5%	Charge includes VAT
A3 Colour Plain paper copying	£1.95	£2.02	3.5%	Charge includes VAT
Microfilm Enlargements - A4	£3.15	£3.26	3.5%	Non vatable - Service only available via Council
Microfilm Enlargements - A3	£4.65	£4.81	3.5%	Non vatable - Service only available via Council
Microfilm Enlargements - A2	£6.15	£6.37	3.5%	Non vatable - Service only available via Council
Microfilm Enlargements - A1	£9.15	£9.47	3.5%	Non vatable - Service only available via Council
Microfilm Enlargements - A0	£12.15	£12.58	3.5%	Non vatable - Service only available via Council
Plotter Prints - A2	£4.70	£4.86	3.5%	Non vatable - Service only available via Council
Plotter Prints - A1	£7.15	£7.40	3.5%	Non vatable - Service only available via Council

BUILDING CONTROL, PLANNING & PROPERTY SEARCHES

Service Provided	2025/26 Fee/Charge	Proposed 2026/27 Fee/Charge	% Increase	Comments
Plotter Prints - A0	£11.90	£12.32	3.5%	Non vatable - Service only available via Council
Ordnance Survey Block Plans (Location Plan) - fee per sheet of 10 copies	£25.50	£26.39	3.5%	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)	£17.35	£17.96	3.5%	Non vatable - Service only available via Council
Sandwell Street Map	£11.25	£11.64	3.5%	Non vatable - Service only available via Council
Written responses to Planning Permitted Development Enquiries or Requests for information from householders	£33.30	£34.47	3.5%	Charge includes VAT
Written responses to Planning Permitted Development Enquiries or Requests for information from Solicitors, Developers or Professional Agents	£66.60	£68.93	3.5%	Charge includes VAT
Written responses to Building Control Enquiries or Requests for information from householders	£33.30	£34.47	3.5%	Non vatable - Service only available via Council
Written responses to Building Control Enquiries or Requests for information from Solicitors, Developers or Professional Agents	£66.60	£68.93	3.5%	Non vatable - Service only available via Council
Written responses to Planning & Building Control 'Permitted Development 'Enquiries or Requests for information from householders	£46.60	£48.23	3.5%	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	£93.25	£96.51	3.5%	Non vatable - Service only available via Council
Charge rate for work in relation to EIR Requests (per hour)	£51.40	£53.20	3.5%	Non vatable - Service only available via Council
Letter of Compliance (Building Control)	£196.85	£203.74	3.5%	Non vatable - Service only available via Council
Discharge of conditions letter	£170.00	£175.95	3.5%	Non vatable - Service only available via Council
Enforcement Enquiry	£100.00	£103.50	3.5%	Non vatable - Service only available via Council

LIBRARIES & ARCHIVES

3.5% ALL - including VAT where applicable

Service Provided	2025/26 Fee/Charge	Proposed 2026/27 Fee/Charge	% Increase	Comments
Reservation fee – in stock and purchased for stock				
Standard charge		£0.00		Free of charge
Concessionary charge		£0.00		Free of charge
Photocopying/computer print outs				
B&W per A4 sheet	£0.30	£0.31	3.5%	
B&W per A3 sheet	£0.60	£0.62	3.5%	
Colour per A4 sheet	£1.75	£1.81	3.5%	
Colour per A3 sheet	£2.55	£2.64	3.5%	
Overdue reminders letter				
Email / Text message	£0.00	£0.00		Free of charge
Postal	£1.85	£1.91	3.5%	
Replacement Library card – (children no charge)				
Standard charge	£2.30	£2.38	3.5%	
Concessionary charge	£2.30	£2.38	3.5%	
Lost items – (under 5's no charge)				
Standard charge	Full replacement charge of book	Full replacement charge of book		
Concessionary charge	50% replacement charge of book	50% replacement charge of book		
Damaged items – (under 16's no charge)				
Standard charge	Full replacement charge	Full replacement charge		
Concessionary charge	50% replacement charge	50% replacement charge		
Author Events (outside opening hours)				
Standard charge	£10.20	£10.56	3.5%	
Concessionary charge	£7.65	£7.92	3.5%	
Commercial Room hire (during opening hours)				
Small room	£13.75	£14.23	3.5%	
Large room	£22.95	£23.75	3.5%	
Main library	£29.60	£30.64	3.5%	
Refreshment sales				
Alcohol at evening events	£5.00 per item	£5.50 per item	10.0%	To cover costs
Archives Service				
Printing and Photocopying				
A4 B&W	£0.40	£0.45	12.5%	To cover costs
A3 B&W	£0.80	£0.85	6.3%	To cover costs
A4 Colour	£2.05	£2.12	3.4%	
A3 Colour	£3.05	£3.15	3.3%	
Microprint – orders				
Photographs	£12.25	£12.68	3.5%	
Camera Licence				
One day	£6.65	£6.88	3.5%	
One week	£20.40	£21.20	3.9%	

LIBRARIES & ARCHIVES

3.5% ALL - including VAT where applicable

Service Provided	2025/26 Fee/Charge	Proposed 2026/27 Fee/Charge	% Increase	Comments
Postage & packing				
UK	£6.65	£7.00	5.3%	To cover costs
Overseas	£6.60	£7.00 + postage	5.3%	To cover costs
Research service per 30 minutes (1 hour maximum)	£30.60	£32.00	4.6%	To cover costs
Replacement archives card				
Standard charge	£2.30	£2.38	3.5%	
Freedom of Information searches in closed records	£30.60	£32.00	4.6%	
Certified / authenticated copies of records	£17.35	£18.00	3.7%	
Talks to external groups on external premises	£91.80	£95.00	3.5%	
Talks to external groups on Council premises		£30.00		
Image display in commercial premises	£127.50	£132.00	3.5%	
Commercial publication*- print, digital, and exhibitions Maximum 10 images (remove this- limiting), 50% reduction for local history societies and community groups	£306.00	NEW: £50 for a single image; £30 for each additional image.		
Not-for-profit publication- print, digital, and free-to-access exhibitions		NEW: £25 for a single image; £10 for each additional image.		
TV/Radio broadcast	£357.00	£369.50	3.5%	

MUSEUMS & ART

3.5%

Service Provided	2025/26 Fee/Charge	Proposed 2026/27 Fee/Charge	% Increase	Comments
Museums Room Hire (Haden Hill House, Bromwich Hall, Oak House, Wednesbury Museum and Art Gallery)				
9am-4:30pm weekday - Full day per room/ multiple rooms minimum charge	£78.40	£81.50	4.0%	Minimum and maximum charges apply dependant on 1) which room is being hired or multiple rooms 2) if a block booking is made 3) staffing, setting up, tidying up or cleaning required 4) quality of room 5) internal or external hirers
9am-4:30pm weekday - Full day per room/ multiple rooms maximum charge	£279.25	£289.00	3.5%	
Weekends, bank holidays and evenings after 6pm minimum charge	£86.60	£89.65	3.5%	
Weekends, bank holidays and evenings after 6pm maximum charge	£307.15	£317.90	3.5%	
Per hour (if not a full day or hiring extra hours) minimum charge	£23.00	£23.81	3.5%	
Per hour (if not a full day or hiring extra hours) maximum charge	£55.00	£56.90	3.5%	
Room hire for wedding/commitment ceremonies				
weddings/ceremonies (hire for 3 hours) minimum charge	£300.00	£310.50	3.5%	Depends on room(s) used
weddings/ceremonies (hire for 3 hours) maximum charge	£593.00	£613.75	3.5%	Depends on room(s) used
weddings/ceremonies (extra hours hire)	£42.00	£43.47	3.5%	
wedding photos only (not ceremony) - 2 hours	£96.60	£100.00	3.5%	
Community Painting Groups				
Museum community painting group supervised charge	£1.50	£1.50	0.0%	Retaining current charge to support cost-of-living/wellbeing issues after consultation with users
Museum community painting group unsupervised charge	£6.00	£6.00	0.0%	Retaining current charge to support cost-of-living/wellbeing issues after consultation with users
Commercial Filming/Photography				
commercial photography/ filming per hour minimum charge	£88.00	£91.00	3.4%	Cost is dependent on size of production and people on site, inconvenience to our normal programming, setting up, tidying up, staffing required, time on site if it is a community or commercial production
commercial photography/ filming per hour maximum charge	£348.00	£360.00	3.4%	
General Charges				
Paranormal nights minimum charge	£400.00	£416.00	4.0%	Cost dependent on if the organisation running the event is charging for tickets, special requirements etc
Paranormal nights maximum charge	£1,045.00	£1,081.58	3.5%	Cost dependent on if the organisation running the event is charging for tickets, special requirements etc
Adult guided tours (pre-booked) weekdays per person minimum charge	£8.00	£8.28	3.5%	
Adult guided tours (pre-booked) weekdays per person maximum charge	£12.00	£12.42	3.5%	
Talks Given Off Site	£50.00	£51.75	3.5%	
Education and school programmes minimum charge	£40.00	£41.50	3.8%	Cost per class depends which educational activity undertaken
Education and school programmes maximum charge	£242.00	£250.00	3.3%	
Handling collections per day	£3.05	£6.50	113.1%	Previous rate didn't cover costs, hence higher uplift to ensure sustainability
Refreshments (tea, coffee, juice, etc) minimum charge	£1.20	£1.25	4.2%	Cost based on type of refreshment
Refreshments (tea, coffee, juice, etc) maximum charge	£1.93	£2.00	3.6%	Cost based on type of refreshment
Refreshments for groups minimum charge	£36.70	£38.00	3.5%	Cost based on number in group

MUSEUMS & ART

3.5%

Service Provided	2025/26 Fee/Charge	Proposed 2026/27 Fee/Charge	% Increase
Refreshments for groups maximum charge	£145.00	£150.00	3.4%

Comments
Cost based on number in group

MARKETS & STREET TRADING

Service Provided	2025/26 Fee/Charge	Proposed 2026/27 Fee/Charge	% Increase	Comments
Market Fees				
Indoor Market - Car Parking Fee				
Yearly (payable quarterly in 4 instalments) per vehicle. Allocations made at the Market Manager's discretion, no right of traders to a parking space.	£96.85	£100.24	3.5%	
WEST BROMWICH OPEN MARKET - Casual Traders and Regular (daily charge including parking)				
Monday Regular 10FT	£19.25	£19.92	3.5%	
Monday Regular 8FT	£15.80	£16.35	3.5%	
Monday Casual 10FT	£19.80	£20.49	3.5%	
Monday Casual 8FT	£16.30	£16.87	3.5%	
Monday 8FT Storage	£6.95	£7.19	3.5%	
Monday 10FT Storage	£8.65	£8.95	3.5%	
Tuesday / Thursday Regular 10FT	£24.05	£24.89	3.5%	
Tuesday / Thursday Regular 8FT	£19.65	£20.34	3.5%	
Tuesday / Thursday Casual 10FT	£24.65	£25.51	3.5%	
Tuesday /Thursday Casual 8FT	£20.15	£20.86	3.5%	
Tuesday / Thursday 8FT Storage	£8.85	£9.16	3.5%	
Tuesday / Thursday 10FT Storage	£11.05	£11.44	3.5%	
Wednesday / Friday Regular 10FT	£25.35	£26.24	3.5%	
Wednesday / Friday Regular 8FT	£20.75	£21.48	3.5%	
Wednesday / Friday Casual 10FT	£25.95	£26.86	3.5%	
Wednesday / Friday Casual 8FT	£21.15	£21.89	3.5%	
Wednesday / Friday 8FT Storage	£9.40	£9.73	3.5%	
Wednesday / Friday 10FT Storage	£11.70	£12.11	3.5%	
Saturday Regular 10FT	£35.35	£36.59	3.5%	
Saturday Regular 8FT	£28.55	£29.55	3.5%	
Saturday Casual 10FT	£35.80	£37.05	3.5%	
Saturday Casual 8FT	£29.00	£30.02	3.5%	
Saturday 8FT Storage	£13.30	£13.77	3.5%	
Saturday 10FT Storage	£16.60	£17.18	3.5%	
FOOD STREET TRADER FEE PRINCESS PARADE, WEST BROMWICH HIGH STREET				
Food street trader (annual fee per pitch for trading 7 days per week)	£9,735.15	£10,075.88	3.5%	
Food Street trader (daily fee per pitch for traders who do not have a annual contract)	£26.65	£27.58	3.5%	
WEDNESBURY MARKET STANDARD FEES	£0.00			
Tuesday - Standard pitch	£14.40	£14.90	3.5%	
Friday Standard pitch	£7.45	£7.71	3.5%	
Saturday - Standard pitch	£6.15	£6.37	3.5%	
Charity Stalls	50% discount	50% discount		
OLDBURY MARKET				
Standard pitch on Monday, Tuesday, Wednesday Thursday, Friday, Saturday	£7.45	£7.71	3.5%	
GREAT BRIDGE MARKET				

MARKETS & STREET TRADING

Service Provided	2025/26 Fee/Charge	Proposed 2026/27 Fee/Charge	% Increase	Comments
Standard pitch on Wednesday, Saturday	£7.45	£7.71	3.5%	
ENTERTAINMENTS AREA - WEST BROMWICH TOWN CENTRE - PRICE PER PITCH				
Type ENT 3/NS3 - Monday, Tuesday	£87.35	£90.41	3.5%	
Type ENT 3/NS3 - Saturday	£122.80	£127.10	3.5%	
Type ENT 3/NS 3 - Wednesday, Thursday, Friday	£99.60	£103.09	3.5%	
Type ENT 1,2,4,5,6 (Sides) - Monday, Tuesday	£81.20	£84.04	3.5%	
Type ENT 1,2,4,5,6 (Sides) - Saturday	£111.90	£115.82	3.5%	
Type ENT 1,2,4,5,6 (Sides) - Wednesday, Thursday, Friday	£93.40	£96.67	3.5%	
CHARITABLE CAR BOOT SALE/NOT FOR PROFIT LICENCE FEE				
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.	£23.85	£24.68	3.5%	
SPECIAL EVENTS				
Car Boot Sale small pitch	£6.15	£6.37	3.5%	
Car Boot Sale large pitch	£9.80	£10.14	3.5%	
Speciality market up to 1 week	£614.40	£635.90	3.5%	
Speciality festive market each side of Entertainment Area West Brom High Street	£1,843.25	£1,907.76	3.5%	
Commercial Daily Consent Fee per event for new approved temporary indoor markets up to a maximum of 30 traders. Additions by Market Management discretion.	£20.40	£21.11	3.5%	
Speciality market one week trial period				
WEST BROMWICH TOWN CENTRE - STREET TRADING				
Daily street tradng cost per pitch per day (excluding food traders on Princess Parade, West Bromwich)	£19.70	£20.39	3.5%	
REST OF BOROUGH - STREET TRADING				
Daily street trading cost per pitch per year based on up to six days trading per week.	£19.70	£20.39	3.5%	
Type B1 (Eg Bearwood)	£4,300.05	£4,450.55	3.5%	
Type W1 (Eg adj.Clocktower, Union Street Wednesbury)	£4,300.05	£4,450.55	3.5%	
Type O1 (Eg Mkt Place 1990, Oldbury)	£2,866.60	£2,966.93	3.5%	
Type C1 (Eg Cemeteries)	£1,433.15	£1,483.31	3.5%	
Type S1 (Eg Stone Cross)	£1,433.15	£1,483.31	3.5%	
Type N1 (Eg Newton Road)	£6,138.15	£6,352.99	3.5%	
Type O2 (Eg Town Square, Oldbury)	£2,402.95	£2,487.05	3.5%	

FACILITIES MANAGEMENT

3.5%

Service Provided	2025/26 Fee/Charge	Proposed 2026/27 Fee/Charge	% Increase	Comments
Sandwell Council House				
Council Chamber per hour or part thereof, Minimum 2 hours booking	£36.05	£37.31	3.5%	Mon – Fri before 5.30pm - Per Hour
Council Chamber per hour or part thereof,	£66.30	£68.62	3.5%	Mon – Fri after 5.30pm & weekends - Per Hour
Annexes, Committee Rooms & Dining Room per hour or part thereof,	£24.45	£25.31	3.5%	Mon – Fri before 5.30pm - Per Hour
Annexes, Committee Rooms & Dining Room per hour or part thereof,	£36.05	£37.31	3.5%	Mon – Fri after 5.30pm & weekends - Per Hour
Hire of West Bromwich Town Hall, Wednesbury Town Hall and Smethwick Council House				
Main Hall				
Community Groups and Charitable Organisations only	£10.40	£10.76	3.5%	Mon – Fri before 5.30pm - Per Hour
Community Groups and Charitable Organisations only.	£61.45	£63.60	3.5%	After 5:30pm and weekends - Per Hour
External Users per hour or part thereof	£31.60	£32.71	3.5%	Mon – Fri before 5.30pm - Per Hour
External Users per hour or part thereof	£61.45	£63.60	3.5%	After 5.30 pm and weekends - Per Hour
Hire of Rooms at West Bromwich Town Hall, Wednesbury Town Hall and Smethwick Council House, excluding the Main Hall				
Community Groups and Charitable Organisations only	£10.40	£10.76	3.5%	Mon – Fri before 5.30pm - Per Hour
Community Groups and Charitable Organisations only	£28.05	£29.03	3.5%	After 5.30 pm and weekends - Per Hour
External Users per hour or part thereof	£22.20	£22.98	3.5%	Mon – Fri before 5.30pm - Per Hour
External Users per hour or part thereof	£35.10	£36.33	3.5%	After 5.30 pm and weekends - Per Hour
Weekend Full Site Booking Rate West Bromwich Town Hall				
All Users - Full Site	£1,299.05	£1,344.52	3.5%	
Other Hire Charges				
Hire of Kitchen (per function)	£59.70	£61.79	3.5%	- Total Per Hire
Hire of Kitchen (per function) - Concession for community	£29.85	£30.89	3.5%	- Total Per Hire
Hire of Organ (per function)	£78.40	£81.14	3.5%	- Total Per Hire
Hire of Concert Piano (per function)	£60.85	£62.98	3.5%	- Total Per Hire
Hire of Upright Piano (per function)	£36.30	£37.57	3.5%	- Total Per Hire
Performing Rights Fee	£50.00	Up to a maximum of £50		- Total Per Hire
Tea and Coffee - Meeting Refreshments	£0.00	£1.50		- Total Per Person
Cancellation Fee external bookings Only				
Less Than Two Weeks Prior to Booking	Full Cost	Full Cost		
Less Than Six Weeks Prior to Booking	50% charge	75% charge		
Six Weeks Prior to Booking	25% charge	25% charge		
3 Months Prior to Booking	Nil	10% charge		
Over 3 Months Prior to Booking	Nil	Nil		
Concessions				
Mayors Charity Events	2 events Free of Charge			

PRIVATE SECTOR HOUSING

Service Provided	2024/25 Fee/Charge	2025/26 Fee/Charge	Proposed 2026/27 Fee/Charge	% Increase	Comments
Licensing of Houses in Multiple Occupation					
Initial licence fee	£1,001.00	£1,021.00	£1,056.74	3.5%	No VAT charged
Renewal licence fee	£713.00	£727.25	£752.70	3.5%	No VAT charged
Discount for second and subsequent properties	£55.00	£56.10	£58.06	3.5%	
Discount for MLAS membership	£165.00	£168.30	£174.19	3.5%	
Discount for membership of Landlord Association	£55.00	£56.10	£58.06	3.5%	
Charges for Housing Act 2004 Enforcement Action					
Charge per hour based on officer grade, eg SCP 31	£35.67	£36.40	£43.87	20.5%	Based on SCP 31 incl overheads is £43.87
Immigration Entry Clearance Inspections					
Charges for House Surveys in support of UK Entry Clearance Applications	£105.00	£107.10	£110.85	3.5%	+ VAT
Offences under The Smoke and Carbon Monoxide Alarm (England) Regulations 2015					
First offence	£1,000.00	£1,000.00	£1,000.00	0.0%	Fixed by Government
Second offence	£2,500.00	£2,500.00	£2,500.00	0.0%	Fixed by Government
Three or more offences	£5,000.00	£5,000.00	£5,000.00	0.0%	Fixed by Government
Offences under The Redress Schemes for Letting Agency Work and Property Management Work (Requirement to Belong to a Scheme etc) (England) Order 2014					
Failure of letting agent to register with redress scheme	£5,000.00	£5,000.00	£5,000.00	0.0%	Fixed by Government
Financial Penalties imposed under Housing Act 2004					
Failure to comply with an Improvement Notice (Section 30)					
1st offence	£5,000.00	£5,000.00	£5,000.00	0.0%	Fixed by Government
2nd subsequent offence by same person/company	£15,000.00	£15,000.00	£15,000.00	0.0%	Fixed by Government
Subsequent offences by same person/company	£25,000.00	£25,000.00	£25,000.00	0.0%	Fixed by Government
Offences in relation to licensing of HMOs under Part 2 of the Act					
Failure to obtain property Licence (section 72(1))	£10,000.00	£10,000.00	£10,000.00	0.0%	Fixed by Government
2nd subsequent offence by same person / company	£30,000.00	£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	£5,000.00	0.0%	Fixed by Government
Offences in relation to licensing under Part 3 of the Act (Section 95)					
Failure to Licence (section 95(1))	£10,000.00	£10,000.00	£10,000.00	0.0%	Fixed by Government
2nd subsequent offence by same person / company	£30,000.00	£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	£5,000.00	0.0%	Fixed by Government
Offences of contravention of an overcrowding notice (section 139)					
1st relevant offences	£1,000.00	£1,000.00	£1,000.00	0.0%	Fixed by Government
2nd subsequent offence by same person/company	£4,000.00	£4,000.00	£4,000.00	0.0%	Fixed by Government
Failure to comply with management regulations in respect of HMOs (Section 234)					
1 st relevant offences - per offence	£1,000.00	£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	£3,000.00	0.0%	Fixed by Government

GARAGES

Service Provided	2024/25 Fee/Charge	2025/26 Fee/Charge	Proposed 2026/27 Fee/Charge	% Increase	
Sandwell Council tenants/occupants of Sandwell Council properties and leaseholders	£12.13	£12.37	£12.81	3.5%	Charges are per week no VAT
Non-Council tenants/occupants	£14.56	£14.85	£15.37	3.5%	Charges are per week Inc VAT

Rent Accounting - Leasehold

Service Provided	2024/25 Fee/Charge	2025/26 Fee/Charge	Proposed 2026/27 Fee/Charge	% Increase	To be added and increased in line with Corporate poicy
LPE1 – (Leaseholder Property Enquiry) - solicitors requesting key information about a leasehold property.	£99.23	£101.21	£104.76	3.5%	
Letter of Postponement - legal document requiring us to reduce our interest in the property to a third charge	£150.00	£153.00	£158.36	3.5%	Needs to remain static as per lease agreement
Notice of Assignment	£10.00	£10.00	£10.00	0.0%	
Copy of Lease Agreement	£10.00	£10.20	£10.56	3.5%	

COMMUNITY FACILITIES

Service Provided	2025/26 Fee/Charge	Proposed 2026/27 Fee/Charge	% Increase	Comments
Large Hall				All rounded to the nearest 10p
Monday to Friday 09.00 – 17.00	£14.90	£15.40	3.4%	
Monday to Friday 17.00 – 23.00	£25.40	£26.30	3.5%	
Weekend and Bank Holiday	£45.20	£46.80	3.5%	
Medium Hall				
Monday to Friday 09.00 – 17.00	£12.80	£13.20	3.1%	
Monday to Friday 17.00 – 23.00	£22.00	£22.80	3.6%	
Weekend and Bank Holiday	£32.20	£33.30	3.4%	
Large Room				
Monday to Friday 09.00 – 17.00	£8.40	£8.70	3.6%	
Monday to Friday 17.00 – 23.00	£11.10	£11.50	3.6%	
Weekend and Bank Holiday	£14.50	£15.00	3.4%	
Small Room				
Monday to Friday 09.00 – 17.00	£6.60	£6.80	3.0%	
Monday to Friday 17.00 – 23.00	£8.70	£9.00	3.4%	
Weekend and Bank Holiday	£12.30	£12.70	3.3%	
Mobility Service				
Membership fee	£21.40	£22.10	3.3%	
Half day visitor charge (3 hour session)	£5.30	£5.50	3.8%	

LEGAL SERVICES

Service Provided	2025/26 Fee/Charge	Proposed 2026/27 Fee/Charge	% Increase	Comments
Legal and Governance- Legal				
External schools trading ended rate blended (per Hour)	£101.45	£105.00	3.5%	The fees exclude VAT. VAT has to be applied where applicable
External charges for administrative work (per Hour)schools	£62.10	£64.27	3.5%	The fees exclude VAT. VAT has to be applied where applicable
External legal charges for legal assistance (per Hour)school	£86.40	£89.42	3.5%	The fees exclude VAT. VAT has to be applied where applicable
External legal charges for solicitor (per Hour)schools	£104.60	£108.26	3.5%	The fees exclude VAT. VAT has to be applied where applicable
External legal charge for advocatesolicitor (per Hour) school	£111.90	£115.82	3.5%	The fees exclude VAT. VAT has to be applied where applicable
External legal charges for manager (per Hour)school	£122.90	£127.20	3.5%	The fees exclude VAT. VAT has to be applied where applicable
Legal charges for service manager (per Hour)	£138.40	£143.24	3.5%	The fees exclude VAT. VAT has to be applied where applicable
HRA housing possessions fixed fee stage 1	£113.35	£113.35	0.0%	The fees exclude VAT. VAT has to be applied where applicable
HRA Possessions stage 2 court	£161.05	£161.05	0.0%	The fees exclude VAT. VAT has to be applied where applicable
HRA Possessions stage 3 re start	£59.65	£59.65	0.0%	The fees exclude VAT. VAT has to be applied where applicable
HRA possessions stage 4 warrant	£107.35	£107.35	0.0%	The fees exclude VAT. VAT has to be applied where applicable
HRA stage 5 ASWOP	£186.10	£186.10	0.0%	The fees exclude VAT. VAT has to be applied where applicable
External legal fire (per hour) manager	£102.10	£105.67	3.5%	The fees exclude VAT. VAT has to be applied where applicable
External legal fire (per hour) solicitor advocate	£92.40	£95.63	3.5%	The fees exclude VAT. VAT has to be applied where applicable
External legal fire (per hour) solicitor	£88.85	£91.96	3.5%	The fees exclude VAT. VAT has to be applied where applicable
External legal fire (per hour) snr legal assistant	£68.10	£70.48	3.5%	The fees exclude VAT. VAT has to be applied where applicable
External legal fire (per hour) admin	£53.55	£55.42	3.5%	The fees exclude VAT. VAT has to be applied where applicable
S106 agreements	£166.80	£166.80	0.0%	The fees exclude VAT. VAT has to be applied where applicable
Highway act agreements s38, 278 116	£166.80	£166.80	0.0%	The fees exclude VAT. VAT has to be applied where applicable

REGISTRATION SERVICES - FEES AND CHARGES SCHEDULE

Service Provided	Charge from 1st January 2025	Charge from 1st January 2026	% Increase	Comments: Where VAT is applicable. This is included within proposed fees for 2026/27
Register Office Ceremony Room	56.00	56.00	0.00%	Statutory fee
S Suite Marriage or CP Ceremony Mon to Thurs	438.00	453.00	3.42%	
S Suite Marriage or CP Ceremony Fri/Sat	609.00	630.00	3.45%	
S Suite Marriage or CP Ceremony Sun/BH	708.00	733.00	3.53%	
Highfields Room Marriage or CP Ceremony Mon to Thurs	152.00	157.00	3.29%	
Highfields Room Marriage or CP Ceremony Fri/Sat	213.00	220.00	3.29%	
Garden Room Marriage or CP Ceremony Mon to Thurs	248.00	257.00	3.63%	
Garden Room Marriage or CP Ceremony Fri-Sat	347.00	359.00	3.46%	
Garden Room Marriage or CP Ceremony Sun/BH	395.00	409.00	3.54%	
Approved Premise Mon to Thurs	438.00	453.00	3.42%	
Approved Premise Fri/Sat	582.00	602.00	3.44%	
Approved Premise Sun/BH	676.00	700.00	3.55%	
Registrar at Religious Building	116.50	116.50	0.00%	Statutory fee
Registration of Building for Religious Worship	32.00	32.00	0.00%	Statutory fee
Registration of Building for Marriage	136.00	136.00	0.00%	Statutory fee
Notice of Marriage (Designated when referred to Home Office) New Variation on notice fee	47.00	47.00	0.00%	Statutory fee
Notice of Marriage Individual Fee	42.00	42.00	0.00%	Statutory fee
Civil partnership conversion(from 10 Dec 2015) Provide information only	30.00	30.00	0.00%	Statutory fee
Civil partnership conversion(from 10 Dec 2015)	62.50	62.50	0.00%	Statutory fee
Licence or Renewal for Approved Premise	330.00	342.00	3.64%	
Renewal/Naming Ceremony - Mon - Thur	330.00	342.00	3.64%	
Renewal/Naming Ceremony - Fri-Sat	411.00	425.00	3.41%	
Renewal/Naming Ceremony - Sunday - Bank Holiday	448.00	464.00	3.57%	
Individual Citizenship Ceremony Mon to Thurs	186.00	193.00	3.76%	
Individual Citizenship Ceremony Fri/Sat	233.00	241.00	3.43%	

REGISTRATION SERVICES - FEES AND CHARGES SCHEDULE

Service Provided	Charge from 1st January 2025	Charge from 1st January 2026	% Increase	Comments: Where VAT is applicable. This is included within proposed fees for 2026/27
Individual Citizenship Ceremony Sun/BH	255.00	264.00	3.53%	
Group Citizenship Ceremony Sat	120.00	124.00	3.33%	
Certificate Service	12.50	12.50	0.00%	Statutory fee
Archive Priority Certificate Service (Same Day)	38.50	38.50	0.00%	Statutory fee
Certificates of Birth Death and Marriage at time of Registration	12.50	12.50	0.00%	Statutory fee
Priority postage	3.00	3.00	0.00%	
Certificates of Birth Death and Marriage issues after Registration	12.50	12.50	0.00%	Statutory fee
Provisional Booking (holding fee)	78.00	81.00	3.85%	
Renewal/Naming Ceremony approved venue Mon to Thurs -	330.00	342.00	3.64%	
Renewal/Naming Ceremony approved venue Fri/Sat -	411.00	425.00	3.41%	
Renewal/Naming Ceremony approved venue Sun/BH -	447.00	463.00	3.58%	
Space 17 Amendment	44.00	44.00	0.00%	Statutory fee
Divorce or Dissolution from outside the British Isles. (LA only)	55.00	55.00	0.00%	Statutory fee
Customer at fault corrections(LA only)	83.00	83.00	0.00%	Statutory fee
Consideration of reduction in Notice period (LA and GRO)	66.00	66.00	0.00%	Statutory fee
Corrections(LA and GRO)	99.00	99.00	0.00%	Statutory fee
Divorce or Dissolution from outside the British Isles. (LA and GRO)	83.00	83.00	0.00%	Statutory fee
New Fee - Basic slideshow - up to 25 photographs with simple transitions played on a loop or at a specific time in the ceremony - this option does not include music	N/A	50.00	N/A	New fee
Tribute (up to 25 photographs professionally edited and set to Music) with fade transitions	85.00	88.00	3.53%	
New Fee - Extra tribute photos - for each extra 25 photos on a visual tribute	N/A	22.00	N/A	New fee
Keepsake DVD or USB in a personalised grey linen wrapped case (Blu- Ray or Audion CDs available on request	61.00	63.00	3.28%	

REGISTRATION SERVICES - FEES AND CHARGES SCHEDULE

Service Provided	Charge from 1st January 2025	Charge from 1st January 2026	% Increase	Comments: Where VAT is applicable. This is included within proposed fees for 2026/27
New Fee - Professionally live streamed ceremony	N/A	54.00	N/A	New fee
New Fee - digital download link when ordered with the ceremony recording or music tribute	N/A	10.00	N/A	New fee
New Fee - digital download link of the recorded ceremony - when ordered as a stand alone product	N/A	50.00	N/A	New fee
New Fee - Video Book - A portable, rechargeable 'book' set to play videos in a grey personalised linen-wrapped case	N/A	95.00	N/A	New fee
New Fee - Memory Box - up to 25 photographs professionally printed and delivered in a bespoke, personalised grey linen-wrapped box including a DVD and USB stick	N/A	130.00	N/A	New fee
New Fee - Keepsake Additional Copy at reduced price - DVD or USB	N/A	32.00	N/A	New fee
New Fee - Keepsake Additional Copy at reduced price - Video Book	N/A	75.00	N/A	New fee
New Fee - Keepsake Additional Copy at reduced price - Memory Box	N/A	100.00	N/A	New fee
Visual Tribute Single Photograph	26.00	27.00	3.85%	
Interment fee in respect of all graves				
Interment fee*	1,409.00	1,458.00	3.48%	
Cremated remains plot type interment fee*	437.00	452.00	3.43%	
Baby section or body part interment fee	437.00	452.00	3.43%	
Scattering of cremated remains on full grave	57.00	59.00	3.51%	
Late arrival fee additional charge	419.00	434.00	3.58%	
Exclusive Right of Burial				
Purchase of Baby Section Grave *	304.00	315.00	3.62%	
Purchase Grave for 1 Burial*	2,628.00	2,720.00	3.50%	
Purchase Grave for 2 Burials*	2,729.00	2,825.00	3.52%	
Purchase Grave for 3 Burials*	2,828.00	2,927.00	3.50%	

REGISTRATION SERVICES - FEES AND CHARGES SCHEDULE

Service Provided	Charge from 1st January 2025	Charge from 1st January 2026	% Increase	Comments:
Plot for cremated remains – for a 99 year period*	1,762.00	1,824.00	3.52%	Where VAT is applicable. This is included within proposed fees for 2026/27
Traditional Section 5' centre				
Traditional Grave 5' Centre for 1 Burial*	3,175.00	3,286.00	3.50%	
Traditional Grave 5' Centre for 2 Burials*	3,298.00	3,413.00	3.49%	
Traditional Grave 5' Centre for 3 Burials*	3,419.00	3,539.00	3.51%	
Vault Grave additional charge*	957.00	990.00	3.45%	
Memorials, vases & additional inscriptions				
Additional Inscription Permit fee	112.00	116.00	3.57%	
Purchase of a Temporary Grave Marker	36.00	37.00	2.78%	
Memorial Vase Infant's Section	316.00	327.00	3.48%	
Motif	34.00	35.00	2.94%	
Miscellaneous charges				
Transfer of Grant	66.00	68.00	3.03%	
Searching of Burial Register (per hour)	58.00	60.00	3.45%	
Biodegradable Urn	105.00	109.00	3.81%	
Section 46 – Administration Fee	614.00	635.00	3.42%	
Registration Fee Hourly Rate	58.00	60.00	3.45%	
Out of hours supplement	30%	30%	0.00%	Surcharge only
Additional charge to be applied to where services are subject to out of borough supplement.(Burial)	30%	30%	0.00%	Surcharge only
Cremation				
Direct cremation - no funeral service all ages	350.00	350.00	0.00%	No increase to maintain competitive in the market for the service
Cremation - fee all ages	1,035.00	1,071.00	3.48%	
Service exceeds allotted time an additional charge of:	425.00	440.00	3.53%	

REGISTRATION SERVICES - FEES AND CHARGES SCHEDULE

Service Provided	Charge from 1st January 2025	Charge from 1st January 2026	% Increase
For an extended service – additional charge	189.00	196.00	3.70%
Cremation body parts	207.00	214.00	3.38%
Use of Chapel (including use of organ and Obitus music system)*	189.00	196.00	3.70%
Weekend scattering	75.00	78.00	4.00%
Temporary storage of Ashes, over 2 months	58.00	60.00	3.45%
Exhumation of Ashes	58.00	60.00	3.45%
Urns and containers			
Purchase of a wooden casket	97.00	100.00	3.09%
Disposal of Cremated Remains of person cremated elsewhere	58.00	60.00	3.45%
The services of a council employee acting as a coffin bearer	58.00	60.00	3.45%
Media			
Visual Tribute single photograph	26.00	27.00	3.85%
Visual Tribute (Up to 25 photographs played on a loop)	49.00	51.00	4.08%
Additional 25 photos	26.00	27.00	3.85%
Live webcast with 28 day playback	89.00	92.00	3.37%
Family made tribute	21.00	22.00	4.76%
Pro Visual Tribute (up to 25 photographs professionally edited and set to Music)	85.00	88.00	3.53%
Themed visual tribute	118.00	122.00	3.39%
Tribute download digital link	26.00	27.00	3.85%
Video box	128.00	132.00	3.13%
Memory box	160.00	166.00	3.75%
Keepsake copy of webcast and/or visual tribute available on DVD, Blu-ray or USB in presentation case	61.00	63.00	3.28%
Additional keepsake copies	26.00	27.00	3.85%
Miscellaneous charges (Extra Work)	26.00	27.00	3.85%

Comments:

Where VAT is applicable. This is included within proposed fees for 2026/27

REGISTRATION SERVICES - FEES AND CHARGES SCHEDULE

Service Provided	Charge from 1st January 2025	Charge from 1st January 2026	% Increase	Comments: Where VAT is applicable. This is included within proposed fees for 2026/27
Book of Remembrance - memorials and inscriptions (including VAT)				
Minimum entry 2 lines	125.00	129.00	3.20%	
5 lines	158.00	164.00	3.80%	
8 lines	185.00	191.00	3.24%	
Each additional line	44.00	46.00	4.55%	
Memorial cards including two line inscription	44.00	45.00	2.27%	
Memorial book including two line inscription	87.00	90.00	3.45%	
Additional lines in cards and book	32.00	33.00	3.13%	
Badges, Crests, Floral Tributes	93.00	96.00	3.23%	
Coat of Arms	105.00	109.00	3.81%	
Plaques				
Plaque purchase including first inscription	1,461.00	1,512.00	3.49%	
Burial of Cremated Remains including casket	128.00	132.00	3.13%	
Engraving – per line	59.00	61.00	3.39%	
Photo Plaque	164.00	169.00	3.05%	
Replacement Plaque (residue of lease)	315.00	326.00	3.49%	
Plaque Renewal (10 Years)	286.00	296.00	3.50%	
Plaque Renewal (20 Years)	427.00	442.00	3.51%	
Plaque Renewal (40 Years)	785.00	812.00	3.44%	
Plaque Renewal forever	1,933.00	2,001.00	3.52%	
Renovation Fee	95.00	98.00	3.16%	
Asbury garden memorial (10 years) replacement	234.00	242.00	3.42%	
Winter Cover Slab	79.00	82.00	3.80%	
Renewal (10 years)	140.00	145.00	3.57%	
Renewal (20 years)	201.00	208.00	3.48%	
Renewal (40 years)	365.00	378.00	3.56%	

REGISTRATION SERVICES - FEES AND CHARGES SCHEDULE

Service Provided	Charge from 1st January 2025	Charge from 1st January 2026	% Increase	Comments:
Renewal (forever)	932.00	965.00	3.54%	Where VAT is applicable. This is included within proposed fees for 2026/27
Wall mounted plaques				
Plaque purchase including first inscription	618.46	640.00	3.48%	
Additional lines of inscription (residue of lease) – per line	59.00	61.00	3.39%	
Wall Plaque Renewal Fee (10 Years)	140.00	145.00	3.57%	
Renewal (20 years)	201.00	208.00	3.48%	
Renewal (40 years)	365.00	378.00	3.56%	
Renewal (forever)	932.00	965.00	3.54%	
Replacement (residue of lease)	315.00	326.00	3.49%	
Memorial vases				
Memorial Vase Purchase including first inscription	782.00	809.00	3.45%	
Replacement Vase (residue of lease)	315.00	326.00	3.49%	
Vase Renewal Fee (10 Years)	286.00	296.00	3.50%	
Vase Renewal Fee (20 Years)	427.00	442.00	3.51%	
Vase Renewal Fee (40 Years)	785.00	812.00	3.44%	
Vase Renewal Fee (forever)	1,933.00	2,001.00	3.52%	
Vase Renovation Fee	95.00	98.00	3.16%	
Memorial vaults				
Memorial Vault Purchase including first inscription	1,461.00	1,512.00	3.49%	
Replacement Vault (residue of lease)	315.00	326.00	3.49%	
Burial of cremated remains including casket	128.00	132.00	3.13%	
Motif/Photo	164.00	170.00	3.66%	
Vault Renewal Fee (10 Years)	286.00	296.00	3.50%	
Vault Renewal Fee (20 Years)	427.00	442.00	3.51%	
Vault Renewal Fee (40 Years)	785.00	812.00	3.44%	
Vault Renewal Fee (forever)	1,933.00	2,001.00	3.52%	

REGISTRATION SERVICES - FEES AND CHARGES SCHEDULE

Service Provided	Charge from 1st January 2025	Charge from 1st January 2026	% Increase	Comments: Where VAT is applicable. This is included within proposed fees for 2026/27
Vault Renovation Fee	95.00	98.00	3.16%	
Sanctum Memorial				
Sanctum Memorial purchase including first inscription	1,641.00	1,698.00	3.47%	
Sanctum Memorial with garden purchase including first inscription	1,831.00	1,895.00	3.50%	
Replacement Fascia (residue of lease)	546.00	565.00	3.48%	
Second Inscription (residue of lease)	358.00	371.00	3.63%	
Motif/Photo	164.00	170.00	3.66%	
Casket for interment of Cremated Remains	97.00	100.00	3.09%	
Family Sanctum Memorial including first inscription	2,381.00	2,464.00	3.49%	
Family Sanctum Memorial with Garden including first inscription	2,649.00	2,742.00	3.51%	
Family Sanctum Replacement Fascia (residue of lease)	723.00	748.00	3.46%	
10 year renewal	318.00	329.00	3.46%	
20 year renewal	478.00	495.00	3.56%	
40 year renewal	882.00	913.00	3.51%	
Renewal (forever)	2,173.00	2,249.00	3.50%	
Squirrel Walk Memorial				
Additional engraving (including motif – residue of lease)	416.00	431.00	3.61%	
Replacement Memorial (residue of lease)	630.00	652.00	3.49%	
Resold space	1,329.00	1,376.00	3.54%	
Motif/Photo	164.00	170.00	3.66%	
Casket for interment of Cremated Remains	97.00	100.00	3.09%	
10 year renewal	318.00	329.00	3.46%	
20 year renewal	478.00	495.00	3.56%	
40 year renewal	882.00	913.00	3.51%	
Renewal (forever)	2,173.00	2,249.00	3.50%	
Memorial Benches				

REGISTRATION SERVICES - FEES AND CHARGES SCHEDULE

Service Provided	Charge from 1st January 2025	Charge from 1st January 2026	% Increase
Memorial metal bench including plaque purchase	3,250.00	3,364.00	3.51%
Memorial bench renewal of lease	464.00	480.00	3.45%
Additional Plaque Granite Bench for residue of period	341.00	353.00	3.52%
Additional Plaque Wooden Bench for residue of period	341.00	353.00	3.52%
Prairie Unit (continue only)*			
Resold Prairie (If Available)	1,608.00	1,664.00	3.48%
Replacement Fascia (residue of lease)	177.00	183.00	3.39%
Second Inscription (residue of lease)	72.00	75.00	4.17%
Engraved Motif	16.00	17.00	6.25%
Photo Plaque	164.00	170.00	3.66%
10 year renewal	318.00	329.00	3.46%
20 year renewal	478.00	495.00	3.56%
40 year renewal	882.00	913.00	3.51%
Renewal (forever)	2,173.00	2,249.00	3.50%
Cloister Memorial			
Cloister Memorial Purchase including inscription	1,314.00	1,360.00	3.50%
Replacement Fascia (residue of lease)	544.00	563.00	3.49%
Second Inscription (residue of lease)	358.00	371.00	3.63%
Motif/Photo	164.00	170.00	3.66%
Casket for interment of Cremated Remains	97.00	100.00	3.09%
10 year renewal	318.00	329.00	3.46%
20 year renewal	478.00	495.00	3.56%
40 year renewal	882.00	913.00	3.51%
Renewal (forever)	2,173.00	2,249.00	3.50%
Children's Section Memorial			
Mushroom Memorial Plaque for a 5 year period inc inscription	443.00	459.00	3.61%

Comments:

Where VAT is applicable. This is included within proposed fees for 2026/27

REGISTRATION SERVICES - FEES AND CHARGES SCHEDULE

Service Provided	Charge from 1st January 2025	Charge from 1st January 2026	% Increase
10 year renewal	162.00	168.00	3.70%
20 year renewal	291.00	301.00	3.44%
40 year renewal	522.00	540.00	3.45%
Renewal forever	1,336.00	1,383.00	3.52%
Monolith Memorial			
Monolith Memorial for a 10 year period	1,231.00	1,274.00	3.49%
Monolith Memorial with garden for a 10 year period	1,410.00	1,459.00	3.48%
Second Inscription (residue of lease)	341.00	353.00	3.52%
Motif/Photo	164.00	170.00	3.66%
Urn for interment of cremated remains	97.00	100.00	3.09%
Replacement Plaque (residue of lease)	295.00	305.00	3.39%
10 year renewal	318.00	329.00	3.46%
20 year renewal	478.00	495.00	3.56%
40 year renewal	882.00	913.00	3.51%
Renewal (forever)	2,173.00	2,249.00	3.50%
Rose nameplate memorials for a 5 year period			
Name Plate Renewal (5 years)	162.00	168.00	3.70%
Name Plate Replacement	225.00	233.00	3.56%
Memory Garden Memorials			
Memory Garden Memorial Purchase including first inscription	476.00	493.00	3.57%
Memory Garden Memorial Replacement	244.00	253.00	3.69%
Motif/Photo	95.00	98.00	3.16%
MGM Renewal Fee (10 Years)	140.00	145.00	3.57%
MGM Renewal (20 years)	201.00	208.00	3.48%
MGM Renewal (40 years)	365.00	378.00	3.56%
MGM Renewal (forever)	932.00	965.00	3.54%

Comments:

Where VAT is applicable. This is included within proposed fees for 2026/27

REGISTRATION SERVICES - FEES AND CHARGES SCHEDULE

Service Provided	Charge from 1st January 2025	Charge from 1st January 2026	% Increase	Comments: Where VAT is applicable. This is included within proposed fees for 2026/27
Bird Baths				
Bird Bath Memorial Plaque - Row 1	282.00	292.00	3.55%	
Bird Bath Memorial Plaque - Row 2	322.00	333.00	3.42%	
Bird Bath Memorial Plaque - Row 3	357.00	369.00	3.36%	
Bird Bath Memorial Plaque - Row 4	396.00	410.00	3.54%	
Bird Bath Memorial Plaque - Row 5	435.00	450.00	3.45%	
Photo Plaque (Only Rows 3 to 5)	95.00	98.00	3.16%	
Tree Stake				
Tree Stake Replacement only	296.00	306.00	3.38%	
Tree Stake Renewal (5 years)	162.00	168.00	3.70%	
Pet Funeral Services				
Burial in an individual plot Small	200.00	207.00	3.50%	
Burial in an individual plot Medium	278.00	288.00	3.60%	
Burial in an individual plot Large	416.00	431.00	3.61%	
Coffin (24" x 14" x 8") Small	147.00	152.00	3.40%	
Coffin (30" x 20" x 10") Medium	166.00	172.00	3.61%	
Coffin (40" x 20" x 12") Large	203.00	210.00	3.45%	
Casket for ashes	94.00	97.00	3.19%	
Burial Memorial headstone	583.00	603.00	3.43%	
Plot Marker	36.00	37.00	2.78%	
Pet ashes scattering	58.00	60.00	3.45%	
Pet ashes scattering with small inscribed plaque	131.00	136.00	3.82%	
Pet ashes scattering with large inscribed plaque	144.00	149.00	3.47%	
Pet ashes in Leaf memorial Medium inc. urn	583.00	603.00	3.43%	
Pet ashes in Leaf Memorial Large inc. urn	729.00	755.00	3.57%	
Sandwell Funeral Service (Cremation)				

REGISTRATION SERVICES - FEES AND CHARGES SCHEDULE

Service Provided	Charge from 1st January 2025	Charge from 1st January 2026	% Increase	Comments: Where VAT is applicable. This is included within proposed fees for 2026/27
Cremation funeral for all ages	1,999.00	1,999.00	0.00%	No increase in order to remain competative in the market for the service
Direct cremation for all ages	N/A	1,168.00	N/A	New fee
Catering - Wake at Reception Suite inclusive of room hire at Sandwell Valley Crematorium				
Bronze Menu up to 30	331.00	343.00	3.63%	
Bronze Menu up to 50	553.00	572.00	3.44%	
Bronze Menu up to 80	827.00	856.00	3.51%	
Silver Menu up to 30	457.00	473.00	3.50%	
Silver Menu up to 50	697.00	721.00	3.44%	
Silver Menu up to 80	1,048.00	1,085.00	3.53%	
Gold Menu up to 30	653.00	676.00	3.52%	
Gold Menu up to 50	1,049.00	1,086.00	3.53%	
Gold Menu up to 80	1,678.00	1,737.00	3.52%	
Smirnoff Vodka - Double	5.50	5.50	0.00%	No change to wholesale cost
Smirnoff Vodka -Single	4.50	4.50	0.00%	No change to wholesale cost
Jameson Whiskey - Double	5.50	5.50	0.00%	No change to wholesale cost
Jameson Whiskey -Single	4.50	4.50	0.00%	No change to wholesale cost
Jack Daniels - Double	5.50	5.50	0.00%	No change to wholesale cost
Jack Daniels -Single	4.50	4.50	0.00%	No change to wholesale cost
Famous Goose - Double	5.50	5.50	0.00%	No change to wholesale cost
Famous Goose -Single	4.50	4.50	0.00%	No change to wholesale cost
Malibu - Double	5.50	5.50	0.00%	No change to wholesale cost
Malibu -Single	4.50	4.50	0.00%	No change to wholesale cost
Couvosier Brandy - Double	5.50	5.50	0.00%	No change to wholesale cost

REGISTRATION SERVICES - FEES AND CHARGES SCHEDULE

Service Provided	Charge from 1st January 2025	Charge from 1st January 2026	% Increase	Comments: Where VAT is applicable. This is included within proposed fees for 2026/27
Couvosier Brandy -Single	4.50	4.50	0.00%	No change to wholesale cost
Bombay Sapphie - Double	5.50	5.50	0.00%	No change to wholesale cost
Bombay Sapphie -Single	4.50	4.50	0.00%	No change to wholesale cost
Gordons Gin - Double	5.50	5.50	0.00%	No change to wholesale cost
Gordons Gin -Single	4.50	4.50	0.00%	No change to wholesale cost
Pink Gin - Double	5.50	5.50	0.00%	No change to wholesale cost
Pink Gin - Single	4.50	4.50	0.00%	No change to wholesale cost
Martell Brandy - Double	5.50	5.50	0.00%	No change to wholesale cost
Martell Brandy -Single	4.50	4.50	0.00%	No change to wholesale cost
Captain Morgan Rum - Double	5.50	5.50	0.00%	No change to wholesale cost
Captain Morgan Rum -Single	4.50	4.50	0.00%	No change to wholesale cost
Spiced Rum - Double	5.50	5.50	0.00%	No change to wholesale cost
Spiced Rum -Single	4.50	4.50	0.00%	No change to wholesale cost
Bacardi - Double	5.50	5.50	0.00%	No change to wholesale cost
Bacardi -Single	4.50	4.50	0.00%	No change to wholesale cost
Baileys 50ml	4.50	4.50	0.00%	No change to wholesale cost
Chardonnay 187ml	5.00	5.00	0.00%	No change to wholesale cost
Pinot 187ml	5.00	5.00	0.00%	No change to wholesale cost
Rose 187 ml	5.00	5.00	0.00%	No change to wholesale cost
Shiraz 187ml	5.00	5.00	0.00%	No change to wholesale cost
Bud 300ml	4.50	4.50	0.00%	No change to wholesale cost
Becks	4.50	4.50	0.00%	No change to wholesale cost
Peroni	4.50	4.50	0.00%	No change to wholesale cost
Stella Artois	4.50	4.50	0.00%	No change to wholesale cost
Guinness 440ml	4.50	4.50	0.00%	No change to wholesale cost
London Pride	4.50	4.50	0.00%	No change to wholesale cost

REGISTRATION SERVICES - FEES AND CHARGES SCHEDULE

Service Provided	Charge from 1st January 2025	Charge from 1st January 2026	% Increase	Comments: Where VAT is applicable. This is included within proposed fees for 2026/27
John Smiths	4.50	4.50	0.00%	No change to wholesale cost
Rekorderlig Wildberry	5.50	5.50	0.00%	No change to wholesale cost
Raspberry/Mango	5.50	5.50	0.00%	No change to wholesale cost
Lime/Strawberry	5.50	5.50	0.00%	No change to wholesale cost
Strongbow	5.50	5.50	0.00%	No change to wholesale cost
Spitfire	5.50	5.50	0.00%	No change to wholesale cost
Speckled Hen	5.50	5.50	0.00%	No change to wholesale cost
Hobgoblin (NEW FEE)	5.50	5.50	0.00%	No change to wholesale cost
Newcastle Brown	5.50	5.50	0.00%	No change to wholesale cost
Orange Juice	1.65	1.65	0.00%	No change to wholesale cost
Slimline Tonic	1.50	1.50	0.00%	No change to wholesale cost
Soda Water	1.50	1.50	0.00%	No change to wholesale cost
Sparkling Water	1.65	1.65	0.00%	No change to wholesale cost
Still Water	1.10	1.10	0.00%	No change to wholesale cost
Lemonade	2.50	2.50	0.00%	No change to wholesale cost
Coke	2.50	2.50	0.00%	No change to wholesale cost
Diet Coke	2.50	2.50	0.00%	No change to wholesale cost
J20 Orange/Passion fruit	2.50	2.50	0.00%	No change to wholesale cost
J20 Apple & Raspberry	2.50	2.50	0.00%	No change to wholesale cost
Prosecco (per glass)	6.50	6.50	0.00%	No change to wholesale cost
Fevertree tonic water mixed flavours	2.50	2.50	0.00%	No change to wholesale cost
Catering - Café Crem at Sandwell Valley Crmatorium (NEW SERVICE)				
Espresso	2.90	2.90	0.00%	No change to wholesale cost
Cappucino	3.50	3.50	0.00%	No change to wholesale cost

REGISTRATION SERVICES - FEES AND CHARGES SCHEDULE

Service Provided	Charge from 1st January 2025	Charge from 1st January 2026	% Increase	Comments: Where VAT is applicable. This is included within proposed fees for 2026/27
Latte	3.50	3.50	0.00%	No change to wholesale cost
Mocha	3.70	3.70	0.00%	No change to wholesale cost
Americano	3.50	3.50	0.00%	No change to wholesale cost
Flat White	3.70	3.70	0.00%	No change to wholesale cost
Oat/Soya Milk	0.50	0.50	0.00%	No change to wholesale cost
Deluxe Hot Chocolate	3.90	3.90	0.00%	No change to wholesale cost
Syrups	0.50	0.50	0.00%	No change to wholesale cost
Tea	2.20	2.20	0.00%	No change to wholesale cost
Fruit/ Herbal Tea	2.35	2.35	0.00%	No change to wholesale cost
Fanta/Orange	2.50	2.50	0.00%	No change to wholesale cost
Coke/ Coke Zero	2.50	2.50	0.00%	No change to wholesale cost
Kids Juice Carton	1.00	1.00	0.00%	No change to wholesale cost
Cheese Sandwich	4.75	4.75	0.00%	No change to wholesale cost
Ham Sandwich	4.75	4.75	0.00%	No change to wholesale cost
Egg Mayo Sandwich	4.75	4.75	0.00%	No change to wholesale cost
Tuna Mayo Sandwich	4.95	4.95	0.00%	No change to wholesale cost
Chicken & Bacon Sandwich	5.20	5.20	0.00%	No change to wholesale cost
Chicken Tikka Sandwich	5.20	5.20	0.00%	No change to wholesale cost
Sausage Sandwich	3.50	3.50	0.00%	No change to wholesale cost
Bacon Sandwich	3.30	3.30	0.00%	No change to wholesale cost
Cheese Panini	5.80	5.80	0.00%	No change to wholesale cost
Ham Panini	6.00	6.00	0.00%	No change to wholesale cost
Tikka & Cheese Panini	6.00	6.00	0.00%	No change to wholesale cost
Roasted Tomoto & Mozzarella Panini	5.80	5.80	0.00%	No change to wholesale cost
Crusty White Bread	1.75	1.75	0.00%	No change to wholesale cost
Teacake	2.00	2.00	0.00%	No change to wholesale cost

REGISTRATION SERVICES - FEES AND CHARGES SCHEDULE

Service Provided	Charge from 1st January 2025	Charge from 1st January 2026	% Increase	Comments:
				Where VAT is applicable. This is included within proposed fees for 2026/27
Jam/Marmalade	0.50	0.50	0.00%	No change to wholesale cost
Crisps	1.00	1.00	0.00%	No change to wholesale cost
Piece Of Fruit	0.80	0.80	0.00%	No change to wholesale cost
Chocolate Bar	1.00	1.00	0.00%	No change to wholesale cost
Breakfast Bar/ Flapjack	1.00	1.00	0.00%	No change to wholesale cost
Muffin	0.80	0.80	0.00%	No change to wholesale cost
Cake	3.00	3.00	0.00%	No change to wholesale cost

General Fund Budget Summary

	Current Budget	Structure Changes and Virements	Funding Changes from 2026/27	Restated Net Budget before Growth and Efficiencies	Net Budget for Approval	Forecast Draft Budgets			
	2025/26		2026/27		2026/27	2027/28	2028/29	2029/30	2030/31
	£m	£m	£m	£m	£m	£m	£m	£m	£m
Service Directorates									
Adult Social Care and Health	94.620	(0.047)	39.468	134.041	144.298	156.209	168.520	180.994	193.913
Children and Education	109.923	(0.022)	25.039	134.940	142.849	145.646	148.831	152.706	156.068
Place	91.280	3.089	1.189	95.558	97.796	100.932	104.943	109.082	113.356
Finance and Transformation	29.063	(0.320)	-	28.743	29.317	30.571	31.870	33.215	34.609
Assistant Chief Executive	12.585	11.200*	-	23.785	23.607	23.965	24.568	25.193	25.841
Chief Executive	0.480	-	-	0.480	0.486	0.498	0.511	0.525	0.539
Council Wide	-	-	-	-	-	(0.480)	(0.960)	(1.440)	(1.920)
Total Service Directorates	337.951	13.900	65.696	417.547	438.353	457.341	478.283	500.275	522.406
Capital Charges	(26.461)	-	-	(26.461)	(26.461)	(26.461)	(26.461)	(26.461)	(26.461)
Levies, Subscriptions and other Corporate Costs	37.125	(10.000)	-	27.125	21.940	22.572	23.217	23.876	24.550
Contingency	2.369	(1.200)	-	1.169	5.555	8.211	8.211	8.211	8.211
External Interest Payments	22.100	-	-	22.100	22.415	25.815	26.715	27.715	28.715
Interest and Dividend Receipts	(10.000)	-	-	(10.000)	(10.000)	(10.000)	(10.000)	(10.000)	(10.000)
Contribution to/ (from) Earmarked Reserves	(0.292)	-	-	(0.292)	5.250	-	-	-	-
Revenue Contributions to Capital Expenditure	2.992	(2.700)	-	0.292	-	-	-	-	-
Contribution to/ (from) General Balances	-	-	-	-	0.750	-	-	-	-
Total Other Council Expenditure	27.833	(13.900)	-	13.933	19.449	20.137	21.682	23.341	25.015
Net Borough Expenditure	365.784	-	65.696	431.480	457.802	477.478	499.965	523.616	547.421
Funding									
Non-Ringfenced Grants	(15.693)	-	-	(15.693)	(12.990)	(11.784)	(11.784)	(11.784)	(11.784)
Non-Domestic Rates (including Section 31 grants for NDR Reliefs)	(163.735)	-	-	(163.735)	(167.572)	(170.714)	(173.913)	(177.391)	(180.939)
Top-up Grant	(43.246)	-	(65.696)	(108.942)	(120.585)	(122.316)	(123.678)	(126.152)	(128.675)
Collection Fund (Surplus)/ Deficits	3.455	-	-	3.455	0.008	-	-	-	-
Amounts Raised from Council Tax	(146.565)	-	-	(146.565)	(156.663)	(167.442)	(178.961)	(191.273)	(204.433)
Projected (Surplus)/ Deficit	-	-	-	-	-	5.222	11.629	17.016	21.590

*Additional budget relates to transfer of responsibility/budget relating to the Aspiration Fund and to the council's apprenticeships scheme, both of which were initially budgeted for within Corporate Budgets

Directorate Budgets

The summary General Fund Budget in Annex 6 displays the net position for each directorate over the life of the MTFS. This Annex summarises how the budgets are forecast to be adjusted each year, reflecting the budget growth added to fund budget pressures and the efficiencies or income generation proposals for each directorate budget.

The following table details the movement in budgets for 2026/27.

	Approved Net Budget 2025/26	Structure Transfers/ Virements	Transfer of Grants to Core Funding	Restated Net Budget Before Growth and Efficiencies	Proposed Growth 2026/27	Proposed Efficiencies and Income Generation 2026/27	Net Budget Before Reserve Transfers 2026/27	Transfers to/ (From) Earmarked Reserves 2026/27	Net Budget 2026/27
Directorate	£m	£m	£m	£m	£m	£m	£m	£m	£m
Adult Social Care and Health	94.620	(0.047)	39.468	134.041	12.103	(1.846)	144.298	-	144.298
Children and Education	109.923	(0.022)	25.039	134.940	15.517	(1.011)	149.446	(6.597)	142.849
Place	91.280	3.089	1.189	95.558	5.135	(2.717)	97.976	(0.180)	97.796
Finance and Transformation	29.063	(0.320)	-	28.743	2.274	(1.700)	29.317	-	29.317
Assistant Chief Executive	12.585	11.200	-	23.785	0.333	(0.511)	23.607	-	23.607
Chief Executive	0.480	-	-	0.480	0.006	-	0.486	-	0.486
Corporate Budgets	27.833	(13.900)	-	13.933	0.266	-	14.199	5.250	19.449
Net Expenditure	365.784	-	65.696	431.480	35.634	(7.785)	459.329	(1.527)	457.802

The Cabinet is responsible for overseeing the implementation and delivery of the manifesto commitments and council strategies approved within the budget. It is made up of elected members, selected by the Leader of the Council, who have individual responsibility for a range of portfolios delivering council services.



The Cabinet members are:

- Councillor Kerrie Carmichael – Leader of the Council
- Councillor Paul Moore – Finance and Resources and Statutory Deputy Leader
- Councillor Suzanne Hartwell – Neighbourhoods and Community and Deputy Leader
- Councillor Keith Allcock – Environment and Highways
- Councillors Harnoor Bhullar and Syeda Khatun – Education, Business and Skills
- Councillor Peter Hughes – Regeneration and Infrastructure
- Councillor Vicki Smith – Housing
- Councillor Jackie Taylor – Adult Services, Health and Wellbeing
- Councillor Jalal Uddin – Children and Families.

The following pages provide additional detail of each service within the General Fund and how the budgets are adjusted across the 5 year MTFS.

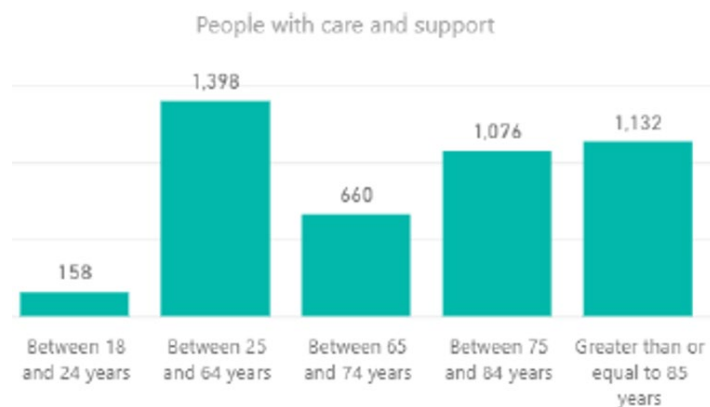
Adult Social Care



The Adult Social Care team looks after several key areas. Social Work & Therapy includes social workers, therapists, the hospital team, safeguarding, and review teams. External Placements means arranging care for adults who need support, while Direct Services provide care homes, day care, reablement, transport, alarms, and equipment. Commissioning makes sure there are enough good care options and manages money for carers, voluntary groups, and support services.

Sandwell Adult Social Care (ASC) helps vulnerable adults in Sandwell live healthier, more independent lives by providing support, care planning, and connecting residents with services for home care, disability, carers, and abuse reporting, focusing on a strengths-based approach to empower people to stay in their community and make choices about their care.

There are approximately 4,500 people receiving care and support in Sandwell. The demographic profile reflects the broader trends of ageing, long term condition, and the varying support needs. Older people make up the majority of those receiving care, with over half aged 75 or older. The most common reason for support is help with personal care and mobility (classified as physical support)



The cost of care has increased by 60% over the last five years, driven by:

- **Rising demand** – More people require care each year (demographic growth £3.751m 2026/27)
- **Increased complexity of needs** – Higher levels of support are required.
- **Inflationary growth** – Any uplifts in the rate paid to providers (£6.487m 2026/27)

In Sandwell, the average inflationary uplift proposed for 2026/27 is approximately 4%, with rates between 2.65% and 4.8% anticipated across the West Midlands. Sandwell has long been an authority which pays towards the lower end of the scale for care services however we are committed to paying sustainable rates in line with the government's 'Market Sustainability and Fair Cost of Care Policy.' Adult Social Care endeavours to fund increases to the national minimum wage and inflationary increases when calculating the annual inflationary uplift.

Better Care Fund

The Sandwell BCF is a pooled budget of £72 million per annum, jointly managed by Sandwell Council and the Black Country Integrated Care Board (ICB). It funds integrated health and adult social care services, including prevention, early intervention, reablement, hospital discharge support, and community-based care. The BCF is crucial for supporting hospital flow, reducing admissions, and helping people live independently. Governance is shared via the Health and Wellbeing Board and Joint Partnership Board, ensuring alignment with ICB priorities and collective accountability.

The BCF provides stable, recurrent funding, supporting service continuity and system resilience. Recent national changes have allowed more local flexibility, enabling a balance between discharge support and preventative care. This helps manage demand growth in adult social care while maintaining safe hospital discharge. Key risks include rising demand due to demographic changes, workforce pressures, and uncertainty in national funding. These are mitigated through joint financial planning, robust governance, and flexible resource allocation.

Adult Social Care	2026/27	2027/28	2028/29	2029/30	2030/31
	£m	£m	£m	£m	£m
Approved Net Budget 2025/26	94.620	94.620	94.620	94.620	94.620
Budget Transfer between Directorates	(0.047)	(0.047)	(0.047)	(0.047)	(0.047)
Transfer of Grants to Core Funding (Provisional Local Government Settlement)	39.468	39.468	39.468	39.468	39.468
Restated Net Budget before Growth and Efficiencies	134.041	134.041	134.041	134.041	134.041
Growth	12.103	24.014	36.325	48.799	61.718
Efficiencies and Income Generation Proposals	(1.846)	(1.846)	(1.846)	(1.846)	(1.846)
Forecast Net Budget before Contributions to/ (from) Reserves	144.298	156.209	168.520	180.994	193.913
Contributions to/ (from) Reserves	-	-	-	-	-
Net Budget for Approval/ Estimated Net Budget	144.298	156.209	168.520	180.994	193.913

Public Health

All Public Health expenditure is met by the Public Health ring-fenced grant. The Public Health directorate operates on a net zero budget, meaning that income raised from council tax does not support public health activities.

The ring-fenced grant is provided by the government so that the local authority can deliver its statutory duty to improve population health and wellbeing and have regard to narrowing health inequalities. It must meet specific grant conditions as well as commission a range of statutorily required and mandated services. As in previous years, over half of the budget is allocated to commissioned services, and the biggest single contract is for children and young people, with others delivering drug and alcohol services, NHS health checks, and sexual health services.

A significant proportion of the grant is redirected to enable other directorates to maximise the public health impact of their work. Some of the 2026/27 redirects have been uplifted by 5.4% in line with the Public Health grant uplift. This uplift will be recurrent, however future uplifts cannot be guaranteed. In 2026/27, further review of the redirects will aim to consolidate over time the investment across the council to maximise and demonstrate impact on population health. The aim of this is not to reduce overall investment but to ensure that it is evidence-based, outcomes focused, and within the terms of the grant conditions. It should be noted that Ministerial direction has required strengthened national financial assurance on the ring-fenced grant spend and that the NHS Plan has announced peer review of local authority Public Health to begin in 2026/27. Items of interest in these processes will be Sandwell's level of redirects and reserves, and its below average public health outcomes.

All of these are being actively managed and will continue to be through 2026/27.

Public Health	2026/27	2027/28	2028/29	2029/30	2030/31
	£m	£m	£m	£m	£m
Approved Net Budget 2025/26	-	-	-	-	-
Net Budget for Approval/ Estimated Net Budget*	-	-	-	-	-

** Gross budget is approximately £30.054m (2025/26) and is wholly funded from Public Health Grant received from central government. Allocations for 2026/27 have not been published at the current time.*

Children and Education



Sally Giles
Executive Director
Children & Education

The Children and Education Directorate delivers a wide range of statutory and universal services for children, young people, families, and schools across Sandwell. This includes children's social care and safeguarding; education services such as school improvement, admissions, attendance, exclusions, and place planning; Special Educational Needs and Disabilities (SEND) assessment and support; home-to-school and SEN transport; early years and childcare sufficiency; and partnership working with schools, health services, the voluntary sector, and Sandwell Children's Trust (SCT).

These services are delivered in a national context of rising demand, increasing complexity of need, and significant financial pressure, particularly within children's social care and SEND.

Key Strategic Issues for 2026/27

The directorate faces a number of key strategic challenges. Demand for SEND services continues to rise, with EHCP growth in Sandwell exceeding national trends, placing sustained pressure on assessment capacity, specialist provision, transport, and the High Needs Block of the Dedicated Schools Grant. The SEND transformation programme will be looking at ways to mitigate the projected increases being forecast, which is in line with pressures being faced by other Local authorities on a regional and national basis.

The directorate will also need to manage the impact of ongoing and planned national reforms to children's social care and SEND, which present both opportunities for long-term system improvement and short-term financial and delivery risks.

Key priorities for the coming year include:

- Continuing to focus on improvement within SCT in the wake of the successful Ofsted inspection.
- Delivering SEND reform and managing demand growth sustainably
- Managing inflationary and market pressures across placements, transport, and commissioned services
- Ensuring sufficient school and specialist provision through effective place planning

The focus for 2026/27 will be on consolidating recent improvements, delivering transformation at pace, and ensuring that resources are targeted effectively to meet

Sandwell Children's Trust

Sandwell Children's Trust (SCT), the Council's wholly owned children's social care provider, has historically operated under annual contracts. In recent years, increased demand and higher residential care costs led to a cumulative deficit of £19.792m at the end of 2024/25. As SCT holds no reserves, the Council is responsible for addressing this deficit within its group financial strategy.

Following an external review of spending and demand in 2024/25, the Council and Trust have agreed a three-year contract (2025/26–2027/28) totalling £309.072m, providing stable funding for services and full recovery of the historic deficit. The Council is using earmarked reserve contributions to support the increased contract sum over the three years.

Performance and service quality continue to improve (as evidenced by the October 2025 Ofsted inspection rating outcome of Good) and contract monitoring shows all key performance indicators are on target or within expected tolerances.

Benchmarking against statistical neighbours highlights positive outcomes, including fewer children in care and on child protection plans, improved workforce stability, and reduced reliance on agency social workers.

The three-year contract and ongoing monitoring aim to ensure financial stability, high-quality services, and continued improvement for Sandwell's children and families. Reviews of financial controls will be ongoing to ensure the Trust does not return to a deficit position.

The service also deals with things like school organisation, admissions, attendance, travel help, and keeping children safe. These are important for schools, families, and children.

Other work includes teaming up with children's social care, youth services, family hubs, residential education, and skills development.

Children and Education	2026/27	2027/28	2028/29	2029/30	2030/31
	£m	£m	£m	£m	£m
Approved Net Budget 2025/26	109.923	109.923	109.923	109.923	109.923
Budget Transfer between Directorates	(0.022)	(0.022)	(0.022)	(0.022)	(0.022)
Transfer of Grants to Core Funding (Provisional Local Government Settlement)	25.039	25.039	25.039	25.039	25.039
Restated Net Budget before Growth and Efficiencies	134.940	134.940	134.940	134.940	134.940
Growth	15.517	18.314	14.901	18.173	21.535
Efficiencies and Income Generation Proposals	(1.011)	(1.011)	(1.011)	(0.407)	(0.407)
Forecast Net Budget before Contributions to/ (from) Reserves	149.446	152.243	148.830	152.706	156.068
Contributions to/ (from) Reserves	(6.597)	(6.597)	-	-	-
Net Budget for Approval/ Estimated Net Budget	142.849	145.646	148.830	152.706	156.068

Place



The Place directorate delivers a wide range of services across development, planning, housing, environment, and community support. Planning services include the registration, validation, and determination of planning and building regulation applications, as well as enforcement actions and maintaining records for local authority searches. Growth and spatial planning focus on regeneration projects, programme management of major initiatives like the Towns Fund and Levelling Up, and the delivery of new council homes and energy efficiency programmes.

Housing services cover support for homeless individuals, home improvement, community centres, shop mobility, welfare advice, and garage management. Community safety initiatives address issues such as anti-social behaviour, domestic abuse, modern slavery, CCTV, borough patrolling, and unauthorised encampments.

Environmental and public protection services include licensing, trading standards, emergency planning, pest control, fly-tipping enforcement, waste collection and recycling, fleet management, and maintenance of parks and public spaces. The council also manages libraries, museums, archives, sport and leisure facilities, markets, property assets, and delivers climate change strategies and building contract management.

Neighbourhood services involve team recruitment, launching new neighbourhood working mechanisms, creating ward-specific web pages, identifying local priorities, producing town newsletters, and managing funding and budgets for community groups. The council supports business growth through advice, grants, and maximising social value outcomes.

Significant pressures faced by the service include a shortfall of income compared to budget forecasts for planning fees and building control due to a reduce call on the service. Also, the cost of maintaining the council's fleet of vehicles has seen an increase above budget estimates. These have been addressed with budget corrections within the MTFP to a more realistic value. Furthermore, transformation work will be undertaken during the forthcoming year to seek to generate efficiencies within the fleet service through a more structured approach to purchase and maintenance of the fleet stock.

Place	2026/27	2027/28	2028/29	2029/30	2030/31
	£m	£m	£m	£m	£m
Approved Net Budget 2025/26	91.280	91.280	91.280	91.280	91.280
Budget Transfer between Directorates	3.089	3.089	3.089	3.089	3.089
Transfer of Grants to Core Funding (Provisional Local Government Settlement)	1.189	1.189	1.189	1.189	1.189
Restated Net Budget before Growth and Efficiencies	95.558	95.558	95.558	95.558	95.558
Growth	5.135	8.031	12.042	15.781	20.055
Efficiencies and Income Generation Proposals	(2.717)	(2.657)	(2.657)	(2.257)	(2.257)
Forecast Net Budget before Contributions to/ (from) Reserves	97.976	100.932	104.943	109.082	113.356
Contributions to/ (from) Reserves	(0.180)	-	-	-	-
Net Budget for Approval/ Estimated Net Budget	97.796	100.932	104.943	109.082	113.356

Finance and Transformation



The Finance & Transformation directorate helps the Council and residents in many ways. The Finance team looks after money matters, such as planning, keeping financial records, and making sure services have good advice. Internal Audit check processes in departments, manage risks and insurance and investigate fraud, with the Procurement team helping services achieve value for money in their contracts.

The Revenues and Benefits team collects council tax and business rates, handles Housing Benefit claims, and runs other welfare schemes. They pay suppliers and make sure customers pay their bills.

The Legal and Governance team gives legal advice to the Council and makes sure rules are followed. Elections staff organise voter registration and run elections. Registration services record births, deaths, weddings, and citizenship, and also look after cemeteries and cremators.

The ICT team looks after the Council's computers and technology, fixing problems and managing contracts. The Transformation team leads projects to help the Council work better and more efficiently.

The largest growth in budgets in this service relate to staffing costs, although a number of corrections to previous assumptions have been included such as a shortfall in income within Registration Services and loss of grants and contributions towards our expenditure in Housing Benefits and Business Rates.

Finance and Transformation	2026/27	2027/28	2028/29	2029/30	2030/31
	£m	£m	£m	£m	£m
Approved Net Budget 2025/26	29.063	29.063	29.063	29.063	29.063
Budget Transfer between Directorates	(0.320)	(0.320)	(0.320)	(0.320)	(0.320)
Transfer of Grants to Core Funding (Provisional Local Government Settlement)	-	-	-	-	-
Restated Net Budget before Growth and Efficiencies	28.743	28.743	28.743	28.743	28.743
Growth	2.274	3.528	4.827	6.172	7.566
Efficiencies and Income Generation Proposals	(1.700)	(1.700)	(1.700)	(1.700)	(1.700)
Forecast Net Budget before Contributions to/ (from) Reserves	29.317	30.571	31.870	33.215	34.609
Contributions to/ (from) Reserves	-	-	-	-	-
Net Budget for Approval/ Estimated Net Budget	29.317	30.571	31.870	33.215	34.609

Assistant Chief Executive



The directorate has teams that help both our staff and the public. Human Resources looks after staff pay, pensions, training, and wellbeing. Corporate Customer runs the One Stop Shop at Oldbury Council House and deals with feedback and complaints from customers. The Communications team manages the press, social media, and keeps staff updated. Democratic Services makes sure council meetings run smoothly, while the EDI team checks we treat everyone fairly and runs awareness events. The Service Improvement team works on council plans, checks how we are doing, and manages grants for the voluntary sector.

The net budget has been restated to take into account structure and responsibility changes. The net budget has increased by £11.2m as responsibility for the Aspiration Fund of £10m (from 2026/27) has been transferred to the directorate, plus the budget for the Council's apprenticeships programme of £1.2m has been transferred to Human Resources for ongoing management.

Assistant Chief Executive	2026/27	2027/28	2028/29	2029/30	2030/31
	£m	£m	£m	£m	£m
Approved Net Budget 2025/26	12.585	12.585	12.585	12.585	12.585
Budget Transfer between Directorates*	11.200	11.200	11.200	11.200	11.200
Transfer of Grants to Core Funding (Provisional Local Government Settlement)	-	-	-	-	-
Restated Net Budget before Growth and Efficiencies	23.785	23.785	23.785	23.785	23.785
Growth	0.333	0.691	1.294	1.919	2.567
Efficiencies and Income Generation Proposals	(0.511)	(0.511)	(0.511)	(0.511)	(0.511)
Forecast Net Budget before Contributions to/ (from) Reserves	23.607	23.965	24.568	25.193	25.841
Contributions to/ (from) Reserves	-	-	-	-	-
Net Budget for Approval/ Estimated Net Budget	23.607	23.965	24.568	25.193	25.841

*Additional budget relates to transfer of responsibility/budget relating to the Aspiration Fund and to the council's apprenticeships scheme, both of which were initially budgeted for within Corporate Budgets but now come under the remit of the Assistant Chief Executive

Chief Executive



Shokat Lal
Chief Executive

The Chief Executive's direct budget supports costs for salaries, capital charges and supplies and services, however as Head of Paid Service the role also has overall responsibility for the Council's budgets. The core role of a Chief Executive in a council is to act as the lead council advisor and managerial leader of the departments of the Council. This will include setting the design, delivery and integration of council departments and functions, plus the overall management of those services. The only growth required within this directorate relates to staffing costs.

Chief Executive	2026/27	2027/28	2028/29	2029/30	2030/31
	£m	£m	£m	£m	£m
Approved Net Budget 2025/26	0.480	0.480	0.480	0.480	0.480
Budget Transfer between Directorates	-	-	-	-	-
Transfer of Grants to Core Funding (Provisional Local Government Settlement)	-	-	-	-	-
Restated Net Budget before Growth and Efficiencies	0.480	0.480	0.480	0.480	0.480
Growth	0.006	0.018	0.031	0.045	0.059
Efficiencies and Income Generation Proposals	-	-	-	-	-
Forecast Net Budget before Contributions to/ (from) Reserves	0.486	0.498	0.511	0.525	0.539
Contributions to/ (from) Reserves	-	-	-	-	-
Net Budget for Approval/ Estimated Net Budget	0.486	0.498	0.511	0.525	0.539

Corporate Budgets



Included within the MTFP is a Council-wide requirement for future income generation through increased fees and charges. Until further work has been done to allocate this across services based on achievability and benchmarking, this is held centrally.

Council Wide	2026/27	2027/28	2028/29	2029/30	2030/31
	£m	£m	£m	£m	£m
Approved Net Budget 2025/26	-	-	-	-	-
Budget Transfer between Directorates	-	-	-	-	-
Transfer of Grants to Core Funding (Provisional Local Government Settlement)	-	-	-	-	-
Restated Net Budget before Growth and Efficiencies	-	-	-	-	-
Growth	-	-	-	-	-
Efficiencies and Income Generation Proposals	-	(0.480)	(0.960)	(1.440)	(1.920)
Forecast Net Budget before Contributions to/ (from) Reserves	-	(0.480)	(0.960)	(1.440)	(1.920)
Contributions to/ (from) Reserves	-	-	-	-	-
Net Budget for Approval/ Estimated Net Budget	-	(0.480)	(0.960)	(1.440)	(1.920)

Other corporate budgets include items which do not directly deliver services to residents or businesses. These budgets are under the management of the Executive Director Finance & Transformation as the Council's Section 151 Officer. Costs and income included in this budget area include support of our capital investment programme either through borrowing costs or direct funding, income earned on our investment portfolio, contributions into or out from reserves (where not included within directorate services) and levy payments to West Midlands Transport Authority and the Environment Agency.

A number of centrally held budgets have been transferred to the Assistant Chief Executive for future management and reporting. These include the Aspiration Fund and the cost for the Council's apprenticeships programme.

The £2.700m Revenue Contribution to Capital budget has been transferred to the Place directorate, as this specifically relates to funding of the Highways capital programme.

The 2026/27 budget includes a contribution to Earmarked Reserves to support future transformation costs and the creation of a new reserve to mitigate against the impact of adverse weather events.

Corporate Budgets	2026/27	2027/28	2028/29	2029/30	2030/31
	£m	£m	£m	£m	£m
Approved Net Budget 2025/26	27.833	27.833	27.833	27.833	27.833
Budget Transfer between Directorates	(13.900)	(13.900)	(13.900)	(13.900)	(13.900)
Transfer of Grants to Core Funding (Provisional Local Government Settlement)	-	-	-	-	-
Restated Net Budget before Growth and Efficiencies	13.933	13.933	13.933	13.933	13.933
Growth	0.266	6.204	7.749	9.408	11.082
Efficiencies and Income Generation Proposals	-				
Forecast Net Budget before Contributions to/ (from) Reserves	14.199	20.137	21.682	23.341	25.015
Contributions to/ (from) Reserves	5.250	-	-	-	-
Net Budget for Approval/ Estimated Net Budget	19.449	20.137	21.682	23.341	25.015

**SANDWELL METROPOLITAN BOROUGH COUNCIL
COUNCIL TAX SUMMARY**

2026/27

		Sandwell Metropolitan Borough Council	Fire	Police	Total
Band	Value at 1 April 1991				
A	up to £40,000	£1,276.51	to be determined at meeting on during February 2026	to be determined at meeting on during February 2026	to be included within Council Report
B	£40,001 to £52,000	£1,489.27			
C	£52,001 to £68,000	£1,702.02			
D	£68,001 to £88,000	£1,914.77			
E	£88,001 to £120,000	£2,340.27			
F	£120,001 to £160,000	£2,765.78			
G	£160,001 to £320,000	£3,191.28			
H	more than £320,000	£3,829.54			
NOTE: The Council Tax levels shown above apply to properties with 2 or more adults.					
2026/27 Increase					
2026/27	Band D Amount	£1,914.77			
2025/26	Band D Amount	£1,823.76			
2026/27	£ Increase	£91.01			
2026/27	% Increase	4.99%			
Amount to be Raised		£156,663,418			

Summary General Fund - Approved Capital Programme

	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	TOTAL
Service	Revised Base Budget	Revised Base Budget	Revised Base Budget	Revised Base Budget	Revised Base Budget	Revised Base Budget	5 Year Budget Total
	£000	£000	£000	£000	£000	£000	£000
Adult Social Care	214	800	-	-	-	-	800
Children & Education	4,473	8,000	68,299	8,700	6,900	6,900	98,799
Place - Economy & Regeneration	22,731	16,999	8,470	-	-	-	25,469
Place - Environment & Public Protection	21,257	14,224	11,034	11,034	11,034	11,034	58,360
Place - Housing	8,046	6,871	7,868	4,800	4,800	4,800	29,139
Place - Property & Assets	12,096	19,368	7,100	2,100	2,100	2,100	32,768
Finance & Transformation	3,407	4,553	1,200	1,200	1,200	1,200	9,353
Assistant Chief Executive	0	33	-	-	-	-	33
Grand Total	72,224	70,848	103,971	27,834	26,034	26,034	254,721
Financing	£000	£000	£000	£000	£000	£000	£000
Total Grant Funded Schemes	45,003	51,861	96,176	20,039	18,239	18,239	204,554
Total Prudential Borrowing Funded Schemes	24,044	16,287	5,095	5,095	5,095	5,095	36,667
Total Capital Receipts Funded Schemes	-	-	-	-	-	-	-
Total RCCO Funded Schemes	3,177	2,700	2,700	2,700	2,700	2,700	13,500
Grand Total	72,224	70,848	103,971	27,834	26,034	26,034	254,721

Summary General Fund - Pipeline Capital Project Requests

	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	TOTAL
Service	Revised Base Budget	Revised Base Budget	Revised Base Budget	Revised Base Budget	Revised Base Budget	Revised Base Budget	5 Year Budget Total
	£000	£000	£000	£000	£000	£000	£000
Adult Social Care	0	-	-	-	-	-	-
Children & Education	0	1,350	1,350	-	-	-	2,700
Place - Economy & Regeneration	0	9,032	11,039	-	-	-	20,070
Place - Environment & Public Protection	0	16,433	36,395	16,175	275	300	69,578
Place - Housing	0	-	-	-	-	-	-
Place - Property & Assets	0	9,834	9,013	936	700	-	20,483
Finance & Transformation	0	651	1,625	-	-	-	2,276
Assistant Chief Executive	0	-	-	-	-	-	-
Grand Total	0	37,300	59,422	17,111	975	300	115,107
Financing	£000	£000	£000	£000	£000	£000	£000
Total Grant Funded Schemes	-	23,322	40,932	14,900	-	-	79,153
Total Prudential Borrowing Funded Schemes	-	13,978	17,351	2,211	975	300	34,815
Total Capital Receipts Funded Schemes	-	-	-	-	-	-	-
Total RCCO Funded Schemes	-	-	1,139	-	-	-	1,139
Grand Total	-	37,300	59,422	17,111	975	300	115,107

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

		2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	TOTAL
Service	Revised Base Budget	Revised Base Budget	Revised Base Budget	Revised Base Budget	Revised Base Budget	Revised Base Budget	5 Year Budget Total	
	£000	£000	£000	£000	£000	£000	£000	£000
Adult Social Care	214	800	0	0	0	0	800	
Children & Education	4,473	9,350	69,649	8,700	6,900	6,900	101,499	
Place - Economy & Regeneration	22,731	26,031	19,509	0	0	0	45,539	
Place - Environment & Public Protection	21,257	30,657	47,429	27,209	11,309	11,334	127,938	
Place - Housing	8,046	6,871	7,868	4,800	4,800	4,800	29,139	
Place - Property & Assets	12,096	29,202	16,113	3,036	2,800	2,100	53,251	
Finance & Transformation	3,407	5,204	2,825	1,200	1,200	1,200	11,629	
Assistant Chief Executive	0	33	0	0	0	0	33	
Grand Total	72,224	108,148	163,393	44,945	27,009	26,334	369,828	
Financing		£000	£000	£000	£000	£000	£000	£000
Total Grant Funded Schemes	45,003	75,183	137,108	34,939	18,239	18,239	283,707	
Total Prudential Borrowing Funded Schemes	24,044	30,265	22,446	7,306	6,070	5,395	71,482	
Total Capital Receipts Funded Schemes	-	-	-	-	-	-	-	
Total RCCO Funded Schemes	3,177	2,700	3,839	2,700	2,700	2,700	14,639	
Grand Total	72,224	108,148	163,393	44,945	27,009	26,334	369,828	

Approved Capital Programme

	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	Total
Service / Scheme	Revised Base Budget	Revised Base Budget	Revised Base Budget	Revised Base Budget	Revised Base Budget	Revised Base Budget	5 Year Budget Total
	£000	£000	£000	£000	£000	£000	£000
Adult Social Care							
ASC Capital Grant	0	540	-	-	-	-	540
Laptops	34	-	-	-	-	-	-
Call Handling Terminals	28	-	-	-	-	-	-
Changing Places Facility - Stoney Lane	86	-	-	-	-	-	-
ASC System Development	-	260	-	-	-	-	260
Contaminated Land Grant	8	-	-	-	-	-	-
Swift Impress System	58	-	-	-	-	-	-
Adult Social Care Total	214	800	-	-	-	-	800
Children and Education							
Orchard Building Works (Primrose)	12	-	-	-	-	-	-
PLAY Pathfinder	6	-	-	-	-	-	-
Youth Centre Queens Way	5	-	-	-	-	-	-
Plas Gwynant - Paddleboarding & Surfing Activities - Storage & Equip	35	-	-	-	-	-	-
<u>Schools Capital Programme Schemes:</u>							
Basic Need Grant - Unallocated	-	-	25,524	-	-	-	25,524
Connor Education Centre	200	-	-	-	-	-	-
Feasibility Work - Expansion of Secondary	228	-	-	-	-	-	-
Great Bridge Primary	16	-	-	-	-	-	-
Health Futures UTC	16	-	-	-	-	-	-
New Oldbury Primary - Lightwoods	174	-	-	-	-	-	-
Shenstone Lodge	186	-	-	-	-	-	-
West Bromwich Collegiate Academy - Phase 2	97	-	-	-	-	-	-
School Condition Allocation - Unallocated	-	-	18,107	5,400	5,400	5,400	34,307
Causeway Green Primary School	100	8,000	10,500	1,800	-	-	20,300
LifeCycle Property Maintenance	2,000	-	-	-	-	-	-
High Needs Grant - Unallocated	-	-	14,168	1,500	1,500	1,500	18,668
The Meadows Post 16 SEN Centre	301	-	-	-	-	-	-
Orchard School	177	-	-	-	-	-	-
The Meadows	870	-	-	-	-	-	-
Grace Mary Primary School Feasibility	20	-	-	-	-	-	-
The Priory Primary	30	-	-	-	-	-	-
Children & Education Total	4,473	8,000	68,299	8,700	6,900	6,900	98,799
Economy & Regeneration							
Environmental Improvements to Neighbourhoods	6	-	-	-	-	-	-
Regeneration Contingency - for Friar Park LUP	-	1,109	-	-	-	-	1,109
Section 106 Schemes	-	-	2,528	-	-	-	2,528
CIL Schemes	-	-	942	-	-	-	942
UK Shared Property Fund	582	-	-	-	-	-	-
Brandhall - Golf Club House Demolition	147	-	-	-	-	-	-

Approved Capital Programme

	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	Total
Service / Scheme	Revised Base Budget	Revised Base Budget	Revised Base Budget	Revised Base Budget	Revised Base Budget	Revised Base Budget	5 Year Budget Total
LUP - ASB & Crime in Wednesbury	40	18	-	-	-	-	18
LUP - Friar Park Urban Village	444	5,600	5,000	-	-	-	10,600
LUP - Greenspace Improvements	250	1,036	-	-	-	-	1,036
LUP - Millennium Centre	1,363	478	-	-	-	-	478
LUP - Public Realm Wednesbury Town Centre	1,750	707	-	-	-	-	707
Pride in Place Impact Fund	-	1,500	-	-	-	-	1,500
Towns Fund:							
Rowley Regis - Blackheath Bus Exchange	2,777	799	-	-	-	-	799
Rowley Regis - Britannia Park Community Hub	623	-	-	-	-	-	-
Rowley Regis - Canal and River Trust	29	-	-	-	-	-	-
Rowley Regis - Connected	911	-	-	-	-	-	-
Rowley Regis - Satellite Education Hub / College	6,010	-	-	-	-	-	-
Smethwick - Connected	593	-	-	-	-	-	-
Smethwick - Midlands Met Learning Campus	3,624	-	-	-	-	-	-
Smethwick - Rolfe Street Regeneration	50	1,550	-	-	-	-	1,550
Smethwick - Grove Lane Regeneration	100	4,202	-	-	-	-	4,202
Smethwick - Ron Davis Centre Expansion	2	-	-	-	-	-	-
West Brom - Connected	24	-	-	-	-	-	-
West Brom - Retail Diversification Programme	1,704	-	-	-	-	-	-
West Bromwich Indoor Market Redevelopment / Re-Location	1,700	-	-	-	-	-	-
West Brom - Urban Greening	2	-	-	-	-	-	-
Economy & Regeneration Total	22,731	16,999	8,470	-	-	-	25,469
Environment & Public Protection							
Highways - Birchley Island (Feasibility)	1,156	3,190	-	-	-	-	3,190
Highways Local Network Improvement Plan (LNIP)	3,635	1,798	1,798	1,798	1,798	1,798	8,990
Highways Maintenance & Structures Main Programme (Council Resources)	6,445	2,995	2,995	2,995	2,995	2,995	14,975
Highways Maintenance & Structures (Grant Funded)	6,913	4,741	4,741	4,741	4,741	4,741	23,705
Highways Other Grant Funded Schemes	1,990	-	-	-	-	-	-
CCTV Upgrade - West Bromwich	160	-	-	-	-	-	-
CCTV Cameras	117	-	-	-	-	-	-
Vehicles	841	1,500	1,500	1,500	1,500	1,500	7,500
Environment & Public Protection Total	21,257	14,224	11,034	11,034	11,034	11,034	58,360
Housing							
Disabled Facilities Grants	6,500	6,871	7,868	4,800	4,800	4,800	29,139
Empty Properties - Barclay Road	679	-	-	-	-	-	-
HMRA Ringfenced Receipts - Vulnerable Homeowners	373	-	-	-	-	-	-
Self Service Customer Portal	107	-	-	-	-	-	-
Vulnerable Homeowners Improvements (Kick Start)	386	-	-	-	-	-	-
Warm Homes Healthy People	1	-	-	-	-	-	-
Housing Total	8,046	6,871	7,868	4,800	4,800	4,800	29,139
Property & Assets							

Approved Capital Programme

	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	Total
Service / Scheme	Revised Base Budget	Revised Base Budget	Revised Base Budget	Revised Base Budget	Revised Base Budget	Revised Base Budget	5 Year Budget Total
Access Fund	230	300	300	300	300	300	1,500
Blackheath Library - Fit Out Costs	56	-	-	-	-	-	-
BSF - Schools for the Future	69	-	-	-	-	-	-
Childrens Trust Accommodation Works	77	-	-	-	-	-	-
King Street, Wednesbury Health Centre	141	-	-	-	-	-	-
Mobile Working	41	-	-	-	-	-	-
PMA - The Central Sixth Form Building Works	500	-	-	-	-	-	-
PMA Capitalisation	1,205	800	800	800	800	800	4,000
PMA Capitalisation - Additional Works	1,488	-	-	-	-	-	-
Property Refurbishment	1,186	1,000	1,000	1,000	1,000	1,000	5,000
Tipton Carneige Centre - Boiler	154	-	-	-	-	-	-
St Pauls Community Centre - Boiler	139	-	-	-	-	-	-
The Hollies Day Centre - Boiler - Pipeline	180	-	-	-	-	-	-
Alberta Building, Smethwick - Boiler	136	-	-	-	-	-	-
Sure Start Children's Centre, West Bromwich - Boiler	128	-	-	-	-	-	-
MASH Offices Sandwell Couuncil House - Air Con / Ventilation	167	-	-	-	-	-	-
Demolition of Browns Farm at Forge Mill	56	-	-	-	-	-	-
PSDS Heat Pump Technology	140	-	-	-	-	-	-
PSDS - Phase 3c	1,898	-	-	-	-	-	-
Lightwoods Park HLF	210	-	-	-	-	-	-
Haden Hill Leisure Centre	2,371	17,268	5,000	-	-	-	22,268
Playzones - x 5 (Football Foundation)	768	-	-	-	-	-	-
Manor House Conservation Plan	241	-	-	-	-	-	-
Bromwich Hall (Manor House)	453	-	-	-	-	-	-
Allotment Site Fencing	62	-	-	-	-	-	-
Property & Assets Total	12,096	19,368	7,100	2,100	2,100	2,100	32,768
Finance & Transformation							
ICT - End User Computing	2,502	1,200	1,200	1,200	1,200	1,200	6,000
Oracle Fusion ERP System - Redwood Project	380	-	-	-	-	-	-
Telephony System	79	-	-	-	-	-	-
New Cemetery - West Bromwich	155	3,353	-	-	-	-	3,353
Fallings Heath Cemetry Infrastructure Scheme	97	-	-	-	-	-	-
Cremator Reline	14	-	-	-	-	-	-
Drainage Infrastructure Improvements at Tipton Cemetery	10	-	-	-	-	-	-
Refractory Reline of 2 Cremators at Sandwell Valley Crematorium	118	-	-	-	-	-	-
Replacement of Large Ride on Mower - Sandwell Valley Crematorium	16	-	-	-	-	-	-
Refurbishment of Welfare & Storage Facilities at Tipton Cemetery	36	-	-	-	-	-	-
Finance & Transformation Total	3,407	4,553	1,200	1,200	1,200	1,200	9,353
Assistant Chief Executive							
Public Realm	-	33	-	-	-	-	33
Assistant Chief Executive Total	-	33	-	-	-	-	33
Total Capital Approved Programme	72,224	70,848	103,971	27,834	26,034	26,034	254,721

SMBC 6 YEAR CAPITAL PRGRAMME - GENERAL FUND

Annex 9A

Approved Capital Programme

	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	Total
Service / Scheme	Revised Base Budget	Revised Base Budget	Revised Base Budget	Revised Base Budget	Revised Base Budget	Revised Base Budget	5 Year Budget Total
TOTAL - Financing							
Total Grant Funded Schemes	45,003	51,861	96,176	20,039	18,239	18,239	204,554
Total Prudential Borrowing Funded Schemes	24,044	16,287	5,095	5,095	5,095	5,095	36,667
Total Capital Receipts Funded Schemes	-	-	-	-	-	-	-
Total RCCO Funded Schemes	3,177	2,700	2,700	2,700	2,700	2,700	13,500
Total Capital Approved Prgramme Funding	72,224	70,848	103,971	27,834	26,034	26,034	254,721

General Fund Capital Programme

Pipeline Project Proposals

	Proposed Budget 2026/27 £m	Proposed Budget 2027/28 £m	Proposed Budget 2028/29 £m	Proposed Budget 2029/30 £m	Proposed Budget 2030/31 £m	Proposed Total Budget £m	Proposed SMBC Funding Contrib- ution £m	Lifetime Revenue Budget Cost £m
Children & Education								
SCT - Residential Facility	1.350	1.350	-	-	-	2.700	2.700	4.789
	1.350	1.350	-	-	-	2.700	2.700	4.789
Place								
LUP Round 3 - Grove Lane	9.032	11.039	-	-	-	20.071	2.007	3.560
CRSTS - A461 WCB Corridor	4.167	4.167	4.166	-	-	12.500	-	-
CRSTS - ULEV Black Country	0.800	0.800	0.800	-	-	2.400	-	-
CRSTS - BC LC WIP	0.533	0.533	0.534	-	-	1.600	-	-
CRSTS - A4123 WCB Corridor	0.400	0.400	0.400	-	-	1.200	-	-
CRSTS - Smethwick to Birmingham Growth Corridor	5.984	6.333	6.333	-	-	18.650	-	-
CRSTS - Wednesbury to Brierly Hill Sustainable Access Measures	2.406	2.667	2.667	-	-	7.740	-	-
New Archive Centre	-	20.000	-	-	-	20.000	3.000	5.321
User Owned Fleet Replacement	0.318	-	-	-	-	0.318	0.318	0.385
Forge Mill Farm Shop, Toilet and Entrance	-	0.245	-	-	-	0.245	0.245	0.317
Community Concern - Road Safety Sites	0.075	0.150	0.175	0.175	0.200	0.775	0.775	1.004
Grass Verge Parking	0.100	0.100	0.100	0.100	0.100	0.500	0.500	0.648
Wrights Lane - Footpath Upgrade (Phase 2)	0.150	-	-	-	-	0.150	0.150	0.217
Roads & Footways - Maintenance Additional	1.500	1.000	1.000	-	-	3.500	3.500	5.058

	Proposed Budget 2026/27 £m	Proposed Budget 2027/28 £m	Proposed Budget 2028/29 £m	Proposed Budget 2029/30 £m	Proposed Budget 2030/31 £m	Proposed Total Budget £m	Proposed SMBC Funding Contrib- ution £m	Lifetime Revenue Budget Cost £m
Brandhall - Club House New Eco Park	0.653	-	-	-	-	0.653	0.653	1.048
PMA - 160 Beeches Road - Roof Works	0.180	-	-	-	-	0.180	0.180	0.289
PMA Capital Works - Various	0.405	-	-	-	-	0.405	0.405	0.650
Stanhope - Retaining Wall	0.130	-	-	-	-	0.130	0.130	0.231
Bereavement Services - Air Conditioning (Oldbury, Fallings Lane, Thimblemill & Heath Lane)	0.014	-	-	-	-	0.014	0.014	0.018
Bereavement Services - Site Security	0.186	-	-	-	-	0.186	0.186	0.241
Cems & Crems - Road Resurfacing - Various Sites	0.780	0.530	0.530	0.700	-	2.540	2.540	3.289
Rowley Crematorium - Improvements	0.061	-	-	-	-	0.061	0.061	0.079
Sandwell Valley Crematorium - Improvements	0.125	-	-	-	-	0.125	0.125	0.162
Town Halls (WB & Wednesbury) - AV and Fixtures & Fittings	0.252	-	-	-	-	0.252	0.252	0.305
Highfields House - Infrastructure	0.070	-	-	-	-	0.070	0.070	0.091
Oldbury Welfare Unit - Refurbishment	0.060	-	-	-	-	0.060	0.060	0.087
Priority Demolition Works - Various Sites	0.889	-	-	-	-	0.889	0.889	1.285
PMA - Additional Capital Works	5.529	6.083	0.406	-	-	12.018	12.018	19.287
Haden Hill Contingency	-	2.400	-	-	-	2.400	2.400	4.257
Play Areas	0.500	-	-	-	-	0.500	0.500	0.648
	35.299	56.447	17.111	0.975	0.300	110.132	30.978	48.475
Finance & Transformation								
West Bromwich Cemetery - Additional	0.557	1.625				2.182	2.182	1.850

	Proposed Budget 2026/27 £m	Proposed Budget 2027/28 £m	Proposed Budget 2028/29 £m	Proposed Budget 2029/30 £m	Proposed Budget 2030/31 £m	Proposed Total Budget £m	Proposed SMBC Funding Contrib- ution £m	Lifetime Revenue Budget Cost £m
Fallings Heath Cemetery - Installation of Chamber Graves and Drainage Improvements	0.094	-	-	-	-	0.094	0.094	0.136
	0.651	1.625	-	-	-	2.276	2.276	1.986
Grand Total	37.300	59.422	17.111	0.975	0.300	115.108	35.954	55.250

Proposed Funding

	Proposed Budget 2026/27 £m	Proposed Budget 2027/28 £m	Proposed Budget 2028/29 £m	Proposed Budget 2029/30 £m	Proposed Budget 2030/31 £m	Proposed Total Budget £m
Funding						
Grants and Contributions	23.322	40.932	14.900	-	-	79.154
Capital Receipts	-	-	-	-	-	-
Earmarked Reserve/ Revenue Contribution	-	1.139	-	-	-	1.139
Prudential Borrowing	13.978	17.351	2.211	0.975	0.300	34.815
Total Funding	37.300	59.422	17.111	0.975	0.300	115.108

Note: Lifetime revenue costs are charged to the General Fund over the life of the asset.

Housing Revenue Account (HRA) – Draft Revenue Budget 2026/27

Contents	Paragraph Number
Introduction	1
Council Tenant Rents and Housing Related Property Charges	7
Draft Housing Revenue Account (HRA) Budget 2026/27	13
HRA Ringfence	24
HRA Reserves	25
Housing Improvement Plan	30
HRA Treasury Management Strategy	32

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. The HRA Budget is ring-fenced and must be sustainable without any cross subsidy from/to the Council's General Fund Budget.
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 the Self Financing HRA Business Plan 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.
 - iv. Rent income is a key component of the HRA finances. As a ringfenced account, all costs must be met from this revenue source. This includes all day to day running costs and any financing costs associated with capital investment. The original HRA Business Plan set in 2011 was based on the ongoing management, maintenance and future investment requirements in the stock. together the debt reflecting the end of the old housing subsidy system.

4. To meet the cost of the required investment, the original Business Plan assumed that the system of rent convergence introduced in 2002 would be completed as planned by 2012/13. Rent convergence was introduced with a “formula” rent set for all social housing properties based on the average valuation in 1999 and the number of bedrooms, adjusted for local and national earnings and property valuations. The Business Plan assumed that over a period of years actual rents would converge so that by 2013 all properties would be at formula rent.
5. Subsequent national rent policy decisions have meant that while formula rents have increased each year, actual rents have risen at a lower rate with reductions in a number of years and rent convergence formally ended in 2015. As a result, actual rents are still much lower than formula rents, in 2025/26 SMBC actual rents are £96.18 per week compared to an average formula rent of £106.73. This equates to approximately £14.2m in rent income which was assumed in the original Business Plan but which is not currently available to the HRA.
6. This report looks to provide information on the Draft HRA Budget for 2026/27 and forward financial forecast through to 2030/31 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

7. On 30 June 2025, the Government announced a 10-year social housing rent settlement from April 2026 at Consumer Price Inflation (CPI) +1%.
8. Alongside the 10-year rent settlement, the Government announced that consultation would follow on how to implement Rent Convergence to bring all social rents into line with a standard formula rent creating greater fairness for tenants.
9. The Rent Convergence consultation ended on 27 August 2025. The key choices the Government sought views was to increase rent each year by £1 or £2 over and above CPI+1% limit and the length of time of convergence.
10. The outcome of the consultation was expected to be announced on 26 November 2025 in the Government Autumn Budget however this has now been deferred with a Government announcement now due in January 2026.
11. At its meeting on 9 December 2025 Full Council agreed to:
 - (a) authorise the Executive Director of Place to adjust council rents and housing related charges with effect from 6 April 2026;
 - (b) increase housing rents by CPI+1%, equivalent to a 4.8% increase, and in addition, where required, implement the maximum Rent Convergence as set by Government from 6 April 2026 and subsequent years, until formula rent is achieved. Details to be announced by Government in January 2026;
 - (c) increase the housing service charges by CPI+1%, equivalent to a 4.8% increase;

- (d) increase fees at CPI (announced in month proceeding variation notice being issued) at the traveller's pitch in Hill View, Tipton, in consultation with residents of the site, in line with Legislation on Mobile Homes (Pitch Fees Act 2023);
 - (e) increase rent and service charges on properties that sit outside the Housing Revenue Account (including service tenants for Parks, Sandwell Valley and Caretaking). Rental increase of CPI+1% and service charges by CPI+1%;
 - (f) increase the leaseholder annual management fee by CPI+1% from £167.13 to £175.15;
 - (g) authorise the Executive Director - Place to implement the maximum rent convergence for the next rent period, and all subsequent years, until formula rent is achieved.
12. At the time of writing this report no Government announcement has been made regarding the decision on Rent Convergence. At this stage no assumptions have been made regarding the impact of rent convergence on the HRA Budget and Business Plan. All other rents and housing related charges for 2026/27 have been increased in line with the recommendations approved by Full Council on 9th December 2025. The Housing Revenue Business Plan has been refreshed in consultation with Savills. For 2026/27 to 2036/37 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
2026/27	2027/28	2028/29	2036/37 Onwards (CPI only)
4.8%	3.5%	3.00%	2.0%

Draft Housing Revenue Account Budget 2026/27 to 2030/31

- 13. The Council own over 28,300 properties for rent (949 of which are within the PFI scheme at Harvills Hawthorn and are managed externally) and the freehold on over 1,250 leasehold flats across the borough and other buildings. These properties are managed through our own Housing Services.
- 14. Table 2 sets out the current approved budget for 2025/26, the 2025/26 forecast outturn (shaded), the draft HRA budget for 2026/27 together with the forecast for the following 4 years. The 2025/26 budget and forecast include the approved use of HRA Reserves in year to meet one off costs to address the current backlog of responsive repairs (£3.000m) and other service pressures of (£0.336m).
- 15. After allowing for planned use of reserves and adjusting the in year interest payable and interest earned to align with the latest Business Plan Forecasts there is a now net forecast overspend to be funded from reserves of £3.157m in 2025/26 including one-off spend to mitigate asset management pressures relating to Stock Condition, Damp & Mould, Housing Disrepair Claims and Voids Backlog.

16. The Draft HRA budget for 2026/27 reflects a number of key assumptions:

- i. 4.8% increase in rent and service charges followed by annual increases of CPI plus 1%,
- ii. 1.76% allowance for void properties,
- iii. A significant increase in Right to Buy sales over the next 3 years (340 in 26/27, 114 in 27/8 and 28/9)
- iv. All properties to automatically move to formula rent when relet from 1st April 2026,
- v. Assumed pay increase of 3.6% from 1st April 2026 offset by reduced pension costs,
- vi. An increase in central/shared service recharges from the General Fund to reflect inflation and additional investment in services including Oracle Fusion and Telephony,
- vii. Increased costs arising from Housing Disrepair Claims and associated legal costs.
- viii. Increased asset management investment in adaptations, communal gas and electricity, void properties, responsive repairs, Housing Regulatory requirements and compliance with new legislation including Awaab's Law,
- ix. Contribution of £20.7m to the Major Repairs Reserve to fund the Decent Home Capital Programme.
- x. Borrowing costs (interest payable) of £30.5m in 2026/27 rising to £37.1m in 2030/31 based on existing debt and current capital programme forecast.
- xi. One off expenditure of £1.007m to mitigate Asset Management pressures relating to Housing Disrepair Claims, Damp & Mould and voids backlog.

17. The current draft budget for 2026/27 shows a deficit of £8.857m to be met from HRA Reserves.

Table 2: Housing Revenue Account Draft Budget 2026/27 to 2030/31

Housing Revenue Account	2025/26 Budget £'000	2025/26 Forecast £'000	2026/27 Original £'000	2027/28 Estimated £'000	2028/29 Estimated £'000	2029/30 Estimated £'000	2030/31 Estimated £'000
Repairs and maintenance	42,135	43,080	43,172	42,743	43,482	44,256	45,268
Supervision and management	62,874	61,971	68,303	69,784	70,998	72,236	73,499
HRA - Provision for bad debts	980	980	1,258	1,062	1,100	1,136	1,175
Depreciation Charges	20,520	20,520	20,692	20,873	21,217	21,610	22,008
Interest payable and similar charges	28,514	28,811	30,469	32,363	33,793	35,831	37,131
Revenue contributions to capital	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Total Expenditure	157,022	157,362	165,894	168,825	172,590	177,068	181,081
Dwelling Rents	(137,811)	(137,483)	(144,338)	(149,129)	(154,545)	(159,654)	(165,047)
Non Dwelling Rents	(25)	(25)	(48)	(49)	(50)	(51)	(52)
Service Charge Income	(4,222)	(5,425)	(4,992)	(5,213)	(5,317)	(5,423)	(5,532)
Other income and contributions	(9,610)	(6,038)	(6,217)	(6,229)	(6,239)	(6,250)	(6,261)
Interest and Investment Income	(2,019)	(1,898)	(1,443)	(1,111)	(893)	(712)	(564)
Total Income	(153,687)	(150,869)	(157,037)	(161,730)	(167,044)	(172,090)	(177,455)
HRA (Surplus)/Deficit	3,336	6,493	8,857	7,094	5,546	4,978	3,625
Current approved use of reserves	(3,336)	(3,336)					
2025/26 Budget Variation		(3,157)					
2026/27 use of reserves			(8,857)				
Future years estimated deficit				(7,094)	(5,546)	(4,978)	(3,625)
Use of Reserves	(3,336)	(6,493)	(8,857)	(7,094)	(5,546)	(4,978)	(3,625)

18. The current 5 year ongoing annual deficit is not sustainable and would reduce HRA reserves below the HRA Minimum Working balance. The projected deficit in 2026/27 of £8.857m can be funded through one-off use of reserves with mitigation required to deliver budget reductions of £7.094m in 2027/28, of which £5.546 needs to be ongoing into 2028/29.
19. The most significant unknown factor at this stage affecting HRA forecasting is the outcome of the Government decision on rent convergence as this will potentially provide significant mitigation, particularly due to the cumulative impact in later years. Subject to Government announcement re the decision and timing, full implementation of the maximum amount of rent convergence was agreed by Council on 9th December 2025. If convergence is implemented at £2 per week this would provide additional income of approximately £1.9m each year over the initial 5 year period, in addition to moving all new tenants to formula rent as properties are relet from 1st April 2026.
20. However, even if convergence is agreed at £2 per week there will still be a deficit of approximately £5.2m in 2027/28, falling to £1.65m in 2028/29, and a range of actions are now being identified to mitigate this.
21. Ongoing transformation work will reduce void turnaround times and the rent loss and council tax charges arising. It is anticipated that early interventions will see void turnaround times fall from their peak of 104 days in 25/26 to an average of 60 days in 26/27. Coupled with the one-off expenditure to address the backlog of voids work this should reduce the average number of voids by approximately 100 which would reduce the average void loss from 1.76% to 1.39%. This will reduce the annual rent loss by approximately £0.550m and the Council Tax charge for void properties by £0.110m in a full year. Further reductions are anticipated following procurement of new contractors mid 2026/27 with more robust contracts providing additional capacity and improved value for money.
22. This leaves a residual deficit in 2027/28 of approximately £4.5m to be addressed through:
 - i. Options to increase rental through new build/acquisition of additional properties by developing further options within our pipeline and maximising the use of available capital receipts and government grants,
 - ii. An asset management capital investment strategy will be implemented to separate out component replacements currently undertaken within the Repairs Team. This will allow for capitalisation in a planned approach from the stock condition survey programme as well as a programme resulting from repair referrals. This will provide a more strategic approach to maintenance and a reduction to the forecast spend on the revenue budget. The capital budget has been aligned to ensure there is sufficient budget to afford this approach.
 - iii. Mitigating future disrepair claims and costs. This will be achieved by proactively undertaking repairs on time, negating multiple breaches and associated financial impact. The revised capital strategy investing in replacing failing components will address disrepair at source.
 - iv. Other efficiency measures to be identified.

23. Going forward, 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. how the new future for Council housing can help the borough to deliver our overall objectives.

HRA Ringfence

24. The Housing Revenue Account is a ring-fenced account, separately accounted for within the Council's Ledger System with separate hierarchies and cost centres to support budgetary management and control. Systems and processes are in place to ensure that HRA costs and income are accounted for separately and to ensure that any charges between the HRA and General Fund for shared and support services are up to date and appropriate. Internal recharge arrangements will be subject to a joint review with the service during 2026/27 to ensure ongoing compliance with accounting requirements.

HRA Reserves

25. The estimated level of HRA reserves at 1st April 2026 is £44.690m. A minimum HRA Working Balance has been set at £15.704m in 2026/27 (based on 10% of gross HRA turnover) to provide 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.

26. In addition, in recent years Sandwell has maintained a higher level of reserves to ensure that there are enough funds available to service any borrowing requirements to fund future capital investment in our stock.

27. Table 3 sets out the forecast HRA Reserves position over the next 5 years before any mitigation to address the ongoing deficit:

Table 3: HRA Reserves

HRA Reserves	2025/26 Budget £'000	2025/26 Forecast £'000	2026/27 Original £'000	2027/28 Estimated £'000	2028/29 Estimated £'000	2029/30 Estimated £'000	2030/31 Estimated £'000
HRA Reserves at 1st April	(51,183)	(51,183)	(44,690)	(35,833)	(28,739)	(23,192)	(18,214)
Current approved use of reserves	3,336	3,336					
2025/26 Budget Variation		3,157					
2026/27 Budgeted use of reserves			8,857				
Future years estimated deficit				7,094	5,546	4,978	3,625
HRA Reserve at 31st March	(47,847)	(44,690)	(35,833)	(28,739)	(23,192)	(18,214)	(14,588)

28. The forecast reserves position in 2030/31 is now below the estimated HRA Minimum Working Balance of £17.460m based on 10% of gross turnover in that year. This forecast will be updated to reflect actions currently being developed to mitigate annual revenue pressures and to maintain minimum reserve requirements alongside provision to support borrowing costs arising as a result of any increased capital programme investment identified following completion of the current Stock Condition Survey.
29. 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.

Housing Improvement Plan

30. There are several significant changes required within the Housing Service to ensure that it can deliver the landlord services required 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 the Housing Improvement Plan is being overseen by the Housing Transformation Board, Senior Leadership Team, Cabinet Member for Housing & Planning, Safer Neighbourhoods and Active Communities Scrutiny Board and the Tenant & Leaseholder Scrutiny Board. The key deliverables are amongst ten workstreams.
31. The most critical project is the plan to procure an integrated housing management IT system/s. Current systems are ineffective and some areas of work remain dependant on manual systems. The systems require significant manual intervention to ensure workflow and compliance reporting is accurate and transparent. This work has started with the implementation of a new Compliance System in 2025/26 and it is anticipated that there will be significant efficiency savings that can be achieved with the implementation of the wider integrated housing management system, for which procurement will commence in early 2026.

Treasury Management Strategy and Annual Investment Strategy

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

Housing Revenue Account (HRA) – Draft Capital Programme 2026/27

Draft HRA Capital Programme

1. In line with regulatory standards, it is essential to ensure that the Council's Housing 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.
2. The requirements placed on Landlords have changed significantly in recent years driven by tragic incidents and changes to legislation which have followed. Landlords are also subject to scrutiny by the Regulator of Social Housing (RSH). In October 2024, the RSH issued a 'C3' Regulatory Judgement (RJ) to the council indicating that there are serious failings in the landlord delivering the outcomes of the consumer standards and significant improvement is needed. In response the Council has developed a comprehensive service improvement plan to both address the specific concerns of the RSH and to improve customer satisfaction with the overall service.
3. In December 2025, the government introduced flexibilities in respect of accumulated 1-4-1 receipts to allow new build or acquisitions (with the cap on acquisitions also removed) of properties to be funded 100% through 1-4-1 receipts with no requirement for match borrowing and that 1-4-1 receipts may be used in conjunction with grant funding for new build and acquisitions. 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.
4. The Housing Revenue Account capital programme assumes that new build and acquisition expenditure is funded through 1-4-1 receipts once the current Levelling Up Fund (LUF) scheme is complete. At present no new grant funded schemes are included within the draft capital programme as we are awaiting clarity from the government on how the blend of 1-4-1 receipts, grants and other sources of funding may be applied in practice.
5. 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.

Investment Principles: HRA New Build/Purchases

6. The HRA New Build Programme includes pipeline schemes at different stages of development as well as provision to deliver further properties over the next 5 year period. Table 1 sets out the current HRA Business Plan assumptions regarding units delivered by 2030/31 with anticipated rental income reflected in annual revenue budgets.

Table 1: HRA New Build/Acquisitions assumed in Business Plan

New Build/Acquisitions	2026/27 Original No.	2027/28 Estimated No.	2028/29 Estimated No.	2029/30 Estimated No.	2030/31 Estimate No.
New Build/Acquisitions					
New Build	15	70	-	-	-
141 Acquisitions	28	28	28	15	15
141 Unallocated	43	35	35	33	32
Total New Build/Acquisitions	86	133	63	48	47

Investment Principles: HRA Stock & Transformation

7. The capital investment strategy has focused on supporting High Risk Building refurbishments over the last 2 years with limited capacity to deliver component replacements required at end of life or repair failure. This has resulted in the requirement for the Repairs Team to undertake this work. With the conclusion of the high-risk building refurbishments, the 5-year capital programme has been profiled based on the initial findings of the stock condition survey programmes and to facilitate component replacements due to repair referrals.
8. The Home Improvement budget will be utilised to deliver a programme to support the attainment of Decency, support attainment of EPC C across our stock and have the capacity to support repair referrals to ensure a strategic approach to maintenance and a reduction in the revenue spend. The stock condition programme concludes at the end of 2026 when further programmes will be developed to deliver the 30-year business plan.
9. We are undertaking a survey programme that will enhance the understanding of our High-Risk Buildings and subsequently there is a commitment to support the delivery of capital works to support building safety and associated works such areas as Lift refurbishment and replacement, cladding repair and fire door replacement.
10. The programme also supports the remaining and ongoing commitment to Major Aids and Adaptations to support residents within their homes, as well as supporting Environmental improvements within our communities.
11. Specific provision of £2.9m is also included to support the procurement of a integrated housing management IT systems.
12. The Draft Capital Programme is outlined in Table 2 which has been reflected in the HRA 30-year Business Plan.

Table 2: HRA Draft Capital Programme Draft 2026/27 to 2030/31

HRA Capital Programme	2025/26 Budget £'000	2026/27 Original £'000	2027/28 Estimated £'000	2028/29 Estimated £'000	2029/30 Estimated £'000	2030/31 Estimate £'000
New Build/Acquisitions						
HE Funded Schemes	2,986	-	-	-	-	-
LAHF property purchases	1,079	-	-	-	-	-
Tipton Regeneration (LUF)	5,000	20,553	317	-	-	-
Langley Baths (remediation)	428	-	-	-	-	-
RTB Sales Funded Schemes	17,307	16,459	18,155	18,036	17,396	17,396
Total New Build/Acquisitions	26,800	37,012	18,472	18,036	17,396	17,396
Investment						
Major Projects	31,891	2,056	175	-	-	-
High Rise and Building Safety	716	9,450	6,989	7,091	7,192	4,166
Aids & Adaptations	2,778	2,800	2,800	2,800	2,800	3,378
Home Improvements	21,151	24,025	22,285	22,911	22,779	22,516
Riverside PFI	2,255	2,000	2,000	2,000	2,000	2,000
Estate Improvements	2,088	2,646	1,485	1,515	1,545	1,576
Integrated Housing Management System	395	803	1,115	460	110	0
Transformation and Capital salaries	2,978	2,547	2,624	2,689	2,757	2,821
Other Projects	-	5,435	12,960	15,799	15,041	-
Total Investment	64,252	51,762	52,433	55,265	54,224	36,457
Capital Programme Total	91,052	88,774	70,905	73,301	71,620	53,853
Funding						
141 Receipts	17,307	16,459	18,155	18,036	12,055	-
Capital Receipts	-	-	-	-	5,341	17,396
Grants	5,948	12,366	-	-	-	-
Major Repairs Reserve	20,520	20,692	20,873	21,217	21,609	21,985
Borrowing	45,022	37,257	29,877	32,048	30,615	12,472
Revenue Contribution (RCCO)	2,255	2,000	2,000	2,000	2,000	2,000
Total Funding	91,052	88,774	70,905	73,301	71,620	53,853

Dedicated Schools Grant (DSG) and Schools Funding 2026/27

Schools Funding Settlement

1. The School and Early Years Finance Regulations 2023 set out the funding arrangements for the 2026/27 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 2026/27 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 Schools 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 Dedicated Schools Grant (DSG) allocations and draft school budgets as included within this annex to the MTFS at their meeting of 19th January 2026.
5. As part of the budget process, the Council allocates the DSG to schools in consultation with the Schools Forum. On 17th December 2025, the government announced the 2026/27 DSG settlement, which for all Sandwell schools is the sum of £538.913m. This represents an increase of 5.68% from the corresponding amount in 2025/26 (£509.954m), however, after adjustments to the allocations, the % increase in the DSG settlement is 5.31%, as shown in Table 1 below.
6. The DSG is made up of four 'blocks' which are as follows:
 - Schools Block
 - High Needs Block
 - Early Years Block
 - Central Schools' Services Block
7. This funding is distributed to local authorities using the Schools and High Needs National Funding Formulae (NFF).
8. **Schools Block** includes funding for pre-16 and post-16 places in: maintained mainstream schools (pre-16 places in special units and resourced provision and post-16 high needs places) maintained special schools (pre-16 and post-16 places) pupil referral units (PRUs)

9. **High Needs Block** relates to provision for children and young people with special educational needs and disabilities (SEND) who require additional resources to participate in education and learning, mainly in schools and colleges, from their early years to age 25 (excluding young people aged 19 to 25 who do not have an education, health and care plan (EHC) plan and individuals who are over the age of 25)
10. **Early Years Block** funds:
 - the 15 hours entitlement for eligible working parents of children from 9 months to 2 years old
 - the 15 hours entitlement for eligible working parents of 2-year-old children
 - the 15 hours entitlement for disadvantaged 2-year-olds
 - the universal 15 hours entitlement for all 3 and 4-year-olds
 - the additional 15 hours entitlement for eligible working parents of 3 and 4-year-olds
11. **Central School Services Block** funds local authorities for the statutory duties that they hold for both maintained schools and academies. It includes historic commitments and funding for ongoing responsibilities.
12. Table 1 below shows how the DSG has been allocated across the four blocks and comparison to corresponding amounts published for the prior financial year:

Table 1

DSG Block	2026/27 Allocations			2025/26	
	Allocation prior to Adjustments	Adjustments	Allocation after adjustments	Allocation after adjustments	% change 2026/27 vs 2025/26
	£m	£m	£m	£m	%
Schools Block	393.411	(3.881)	389.529	375.366	3.77
High Needs Block	87.147	(5.368)	81.779	77.607	6.11
Early Years Block	55.498	-	55.498	47.307	17.31
Central Schools Services	2.857	-	2.857	2.661	7.33
Total	538.913	(9.249)	529.663	502.942	5.31

13. The High Needs Block allocations are provisional figures and will be updated in the new year. The adjustment for import/export will be updated in the summer term 2026 to reflect the latest data from the January 2026 schools census and the RO6 of the 2025 to 2026 Individual Learner Record (ILR). The Department for Education (DfE) will make further adjustments in April 2026 to the place funding deductions for the academic year 2026 to 2027 to reflect the outcome of the 2026 to 2027 place change notifications process and to reflect further academy conversions. The adjustment column in the table above reflects initial information that has been provided so far.

14. The significant 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 continues to take place on how this expansion will work in the coming weeks.
15. 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 be considering such a request, after reviewing the contents of the White Paper SEND reform plans that Central Government are due to publish in January 2026. Any such proposal will have to go to school's forum for consultation.

Context and Key Issues

16. Following the announcement of DSG allocations for 2026/27, detailed work has been undertaken to allocate funding to individual schools from the Schools Block.
17. The amount to be distributed has been calculated as £387.046m as shown in Table 2 below:

Table 2

Description	2026/27	2025/26
	£m	£m
Schools Block (before adjustments)	393.411	378.656
Adjustments re NNDR	(3.881)	(3.290)
Allocation after Adjustments	389.529	375.366
Set aside – Pupil Number Growth contingency	(0.450)	(1.000)
Set aside – Fallings Rolls Funding contingency	(1.511)	(0.840)
Transfer from Schools Block to Central Schools Services Block	(0.522)	(0.522)
Amount Available to Distribute	387.046	373.004

18. The school funding model has to be submitted to meet the DfE deadline of 22nd January 2026 for review and final confirmation of the budgets.

Capping and Scaling

19. 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 has been applied in 2026/27.
20. In order to mitigate the shortfall of £5.997m in the schools funding model the Minimum funding guarantee (MFG) was set at -0.5%, then 0.201% capping and 44.762% scaling was subsequently applied. Note: 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.

The MFG is a mechanism introduced by the DfE to ensure that no school loses more than a certain percentage of their funding per pupil from one year to the next. This guarantee is designed to protect schools from significant funding cuts and applies specifically to per pupil funding, not overall funding.

21. 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.

National Funding Formula

22. The Sandwell Schools Formula is now in line with DfE requirements. Schools Forum, following consultation, agreed a decision to move to the National Funding Formula (NFF) one year earlier. The government plans state that ALL schools MUST move to the NFF by 01st April 2027. 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.

Dedicated Schools Grant and High Needs Block Funding

23. The pressure within the High Needs Block (HNB) for 2025/26 is anticipated to be an in-year overspend of £6.863m at period 7 (31st October 2025). Following the use of carry forward DSG reserves from 2024/25 of £2.696m the net overspend is forecast at £4.167m. Assuming a similar level of expenditure to 2025-26 we anticipate that further pressures will be realised within the HNB DSG and current estimates are indicating an overall deficit within the DSG of £8.5m could be realised by the end of 2026-27.
24. This position includes all known transfers and the backlog of Education Health Care Plans (EHCPs) that have resulted in financial support. Work continues to manage the ongoing influx of requests for EHCP assessments. Nationally, the number of Children with an EHCP increased by 140% since legislative change in 2015, however, the funding increases provided to pay for extra support has not increased at the same rate.
25. The increase in demand for SEND provision has raised concerns about the capacity and quality of provision, and the impact on Local Authority finances. Local Authorities across the country continue to face significant financial pressures within the High Needs Block (HNB) with cumulative deficits now reportedly exceeding £6 billion nationally, however, demand within the HNB is anticipated to grow further in the next few years. Sandwell is experiencing a growing demand for focused support for children and young people (CYP) with Special Educational Needs and Disabilities (SEND), reflecting national trends and highlights the urgent need to ensure that all CYP can access appropriate, high-quality education and support within their local communities.
26. The Council is working on a mitigation strategy to address this projected significant demand on the High Needs Block. Work is underway with a strategic partner to enhance and progress the SEND Transformation programme over a 12-month period. A series of anticipated areas of work have been identified that will consider and look at:
- SEND Strategy and Forward Planning
 - Locality Model
 - Implement a SEND Service Restructure
 - Design a Front Door Model for Inclusive Learning Services
 - Support the Development of a Whole School SEND and Inclusion Offer for Schools
 - Home to School Transport.

27. As local authorities continue to face significant pressure from Dedicated Schools Grant (DSG) deficits on their accounts, the government announced a 2-year extension to the DSG Statutory Override to support local authorities to manage these impacts, to 31st March 2028. The government has also confirmed that it will bring forward a full Schools White Paper early in January 2026. It is anticipated that this will set out substantial plans for reform of SEND provision, in order to deliver a sustainable system which supports children and families effectively, and which is also financially sustainable.
28. In the Autumn Budget, the government indicated that once the Statutory Override ends at the end of 2027-28, funding will be managed within the overall central government Departmental Expenditure Limits (DEL) envelope. Although this is a welcome sign from the government, until we receive full information as part of the final settlement and send reform white paper, it is very challenging to work out the financial impact to Sandwell Council as a local authority.
29. There is still an expectation that Local authorities will have to manage their resources and keep deficits as low as possible. Further guidance on managing this is expected to come forward as part of the broader SEND reform plans, which will include how deficit support will be given, together with best practice and case studies from previous programmes focussed on efficient spending, such as Safety Valve and Delivering Better Value.

Sandwell Metropolitan Borough Council

Housing Revenue Account Business Plan 2025/26 for 2026/27 Inputs and Assumptions Review Report

January 2026

PREPARED FOR



savills

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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 in preparation for the 2026/27 budget year and sets out the financial capacity and capability of the HRA to deliver on the Council's objectives in respect of the delivery of landlord services, stock investment, regeneration and new supply.

Savills have worked with officers to update the previous iteration of the HRA business plan, produced commencing financial year 2024/25.

In developing the plan and preparing this report, we have taken account of key economic and inflationary drivers, both national and local, as well a number of policy and related changes at a national level, introduced as a result of, and alongside, the Spending Review in June 2025, subsequent housing policy related consultations during the summer of 2025 and the Autumn Budget in November 2025.

In summary these include:

- Increased capital investment costs in the existing stock as a result of revised investment assumptions.
- Revised operating costs based on the latest budget estimates.
- Increased development costs in respect of new build and acquisition due to inflationary and market driven pressures.
- Continued high levels of interest rates available from the PWLB, albeit with discounts currently applied for HRA borrowing.
- Potential for continuing inflationary pressures on current operating costs which could outweigh income growth in the short-term.
- Government consultations on changes to the Decent Homes Standard and the introduction of a Minimum Energy Efficiency Standard (MEES), both of which inform business planning subject to confirmation by government, expected next year.
- A government consultation on the rate and pace at which rent convergence may be reintroduced, with the outcome now anticipated in January 2026.
- Changes to the Right to Buy (RTB), following an extensive government consultation in late 2024, the outcome of which is to restrict access to the RTB whilst also providing a greater degree of flexibility for the reinvestment of RTB receipts, including some measures which are subject to primary legislation yet to be introduced.

At this stage, the plan is based on the 2025/26 forecast outturn and the 2026/27 proposed budgets, but with the 2026/27 budget process still ongoing. The plan is therefore subject to further change 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.
3. The impact on the metrics and indicators which can form the basis of future investment management and planning decisions for the HRA.

2. Business plan model - Baseline

2.1 Introduction

The latest version of the HRA Business Plan financial model, the 'baseline' plan, has been developed from information provided by officers, based upon the forecast outturn position for the 2025/26 financial year and the proposed budgets for 2026/27, but recognising that the budget process is still ongoing.

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

2.2 Overview of methodology and assumptions

Overall

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

- 30-year projections launched from 2025/26, based on the forecasts for 2025/26 and proposed budgets for 2026/27.
- Core inflation (subject to scenario testing) projected at:
 - 2.5% for 2027/28
 - 2.0% from 2028/29 onwards.
- Rents increasing at:
 - Rent increases of CPI plus 1.0% for 10 years, in line with the current rent settlement, before reverting to CPI only from April 2036
 - Homes relet at formula rent including the rent flexibility, with an increased 4.5% annual turnover rate assumed, based upon prior year activity.
- Voids levels assumed to be 1.76% (adjusted in 2026/27 to match to proposed budget), and bad debts 0.7% (also adjusted in 2026/27 to match proposed budgets), both on an ongoing basis.
- Provision for depreciation increasing at CPI throughout.
- PFI arrangements assumed to end from April 2031 onwards, with the homes instead managed in-house.
- Pay cost assumed to increase at the rate of 3% for 2027/28 before reverting to core CPI from 2028/29.
- Repairs contract costs inflated by 3% for 2027/28, before reverting to core CPI from 2028/29.
- Capital maintenance of the existing tenanted stock (subject to Right to Buy sales) is initially modelled at a total of £1,172m (at today's prices before any adjustment) over 30 years from 2025/26; this provides for the existing capital programme for years 1 to 6, using year 6 to forecast the annual ongoing aspects of the investment across the remainder of the 30 years, in the absence of up to date stock condition data.
- The overall stock investment profile equates to £42,280 per property, which is significantly lower than national average benchmarks based upon LGA research undertaken in 2024 (which were in the region of £62,000 nationally), but with these averages rising as more condition surveys are completed, to around £69,000 in 2025/26. An investment need of £42,270 per property is very low, particularly in light of the number of high rise blocks in the borough.
- Inclusion of 267 acquisition and new build homes on identified sites, and funding for a further 1,359 acquisition or new build homes across the life of the plan, to ensure that Right to Buy receipts can be appropriately reinvested.
- Interest calculations based upon a portfolio of loans at 1 April 2025 totalling £319.4m attributed to the HRA, with an opening HRA Capital Financing Requirement (CFR) of £538.8m (excluding PFI liabilities), with interest initially charged on the internal borrowing of £219.4m at a rate of at 5.5%, reducing gradually to 5.2% from 2028/29 onwards.

- New borrowing assumed at a rate of 5.5% for 2025/26, 5.4% for 2026/27, 5.3% for 2027/28, reducing to 5.2% on an ongoing basis.
- Interest received on HRA cash balances at 4.04% in 2025/26, 3.65% in 2026/27 and 3.50% from 2027/28 ongoing.

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

- Borrowing for acquisitions and investment in the existing stock is approximately £289.6m during the first 15 years of the plan, with no borrowing currently assumed after this point.
- No provision is set aside to repay debt during the life of the business plan, with re-financing of loans assumed as they 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, as opposed to the outgoing rent, with an increased 4.5% turnover rate assumed, based upon prior year activity.

Void levels are incorporated into the financial model at 1.76% from 2027/28 onwards, and an annual contribution to the bad debt provision of 0.7% has been modelled from this point, based upon anticipated performance. The rates for 2026/27 have been adjusted marginally to ensure that rent income matches the budgeted sums.

Rents are assumed to increase annually by CPI plus 1.0% (based upon the preceding September's CPI rate) from April 2026 for 10 years, in line with the current rent settlement announced in June 2025. The rate of inflation as measured by CPI in September 2025 was 3.8%, and this assumption has been incorporated into the baseline business plan, giving rise to a 4.8% rent increase in April 2026.

As part of the Spending Review in June 2025, the government confirmed its intention to reintroduce rent convergence, and in July 2025, issued a consultation paper on the rate and pace of this. The consultation sought views on closing the gap between actual and formula rents each year by either £1 or £2 per week, on top of the standard CPI plus 1.0% increases, and on whether it should be implemented from April 2026 and should span the full 10 years of the current rent settlement period. The outcome of the consultation is now expected later in January 2026, following confirmation of a delay by government in the Autumn Budget in November 2025.

The reintroduction of rent convergence has therefore been modelled as a sensitivity at this stage, pending the outcome of the consultation, to demonstrate the positive impact this could have on the availability of resources for investment in both existing and new homes.

The reintroduction of rent convergence, subject to being approved for implementation at a local level, will positively impact the HRA business plan, whilst any national decision not to maintain rent increases at a minimum of CPI plus 1.0% for the next 10 years would negatively impact the plan.

Right to Buy sales volumes

The level of sales is modelled at 328 in 2025/26, 347 in 2026/27, and 144 in 2027/28 and 2028/29, whilst the Council works its way through the unprecedented number of applications received in the first three weeks of November last year following the government announcement of a return to the pre-2012 maximum discount levels from 21 November 2024.

The discount changes have reduced the maximum discount from £102,400 to £26,000, and as a result the estimated number of future sales has been reduced, with 90 sales per annum forecast from 2029/30.

Estimated sales over the next 30 years account for a stock loss of 11.9% over the plan period (excluding any disposal or regeneration schemes). We have made adjustments to rents and repair costs to reflect the stock losses incorporated, but not to management costs or future capital investment assumptions, as changes in management activity are anticipated to be marginal and the capital investment in the plan is already far lower than benchmarks, and the Council is awaiting updated Stock Condition Survey data.

Capital works to existing properties

The model reflects the proposed capital programme for the first 6 years, using the figures in year 6 to forecast future investment requirements, in the absence of up to date Stock Condition Survey data.

The current capital programme is currently used to inform the baseline plan, and is summarised in the table below, reflecting the capital programme for the first 6 years, with year 6 carried forward into future years in the absence of stock condition data.

Table 2.1 – Stock Investment Summary from baseline plan (base year prices)

	Years 1 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	113,153,000	112,580,000	112,580,000	112,580,000	112,580,000	112,580,000	676,053,000
High Rise and Building Safety	31,436,720	20,830,000	20,830,000	20,830,000	20,830,000	20,830,000	135,586,720
Major Projects	34,122,333	0	0	0	0	0	34,122,333
Aids and Adaptations	13,978,000	16,890,000	16,890,000	16,890,000	16,890,000	16,890,000	98,428,000
Riverside PFI	10,254,746	2,000,000	0	0	0	0	12,254,746
Post Riverside PFI	0	5,077,333	6,346,667	6,346,667	6,346,667	6,346,667	30,464,000
Estate Improvements	9,279,230	7,880,000	7,880,000	7,880,000	7,880,000	7,880,000	48,679,230
Transformation and capital salaries	16,476,000	14,105,000	14,105,000	14,105,000	14,105,000	14,105,000	87,001,000
Other Projects	49,235,000	0	0	0	0	0	49,235,000
	277,935,029	179,362,333	178,631,667	178,631,667	178,631,667	178,631,667	1,171,824,029

The total level of investment anticipated over 30 years has increased by £98m from data used for the previous iteration of the plan, equivalent to a 9% increase.

The increase is as a result of inflation, and updated interim investment assumptions being made whilst stock condition data is still awaited.

The level of investment, at £42,280 per property over 30 years, is still significantly lower than benchmarks, with sector benchmarks that are currently in the region of £69,000 per property, and is an area that would benefit from further review.

Acquisition and New Build Assumptions

The plan provides resources and external funding assumptions for 267 acquisition and new build homes on identified sites, and ear-marked funding for a further 294 acquisition or new build homes during the current capital plan period.

The assumption is then made that an additional 1,065 acquisition or new build homes can be delivered throughout the remainder of the life of the plan, to ensure that Right to Buy receipts can be appropriately reinvested.

Provision for repair and capital maintenance costs for new build homes is currently made within the plan from years 6 and 11 respectively, but not for management costs, recognising that the new homes being delivered go some way to replacing homes sold under the Right to Buy, with the business plan financial model not making any reduction in management costs to recognise the loss of these homes.

Interest Rates

The Council operates a two-pool approach to managing debt, with a portfolio of loans totalling £319.4m attributed directly to the HRA at 1 April 2025, with a HRA Capital Financing Requirement of £538.8m (excluding

PFI liabilities) leaving notional internal borrowing of £219.4m, with interest charged to the HRA based upon an initial rate of 5.5%, reducing gradually to 5.2% from 2028/29. New borrowing is also assumed to be at the initial rate of 5.5%, reducing to 5.4% in 2026/27, 5.3% in 2027/28 and 5.2% from 2028/29, on an ongoing basis, which assumes short to medium-term borrowing rates and the ability to re-finance at similar levels longer-term.

The plan does not currently assume any repayment of debt, with the exception of PFI lease repayments (shown in the budget, and therefore the business plan, as part of the PFI management costs), but instead assumes that any revenue surpluses would be available to be invested into the delivery of enhanced services, improvement works to the existing stock or new homes in the HRA.

Internal lending is assumed at an interest rate of 4.04% in 2025/26, 3.65% in 2026/27 and 3.50% from 2027/28 onwards.

2.3 HRA Business Plan Projections - Baseline

As set out above, we have modelled the capacity of the business plan not only to meet existing and future service costs, but also to invest in existing homes in line with the current level of investment assumptions and to deliver the new homes planned, in the context of the impact on overall financial viability.

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 attempt 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.

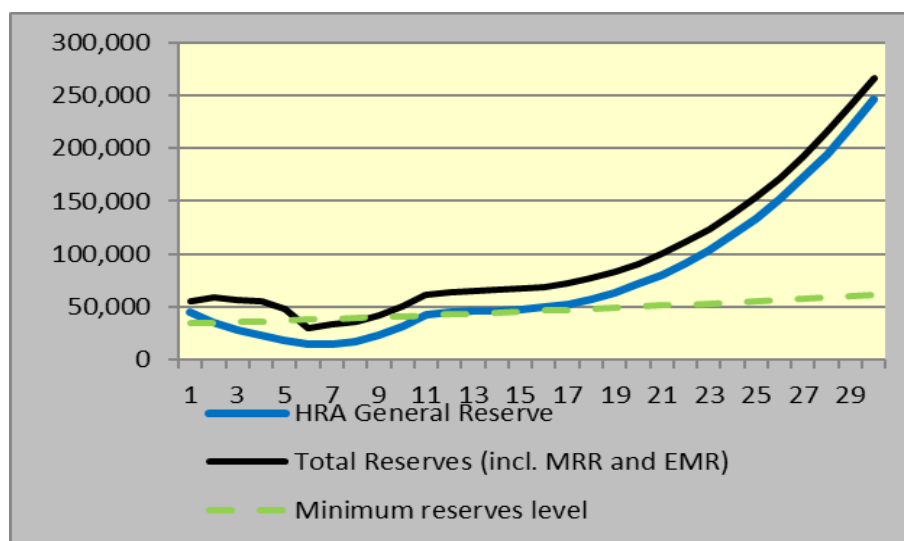
In preparing the financial model, a minimum balance for the HRA of £35m has been applied, which is inflated throughout the life of the plan.

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

1. Equivalent to a period of gross expenditure. In the case of Sandwell £35 million is equivalent to 3.3 months of expenditure; elsewhere we have seen 1.7 months set as a basis.
2. A percentage of turnover is also adopted at other LA's, with authorities we have worked with having set the target limit at minimum 10% of turnover, which if adopted by Sandwell, would be £14.9m, in place of the current £35m.
3. Finally, a straightforward allowance per unit could be used, which equates to £1,263 per unit whereas values closer to £900 per unit are modelled elsewhere.

The chart below shows the projection for HRA reserves, which are currently unable to be maintained at the higher minimum level of £35m, with reserves moving below this from year 3, and below what might be considered an ongoing "prudent" level from year 6, but with this expected to recover in later years. This is not a sustainable medium-term position, particularly recognising that there is also expected to be an increased investment need in the existing housing stock once surveys are completed.

Chart 2.1 – Projected HRA balances £'000s

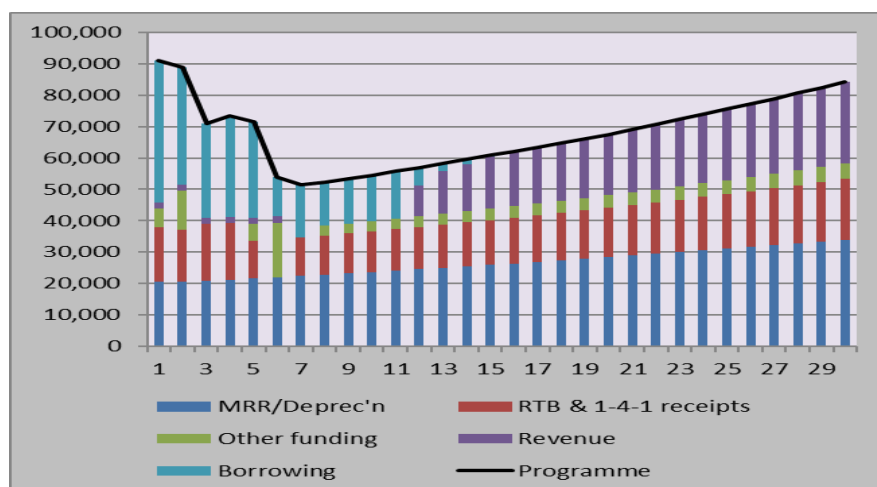


These projections demonstrate that HRA reserves fall below the higher £35m minimum level set from year 3, and below 10% of gross income in year 6, but recover in the longer-term. From year 10, reserves begin to build again and can be maintained at, or above the minimum level throughout the remainder of the plan, increasing significantly in the later years. By year 30, reserves of £246m are projected, providing resource to allow additional expenditure on services, direct investment in the existing stock or new homes, resource to support borrowing for additional investment, or alternatively to allow repayment of some of the HRA debt.

However, it should be noted, that the level of investment in the existing housing stock is far higher in the first 5 years, with the cost of this being supported by the higher level of reserves being held, with an expectation that investment is likely to need to continue at these higher levels once Stock Condition Surveys have been completed.

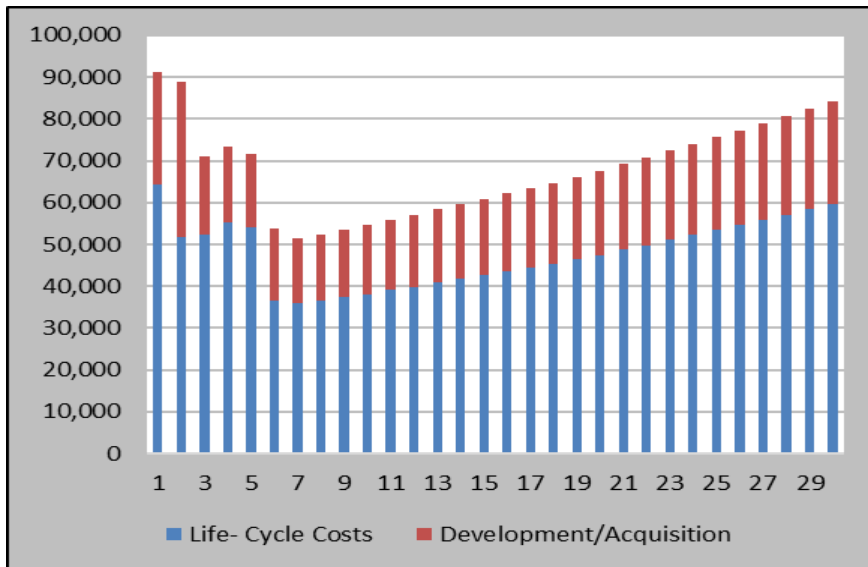
The model forces a £2m use of revenue contributions to capital in the first 6 years, to reflect commitments under the current PFI arrangement, and then maximises the use of this resource throughout the remainder of the 30 years, whilst maintaining balances within the HRA revenue reserve at, or above, the agreed level after year 10.

Chart 2.2 – Projected capital expenditure and financing £'000s



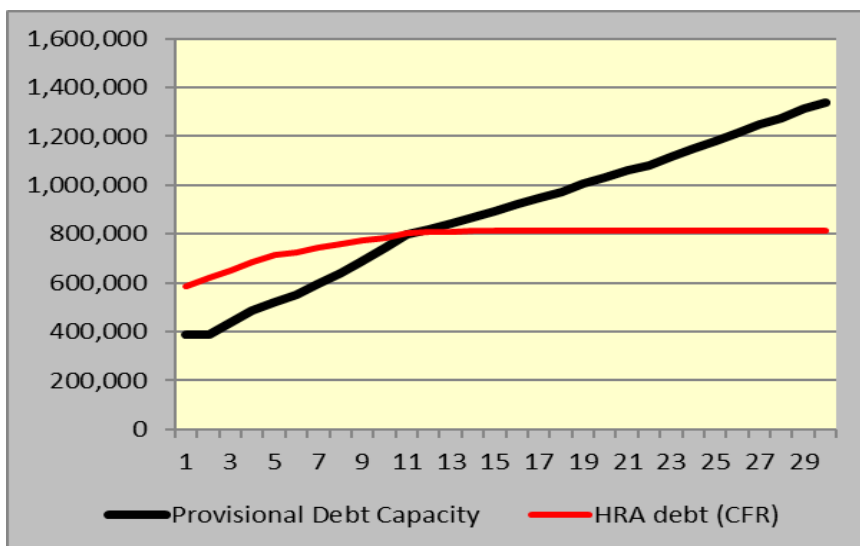
Capital expenditure is fully funded throughout the 30 years as demonstrated by the horizontal black line, with borrowing until year 15, in part to meet the investment in new homes, but also to meet the required investment in the existing housing stock over this period.

Chart 2.3 – Projected Capital Expenditure Analysis £'000s



In order to assist in financing the levels of capital expenditure demonstrated above (charts 2.2 and 2.3) the projected debt (HRA CFR) is demonstrated in the graph below.

Chart 2.4 – Projected debt profile (HRA CFR) and provisional debt capacity



Borrowing is projected to increase across the first 15 years of the plan, to a total of £812m by 2039/40, after which borrowing is no longer required.

The notional debt capacity in the chart above is measured on the basis of the Interest Cover Ratio¹ (ICR) which sets out one basis for setting a prudent limit on borrowing based upon the underlying net income generated within the plan. Borrowing sits above this measure of debt capacity, as measured by an interest cover ratio of 1.25, until year 12 of the plan, with no additional borrowing capacity until this point.

This business plan carries a degree of risk in terms of the level of borrowing required, particularly as a proportion of the borrowing is in respect of investing in the existing housing stock, which will not bring 'new' revenue into the business. The ICR is forecast to fall below 1.0 in the next 6 years, resulting in the need to call significantly upon reserves in order to ensure that a balanced revenue budget can be set. This leaves little or no capacity to respond to unforeseen events in the medium-term, or to invest elsewhere if the need arises. Borrowing can be supported by available revenue resources and revenue reserves but will require very careful risk management and regular review to ensure that costs are controlled and new homes are delivered on time.

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 after taking into account transfers from the HRA to the Major Repairs Reserve (MRR) for depreciation, which in turn is then used to finance the capital programme.

This approach to ICR recognises that the Council has flexibility in the way it uses any HRA net income after depreciation – it can either use this surplus revenue to top up depreciation to the MRR, use surplus revenue as revenue contributions to the capital programme (RCCO), use surplus revenue to borrow against, or use surplus revenue to pay down debt.

The ICR is set to a "golden rule" 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) – which is a measure that takes into account all of the costs associated with future stock maintenance. For the HRA, there is a split between future costs which are charged to revenue and future costs which are charged to capital hence it is appropriate to draw the "net income" level after depreciation.

There are financial pressures within the housing association sector that are parallel to those affecting local authorities and Sandwell Council. The average ICR for the HA sector in 2024/25 was 0.91, although this captures all capital as well as revenue expenditure; 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. Until the last two years, the ratio has not dropped to below 1 since 2007/08 and 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). In other words, they are having to use some net income to borrow to invest in their stock applying a degree of flexibility in the same way that councils are able to do within the HRA.

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, depreciation transfers).

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.

¹ We draw ICR at Net Operating Income (i.e. turnover less management, maintenance and depreciation); this reflects the resource accounting nature of the HRA and flexibility with which to utilise surplus revenue below that level

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 around 15% and rises to circa 29% over the long-term. Margins in the early years are below benchmarks, when compared with other local authorities, but improve as rents increase at a faster pace than costs and new homes are delivered with marginal operating costs assumed for these, as the homes broadly replace those lost through the Right to Buy.

Chart 2.4 shows the provisional debt capacity (prudential borrowing) which is set at the “golden rule” of interest cover ratio (as defined above) at a minimum of 1.25, with no borrowing headroom available until year 12 of the plan.

A 10-year rent settlement at CPI plus 1.0% in addition to assumed future income streams from net rental income for the programme of acquisitions and new build homes is critical to support the interest payments on the borrowing within the plan.

2.4 Comparison to January 2025 projections

The current baseline plan follows a similar trajectory to the baseline plan from January 2025, with a notable difference being a greater reliance on the use of revenue reserves in the early years to support borrowing taken out to fund the capital programme.

Both plans incorporate the longer-term, 10-year rent settlement, but with updated acquisition and new build investment assumptions materially increasing the forecast expenditure requirements.

The charts below compare revenue reserves and debt projections for this year’s baseline plan against the approved plan from last year.

Chart 2.6– Models comparison: January 2025 and January 2026 HRA reserves

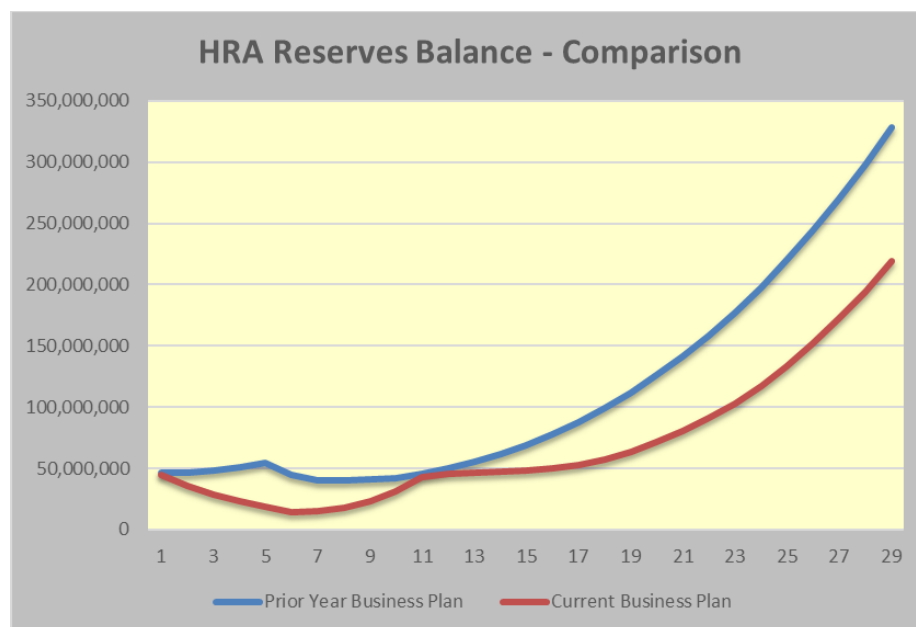
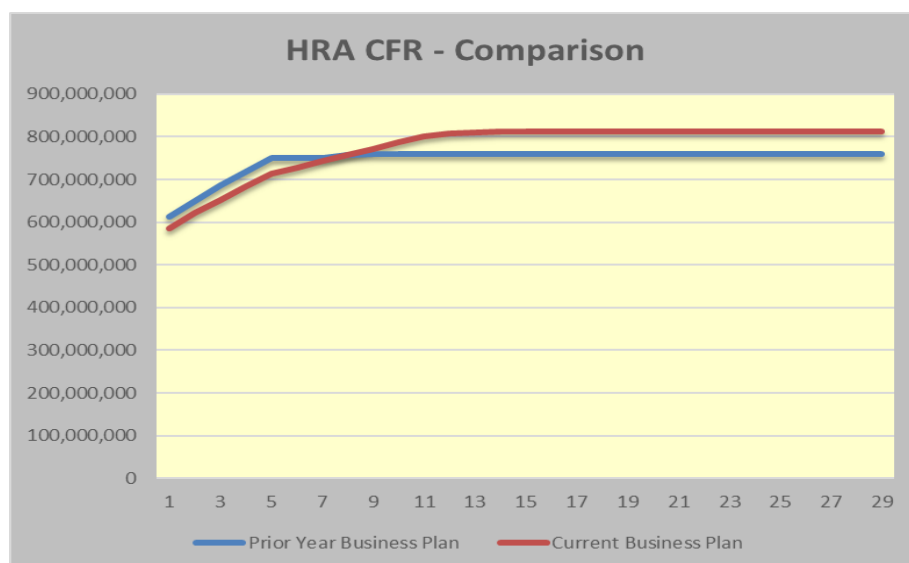


Chart 2.7– Models comparison: January 2025 and January 2026 HRA CFR (Debt) balances



In the previous business plan, debt increased until year 11 of the plan, to a level of £759m and then remained stable throughout the rest of the plan. In the current plan, debt increases until year 15, reaching a total of £812m, but with borrowing that sits outside the level that is indicated can be supported by the estimated revenue streams within the business plan to an appropriate level of risk management for a longer period than before.

Operating costs have also increased significantly since last year, placing more reliance on the use of reserves, particularly in the early years.

Stock investment comparison

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

The medium-term expenditure on existing stock is forecast to increase marginally over this period (£8.8m), due to updated capital investment assumptions, made whilst detailed Stock Condition Survey data is still awaited. Acquisition and new build expenditure has increased significantly, with an increase from £157.3m to £199.1m recognising an increase in the number of new homes anticipated to be delivered across this timeframe.

Table 2.2 – Investment into the existing stock

Stock Investment Comparison £'000													
		1	2	3	4	5	6	7	8	9	10	Total	
		2025.26	2026.27	2027.28	2028.29	2029.30	2030.31	2031.32	2032.33	2033.34	2034.35		
Current Business Plan		66,344	54,149	51,857	52,799	52,655	36,457	35,899	36,617	37,350	38,097	462,223	
Prior Year Business Plan		56,943	51,189	52,240	53,245	53,166	36,440	36,419	37,147	37,890	38,708	453,387	

Table 2.3 – New build and acquisition expenditure

New Build and Acquisition Expenditure £'000													
	1	2	3	4	5	6	7	8	9	10	Total		
	2025.26	2026.27	2027.28	2028.29	2029.30	2030.31	2031.32	2032.33	2033.34	2034.35			
Current Business Plan	26,800	37,012	18,472	18,036	17,396	17,396	15,533	15,844	16,160	16,484	199,133		
Prior Year Business Plan	21,458	19,501	24,001	14,874	11,402	12,700	12,954	13,213	13,477	13,747	157,327		

Summary

The plan shows a position that is fundable in terms of HRA revenue projections, with the higher level of reserves utilised in the early years to support additional borrowing as intended, before being maintained at, or above, minimum levels from year 11 onwards, after which they begin to increase. The plan is not, however, without risk. The level of reserves fall to below what might be considered “prudent” in years 6 and 7 and the level of debt to be taken on has also increased since the last iteration of the plan as a result of the additional investment identified above and now sits outside levels that might be considered “prudent”, for the first 110 years. The impact on the “golden rules” for setting prudential limits is affected in terms of:

- Forecast levels of debt (HRA CFR) increase until year 15 to support both investment in new homes, and also to meet the planned investment in the existing housing stock and housing estates, with investment requirements after this at a level which the HRA can support directly through depreciation charges and available revenue contributions to capital.
- There is little, or no, resource available for debt repayment (with the exception of the required PFI lease repayments), until the later stages of the plan.
- There is a recognition that the resource currently incorporated in the plan to meet the investment need in the existing housing stock (£42,280 per property over 30 years), is very likely to need to increase significantly once stock condition data is available.
- Forecast borrowing is outside the interest cover “golden-rule” of 1.25 until year 12 (year 8 in the previous business plan), with an ICR of 0.78 in 2025/26, falling to 0.73 in 2026/27, before rising to 2.07 by year 30, indicating a fundable position, but with significant risk and no additional investment capacity for some time.
- The borrowing carries a significant degree of risk, which will need to be carefully managed and mitigated wherever possible.

3. Sensitivity and Stress Testing

Given the ongoing economic and policy uncertainty in respect of cost inflation, interest rates, rent convergence and the impact of proposed changes to Decent Homes Standard alongside the introduction of the Minimum Energy Efficiency Standard, we have specifically reviewed some sensitivities in respect of the impact of some 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 closing interest cover ratio at the end of the plan.

3.1 Interest Rate Risk

Due to the increased levels of borrowing in the business plan in order to facilitate both new build and the investment required in the existing housing stock, the level of interest rates will have an impact on the plan. The requirement for the Council to refinance existing debt will also impact the plan.

The interest rates supplied for use within the plan are based on the Council's view of the treasury sector, with borrowing rates of 5.5% adopted for 2025/26, 5.4% for 2026/27, 5.3% for 2027/28, reducing to 5.2% from 2028/29 on an ongoing basis, but the markets, and particularly Government gilts, are difficult to predict.

At the time of writing, PWLB maturity loan rates vary from 4.59% to 6.1% depending upon the term of the loan. The current reduced HRA rate at 60 basis points below the standard PWLB lending rates is applicable until at least March 2026, with announcements about any further extension now anticipated in January 2026. Outside of this, the PWLB certainty rate of 20 basis points below the standard rate will still apply. Therefore the 5.5% rate assumed for borrowing in 2025/26 is not unrealistic. Future year rate assumptions support the optimistic view that rates are anticipated to reduce in the coming months and years.

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

- Increasing borrowing rates for all new and internal borrowing by 1.00% from 2026/27 onwards
- Reducing borrowing rates for all new and internal borrowing by 1.00% from 2026/27 onwards.

The rates modelled for 2025/26 remain unchanged in both scenarios.

3.2 Cost Inflation Risk

Within the plan, we have used inflation indicators as agreed with Sandwell, which assume the Bank of England's core target for inflation of 2% is achieved by 2028/29. Considering both the Bank of England (BoE) and Office of Budgetary Responsibility (OBR) forecasts for the next 3 years for CPI, this assumption is considered wholly reasonable and is in line with the assumptions being made by a number of other councils.

According to the Bank of England's Monetary Policy Report of August 2025 inflation was expected to be:

- 3.8% Quarter 3 2025
- 2.7% Quarter 3 2026
- 2.0% Quarter 3 2027

In December 2025, the Bank of England reduced the base rate to 3.75%, and confirmed that they anticipated the fall back to the 2% inflation target would be quicker.

The Office of Budgetary Responsibility Economic and Fiscal Outlook of November 2025 also supports the view that inflation will return to 2% during 2027, supporting the assumption that this should be the rate assumed for budgets from 2028/29.

To test the impact of varying inflation on the plan we have modelled two scenarios in respect of cost inflation and non-rental income inflation only, as detailed below:

Higher general cost inflation (CPI)

In this scenario we have modelled inflation for 2027/28 and 2028/29 at 3%, before returning to 2% from 2029/30.

Lower general cost inflation (CPI)

In this scenario we have modelled inflation falling to below the government's long-term target, with 1% assumed for both 2027/28 and 2028/29, before returning to 2% from 2029/30.

3.3 Future Rent Policy, possible risks and “upside”

We have considered the impacts in both cost and non-rental inflation and interest rates and now have some certainty over base rent increases for the next 10 years but still await confirmation in respect of the reintroduction of rent convergence.

Currently, the baseline position assumes CPI plus 1% for 10 years from April 2026, but we await the outcome of the consultation (now anticipated in January 2026) in respect of both the pace and timing for the reintroduction of rent convergence.

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

- Rent convergence at £1 per week for 10 years from April 2026
- Rent convergence at £2 per week for 10 years from April 2026

The reintroduction of rent convergence has the potential to make a significant difference to the resources available in the HRA, allowing councils to consider additional investment to meet repair liabilities and building safety requirements, to meet energy efficiency targets, and to deliver more new homes.

From a downside perspective, we have modelled the impact of early cessation of the 10-year rent settlement, assuming a change in government policy reverts rent increases to CPI only after the first 5 years, recognising that rent policy has been revisited a number of times in the past.

3.4 Increased Stock Condition Survey (SCS) Investment

The baseline financial model assumes investment in the existing stock at an average of £42,280 per property over 30 years. As highlighted earlier in this report, this is significantly lower than sector benchmarks, which are currently in the region of £69,000 per property. This introduces risk into the business plan, particularly as the current investment assumption is made without the benefit of up to date Stock Condition Survey data.

We have therefore modelled an alternative scenario that assumes a higher level of investment in the existing stock, at the national average of £69,000, to demonstrate the impact on the plan., should this be the outcome of the surveys which are currently taking place.

3.5 Resulting Sensitivity Impact

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

Chart 3.1: Closing ICR modelled against above sensitivities



Chart 3.2: Closing HRA Debt modelled against above sensitivities

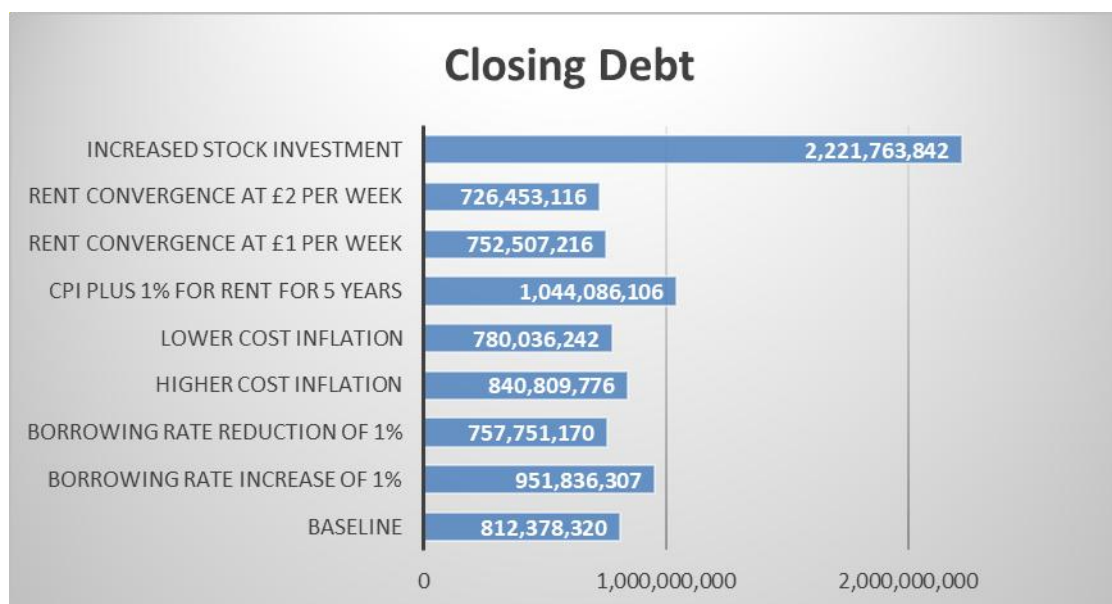


Chart 3.3: Closing HRA Reserves modelled against above sensitivities



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 future rent setting policy across all elements of the plan, to future movements in interest rates as a result of new borrowing to be undertaken within the plan, and to the level of investment required in the existing housing stock.

The re-introduction of rent convergence would deliver additional resources in the short to medium-term and these would extend over the life of the plan, with reserves increasing from £246m in year 30 of the baseline business plan to £474m if rent convergence were reintroduced at £1 per week and £597m if it were to be at £2 per week. Amongst other things, this would allow future borrowing to be reduced marginally, moving the plan into a position where an interest cover ratio of 1.25 could be achieved in year 9 or 7, as opposed to year 12 of the plan.

It is, however, clear that an increase in the level of investment required in the existing housing stock, up to the sector benchmark average of £69,000 is not affordable with all other assumptions unchanged. The level of closing debt increases from £812m to £2,222m, with an inability for the HRA to support this level of borrowing in the longer-term. Reserves fall below the minimum level from year 3, and move to being negative from year 16, with an inability to set an HRA budget from this point.

None of the scenarios considered have a sufficiently positive impact to reduce borrowing to a level that might be considered "prudent" in risk management terms, as measured by an interest cover ratio of 1.25 or above from the outset. There is no headroom available in the plan until the later years, to allow increased operational expenditure, to enhance service delivery, to provide additional directly funded investment in the existing stock or new supply, or alternatively to support further borrowing to allow increased capital investment. This is of concern in the knowledge that an increased level of investment in the existing housing stock is very likely to be required once surveys have been completed.

The Council will need to consider how best to meet emerging investment priorities, particularly during the period where reserves are significantly diminished and will also need to keep the plan under close and regular review to ensure that delivery of services and investment are able to be maintained over the longer-term, particularly as Stock Condition Survey data is refreshed and additional borrowing is committed to.

4. Summary

1. The HRA business plan forecast as set out in our modelling for Sandwell Metropolitan Borough Council shows projections for reserve balances, forecast debt (HRA CFR) and future potential borrowing capacity.
2. The baseline version of the financial model demonstrates a plan that is fundable, but not without significant risk, particularly in the early years. There is the ability to maintain a minimum level of HRA reserves at 10% of gross income, with the exception of years 6 and 7, but with the higher reserves level held of £35m, utilised in part during the first 5 years to support the costs of additional borrowing. Reserves then begin increasing from year 9 to a projected £246 million by the end of the business plan period. Additional borrowing is required until year 15, with this relating to a combination of investment in new and existing homes.
3. The baseline plan is constructed on a sound financial basis but given the inherent potential for changes in respect of investment requirements in the existing housing stock, rent increases, inflation and interest rates, we have run a number of scenarios which could potentially develop over the coming months.
4. Therefore, this is very much a position statement (as of January 2026), and we would expect the plan to develop in the coming months. It is important that the Council continue to keep the plan under regular and rigorous review, particularly given anticipated updated stock condition data and impending government announcements (rent convergence, HRA borrowing rates, Decent Homes 2, MEES) and the need to borrow extensively, particularly in the early years.
5. 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 £1m 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.
6. With a level of investment per property of £42,280, which is well below benchmark values, there will 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 enhanced 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.
7. The Council will need to review the business plan projections once the outcome of the rent convergence consultation is published (now expected in January 2026), with the potential for additional resource to be generated through this mechanism, particularly in the short to medium-term, subject to the Council agreeing to its implementation.
8. The Council will need to borrow to meet both acquisition and development plans and to allow for the current level of investment in the existing housing stock. We have identified how the level of borrowing compares to provisional “golden rules”, with the plan identifying that proposed borrowing would be above levels that may be considered “prudent” against standard sector benchmarks for a number of years. This will require careful management to ensure that additional risks are identified and mitigated where possible.
9. Financing and interest costs are able to be met from existing reserves and revenues generated within the plan throughout, with HRA reserves maintained at, or above, 10% of gross income, with the exception of

years 6 and 7 where reserves dip below this level, and returned to the higher desired minimum level of £35m from year 11. However, using the “golden rules”, with an interest cover ratio of 1.25 of net operating income after depreciation, the baseline plan demonstrates that there is no additional investment capacity until year 12 of the plan, with the ICR starting out at 0.78 in 2025/26 and recovering to 1.27 by year 12, being below 1.0 for the first 6 years, demonstrating the reliance on the opening reserves being held to be in a position to set a balanced budget during this time. This leaves little or no ‘cushion’ should the Council experience an unexpected increase in costs or loss of income. This is of particular concern in the knowledge that an increased investment requirement in the existing housing stock is very likely to be the outcome of the Stock Condition Survey exercise. This metric is only one way to consider the risk associated with borrowing in the HRA, and the Council will continue to need to carefully manage the borrowing proposed in future years, taking account of any changes in internal or external factors that may introduce additional risk.

10. The business plan reflects operating margins which are below benchmark at the outset, but move to being within target levels by year 7 of the plan, as rents increase at a faster pace than costs and new homes are assumed to be delivered with marginal operating costs, recognising that the homes replace those sold under the Right to Buy. The operating margin increases from 15.0% at the outset to 28.6% by the end of the plan period. Operating costs have also increased significantly since last year, offsetting the financial benefit that a 4.8% rent increase from April 2026 is anticipated to deliver.
11. The sensitivities modelled show that a reduction in interest rates or positive changes in rent increases would reduce financial risks and add to long-term capacity. Conversely, an increase in interest rates, or constrained rental increases will add pressure to use up that capacity. It should be noted, however, that no upside sensitivity modelled caused the business plan to move to a position where the proposed level of borrowing would be within what might be considered “prudent” in risk management terms from the outset, cementing the view that careful risk management will be required over the medium-term.

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Capital Strategy 2026/27

Introduction

1. Sandwell 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 long-term investment in assets and differs completely from the Council's revenue budget. 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 to support long-term investment in 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 all matters required to be taken into account are reported to the decision-making body for consideration and for establishing procedures to monitor performance. Under the Prudential Code guide, a Capital Strategy needs to demonstrate 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 2025/26 and the currently approved Capital Programme covering the period 2025/26 to 2030/31. It also summarises future proposed, but currently unapproved, capital schemes, anticipated to commence over the same period.

Current Capital Programme – General Fund

5. The current projected Capital Programme for the General Fund (GF) is shown below in summary, with the full detailed programme included as Annex 9. It includes all projects that have proceeded to 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. The profiling of expenditure between financial years is as per the latest forecast, which will be presented within the Council's 2025/26 Quarter 3 Budget Monitoring Report.

Table 1 – Approved Capital Programme (GF), with Latest Forecast Profiled Expenditure

Service Area	2025/26 (£000)	2026/27 (£000)	2027/28 (£000)	2028/29 (£000)	2029/30 (£000)	2030/31 (£000)	5 Year Total (£000)
Adult Social Care	214	800	-	-	-	-	800
Children and Education	4,473	8,000	68,299	8,700	6,900	6,900	98,799
Place	64,130	57,462	34,472	17,934	17,934	17,934	145,736
Finance and Transformation	3,407	4,553	1,200	1,200	1,200	1,200	9,353
Assistant Chief Executive	-	33	-	-	-	-	33
Total	72,224	70,848	103,971	27,834	26,034	26,034	254,721

6. As shown in Table 1, in the period 2026/27 to 2030/31, total projected capital expenditure is £254.7m for the General Fund. Reprofile expenditure between financial years is likely to continue to take place, particularly following completion of the 2025/26 capital closedown procedure when final figures are established, which may result in further reprofiling of budgets from 2025/26 into 2026/27 and beyond. Reprofile 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 local authority capital programmes.
7. 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

8. 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.
9. Table 1 summarises the current core capital programme for the 6 years to 2030/31. 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.
10. 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 but have yet to complete the full due diligence process. These are described as “pipeline schemes” and are summarized in Table 2 below and detailed in Annex 9.

Table 2 – Capital Programme (Pipeline Schemes)

Service Area	2025/26 (£000)	2026/27 (£000)	2027/28 (£000)	2028/29 (£000)	2029/30 (£000)	2030/31 (£000)	5 Year Total (£000)
Adult Social Care	-	-	-	-	-	-	-
Children and Education	-	1,350	1,350	-	-	-	2,700
Place	-	35,299	56,447	17,111	975	300	110,132
Finance and Transformation	-	651	1,625	-	-	-	2,276
Assistant Chief Executive	-	-	-	-	-	-	-
Total	-	37,300	59,422	17,111	975	300	115,108

11. As shown above, in the period 2026/27 to 2030/31, total capital expenditure on pipeline schemes yet to be approved is expected to be in the region of £115m for the General Fund. The total scheme costs detailed in Table 2 are initial estimates only and these are likely to change as more work is undertaken to develop robust business cases on an individual project basis including full options appraisal and detailed costings.

Capital Investment Plans

12. 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.
13. Sandwell Council has a range of ambitious, affordable capital investment plans designed to achieve the objectives set out in the council plan.
14. 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 (Place)

15. There are currently 14 active projects within the Towns Fund programme totaling £25m. These cover the areas of Rowley Regis, Smethwick and West Bromwich. The major schemes relate to:
- Rowley Regis - Satellite Education Hub (£6.0m)
 - Rowley Regis – Blackheath Bus Exchange (£3.6m)
 - Smethwick - Midland Met Learning Campus (£3.6m)
 - Smethwick – Grove Lane Regeneration (£4.3m)
 - Smethwick – Rolfe Street (£1.6m)
 - West Bromwich – Retail Diversification Programme (£3.4m)

Levelling Up Partnership Wednesbury (Place)

16. There are 5 projects that have commenced during 2025/26 totaling £16.7m, with the main scheme relating to the development of the Friar Park Urban Village (£11.0m).

Levelling Up Fund (Place)

17. £24.6m has been included within the programme for the development of Haden Hill Leisure Centre.

Highways (Place)

18. The programme includes a variety of schemes aimed at maintaining and developing the Council's Highways network. This totals £57.5m and includes the development of Birchley Island (£4.3m).

Schools (Children & Education)

19. There is a budget provision of around £103.3m for investment in schools over the next 6 years.

Disabled Facilities Grants (Place)

20. £35.6m is included within the programme to provide grants to help private homeowners to adapt their properties to accommodate disabled needs.

West Bromwich Cemetery (Finance & Transformation)

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

22. Vehicles (Place)

£8.3m is included in the programme to ensure our vehicle fleet is maintained.

23. ICT End User Computing Refresh (Finance & Transformation)

£8.5m is included in the programme to ensure our ICT Strategy is continued.

24. Property Refurbishment/PMA (Property & Assets)

£14.3m is included in the programme to ensure our property portfolio is maintained and enhanced.

Key (Pipeline) Projects

25. 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 (Place): £20m
- New Archive Centre (Place): £20m
- City Region Sustainable Transport Settlements – Smethwick to Birmingham Growth Corridor (Place): £18.7m
- City Region Sustainable Transport Settlements – A461 WCB Corridor (Place): £12.5m
- City Region Sustainable Transport Settlements – Wednesbury to Brierly Hill Sustainable Access Measures (Place): £7.7m
- Highways Infrastructure – Improve Management of Assets in Red Risk Condition (Place): £3.5m
- PMA & Property Refurbishment (Place): £16.2m

Sandwell Council Plan

26. A continuous review of the capital programme is essential to ensure that resources are always aligned to the Council plan. The 5 strategic themes which make up the Sandwell Council Plan are listed in the table below: -

Table 3 – Sandwell Council Plan – Strategic Themes

Strategic Theme 1	Growing up in Sandwell
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Strategic Theme 2	Living in Sandwell
Strategic Theme 3	Healthy in Sandwell
Strategic Theme 4	Thriving Economy in Sandwell
Strategic Theme 5	One Council One Team

27. The following sections detail how capital investment at a service level is being targeted to meet these strategic themes.

Housing – Strategic Themes – Theme 2 & 5

28. £35.6m 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. This includes both minor and major adaptations to properties supporting residents of Sandwell to maintain their independence and live well. Where there is capacity to do so this fund also supports transformational projects for services that provide additional support to residents with health care needs, this includes the moving with dignity project, digitalisation of community alarms and dementia friendly accommodation.

Schools – Strategic Themes – Theme 1 & 5

29. All activities detailed for schools support the council's main Strategic Theme 1: Growing up in Sandwell. In addition to the Basic Need and High Needs Provision Capital Allocation capital funding streams held by the council, the Schools Capital Programme also includes School Condition allocation that is used to support improvement to existing school assets, demolition and new construction projects within the community-maintained and voluntary controlled school estate. This latter funding supports provision for pupils and students aged between 3 and 25 who attend those Sandwell schools.

Primary Schools

30. Sandwell has 93 Primary Schools located across its 6 towns, 33 of these schools are now Academies, and 1 is an Independent School. Four voluntary aided schools and four voluntary controlled are scheduled to convert to an Academy in this academic year. Like many parts of the country, Sandwell saw huge increases in its birth rate from 2011/12, with Reception cohorts growing significantly, although a falling intake has now been experienced for three successive years. Additionally, the Council saw increased in-year migration which in recent years has affected primary year groups, particularly NCY3 to 6. An initial levelling off was experienced since School Capacity 2019. However, whilst retention levels have remained strong, recent analysis of applications for school places for “New to UK” has indicated that for the period September 2024 – April 2025 there was a 55.8% decrease in applications received compared to the same period in 2023/24.
31. 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 then increasing quickly and significantly, the total Reception capacity increased to 5,070 in September 2017 and has since reduced to the current figure of 4,920 for September 2025. This offers an overall primary capacity of 34,936 and a projected Reception surplus of 12.17%.

32. The projected overall primary surplus for September 2025 was 5.29%. 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.
33. No additional primary provision is anticipated to be required in Reception for the foreseeable future.
34. The Published Admission Number (PAN) at 1 primary school in West Bromwich was reduced by a form of entry (30 places in total) from September 2025 in response to the reducing demand for Reception places. A small group of schools across the Borough are currently considering a reduction in their PAN due to a falling roll.

Secondary Schools

35. There are 22 Secondary Schools in Sandwell made up of 18 Academies, 2 Foundation Trust Schools, 1 Voluntary Aided School, and 1 University Technology College (11-18 years). The overall secondary capacity is 25,130 and a projected year 7 surplus of 8.79%. The projected overall secondary surplus for September 2025 was 4.68%.
36. It is projected that secondary numbers will increase by 453 across all year groups between 2025 and 2028 as larger cohorts move up from the primary sector and inward migration continues at a similar level. Based on the planned capacity for Year 7 in 2026 of 5,140, the borough wide PAN will be sufficient to meet demand in 2026 with a limited surplus of 6.21%.
37. Both Windsor Olympus Academy and Shireland CBSO Academy opened in September 2023 delivering 900, and 750 new places respectively. To address the pressure for additional places in Rowley Regis one secondary school provided an extra 30 places for September 2025 in Year 7. The school will revert to its PAN for the intake in September 2026. One school in Oldbury reduced its PAN by 40 from September 2025, and a school in West Bromwich is currently consulting on reduction in its PAN of 50 places. In both instances the Academy / Foundation Trusts have agreed to consider offering additional places in the future if there are insufficient places in their area to meet demand.

Special Schools

38. During 2025 the Local Authority 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).
39. As the Head Teacher's Reference Group develops the future strategy and framework for SEND, schools are being educated and trialed for the introduction of a new 'Locality Based Model', which will strive to provide local SEND places for children in their local communities, with less reliance on out-of-borough placements. Over the past 2 years the total number of EHCPs has risen from 4,064 to 4,543 (as of December 2025). Such an increase has created significant pressure on the availability of suitable specialist places.
40. During 2025 the Authority completed the expansion of The Brades Lodge to provide new places: minor works at The Meadows School which have enabled an additional 8

places to be created at the school's main campus in Oldbury, and Post 16 provision has successfully relocated to a new satellite site in West Bromwich to enable the expansion of mainstream places: refurbishment and remodeling works at The Orchard School to provide 18 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 the locality model is developed across the school estate.

41. There is an ongoing commitment to continue with locally based solutions such as expansion of well-established Focus Provision Units as Resource bases to complement mainstream special school provision, but these will be more integrated to mainstream delivery to ensure inclusivity for pupils. With the increasing surplus capacity within Primary Schools (paragraphs 31 and 32 above), active plans are being discussed individual schools 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 – Strategic Themes – Theme 2,3 & 5

42. 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 – Strategic Themes – Theme 2,4 & 5

43. Sandwell Council's own Resident Satisfaction results undertaken by M·E·LResearch. has returned satisfaction levels for road maintenance at 72%, a significant 42% 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 continue at pace.
44. 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. 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. Sandwell received a £2M reallocation from LTP in 25/26. Although further reallocations cannot rule out arising from underspends on major transport projects, there are currently no plans for such a reallocation in 2026/27.
45. 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, town centre improvements, active travel and safety improvement schemes support the related sustainable benefits of encouraging active travel and modal shift, improving air quality and addressing climate change.

46. 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 future improvement at M5 Junction 1.
47. 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.
48. 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.
49. 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.
50. 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.
51. 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.
52. The Council also maintains over 172 bridges through an annual programme of inspections. Sandwell has no bridges categorised as in 'very poor' condition, and in 2024 the number of bridges that are in poor condition reduced from 5 to 4. Both the recent flooding resulting from the South Staffs Water Trunk Main bursts and Storms Bert, Darragh and Goretti serve as a reminder of the importance of the work we do in respect of Flood Risk Management.
53. 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 – Strategic Themes – Theme 1,2,3 & 5

54. 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.

55. The Council approved a new green spaces strategy in June 2022, with a set of objectives 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.
56. 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 several 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.
 - 15 Play area improvement projects.
 - More than 30 other capital improvements to parks and open spaces across Sandwell.
57. Sandwell Valley is a jewel in Sandwell's Crown and officers are currently reviewing the operation of Forge Mill Farm and at Sandwell Valley Visitor Centre to inform of subsequent investment options.

Leisure Facilities – Strategic Themes – Theme 1,3 & 5

58. 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.
59. In 2023 the Council secured £20m funding from LUF2 to replace the ageing Haden Hill Leisure Centre. A further £2.5m was secured from Sport England. 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.
60. 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 – Strategic Theme – Theme 2,3 & 5

61. 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.

Revenue Implications of Capital Investment

62. 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.
63. 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.
64. The appraisal forms submitted when requesting a scheme to be included within the capital programme highlights 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.

Allocating Resources to Capital Projects - The Capital Appraisal Process

65. 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.
66. Project appraisals are the basis for formal monitoring and reporting on any capital schemes which are approved.
67. The level of appraisal and the route of approval that each scheme will follow is summarised in table 3 below:

Table 3 – Capital Appraisals - Approval Process

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

68. All capital project applications requiring appraisal should be submitted through DASH 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.
69. 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.
70. 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.

Project Monitoring & Evaluating Progress

71. Capital monitoring is completed monthly and reported quarterly to the Executive Director for Finance and Transformation and the Service Director for Finance. Any matters of concerns are then brought to the attention of the relevant Cabinet Member.
72. 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 period.
73. These reports are also presented to the Budget and Corporate Services Scrutiny Management board for consideration.
74. Project Officers are consulted monthly to ensure capital forecast expenditure is accurate. Expenditure is monitored and analysed to ensure it is in accordance with the nature of the project and can be applied to the relevant asset register.
75. Re-profiling of capital resources into future years is reflected where necessary.
76. Capital grant claims are completed in accordance with grant terms and conditions to ensure all expenditure is financed.

77. Regular Capital Asset Management Board meetings are held to ensure that the capital programme is managed effectively.
78. Capital receipts are analysed monthly to ensure that all projects are financed correctly.

PFI

79. 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

80. 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

81. Sandwell Council is committed to proactive management of its assets, as reflected in the rolling programme of investment in buildings and ICT infrastructure.

Over the last few years, the council has been able to focus and build on its property condition core data. That focus now allows a more informed 3-to-5-year rolling capital programme based on condition priority. Data currently being collated targets all main building elements allowing the council to profile urgent works based on condition assessment. The capital programme looks to both maintain and enhance our corporate operational assets ensuring their fit for purpose in support of council wide service delivery. The intention will be to profile a further 5-to-10-year programme to allow even more certainty around future capital investment taking in to account whole life cost modelling utilising life cycle costs to inform future property costs including capital investment.

82. The proposed on-going investment through our capital programme will start to reduce some of the budget pressures from our in-year reactive property maintenance budgets. This will help us to continue to provide a fully response repairs and maintenance provision to our corporate operational estate enabling a more sustainable in year scope of works, whereas historically the focus has been around priority statutory compliance works and health and safety related works due to budget availability.
83. The Council's biggest ever investment in its ICT infrastructure as the Council implements a major upgrade to Oracle e-business suite; delivers technology modernisation programme; and continues to roll out an expanding digital offer.

Knowledge and Skills

84. 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

85. 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.
86. Performance of the Capital Programme is part of the monthly financial monitoring process.

Review

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

Capital Financing Strategy 2026/27

Introduction

1. The Capital Financing Strategy gives 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. Current revenue contributions are £2.70m per annum from the Place directorate to support the Highways capital budgets.

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 (see annex 18).
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 14), the current projected Capital Programme for the General Fund is shown below in summary, with the full detailed programme included at annex 9. 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	2025/26 (£000)	2026/27 (£000)	2027/28 (£000)	2028/29 (£000)	2029/30 (£000)	2030/31 (£000)	5 Year Total (£000)
Adult Social Care	214	800	-	-	-	-	800
Children and Education	4,473	8,000	68,299	8,700	6,900	6,900	98,799
Place	64,130	57,462	34,472	17,934	17,934	17,934	145,736
Finance and Transformation	3,407	4,553	1,200	1,200	1,200	1,200	9,353
Assistant Chief Executive	-	33	-	-	-	-	33
Total	72,224	70,848	103,971	27,834	26,034	26,034	254,721

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

Table 2 – Capital Financing (General Fund)

	2025/26 (£000)	2026/27 (£000)	2027/28 (£000)	2028/29 (£000)	2029/30 (£000)	2030/31 (£000)	5 Year Total (£000)
Grants and Contributions	45,003	51,861	96,176	20,039	18,239	18,239	204,554
Capital Receipts	-	-	-	-	-	-	-
Earmarked Reserves/ Revenue Contributions	3,177	2,700	2,700	2,700	2,700	2,700	13,500
Prudential Borrowing	24,044	16,287	5,095	5,095	5,095	5,095	36,667
Total	72,224	70,848	103,971	27,834	26,034	26,034	254,721

16. As shown in Table 2, the main source of funding for the existing General Fund programme is Capital grants, which accounts for 76% of the programme funding required.
17. The second most significant funding source is borrowing, which accounts for 19% of funding required. Borrowing is required to fund all programmed expenditure that is not funded from external funding (largely capital grants), capital receipts or revenue contributions.
18. The Council has a limited amount of capital receipts available to fund General Fund capital expenditure with any receipts earmarked to support transformation spend in line with the Flexible Use of Capital Receipts strategy document.
19. The resulting revenue impact of the prudential borrowing required to fund the existing core General Fund Capital Programme is shown in Table 3 below.

Table 3 – Revenue Impact of Prudential Borrowing for Existing Programme

	2025/26 (£000)	2026/27 (£000)	2027/28 (£000)	2028/29 (£000)	2029/30 (£000)	2030/31 (£000)
Prudential Borrowing Need	24,044	16,287	5,095	5,095	5,095	5,095
Analysis of Revenue impact:						
Revenue costs of historic prudential borrowing funding (pre 2025/26 capital spend)	15,736	15,807	16,361	16,867	15,093	16,351
Revenue costs of 2025/26 prudential borrowing	965	1,929	1,929	1,929	1,929	1,929
Net cost of prudential borrowing up to end March 2026	16,701	17,736	18,290	18,796	17,022	18,280
Revenue costs of 2026/27 – 2030/31 capital expenditure	-	745	1,837	2,532	3,227	3,923
Total Revenue Costs	16,701	18,481	20,127	21,328	20,249	22,203

20. All borrowing costs are included within revenue budgets included in the MTFP.

Housing Revenue Account (HRA)

21. The current projected capital programme for the Housing Revenue Account is shown below in Table 4 with further detail provided in annex 11.

Table 4 – Approved Capital Programme (HRA)

	2025/26 (£000)	2026/27 (£000)	2027/28 (£000)	2028/29 (£000)	2029/30 (£000)	2030/31 (£000)	5 Year Total (£000)
New Build and Acquisitions	26,800	37,012	18,472	18,036	17,396	17,396	108,312
Investment in existing stock	64,252	51,762	52,433	55,265	54,224	36,457	250,141
Total	91,052	88,774	70,905	73,301	71,620	53,853	358,453

22. As shown in Table 4, in the period 2025/26 to 2030/31, total approved capital expenditure is expected to be in the region of £450m, and it is currently proposed that this expenditure will be financed as follows:

Table 5 – Capital Financing (HRA)

	2025/26 (£000)	2026/27 (£000)	2027/28 (£000)	2028/29 (£000)	2029/30 (£000)	2030/31 (£000)	5 Year Total (£000)
141 Capital Receipts	17,307	16,459	18,155	18,036	12,055	-	64,705
General Capital Receipts	-	-	-	-	5,341	17,396	22,737
Grants	5,948	12,366	-	-	-	-	12,366
Major Repairs Reserve	20,520	20,692	20,873	21,217	21,609	21,985	106,376
Revenue Contributions	2,255	2,000	2,000	2,000	2,000	2,000	10,000
Prudential Borrowing	45,022	37,257	29,877	32,048	30,615	12,472	142,269
Total	91,052	88,774	70,905	73,301	71,620	53,853	358,453

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	2025/26 (£000)	2026/27 (£000)	2027/28 (£000)	2028/29 (£000)	2029/30 (£000)	2030/31 (£000)	5 Year Total (£000)
Adult Social Care	-	-	-	-	-	-	-
Children and Education	-	1,350	1,350	-	-	-	2,700
Place	-	35,299	56,447	17,111	975	300	110,132
Finance and Transformation	-	651	1,625	-	-	-	2,276
Assistant Chief Executive	-	-	-	-	-	-	-
Total	-	37,300	59,422	17,111	975	300	115,108

25. As shown in Table 6, in the period 2026/27 to 2030/31, total capital expenditure on pipeline schemes yet to be approved is expected to be in the region of £115m for the General Fund, and it is currently proposed that this expenditure will be financed as follows:

Table 7 – Capital Financing (Pipeline Schemes)

	2025/26 (£000)	2026/27 (£000)	2027/28 (£000)	2028/29 (£000)	2029/30 (£000)	2030/31 (£000)	5 Year Total (£000)
Grants and Contributions	-	23,322	40,932	14,900	-	-	79,154
Capital Receipts	-	-	-	-	-	-	-
Earmarked Reserves/ Revenue Contributions	-	-	1,139	-	-	-	1,139
Prudential Borrowing	-	13,978	17,351	2,211	975	300	34,815
Total	-	37,300	59,422	17,111	975	300	115,108

26. As shown in Table 7, the major sources of financing for the pipeline schemes are Capital grants (69%) and prudential borrowing (30%). It is also forecast that an element of revenue funding will be available to fund a small proportion of the schemes (1%). 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

	2025/26 (£000)	2026/27 (£000)	2027/28 (£000)	2028/29 (£000)	2029/30 (£000)	2030/31 (£000)	Total (£000)
Borrowing Need	-	13,978	17,351	2,211	975	300	34,815
Revenue Impact	-	646	1,979	2,783	2,962	3,045	11,415
Breakdown of revenue implications (Minimum Revenue Provision and Interest Costs)							
2026/27 borrowing	-	646	1,293	1,293	1,293	1,293	5,818
2027/28 borrowing	-	-	686	1,373	1,373	1,373	4,805
2028/29 borrowing	-	-	-	117	233	233	583
2029/30 borrowing	-	-	-	-	63	126	189
2030/31 borrowing (costs will double in following year)	-	-	-	-	-	20	20
Total	-	646	1,979	2,783	2,962	3,045	11,415

28. The additional revenue budget required to fund the borrowing costs from 2026/27 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 future core programme and the pipeline schemes, gives a total programme value of £369.8m for the General Fund, which is scheduled in principle to be funded as follows:
- £283.7m is to be funded from Capital Grants (77%)
 - £14.6m from Revenue Contributions (4%)
 - £71.5m from Prudential Borrowing (19%)

	2025/26 (£000)	2026/27 (£000)	2027/28 (£000)	2028/29 (£000)	2029/30 (£000)	2030/31 (£000)	5 Year Total (£000)
Core Programme	72,224	70,848	103,971	27,834	26,034	26,034	254,721
Pipeline projects	-	37,300	59,422	17,111	975	300	115,108
Total	72,224	108,148	163,393	44,945	27,009	26,334	369,829
Grants and Contributions	45,003	75,183	137,108	34,939	18,239	18,239	283,708
Capital Receipts	-	-	-	-	-	-	-
Earmarked Reserves/ Revenue Contributions	3,177	2,700	3,839	2,700	2,700	2,700	14,639
Prudential Borrowing	24,044	30,265	22,446	7,306	6,070	5,395	71,482
Total	72,224	108,148	163,393	44,945	27,009	26,334	369,829

Affordability of Borrowing

30. When assessing the affordability of borrowing, this updated strategy will only consider the 5 years of the MTFP. Spend incurred during 2025/26 is in accordance with the previous strategy and approved capital budgets and is shown in earlier tables for information purposes.

31. The total revenue implications of the proposed capital programme being presented for approval, plus the cost of historic capital spend is shown in the table below.

	2026/27	2027/28	2028/29	2029/30	2030/31	Total
Revenue Costs of Borrowing to Fund the Capital Programme	£m	£m	£m	£m	£m	£m
Cost of all historic project spend up to end of 2025/26	17.736	18.290	18.796	17.022	18.280	90.124
Cost of core programme spend from 2026/27	0.745	1.837	2.532	3.227	3.923	12.264
Cost of pipeline scheme proposals	0.646	1.979	2.783	2.962	3.045	11.415
Projected Revenue Cost	19.127	22.106	24.111	23.211	25.248	113.803
MTFP Proposed Revenue Budget	22.415	25.815	26.715	27.715	28.715	131.375
Annual (Surplus)/ Deficit	(3.288)	(3.709)	(2.604)	(4.504)	(3.467)	(17.572)

32. 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 (Forecast net funding from grants and taxation) are as follows:
- 2026/27: 4.2%
 - 2027/28: 4.7%
 - 2028/29: 4.9%
 - 2029/30: 4.6%
 - 2030/31: 4.8%

33. These percentages are well within the local cap of 6% for prudent budgeting purposes and provide further assurance that the prudential borrowing required to fund the programme is at an appropriate level.

Next Steps

34. The Council's Treasury Management Strategy, included at Annex 18, sets out medium- and long-term cash flow planning to ensure that the Council can meet its capital expenditure plans.

Annex 16

Flexible Use of Capital Receipts Strategy

1. Introduction

To support local authorities to deliver more efficient and sustainable services, a time limited flexibility is currently available to use capital receipts from the disposal of property, plant and equipment assets to fund the revenue cost of service reform.

The Secretary of State for Communities and Local Government issued a Direction and published guidance that enables councils to use income from the sale of certain assets to fund the short-term revenue costs that support transformation, invest-to-save and efficiency projects in order to provide revenue savings in the future.

Part of the requirements of the Direction is that any Council making use of the flexibilities presents a strategy to full Council outlining how they intend to use these flexibilities and submits the strategy to government once approved. This strategy sets out the intended use of this flexibility and applies it to the financial year 2026/27.

2. Background and Legislation

Capital receipts can only be used for specific purposes, and these are set out in Regulation 23 of the Local Authorities (Capital Finance and Accounting) (England) Regulations 2003 made under Section 11 of the Local Government Act 2003. The main permitted purpose is to fund capital expenditure, and the use of capital receipts to support revenue expenditure is not allowed by the regulations. However, the Secretary of State is empowered to issue Directions allowing revenue expenditure incurred by local authorities to be treated as capital expenditure and therefore funded by capital receipts.

The Secretary of State for Communities and Local Government issued a Direction in March 2016, giving local authorities greater freedoms to use capital receipts to finance expenditure, up until 2018/19. Allowing local authorities to treat qualifying expenditure on transformation projects as capital expenditure and to fund it from capital receipts received after April 2016.

The scheme was designated as the Flexible Use of Capital Receipts (FUoCR) and was extended for a further three years in 2018-19 and then for a further three years in 2022/23.

It was announced by Government alongside the Provisional Settlement on 18 December 2023 that the current scheme, which applies to expenditure and receipts incurred between 1 April 2022 and 31 March 2025, is further extended to 31 March 2030. Therefore, to make eligible use of the scheme the capital receipts, and any qualifying revenue expenditure, need to be incurred between 1 April 2022 and 31 March 2030.

3. Objectives and Purpose

This Strategy enables the Council to take-up the flexibility to use capital receipts to fund transformation costs if deemed appropriate.

The objectives of this Strategy are to:

- Identify projects that are eligible to be funded by this method, thereby freeing up revenue resources;
- Identify actual and potential capital receipts that could be utilised to fund transformation projects;

4. Qualifying Expenditure

The Council can only apply capital receipts to fund eligible expenditure in accordance with the plans set out in the Flexible Use of Capital Receipts (FUoCR) Strategy and cannot exceed the level of planned expenditure without formally reviewing and approving a revised strategy. Revisions can be made during the financial year subject to Full Council approval and are required to be notified to MHCLG.

The statutory guidance defines qualifying expenditure as:

‘Expenditure on any project that is designed to generate ongoing revenue savings in the delivery of public services and/or transform service delivery to reduce costs and/or transform service delivery in a way that reduces costs or demand for services in future years for any of the public sector delivery partners.’

The guidance provides examples of qualifying expenditure, which include:

- Investment in service reform feasibility work.
- Funding the cost of service reconfiguration, restructuring or rationalisation where this leads to ongoing efficiency savings or service transformation.
- Driving a digital approach to the delivery of more efficient public services.
- Improving systems and processes to tackle fraud and corruption in line with the Local Government Fraud and Corruption Strategy.
- Setting up commercial or alternative delivery models to deliver services more efficiently and bring in revenue.
- Integrating public facing services across two or more public sector bodies.

5. Historical Flexible Use of Capital Receipts

It is a requirement of the FUoCR guidance, that authorities include details on projects approved in previous years, including a commentary on whether the planned savings or service transformation have been/are being realised in line with the initial analysis.

2024-25

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

Project	Description	Service Transformation / Savings	Saving Type	Use of Receipts in 2024/25 £000	Actual Efficiency / Saving per Annum £000
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	732
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
Project	Description	Service Transformation / Savings	Saving Type	Use of Receipts in 2024/25 £000	Actual Efficiency / Saving per Annum £000

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	9	58
Property and Asset Rationalisation	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	19	691
Total				733	2,181

6. The Current Position

The following table sets out the planned funding of transformation projects through the flexible use of capital receipts in 2025/26, as was agreed as part of the 2025/26 budget setting process:

Project	Description	Service Transformation / Savings	Saving Type	Current Planned Use of Receipts in 2025/26 £000	Target Efficiency / Saving per Annum £000
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

Project	Description	Service Transformation / Savings	Saving Type	Current Planned Use of Receipts in 2025/26 £000	Target Efficiency / Saving per Annum £000
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
Total				1,560	2,163

Actual flexible use of capital receipts in 2025/26 will be based on the value of expenditure incurred, which will be determined at year-end.

7. Proposed Investment

The Council is actively developing transformation projects in the following areas:

- Assets and Property
- Fleet
- Strategic Leisure
- Adult Social Care
- SEND
- Brilliant at the Basics
- Digital
- Aspiring Sandwell
- Customer Focus
- Culture Change

As more detail on these schemes becomes available, in terms of costs and potential savings, then consideration will be given as to their suitability for funding via FUoCR.

As the Council's transformation programme develops, the scale of the resource required internally to deliver the programme increases. Therefore, it is proposed to increase the size of the Transformation team on a short-term basis from 2026/27. The following table sets out the proposed flexible use of capital receipts, which will be used to fund the additional costs of the team, in 2026/27:

Project	Description	Service Transformation / Savings	Saving Type	Current Planned Use of Receipts in 2026/27 £000	Target Efficiency / Saving per Annum £000
Management and Facilitation of the Council's Transformation Programme	Transformation team costs – Additional staff, including dedicated support service staff	Efficiencies, service improvements and savings resulting from the Council's 10 transformation projects	Improving systems and processes to provide more efficient and consistent service delivery	1,150	2,000

8. Capital Receipts

As at the end of the financial year 2024/25, £1.1m of eligible capital receipts were set aside for the purpose of funding potential transformation projects. During 2025/26, approximately £1.0m of receipts have been generated to date that have also been earmarked to be used as FUoCR funding. This gives a total of £2.1m available in 2025/26.

Any unused receipts will be carried forward and ringfenced to fund transformation schemes in 2026/27. It is anticipated that further receipts will be generated within 2026/27.

9. Monitoring The Strategy

Expenditure against the strategy will be monitored as part of regular financial reporting arrangements. The strategy will be updated to include prior year actual expenditure on an annual basis. The strategy will be reported to full Council for approval on an annual basis, or in year where changes are required.

10. The Prudential Code

The Council has due regard to the requirements of the Prudential Code and the impact on its prudential indicators from the application of this Flexible Use of Capital Receipts Strategy. Any capital receipts which are received and not allocated will be used to fund revenue costs incurred in accordance with this strategy to deliver savings and efficiencies. As any receipts used have not been earmarked as funding for any other proposed capital expenditure there is no impact on the Council's prudential indicators as set out in the Council's Treasury Management Strategy.

The actual amount of funding applied through the flexible use of capital receipts will be determined by the amount of unallocated capital receipts available.

11. Accountability and Transparency

For each financial year a council should ensure it prepares at least one Flexible Use of Capital Receipts Strategy.

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).

Investment Strategy 2026/27

1. Introduction

- 1.1. 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.
- 1.2. 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 value for money basis such that suitable inflow of commercial rentals are received for the letting of such premises.

2. Context and Background

- 2.1. 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.
- 2.2. 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.
- 2.3. There are no proposals within the Capital Programme for acquiring new assets for yield and this is in line with relevant guidance.
- 2.4. The council's investment properties are those that are used solely to generate income and/ or for capital appreciation.
- 2.5. This portfolio of investment assets was last valued at approximately £76.426m (source: Draft Statement of Accounts 2024/25, Note 20: Investment Properties). Gross revenue yields generated for 2024/25 equated to 5.3%, down from 5.5% the previous year (5.5% 3 year average). Net yields (after costs) dropped to 3.7% for 2024/25 from 4.0% with the 3 year average net yield of 4.0%.
- 2.6. Despite the slight drop in yields, they have remained relatively stable over recent years and will continue to be monitored to ensure that the Councils return on this asset classification continues to provide value for money.

3. Equity Investments

- 3.1. 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.
- 3.2. 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.
- 3.3. 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.
- 3.4. The total nominal value of the shareholdings in Birmingham Airport are approximately £1.95m and represents the amount of expenditure the Council incurred in purchasing this equity investment.
- 3.5. 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.
- 3.6. As at the end of 2024/25 the fair value of these shares equated to £30.7m. This has seen a marginal decrease of £4.9m from the previous financial year.
- 3.7. 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.
- 3.8. During and post recovery of the COVID pandemic, dividends were not issued. However, issuance of dividends did restart during 2024/25 and £6.1m in dividends were received by Sandwell Metropolitan Borough Council with a further £2.8m received in 2025/26, as at end of December 2025.

4. Strategy

- 4.1. 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.
- 4.2. 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.

- 4.3. 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.
- 4.4. The Strategy for dividend income will be to allocate any receipt of dividend income into a Capital Financing 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 2026/27

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 annex 18F.
3. annexes included within this Strategy:

18A	Glossary
18B	Economic Background
18C	Credit and Counterparty Risk Management
18D	Approved Countries for Investment
18E	Treasury Management Role of the Section 151 Officer
18F	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 important. 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."

8. The CIPFA 2021 Prudential and Treasury Management Codes required all investments and investment income to be attributed to one of the following three purposes:

- i) Treasury Management – Arising from the organisation's cash flows or treasury risk management activity, this type of investment represents balances which are only held until the cash is required for use. Treasury investments may also arise from other treasury risk management activity which seeks to prudently manage the risks, costs or income relating to existing or forecast debt or treasury investments.
- ii) Service Delivery - Investments held primarily and directly for the delivery of public services including housing, regeneration and local infrastructure. Returns on this category of investment which are funded by borrowing are permitted only in cases where the income is "either related to the financial viability of the project in question or otherwise incidental to the primary purpose".
- iii) Commercial Return - Investments held primarily for financial return with no treasury management or direct service provision purpose. Risks on such investments should be proportionate to an authority's financial capacity – i.e., that 'plausible losses' could be absorbed in budgets or reserves without unmanageable detriment to local services. An authority must not borrow to invest primarily for financial return.

9. The latter two points are covered within the Capital Strategy and the Investment Strategy included as separate annexes within the MTFS.

Treasury Management Reporting

10. 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. (Cabinet 14th January 2026)
 - 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. (Cabinet 14th January 2026)
11. An additional requirement of the Code is that Cabinet are to receive quarterly updates to monitor and report performance.

Treasury Management Strategy for 2026/27

12. The strategy for 2026/27 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. 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.
18. A record of the training received by officers central to the Treasury function and members will be maintained by the Treasury Team.
 - i) Officers have attended a number of seminars/ training events during the last 12 months; the Assistant Finance Business Partner with responsibility for Treasury Management attending 4 and the Strategic Finance Manager attending 2. These included strategic updates on debt and investment strategies, economic updates and refresher sessions on day to day treasury management.
 - ii) The Cabinet Member for Finance and Resources has received a number of briefings over the year, delivered by the Strategic Finance Manager to explain key treasury and prudential indicators and to discuss strategy considerations.

Treasury Management Advisors

19. The council contracts with MUFG Corporate Markets (Previously Link 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. Decisions are undertaken regarding available information, including, but not solely, our treasury advisers.
20. The Council recognises the 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.
21. The current arrangements will be tendered for a new contract to commence on 1st April 2026.

The Capital Prudential Indicators 2026/27 – 2030/31

22. 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

23. 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 approve the capital expenditure forecasts as part of the 2026/27 Medium Term Financial Strategy:

Capital expenditure £m	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	Actual	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
Non-HRA	76.771	72.224	108.148	163.393	44.945	27.009	26.334
HRA	69.305	91.052	88.774	70.905	73.301	71.620	53.853
Total	146.07	163.276	196.922	234.298	118.246	98.629	80.187

24. 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	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
	Actual	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
Capital receipts	19.750	17.307	16.459	18.155	18.036	17.396	17.396
Capital grants and Contributions	80.868	50.951	87.549	137.108	34.939	18.239	18.239
Major Repairs Reserve	22.925	20.520	20.692	20.873	21.217	21.609	21.985
Revenue Contributions	10.041	5.432	4.700	5.839	4.700	4.700	4.700
Net financing need for the year	12.492	69.066	67.522	52.323	39.354	36.685	17.867
<i>Non-HRA amounts</i>	<i>2.492</i>	<i>24.044</i>	<i>30.265</i>	<i>22.446</i>	<i>7.306</i>	<i>6.070</i>	<i>5.395</i>
<i>HRA amounts</i>	<i>10.000</i>	<i>45.022</i>	<i>37.257</i>	<i>29.877</i>	<i>32.048</i>	<i>30.615</i>	<i>12.472</i>

25. 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)

26. 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.
27. 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.
28. The CFR includes any other long-term liabilities such as PFI schemes and finance leases, including adjustments for lease accounting (IFRS16) which came into effect from 1st April 2024. 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 £84.369m of such schemes within the CFR as at 31 March 2025 and is forecast to reduce to £77.734m by 31 March 2026.

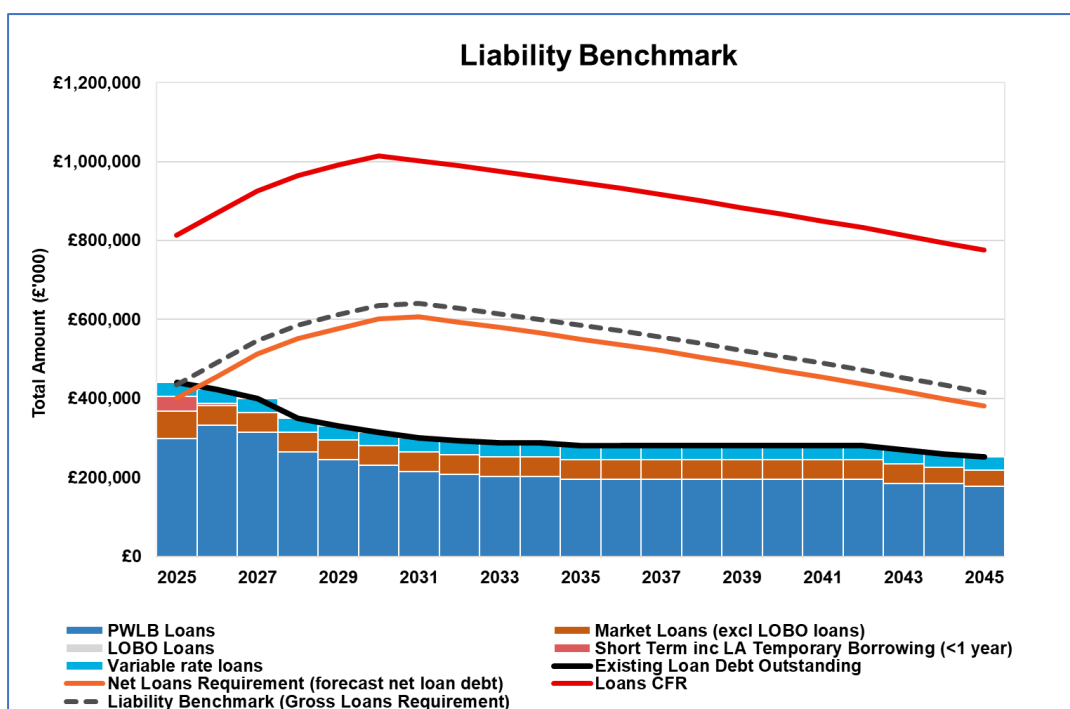
29. The council is asked to approve the CFR projections below:

£m	2024/25 Actual	2025/26 Estimate	2026/27 Estimate	2027/28 Estimate	2028/29 Estimate	2029/30 Estimate	2030/31 Estimate
Capital Financing Requirement							
non-HRA	340.251	346.719	360.208	363.818	350.980	339.495	327.782
Housing	557.885	600.581	632.883	657.587	684.234	714.317	726.124
Total CFR	898.136	947.300	993.091	1,021.40	1,035.214	1,053.81	1,053.906
<i>Movement in CFR</i>	<i>22.634</i>	<i>49.164</i>	<i>45.791</i>	<i>28.314</i>	<i>13.809</i>	<i>18.598</i>	<i>0.094</i>
Movement in CFR represented by							
+ Capital expenditure financed by borrowing	12.492	69.066	67.522	52.323	39.354	36.685	17.867
- Minimum Revenue Provision	(12.657)	(12.907)	(11.567)	(13.019)	(14.073)	(12.140)	(12.850)
+/- Movements in other long-term liabilities	22.799	(6.995)	(10.164)	(10.990)	(11.472)	(5.947)	(4.923)
+/- Other Movements	-	-	-	-	-	-	-
Total Movement	22.634	49.164	45.791	28.314	13.809	18.598	0.094

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

30. 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.
31. There are four components to the Liability Benchmark: -
- Existing loan debt outstanding: the council's existing loans that are expected to still be outstanding in future years.
 - 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.
 - 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.
 - Liability benchmark (or gross loans requirement): this equals net loans requirement plus short-term liquidity allowance.
32. 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

33. 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.

£m	2024/25 Actual	2025/26 Estimate	2026/27 Estimate	2027/28 Estimate	2028/29 Estimate	2029/30 Estimate	2030/31 Estimate
Year-end Resources							
Fund Balances/ Reserves	268.333	261.032	260.315	266.319	266.819	267.319	267.819
Capital Receipts	38.359	38.000	30.000	30.000	30.000	30.000	30.000
Grants	110.887	111.000	100.000	100.000	90.000	80.000	60.000
Provisions	10.546	11.000	11.000	11.000	11.000	11.000	11.000
Total Core Funds	428.125	421.032	401.315	407.319	397.819	388.319	368.819
Working Capital *	(14.967)	13.330	9.940	9.438	11.719	8.264	(4.719)
Under/ over borrowing	(372.079)	(394.362)	(371.255)	(376.757)	(369.538)	(356.583)	(324.100)
Expected investments	41.079	40.000	40.000	40.000	40.000	40.000	40.000

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

Minimum Revenue Provision (MRP) Policy Statement

34. 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).
35. 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.
36. 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.
37. 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.
38. 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.
39. 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 43.

Option	Calculation Method	Applies to
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

40. 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.

41. 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.
42. 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 2026/27

43. 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.

MRP Stream	Policy	Explanation	Change from previous policy?
Capital Expenditure incurred before 1 st April 2008	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) The discount rate to be applied will be the 25 year PWLB annuity rate as at 1 April 2024.	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.	No change

MRP Stream	Policy	Explanation	Change from previous policy?
Unsupported capital expenditure incurred since 1st April 2008	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. 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. The discount rate to be applied will be the PWLB annuity rate applicable on 1 April in the year of expenditure.	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. 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.	No change
Expenditure capitalised by virtue of a capitalisation direction under section 16(2)(b) of the Local Government Act 2003	MRP on any expenditure capitalised by way of a direction will be charged over 20 years using the asset-life method annuity approach. 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. The discount rate to be applied will be the PWLB annuity rate applicable on 1 April in the year of expenditure.	The 20 year life is the period specified in MRP Guidance. The use of the annuity method complies with Option 3.	No change

MRP Stream	Policy	Explanation	Change from previous policy?
MRP for service concession contracts such as PFI schemes and “right of use” lease contracts	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)	This complies with para 80 of the MRP Guidance.	No change
Capital loans to third parties	MRP will be calculated on an annuity basis over the expected useful lives of the assets purchased by third parties. The discount rate to be applied will be the PWLB annuity rate applicable on 1 April in the year the loan was issued.	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.	No change
Share Capital	MRP will be calculated on an annuity basis over a maximum period of 20 years. The discount rate to be applied will be the PWLB annuity rate applicable on 1 April in the year the share capital was acquired.	This approach complies with Option 3 of the MRP Guidance and the maximum useful life of 20 years.	No change

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

44. 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.
45. MRP on investments in Equities will be made on an annuity profile over 20 years, as recommended by Government guidance.

Borrowing

46. The capital expenditure plans set out in paragraph 24 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 2025

47. The overall Treasury Management portfolio as at 31 March 2025 and for the position as 31 December 2025 are shown below for both borrowing and investments:

	31 March 2025		31 December 2025	
	Balance £m	Interest Rate	Balance £m	Interest Rate
Treasury Investments				
Specified Investments:				
Bank/ Building Society (Fixed Rate)	-	0.00%	-	0.00%
Bank/ Building Society (Variable Rate)	0.554	2.50%	1.441	2.50%
Money Market Funds (Variable Rate)	40.525	4.55%	64.700	3.92%
Total Investments	41.079	4.52%	66.141	3.89%
Treasury External Borrowing				
Other Local Authorities	37.376	5.26%	25.594	5.23%
PWLB	298.163	5.04%	332.211	4.87%
LOBO/ Market Loans	70.000	4.08%	50.000	4.02%
Temporary Loans	35.458	4.58%	29.838	3.69%
Interest Free	0.691	0.00%	0.197	0.00%
Total External Borrowing	441.688	4.86%	437.840	4.72%
Net Debt	400.609		371.699	
Apportionment of Treasury External Borrowings				
	Balance £m	Interest Rate	Balance £m	Interest Rate
Non-HRA	122.319	4.79%	101.525	4.51%
HRA	319.369	4.89%	336.315	4.78%
Total External Borrowing	441.688	4.86%	437.840	4.72%

48. 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	2024/25 Actual	2025/26 Estimate	2026/27 Estimate	2027/28 Estimate	2028/29 Estimate	2029/30 Estimate	2030/31 Estimate
External Debt							
Debt at 1 April	437.305	441.688	475.564	554.626	588.428	620.928	658.428
Forecast movement in variable rate debt	(6.362)	2.500	2.500	2.500	2.500	2.500	2.500
Forecast debt maturities	(54.255)	(68.624)	(23.438)	(48.698)	(20.000)	(15.000)	(15.000)
Forecast new borrowing need	65.000	100.000	100.000	80.000	50.000	50.000	50.000
Other long-term liabilities (OLTL) at 1 April	61.570	84.369	77.374	67.210	56.220	44.748	38.801
Expected change in OLTL	22.799	(6.995)	(10.164)	(10.990)	(11.472)	(5.947)	(4.923)
Actual Gross Debt at 31 March	526.057	552.938	621.836	644.648	665.676	697.229	729.806
CFR	898.136	947.300	993.091	1,021.405	1,035.214	1,053.812	1,053.906
Over/ (Under) Borrowing Amount	(372.079)	(394.362)	(371.255)	(376.757)	(369.538)	(356.583)	(324.100)

49. 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 2026/27 and the following two financial years. This allows limited early borrowing for future years but ensures that borrowing is not undertaken for revenue purposes or speculative purposes.
50. 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

51. 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.

£m	2024/25 Actual	2025/26 Estimate	2026/27 Estimate	2027/28 Estimate	2028/29 Estimate	2029/30 Estimate	2030/31 Estimate
Operational Boundary							
Debt	556.482	475.564	554.626	588.428	620.928	658.428	695.928
Other Long-Term Liabilities	99.369	84.369	77.374	67.210	56.220	44.748	38.801
Total	655.851	559.933	632.000	655.638	677.148	703.176	734.729

The Authorised Limit

52. 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.
53. 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.
54. The council is recommended to approve the following Authorised Limit:

£m	2024/25 Actual	2025/26 Estimate	2026/27 Estimate	2027/28 Estimate	2028/29 Estimate	2029/30 Estimate	2030/31 Estimate
Authorised Limit							
Debt	904.105	992.371	1,053.075	1,097.324	1,125.843	1,160.424	1,167.371
Other Long-Term Liabilities	109.306	105.461	96.718	84.013	70.275	55.935	48.501
Total	1,013.411	1,097.832	1,149.793	1,181.337	1,196.118	1,216.359	1,215.872

Prospects for Interest Rates

55. The Council has appointed MUFG as its treasury advisor and part of their service is to assist the Authority to formulate a view on interest rates. MUFG have provided the following forecasts as at December 2025. These are forecasts for Bank Rate, average earnings and PWLB certainty rates, gilt yields plus 80 basis points (0.80%)

MUFG Corporate Markets Interest Rate View 22.12.25													
	Mar-26	Jun-26	Sep-26	Dec-26	Mar-27	Jun-27	Sep-27	Dec-27	Mar-28	Jun-28	Sep-28	Dec-28	Mar-29
BANK RATE	3.75	3.50	3.50	3.25	3.25	3.25	3.25	3.25	3.25	3.25	3.25	3.25	3.25
3 month ave earnings	3.80	3.50	3.50	3.30	3.30	3.30	3.30	3.30	3.30	3.30	3.30	3.30	3.30
6 month ave earnings	3.80	3.50	3.50	3.40	3.30	3.30	3.30	3.40	3.40	3.40	3.40	3.40	3.40
12 month ave earnings	3.90	3.60	3.60	3.50	3.40	3.50	3.50	3.50	3.50	3.50	3.60	3.60	3.60
5 yr PWLB	4.60	4.50	4.30	4.20	4.10	4.10	4.10	4.10	4.10	4.10	4.10	4.10	4.10
10 yr PWLB	5.20	5.00	4.90	4.80	4.80	4.70	4.70	4.70	4.70	4.60	4.60	4.60	4.70
25 yr PWLB	5.80	5.70	5.60	5.50	5.50	5.40	5.30	5.30	5.30	5.20	5.20	5.20	5.20
50 yr PWLB	5.60	5.50	5.40	5.30	5.30	5.20	5.10	5.10	5.10	5.00	5.10	5.00	5.00

Additional notes by MUFG on this forecast table:

56. The last interest rate forecast update was undertaken on 11 August. Since then, a combination of tepid growth (0.2% q/q GDP for Q2 and 0.1% q/q GDP for Q3), falling inflation (currently CPI is 3.2%), and a November Budget that will place more pressure on the majority of households' income, has provided an opportunity for the Bank of England's Monetary Policy Committee to further reduce Bank Rate from 4% to 3.75% on 18 December.
57. Surprisingly, to most market commentators, the recent steep fall in CPI inflation in one month from 3.6% to 3.2% did not persuade most "dissenters" from the November vote (Lombardelli, Greene, Mann and Pill) to switch to the rate-cutting side of the Committee. Instead, it was left to Bank Governor, Andrew Bailey, to use his deciding vote to force a rate cut through by the slimmest of margins, 5-4.
58. Given the wafer-thin majority for a rate cut it was not unexpected to hear that although rates would continue on a "gradual downward path", suggesting a further rate cut or cuts in the offing, MPC members want to assess incoming evidence on labour market activity and wage growth. Indeed, with annual wage growth still over 4.5%, the MPC reiterated that the case for further rate cuts would be "a closer call", and Governor Bailey observed there is "limited space as Bank Rate approaches a neutral level".
59. Accordingly, the MUFG Corporate Markets forecast has been revised to price in a rate cut in Q2 2026 to 3.5%, likely to take place in the wake of a significant fall in the CPI inflation reading from 3% in March to 2% in April (as forecast by Capital Economics), followed by a short lull through the summer whilst more data is garnered, and then a further rate cut to 3.25% in Q4.

60. As in August, nonetheless, threats to that central scenario abound. What if wage increases remain stubbornly high? There are, after all, several sectors of the domestic economy, including social care provision and the building/construction industries, where staff shortages remain severe. Moreover, by May 2026, following the local elections, we will have a better handle on whether or not the Starmer/Reeves team is going to see out the current Parliament or whether they face a Leadership challenge from within their own party. If so, how will gilt markets react to these variables...and will there be additional geo-political factors to also bake in, particularly the Fed's monetary policy decisions in 2026 and the ongoing battle to lower rates whilst inflation remains close to 3%.
61. Accordingly, our updated central forecast is made with several hefty caveats. We are confident, as we have been for some time, that our forecast for Bank Rate and the 5-year PWLB Certainty Rate is robust, and we have marginally brought forward the timing of the next rate cut(s). But for the 10-, 25- and 50-years part of the curve, the level of gilt issuance, and the timing of its placement, will be integral to achieving a benign trading environment. That is not a "given", and additionally, the inflation outlook and political factors domestically and, crucially, in the US, are also likely to hold sway. Matters should be clearer by June in the UK, but the US mid-term elections are scheduled for November.
62. Our revised PWLB rate forecasts 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) and is set to prevail until at least the end of March 2026. Hopefully, there will be a further extension to this discounted rate announced in January.
63. Money market yield forecasts are based on expected average earnings by local authorities for 3 to 12 months.

PWLB Rates

64. 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

65. The long-term (beyond 10 years) forecast for the neutral level of Bank Rate remains at 3.5%. As all PWLB certainty rates are still 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 (less than 5 year borrowing) and short-dated fixed LA to LA monies should also be considered. Temporary borrowing rates will, generally fall in line with Bank Rate cuts.
66. 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
2025/26 (residual)	3.80%	3.90%
2026/27	3.40%	3.60%
2027/28	3.30%	3.30%
2028/29	3.30%	3.50%
2029/30	3.50%	3.50%
Years 6 to 10	3.50%	3.50%
Years 10+	3.50%	3.50%

Borrowing Strategy

67. 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
68. Against this background and the risks within the economic forecast, caution will be adopted with the 2026/27 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
69. Any decisions will be reported to the Cabinet at the next available opportunity.
70. Despite the above, there will be a definite need to take new loan debt during 2026/27 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

71. 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 2026/27. 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.

72. 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.
73. 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

74. 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.
75. 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)

76. 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)
77. Our advisors keep us informed as to the relative merits of each of these alternative funding sources.

Annual Investment Strategy

Investment policy – management of risk

78. 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).
79. 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

80. 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.
81. 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.
82. 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.
 - i) 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 18C 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 90.
 - vii) This council will set a limit for the amount of its investments which are invested for **longer than 365 days**, (see paragraph 104).

- viii) Investments will only be placed with counterparties from countries with a specified minimum **sovereign rating**, (see paragraph 96).
 - ix) This council has engaged **external consultants**, (see paragraph 19), 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 pooled investments by announcing a statutory override to delay implementation of IFRS 9 for five years ending 31 March 2023. Subsequently, a further extension to the over-ride to 31 March 2029 was agreed by Government but only for those pooled investments made before 1st April 2024.
 - xii) If considering '**Property Funds**' or other '**Diversified Income Funds**' in the future, the Council may look to use externally appointed fund managers.
83. The Council pursues **value for money** in Treasury Management and monitors the yield from investment income against appropriate benchmarks for investment performance, (see paragraph 106). Regular monitoring of investment performance will be carried out during the year.
84. The above criteria regarding management of risk in Treasury Management are unchanged from last year.

Creditworthiness policy

85. 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.
86. 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

87. The MUFG 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.
88. 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.
89. 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.
90. 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

	Colour (and long-term rating where applicable)	Institution Financial Limit	Time Limit for investment maturity
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	
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.

91. 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.
92. 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 annex 18C.
93. 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.

94. CDS prices - MUFG monitor CDS prices as part of their creditworthiness service to local authorities and the Council has access to this information via its web portal.
95. 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

96. 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 A+ from Fitch (*or equivalent*). The list of countries that qualify using this credit criteria are shown in annex 18D. 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

97. Investments will be made with reference to the core balance and cashflow requirements and the outlook for short-term interest rates of up to 12 months. Greater returns are usually obtainable by investing for longer periods. The current shape of the yield curve suggests that rates can be expected to fall throughout 2026, but only if the CPI measure of inflation maintains a downwards trend towards the Bank of England's 2% target. Rates may be cut quicker than expected if the economy stagnates.
98. Accordingly, while most cash balances are required 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

99. The current forecast includes a forecast for Bank Rate to fall to a low of 3.25%.
100. 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
2025/26 (residual)	3.80%	3.90%
2026/27	3.40%	3.60%
2027/28	3.30%	3.30%
2028/29	3.30%	3.50%
2029/30	3.50%	3.50%
Years 6 to 10	3.50%	3.50%
Years 10+	3.50%	3.50%

101. As there are so many variables at this time, caution must be exercised in respect of all interest rate forecasts.
102. 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

103. 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.
104. The council is asked to approve the treasury indicator and limit:

£m	2024/25 Actual	2025/26 Limit	2026/27 Limit	2027/28 Limit	2028/29 Limit	2029/30 Limit	2030/31 Limit
Upper limit for principal sums invested for longer than 365 days	-	15.000	15.000	15.000	15.000	15.000	15.000

105. As at 31 December 2025 no treasury investments were for periods greater than 365 days.

Investment Performance

106. 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

107. 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

108. 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 F)
 - Invesco Sterling Liquidity Portfolio (Institutional)
 - Goldman Sachs Sterling Liquid Reserves (Institutional)
109. 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 2026/27 – 2030/31

110. 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

Capital expenditure £m	2024/25 Actual	2025/26 Estimate	2026/27 Estimate	2027/28 Estimate	2028/29 Estimate	2029/30 Estimate	2030/31 Estimate
Non-HRA	76.771	72.224	108.148	163.393	44.945	27.009	26.334
HRA	69.305	91.052	88.774	70.905	73.301	71.620	53.853
Total	146.076	163.276	196.922	234.298	118.246	98.629	80.187

Affordability Prudential Indicators

111. The previous sections over 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 councils overall finances. The council is asked to approve the following indicators:

Ratio of Financing Costs to Net Revenue Stream

112. This indicator identifies the trend in the cost of capital financing against the net revenue stream (council tax, business rates and non-ringfenced grants and HRA rent/ service charge income)

	2024/25 Actual	2025/26 Estimate	2026/27 Estimate	2027/28 Estimate	2028/29 Estimate	2029/30 Estimate	2030/31 Estimate
Non-HRA	5.4%	5.3%	4.2%	4.7%	4.9%	4.6%	4.8%
HRA	18.2%	18.6%	19.6%	20.1%	20.4%	20.9%	21.0%
Total	9.2%	9.2%	8.1%	8.6%	8.8%	8.7%	8.9%

113. The General Fund financing costs have decreased from an estimated 5.3% in 2025/26 to 4.2% in 2026/27. This is due to a change in government funding per the Local Government Finance Settlement which has reallocated previously ringfenced grants receivable for Social Care costs to core funding which is part of the net revenue stream.
114. Considering the revenue implications of the capital programmes as proposed within the MTFS, the General Fund indicates a maximum cost implication of 4.9% against a locally set limit of 6% with the HRA rising to 21.0% by the end of the MTFS period.
115. 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.
116. The estimates of financing costs include current commitments and the proposals in this budget report.

HRA Ratios

	2024/25 Actual	2025/26 Estimate	2026/27 Estimate	2027/28 Estimate	2028/29 Estimate	2029/30 Estimate	2030/31 Estimate
HRA CFR (£m)	557.885	600.581	632.883	657.587	684.234	714.317	726.124
Closing HRA Dwellings	27,717	27,389	27,042	26,898	26,754	26,664	26,574
CFR per Dwelling (£)	20,128	21,928	23,404	24,447	25,575	26,790	27,325
HRA Debt Charges (£m)	25.637	28.514	30.469	32.363	33.793	35.831	37.131
Closing HRA Dwellings	27,717	27,389	27,042	26,898	26,754	26,664	26,574
Debt cost per dwelling per annum (£)	925	1,041	1,127	1,203	1,263	1,344	1,397

Maturity Structure of Borrowing

117. 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.
118. The council is asked to approve the following treasury indicators and limits:

Limit of fixed interest borrowing as at end 2026/27		
	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%

119. The limits for periods up to 5 years remain high 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

MUFG update as at end December 2025

- The first half of 2025/26 saw:
 - A 0.3% pick up in GDP for the period April to June 2025. More recently, the economy flatlined in July, with higher taxes for businesses restraining growth, but picked up to 0.1% m/m in August before falling back by 0.1% m/m in September.
 - The 3m/yy rate of average earnings growth excluding bonuses has fallen from 5.5% to 4.6% in September.
 - CPI inflation has ebbed and flowed but finished September at 3.8%, whilst core inflation eased to 3.5%.
 - The Bank of England cut interest rates from 4.50% to 4.25% in May, and then to 4% in August (and subsequently to 3.75% in December).
 - The 10-year gilt yield fluctuated between 4.4% and 4.8%, ending the half year at 4.70% (before falling back to 4.43% in early November).
- From a GDP perspective, the financial year got off to a bumpy start with the 0.3% m/m fall in real GDP in April as front-running of US tariffs in Q1 (when GDP grew 0.7% on the quarter) weighed on activity. Despite the underlying reasons for the drop, it was still the first fall since October 2024 and the largest fall since October 2023. However, the economy surprised to the upside in May and June so that quarterly growth ended up 0.3% q/q (subsequently revised down to 0.2% q/q). Nonetheless, the 0.0% m/m change in real GDP in July, followed by a 0.1% m/m increase in August and a 0.1% decrease in September will have caused some concern. GDP growth for 2025 - 2028 is currently forecast by the Office for Budget Responsibility to be in the region of 1.5%.
- Sticking with future economic sentiment, the composite Purchasing Manager Index (PMI) for the UK increased to 52.2 in October. The manufacturing PMI output balance improved to just below 50 but it is the services sector (52.2) that continues to drive the economy forward. Nonetheless, the PMIs suggest tepid growth is the best that can be expected in the second half of 2025 and the start of 2026. Indeed, on 13 November we heard that GDP for July to September was only 0.1% q/q.
- Turning to retail sales volumes, and the 1.5% year-on-year rise in September, accelerating from a 0.7% increase in August, marked the highest gain since April. On a monthly basis, retail sales volumes rose 0.5%, defying forecasts of a 0.2% fall, following an upwardly revised 0.6% gain in August. Household spending remains surprisingly resilient, but headwinds are gathering.
- Prior to the November Budget, the public finances position looked weak. The £20.2 billion borrowed in September was slightly above the £20.1 billion forecast by the OBR. For the year to date, the £99.8 billion borrowed is the second highest for the April to September period since records began in 1993, surpassed only by borrowing during the COVID-19 pandemic. The main drivers of the increased borrowing were higher debt interest costs, rising government running costs, and increased inflation-linked benefit payments, which outweighed the rise in tax and National Insurance contributions.
- Following the 26 November Budget, the Office for Budget Responsibility (OBR) calculated the net tightening in fiscal policy as £11.7bn (0.3% of GDP) in 2029/30, smaller than the

consensus forecast of £25bn. It did downgrade productivity growth by 0.3%, from 1.3% to 1.0%, but a lot of that influence was offset by upgrades to its near-term wage and inflation forecasts. Accordingly, the OBR judged the Chancellor was going to achieve her objectives with £4.2bn to spare. The Chancellor then chose to expand that headroom to £21.7bn, up from £9.9bn previously.

- Moreover, the Chancellor also chose to raise spending by a net £11.3bn in 2029/30. To pay for that and the increase in her headroom, she raised taxes by £26.1bn in 2029/30. The biggest revenue-raisers were the freeze in income tax thresholds from 2028/29 (+£7.8bn) and the rise in NICs on salary-sacrifice pension contributions (+£4.8bn). The increase in council tax for properties worth more than £2.0m will generate £0.4bn.
- The weakening in the jobs market looked clear in the spring. May's 109,000 m/m fall in the PAYE measure of employment was the largest decline (barring the pandemic) since the data began and the seventh in as many months. The monthly change was revised lower in five of the previous seven months too, with April's 33,000 fall revised down to a 55,000 drop. More recently, however, the monthly change was revised higher in seven of the previous nine months by a total of 22,000. So instead of falling by 165,000 in total since October, payroll employment is now thought to have declined by a smaller 153,000. Even so, payroll employment has still fallen in nearly all the months since the Chancellor announced the rises in National Insurance Contributions (NICs) for employers and the minimum wage in the October 2024 Budget. The number of job vacancies in the three months to November 2025 stood at 729,000 (the peak was 1.3 million in spring 2022). All this suggests the labour market continues to loosen, albeit at a slow pace.
- A looser labour market is driving softer wage pressures. The 3m/yy rate of average earnings growth excluding bonuses has fallen from 5.5% in April to 4.6% in September (still at that level in November). The rate for the private sector has slipped just below 4% as the year end approaches.
- CPI inflation remained at 3.8% in September but dropped to 3.2% by November. Core inflation also fell to 3.2% by November while services inflation fell to 4.4%. Nonetheless, a further loosening in the labour market and weaker wage growth may be a requisite to UK inflation coming in below 2.0% by 2027.
- An ever-present issue throughout recent months has been the pressure being exerted on medium and longer dated gilt yields. The yield on the 10-year gilt moved sideways in the second quarter of 2025, rising from 4.4% in early April to 4.8% in mid-April following wider global bond market volatility stemming from the "Liberation Day" tariff announcement, and then easing back as trade tensions began to de-escalate. By the end of April, the 10-year gilt yield had returned to 4.4%. In May, concerns about stickier inflation and shifting expectations about the path for interest rates led to another rise, with the 10-year gilt yield fluctuating between 4.6% and 4.75% for most of May. Thereafter, as trade tensions continued to ease and markets increasingly began to price in looser monetary policy, the 10-year yield edged lower, and ended June at 4.50%.
- More recently, the yield on the 10-year gilt rose from 4.46% to 4.60% in early July as rolled-back spending cuts and uncertainty over Chancellor Reeves' future raised fiscal concerns. Although the spike proved short lived, it highlighted the UK's fragile fiscal position. In an era of high debt, high interest rates and low GDP growth, the markets are now more sensitive to fiscal risks than before the pandemic. During August, long-dated gilts underwent a particularly pronounced sell-off, climbing 22 basis points and reaching a 27-year high of 5.6% by the end of the month. While yields have since

eased back, the market sell-off was driven by investor concerns over growing supply-demand imbalances, stemming from unease over the lack of fiscal consolidation and reduced demand from traditional long-dated bond purchasers like pension funds. For 10-year gilts, by late September, sticky inflation, resilient activity data and a hawkish Bank of England kept yields elevated over 4.70% although by late December had fallen back again to a little over 4.50%.

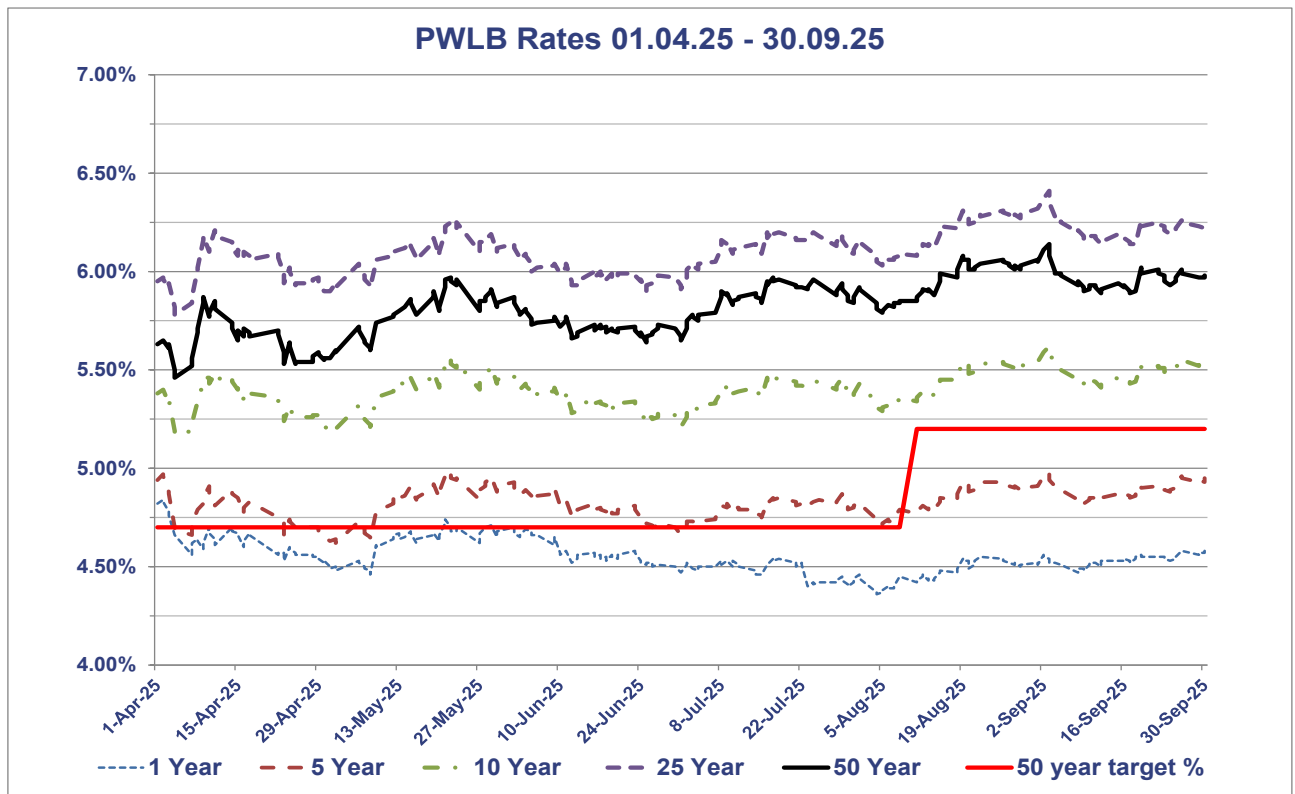
- The FTSE 100 fell sharply following the “Liberation Day” tariff announcement, dropping by more than 10% in the first week of April - from 8,634 on 1 April to 7,702 on 7 April. However, the de-escalation of the trade war coupled with strong corporate earnings led to a rapid rebound starting in late April. As a result, the FTSE 100 ended June at 8,761, around 2% higher than its value at the end of March and more than 7% above its level at the start of 2025. Since then, the FTSE 100 has enjoyed a further 4% rise in July, its strongest monthly gain since January and outperforming the S&P 500. Strong corporate earnings and progress in trade talks (US-EU, UK-India) lifted share prices and the index hit a record 9,321 in mid-August, driven by hopes of peace in Ukraine and dovish signals from Fed Chair Powell. September proved more volatile and the FTSE 100 closed September at 9,350, 7% higher than at the end of Q1 and 14% higher since the start of 2025. Future performance will likely be impacted by the extent to which investors’ global risk appetite remains intact, Fed rate cuts, resilience in the US economy, and AI optimism. A weaker pound will also boost the index as it inflates overseas earnings. In early November, the FTSE100 climbed to a record high just above 9,900. By late December, the index had clung on to most of those gains standing at 9,870 on 23 December.

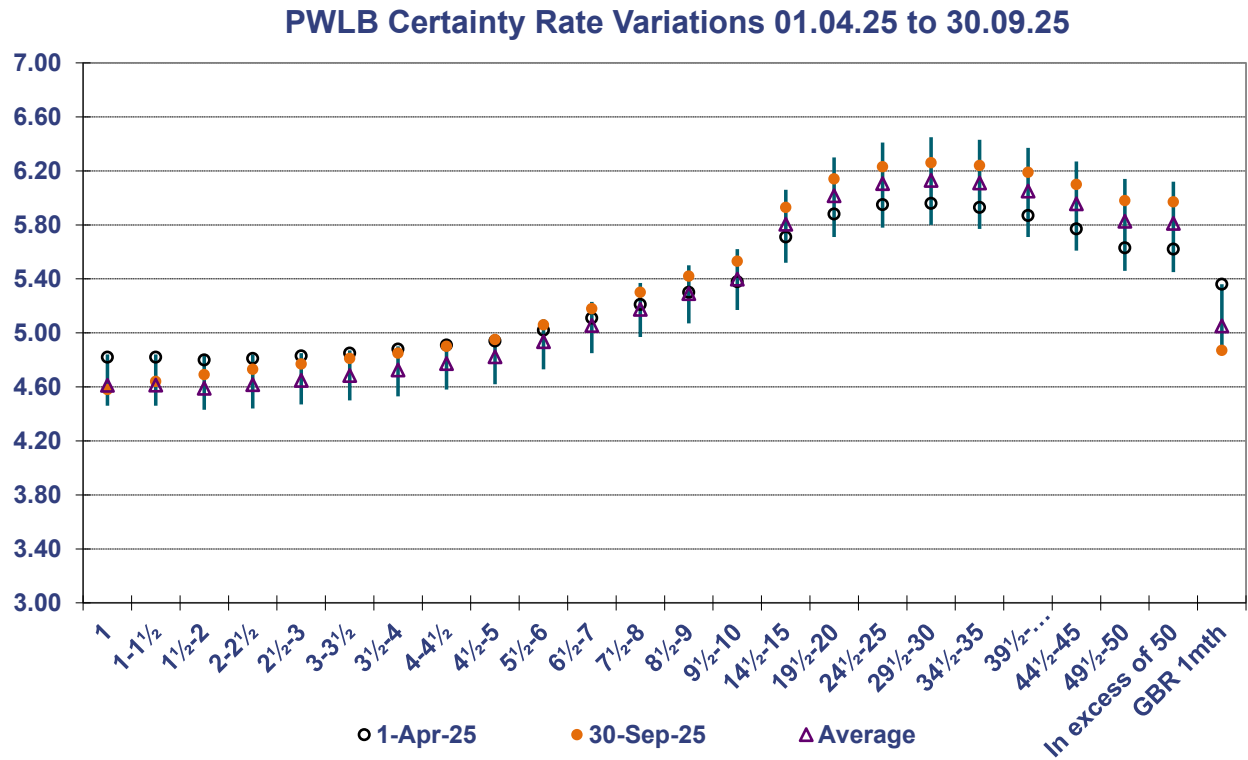
MPC meetings: 8 May, 19 June, 7 August, 18 September, 6 November, 18 December 2025

- There were six Monetary Policy Committee (MPC) meetings held between April and December. In May, the Committee cut Bank Rate from 4.50% to 4.25%, while in June policy was left unchanged. In June’s vote, three MPC members (Dhingra, Ramsden and Taylor) voted for an immediate cut to 4.00%, citing loosening labour market conditions. The other six members were more cautious, as they highlighted the need to monitor for “signs of weak demand”, “supply-side constraints” and higher “inflation expectations”, mainly from rising food prices. By repeating the well-used phrase “gradual and careful”, the MPC continued to suggest that rates would be reduced further.
- In August, a further rate cut was implemented. However, a 5-4 split vote for a rate cut to 4% laid bare the different views within the Monetary Policy Committee, with the accompanying commentary noting the decision was “finely balanced” and reiterating that future rate cuts would be undertaken “gradually and carefully”. Ultimately, Governor Bailey was the casting vote for a rate cut but with the CPI measure of inflation expected to reach at least 4% later this year, the MPC was wary of making any further rate cuts until inflation begins its slow downwards trajectory back towards 2%.
- With wages still rising by just below 5%, it was no surprise that the September meeting saw the MPC vote 7-2 for keeping rates at 4% (Dhingra and Taylor voted for a further 25bps reduction). Moreover, the Bank also took the opportunity to announce that they would only shrink its balance sheet by £70bn over the next 12 months, rather than £100bn. The repetition of the phrase that “a gradual and careful” approach to rate cuts is appropriate suggested the Bank still thought interest rates will fall further.

- At the 6 November meeting, Governor Bailey was once again the deciding vote, keeping Bank Rate at 4% but hinting strongly that a further rate cut was imminent if data supported such a move. By 18 December, with November CPI inflation having fallen to 3.2%, and with Q2 GDP revised down from 0.3% q/q to only 0.2% q/q, and Q3 GDP stalling at 0.1%, the MPC voted by 5-4 to cut rates further to 3.75%. However, Governor Bailey made it clear that any further reductions would require strong supporting data, and the pace of any further decreases would be slow compared to recent months. The markets expect Bank Rate to next be cut in April.

PWLB RATES 01.04.25 - 30.09.25





HIGH/LOW/AVERAGE PWLB RATES FOR 01.04.25 – 30.09.25

	1 Year	5 Year	10 Year	25 Year	50 Year
01/04/2025	4.82%	4.94%	5.38%	5.95%	5.63%
30/09/2025	4.58%	4.95%	5.53%	6.23%	5.98%
Low	4.36%	4.62%	5.17%	5.78%	5.46%
Low date	04/08/2025	02/05/2025	02/05/2025	04/04/2025	04/04/2025
High	4.84%	4.99%	5.62%	6.41%	6.14%
High date	02/04/2025	21/05/2025	03/09/2025	03/09/2025	03/09/2025
Average	4.55%	4.82%	5.40%	6.11%	5.83%
Spread	0.48%	0.37%	0.45%	0.63%	0.68%

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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Environmental, Social and Governance Considerations

The Treasury Management Code states “ESG issues are increasingly significant for investors and investment managers. This is better developed in equity and bond markets than for short-term cash deposits, and there is a diversity of market approaches to ESG classification and analysis. This means that a consistent and developed approach to ESG for public service organisations is currently difficult. Organisations are therefore recommended to consider their credit and counterparty policies in light of ESG information and develop their own ESG investment policies and treasury management practices consistent with their organisation’s own relevant policies, such as environmental and climate change policies.”

The Council will consider offers for ESG investments when provided by institutions, subject to the financial institution being within the list of approved investment counterparties, set in accordance with TMP1 and the approved TMSS, and other strategic considerations such as cash-flow requirements.

Other Considerations

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 23 December 2025, (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 MUFG creditworthiness service.

Based on lowest available rating

AAA

- Australia
- Denmark
- Germany
- Netherlands
- Norway
- Singapore
- Sweden
- Switzerland

AA+

- Canada
- U.S.A.

AA

- Abu Dhabi (UAE)
- Finland
- Qatar

AA-

- U.K.

A+

- Belgium
- France

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	2024/25 Actual	2025/26 Estimate	2026/27 Estimate	2027/28 Estimate	2028/29 Estimate	2029/30 Estimate	2030/31 Estimate
Non-HRA	76.771	72.224	108.148	163.393	44.945	27.009	26.334
HRA	69.305	91.052	88.774	70.905	73.301	71.620	53.853
Total	146.076	163.276	196.922	234.298	118.246	98.629	80.187

Financing of capital expenditure £m	2024/25 Actual	2025/26 Estimate	2026/27 Estimate	2027/28 Estimate	2028/29 Estimate	2029/30 Estimate	2030/31 Estimate
Capital receipts	19.750	17.307	16.459	18.155	18.036	17.396	17.396
Capital grants and Contributions	80.868	50.951	87.549	137.108	34.939	18.239	18.239
Major Repairs Reserve	22.925	20.520	20.692	20.873	21.217	21.609	21.985
Revenue Contributions	10.041	5.432	4.700	5.839	4.700	4.700	4.700
Net financing need for the year	12.492	69.066	67.522	52.323	39.354	36.685	17.867
<i>Non-HRA amounts</i>	<i>2.492</i>	<i>24.044</i>	<i>30.265</i>	<i>22.446</i>	<i>7.306</i>	<i>6.070</i>	<i>5.395</i>
<i>HRA amounts</i>	<i>10.000</i>	<i>45.022</i>	<i>37.257</i>	<i>29.877</i>	<i>32.048</i>	<i>30.615</i>	<i>12.472</i>

Prudential Indicator - Capital Financing Requirement (CFR) Projections:

£m	2024/25 Actual	2025/26 Estimate	2026/27 Estimate	2027/28 Estimate	2028/29 Estimate	2029/30 Estimate	2030/31 Estimate
Capital Financing Requirement							
non-HRA	340.251	346.719	360.208	363.818	350.980	339.495	327.782
Housing	557.885	600.581	632.883	657.587	684.234	714.317	726.124
Total CFR	898.136	947.300	993.091	1,021.405	1,035.214	1,053.812	1,053.906
<i>Movement in CFR</i>	<i>22.634</i>	<i>49.164</i>	<i>45.791</i>	<i>28.314</i>	<i>13.809</i>	<i>18.598</i>	<i>0.094</i>
Movement in CFR represented by							
+ Capital expenditure financed by borrowing	12.492	69.066	67.522	52.323	39.354	36.685	17.867
- Minimum Revenue Provision	(12.657)	(12.907)	(11.567)	(13.019)	(14.073)	(12.140)	(12.850)
+/- Movements in other long-term liabilities	22.799	(6.995)	(10.164)	(10.990)	(11.472)	(5.947)	(4.923)
+/- Other Movements	-	-	-	-	-	-	-
Total Movement	22.634	49.164	45.791	28.314	13.809	18.598	0.094

Prudential Indicator – Gross debt projections compared to CFR:

£m	2024/25 Actual	2025/26 Estimate	2026/27 Estimate	2027/28 Estimate	2028/29 Estimate	2029/30 Estimate	2030/31 Estimate
External Debt							
Debt at 1 April	437.305	441.688	475.564	554.626	588.428	620.928	658.428
Forecast movement in variable rate debt	(6.362)	2.500	2.500	2.500	2.500	2.500	2.500
Forecast debt maturities	(54.255)	(68.624)	(23.438)	(48.698)	(20.000)	(15.000)	(15.000)
Forecast new borrowing need	65.000	100.000	100.000	80.000	50.000	50.000	50.000
Other long term liabilities (OLTL) at 1 April	61.570	84.369	77.374	67.210	56.220	44.748	38.801
Expected change in OLTL	22.799	(6.995)	(10.164)	(10.990)	(11.472)	(5.947)	(4.923)
Actual Gross Debt at 31 March	526.057	552.938	621.836	644.648	665.676	697.229	729.806
CFR	898.136	947.300	993.091	1,021.405	1,035.214	1,053.812	1,053.906
Over/ (Under) Borrowing Amount	(372.079)	(394.362)	(371.255)	(376.757)	(369.538)	(356.583)	(324.100)

Treasury Indicators - Operational Boundary and Authorised Limit:

£m	2024/25 Actual	2025/26 Estimate	2026/27 Estimate	2027/28 Estimate	2028/29 Estimate	2029/30 Estimate	2030/31 Estimate
Operational Boundary							
Debt	556.482	475.564	554.626	588.428	620.928	658.428	695.928
Other Long-Term Liabilities	99.369	84.369	77.374	67.210	56.220	44.748	38.801
Total	655.851	559.933	632.000	655.638	677.148	703.176	734.729

£m	2024/25 Actual	2025/26 Estimate	2026/27 Estimate	2027/28 Estimate	2028/29 Estimate	2029/30 Estimate	2030/31 Estimate
Authorised Limit							
Debt	904.105	992.371	1,053.075	1,097.324	1,125.843	1,160.424	1,167.371
Other Long-Term Liabilities	109.306	105.461	96.718	84.013	70.275	55.935	48.501
Total	1,013.411	1,097.832	1,149.793	1,181.337	1,196.118	1,216.359	1,215.872

Treasury Indicator - Investment limits for periods greater than 365 days:

£m	2024/25 Actual	2025/26 Limit	2026/27 Limit	2027/28 Limit	2028/29 Limit	2029/30 Limit	2030/31 Limit
Upper limit for principal sums invested for longer than 365 days	-	15.000	15.000	15.000	15.000	15.000	15.000

Note: current treasury amounts invested for periods greater than 365 days is nil

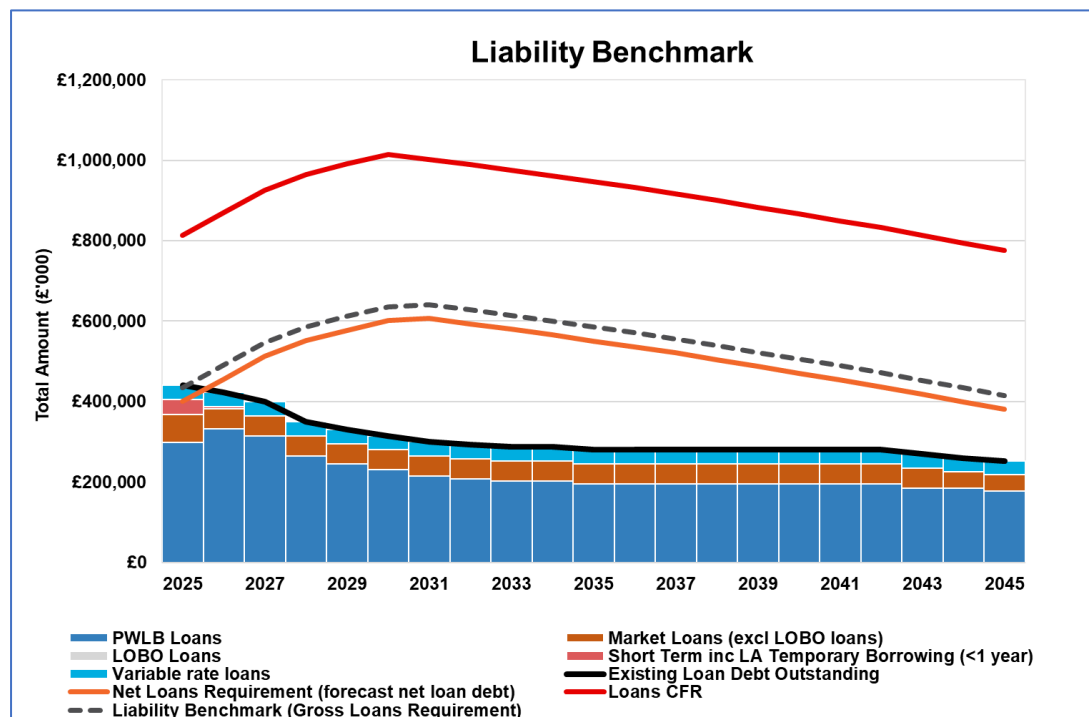
Prudential Indicator - Ratios of financing costs to net revenue stream:

	2024/25 Actual	2025/26 Estimate	2026/27 Estimate	2027/28 Estimate	2028/29 Estimate	2029/30 Estimate	2030/31 Estimate
Non-HRA	5.4%	5.3%	4.2%	4.7%	4.9%	4.6%	4.8%
HRA	18.2%	18.6%	19.6%	20.1%	20.4%	20.9%	21.0%
Total	9.2%	9.2%	8.1%	8.6%	8.8%	8.7%	8.9%

Treasury Indicator - Maturity structure for fixed rate debt:

Limit of fixed interest borrowing as at end 2026/27		
	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



Reserves Strategy

1 Introduction

- 1.1 Reserves are financial resources that the Council has accumulated over time. They are an integral element of our financial management and Medium-Term Financial Strategy. We use reserves to help to mitigate the risks that the Council faces, as well as to fund specific planned expenditure.

2 Reserves Included within the Reserves Strategy

- 2.1 In accordance with the CIPFA Code of Practice on Local Authority Accounting in the United Kingdom (the Code) our reserves are categorised in the Statement of Accounts as either usable or unusable.
- 2.2 The Code describes usable reserves as those that represent resources that the authority might use to support service delivery at the reporting date. Some usable reserves may have restrictions upon their use dependent upon the relevant legislative requirements.
- 2.3 Unusable reserves are not available to use to support service delivery at the reporting date. These reserves arise from either:
- a) statutory adjustments required to reconcile balances to the amounts chargeable to council tax (or rents) for the year, to comply with legislation, or
 - b) accounting gains or losses recognised in other comprehensive income and expenditure in accordance with accounting standards adopted by the Code, rather than in the surplus or deficit on the provision of services.
- 2.4 **This strategy relates to usable revenue reserves only.**
- 2.5 Useable capital reserves are not related to this reserves strategy and are instead subject to the Capital Financing Strategy and Treasury Management Strategy. For information useable capital reserves are described below:
- Capital Receipts Reserve: This reserve holds the proceeds from the disposal of land or other assets and are restricted by statute from being used other than to fund new capital expenditure or to be set aside to finance historical capital expenditure. The balance of the reserve shows resources that have yet to be applied for these purposes at year-end.

- **Capital Grants Unapplied Account:** This reserve holds the grants and contributions received towards capital projects that the Council has met the conditions that would otherwise require repayment of the monies, but which have yet to be applied to meet expenditure. The balance is restricted by grant terms as to the capital expenditure against which it can be applied and/or the financial year in which this can take place.
- **Major Repairs Reserve:** The Housing Revenue Account holds a Major Repairs Reserve (MRR) which is ringfenced to fund capital expenditure on dwellings within the Housing Revenue Account. In accordance with accounting regulations provided by the Code, contributions into the MRR are funded through an annual contribution from the Housing Revenue Account equal to its annual depreciation charge.

2.6 These reserves do not form part of this strategy.

3 Types of Usable Revenue Reserves

3.1 The Council holds two types of useable revenue reserves:

- **General Reserves**

These represent 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.

- **Earmarked Reserves**

These provide a means of building up funds, for use in a future financial year, to meet known or forecast policy initiatives or to 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 increase through decisions of the Cabinet or Council and decrease as they are spent on the intended purposes.

3.2 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 after considering all the relevant known and expected local circumstances.

4 General Reserves

Purpose

- 4.1 The purpose of general reserves is to minimise the possible impacts to the Council from emergencies and financial issues that emerge in year.
- 4.2 Both the General Fund balance and the Housing Revenue Account balance act as a contingency to cushion the impact of unexpected events or emergencies. They also provide a working balance to help cushion the impact of uneven cash flows and avoid unnecessary temporary borrowing.
- 4.3 CIPFA's Financial Management Code recognises that using 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. General reserves must not therefore be used for recurring expenditure unless that expenditure will be included in revenue budgets in the following financial year or a suitable payback period is agreed in advance.

Our Strategy

General Fund

- 4.3 The Council's strategy is to ensure that sufficient plans are in place in advance of any financial year to avoid having to use the General Fund balance to balance the budget, thereby ensuring that the General Fund balance remains available for its intended purpose.
- 4.4 There is no statutory minimum for the level of General Fund balance to be held, although it is widely accepted that a minimum of 5% of net budget is best practice. In making a recommendation as to the level of General Fund balance, the Section 151 Officer considers:
 - **The overall financial position of the Council:** The budget proposed for 2026/27 is balanced without the need to draw on the General Fund balance. Budget growth has been provided in response to forecast increases in costs and demand. The budget requires the achievement of efficiency and income generation savings of £7.785m in 2026/27, but this level of savings is less than has been achieved by the Council in recent years. Although the proposed 2026/27 budget is balanced and is based on robust estimates, it is projected that the medium-term forecast budget deficit could be in the region of £26.461m by 2030/31.
 - **The Council's financial management arrangements and track record:** The Council has a good track record of managing its finances well, setting robust budgets aligned to the Council's priorities. Rigorous budget monitoring is carried out and the Council has a track record of delivering services within budget, despite emerging in year pressures.

- **The level of risk and uncertainty facing the council:** There are several material risks and uncertainties including high levels of inflation, the impact of cost of living on residents and businesses, interest rate costs, pay awards and uncertain government funding beyond 2028/29.
- **The level of other risk management reserves:** There are several earmarked reserves held to manage identified risks: The Council holds a financial planning reserve, inflation and demographic growth reserve, contract risk reserve, budget monitoring (savings not delivered) reserve, insurance reserve and repairs and maintenance reserve. The total of these reserves at 1st April 2025 is £41.818m.
- **The level of specific contingencies within the annual budget to manage in year pressures.** The proposed 2026/27 budget includes contingencies for inflationary contract pressures, and in relation to the 2026/27 pay award. These are held corporately to mitigate against cost pressures and will be passed out to services should increased costs materialise.

- 4.5 Setting the level of general reserves is 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 Council's financial management arrangements, including the adequacy of the Council's insurance arrangements to cover major unforeseen risks, and the Council's Financial Procedure Rules and year-end procedures in relation to budget under/overspends at Council and service level. These factors are assessed by the Section 151 Officer at a local level and a considerable degree of professional judgment is required.
- 4.6 In relation to the current financial position, although facing financial challenges over the medium-term, there are robust financial management arrangements in place. The Council has a strong track record of managing in year pressures and several reserves are maintained to mitigate against specific risks. It is recommended that a minimum level of 5% of net budget is sufficient as a General Fund balance.
- 4.7 The Council's General Fund balance as at 1 April 2025 is £22.569m (Draft Statement of Accounts 2024/25).
- 4.8 As at Quarter 2 of 2025/26, the projected outturn for the General Fund revenue budget is a forecast underspend for the year of £0.101m and the working assumption is that this underspend will be added to the General Fund balance at year-end, increasing the balance to £22.670m. However, as part of year-end closure of accounts, a decision will be made on whether to

allocate surplus to earmarked reserves, rather than applying it to the General Fund balance.

- 4.9 The opening General Fund balance position of £22.569m equates to 6.2% of the Council's net budget for 2025/26, however, it would only equate to 4.9% of the Council's net budget for 2026/27. Therefore, this Budget Report proposes the addition of £0.750m to the General Fund balance within 2026/27 to ensure that the balance remains above 5% of the Council's net budget. Increasing the General Fund balance to £23.319m in 2026/27 means the balance would equate to 5.1% of net expenditure, fulfilling the strategic objective.

Housing Revenue Account

- 4.10 The Housing Revenue Account (HRA) holds general reserves as at 1st April 2025 of £51.183m (Draft Statement of Accounts 2024/25). These reserves must be kept separate from General Fund reserves.
- 4.11 The HRA general reserve must be managed so that it provides flexibility to address unexpected demands and pressures without destabilising the Council's overall financial position. It can be used to correct inflation assumptions, fund increased capital spend or to repay debt early.
- 4.12 The Council's strategy is to hold an HRA general reserve balance that equates to at least 10% of the HRA's net budget. 10% of net budget is a prudent balance considering the uncertainties within the HRA. There are no earmarked reserves held in relation to the HRA, and this is a factor which contributes to the need to retain a general HRA reserve balance of at least 10% of the HRA's net budget.
- 4.13 The current HRA balance equates to approximately 34% of the HRA's net budget so is well within the Council's strategic objective. In recent years, the Council has maintained a higher level of reserves to ensure that there are enough funds available to service any borrowing requirements to fund future capital investment in the Council's housing stock.
- 4.14 As a result of increased right to buy sales, void property costs, housing disrepair claims and increased asset management investment costs, £6.493m of reserves are forecast to be required in the current year. This Budget Report requests a contribution from reserves of £8.857m within the 2026/27 budget, which would reduce HRA reserves to £44.690m in 2026/27. This forecast balance is still prudent, however, further contributions from reserves are currently forecast to be required in the medium-term, which would reduce the reserve balance below the threshold of 10% of net budget by 2030/31. Expenditure at current forecast levels is therefore not sustainable and plans must be put in place to ensure that the HRA's general reserve balance remains adequate in the medium-term.

- 4.15 The minimum level of general HRA reserves balance will be reviewed annually, taking into consideration changes in risks and future revisions to the HRA 30-year business plan.

5 Earmarked Reserves

Purpose

- 5.1 Earmarked reserves are funds set aside for specific future expenses or project costs that may or will be incurred. Such reserves and expenditure relate purely to the General Fund and not to the Housing Revenue Account.

- 5.2 The Council holds earmarked reserves for different purposes:

- **Investment Reserves:** Funds held to support the Council's strategic priorities and the delivery of the Council Plan, and funds held to enable transformation and to pump prime investment into the borough.
- **Managing Risks:** Our annual budget and MTFS are based on robust estimates of the resources available to the Council and the cost of delivering services and Council priorities. However, like any large complex organisation the Council faces risks and uncertainty. Inevitably there will be changes facing the Council including levels of demand, inflation, funding streams, and government policy. Therefore, the Council holds a number of reserves specifically for protection against unforeseen expenditure or loss of income as a result of such risks materialising. The elements of the council's General Fund expenditure budget that carry the most financial risk due to demand and/or inflation all have named reserves to help manage the associated risks to the MTFS; those areas of expenditure being staff pay, adult social care, children's social care and SEND transport.
- **Smoothing Reserves:** To manage areas of the Council's budget where expenditure or income is variable and unpredictable but where the annual fluctuations are averaged out over the medium-term. Holding smoothing reserves for such areas of budget removes the risk of in-year variances from budget. Relevant areas of budget include:
 - business rates income, which can be impacted by collection rates and national policy
 - capital financing budgets, which can be affected by interest rate changes and the timing of capital project works and payments and abortive costs
- **Restricted Reserves:** To manage external funding received for specific purposes where the decisions on how the funding is used are not wholly within the control of the Council. Restricted reserves include balances

held where funding is unspent but where the use of the funding is restricted or ringfenced, such as the Public Health Grant and Dedicated Schools Grant.

- 5.3 Earmarked reserves are held to manage one-off costs or short-term overspends, as part of the process to manage medium term financial sustainability. Earmarked reserves should not be used to fund recurrent expenditure, unless that expenditure will be budgeted for within revenue budgets in the following year.

Our Strategy

- 5.4 We will review earmarked reserve balances at least annually, as part of the budget setting process to ensure that they remain appropriate, relevant and adequate for their intended purpose.
- 5.5 We will review earmarked reserve balances in conjunction with the Council's Strategic Risk Register to ensure that earmarked reserves balances remain adequate in relation to all corresponding identified risks.
- 5.6 During 2025/26, a fundamental review of earmarked reserves has been undertaken, resulting in £11.774m of earmarked reserve funds being identified as available for reallocation, principally to meet the Council's strategic priorities and to mitigate new risks identified. £6.935m of this is proposed to be transferred into the contract risk reserve to fund contract payments to Sandwell Children's Trust to offset the historic deficit incurred by the Trust to the end of 2024/25. Other proposed reallocation includes the addition of £1.743m to transformation reserves and £1.139m into the reserve that funds revenue contributions to capital projects. £1.557m is proposed to be set aside in a new risk-related reserve, to be held for use in the eventuality that efficiency and income generation savings are not achieved within their planned timescales.
- 5.7 A list of the Council's strategic risks is contained in annex 19A. Full details of the proposed reallocation of reserves within 2025/26 is shown in annex 19B.
- 5.8 This Budget Report also proposes contributions to and from earmarked reserves as part of the 2026/27 budget and in accordance with the Council's MTFS as follows:
- £4.000m contribution to reserves to fund SEND transformation – This is a key area of transformation activity that aims to reduce demand and costs in relation to SEND placements and transport
 - £1.250m contribution to reserves to create a new 'severe weather' reserve, to be used in the eventuality of severe adverse weather such as a significant snow or storm event
 - £6.597m contribution from reserves to fund payments to Sandwell Children's Trust relating to the historic deficit incurred by the Trust

- £0.180m contribution from reserves to fund the production of the Sandwell Plan

5.9 In total, it is proposed to reduce earmarked reserves by £1.527m as part of the 2026/27 budget.

5.10 The table below shows a summary of the earmarked reserve balances that the Council is holding, the proposed reallocation of reserves within 2025/26, the forecast balances at year-end and the new approvals sought as part of this Budget Report.

	Balance as at 1 April 2025	Forecast Contrib- utions to Reserves in 2025/26	Proposed Reallo- cation of Reserves within 2025/26	Forecast Balance at 31 March 2026	Approvals Sought as Part of this Budget Report for 2026/27	Forecast Balance as at 31 March 2027
Earmarked Reserves	£m	£m	£m	£m	£m	£m
Investment	40.160	3.182	(0.758)	42.584	3.820	46.404
Risk-Related	41.818	(6.791)	0.819	35.846	(5.347)	30.498
Smoothing	35.327	10.692	0.300	46.319	-	46.319
Restricted	42.254	(10.906)	(0.316)	31.275	-	31.275
Total	159.558	(3.823)	-	156.023	(1.527)	154.496

5.11 Full details of all proposed movements are shown in annex 19B.

5.12 Earmarked reserves levels remain adequate and, following the review of earmarked reserve balances and following the contributions to reserves proposed within this Budget Report, are sufficient in relation to all identified risks and to fund the investment and transformational activities planned. The exception to this, however, is in relation to the Dedicated Schools Grant (DSG) reserve. This reserve is ringfenced purely to the DSG and is forecast to have a deficit balance by the end of this financial year due to higher than budgeted levels of expenditure within the DSG High Needs Block. The government's statutory accounting override is in place until March 2028, meaning this deficit remains ringfenced in the short-term within the Council's balance sheet and will not impact on General Fund reserve balances.

5.13 The Council's planned SEND transformation programme aims to bring High Needs Block expenditure back into balance and ultimately the DSG reserve back into balance so that there is no impact on other General Fund reserves in the medium-term.

6 Governance

- 6.1 When establishing reserves, the Council ensures 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.
- 6.2 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 should 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
- 6.3 It is the responsibility of Directors, in consultation with the Section 151 Officer, to ensure that earmarked reserves are spent in line with their intended purpose.
- 6.4 The protocol for earmarked reserves is set out below, with the Section 151 Officer having responsibility for adherence to these protocols.
- New Reserve 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 expenditure.
 - Requests will be considered by the Section 151 Officer, having regard to the projected outturn forecast for the Council.
 - Requests approved by the Section 151 Officer will be collated for approval of the Cabinet, on recommendation by the Section 151 Officer.
- Use of Reserves:
- Drawdown of earmarked reserves will be approved by the Section 151 Officer ensuring that the draw is in accordance with the intended purpose of the reserve.
- 6.5 The use of general reserves must be approved by the Section 151 Officer and by the Cabinet.
- 6.6 All reserves will be reviewed at year-end as part of the preparation of the Statement of Accounts. In accordance with the Code, the Statement of Accounts provides a full breakdown of reserve balances as at 31st March and the annual movement in reserves (usable and unusable, capital and revenue). The Statement of Accounts is subject to external audit.
- 6.7 Opening reserve balances and forecast contributions to and from reserves during the year will be reported quarterly to Cabinet as part of the Council's Budget Monitoring Report.

- 6.8 This Reserves Strategy will be refreshed annually and presented to Cabinet as part of the suite of documents underpinning the budget and MTFS.

7 Conclusion

- 7.1 Both general and earmarked reserve balances are currently assessed as adequate, as reported in the s.25 Report of the Section 151 Officer, and will continue to be reviewed throughout the financial year.
- 7.2 In accordance with best practice, the strategic objective for the Council is to ensure that the General Fund balance should remain above 5% of net expenditure. This level of general reserves continues to provide adequate risk cover, when considering the fact that certain specific risks are managed through the holding of earmarked reserves. The proposed addition of £0.750m into the General Fund balance in 2026/27 will continue to ensure that the strategic objective is met.
- 7.3 In relation to the Housing Revenue Account general reserve, the balance remains significantly above the minimum assessed required reserve balance of 10% of net expenditure, however action must be taken to reduce expenditure within the Housing Revenue Account in the medium-term in order to ensure that the reserve balance can continue to provide adequate risk cover.
- 7.4 In relation to General Fund earmarked reserves, a thorough review of balances has taken place and, following the proposed reallocation of reserves and proposed contributions to reserves that are part of this Budget Report, reserve balances remain adequate to fund transformation and investment activity, and to mitigate all identified risks.
- 7.5 The Reserves Strategy will be refreshed annually.

Assessment of Reserves Held to Mitigate the Council's Strategic Risks

Strategic Risk	Summary of Risk	Could the General Fund Balance be Used to Mitigate this Risk?	Is an Earmarked Reserve Held to Mitigate this Risk?	Name of Earmarked Reserve Held to Mitigate Risk
Children's Social Care	If the Council does not ensure that Sandwell Children's Trust rapidly addresses performance issues and delivers affordable services, it risks failing its statutory responsibilities for children, damaging outcomes and reputation, and destabilising the Council's financial position.	Yes	Yes	Contract Risk
Business Continuity Management	If the Council does not develop, review, monitor and test plans and capabilities that seek to maintain the continuity of key functions in the event of an unplanned disruptive incident, then it will be unable to perform critical business functions which will impact the provision of Council services and result in potential financial loss and loss of public confidence in the Council.	Yes	No	
Compliance with the Data Protection Act 2018 (DPA 2018), the General Data Protection Regulations (GDPR) and Freedom of Information Act 2000 (FOIA)	Failure to maintain a robust framework for DPA 2018/GDPR and FOIA compliance risks data misuse, legal and financial penalties, reputational damage, and significant resource burdens for the Council	Yes	No	

Strategic Risk	Summary of Risk	Could the General Fund Balance be Used to Mitigate this Risk?	Is an Earmarked Reserve Held to Mitigate this Risk?	Name of Earmarked Reserve Held to Mitigate Risk
Cyber Security	Without sufficient cyber-security resilience, the Council faces a high risk of successful cyber-attacks that could severely disrupt services, compromise sensitive data, incur financial and regulatory consequences, and damage its reputation and ability to collaborate with partners.	Yes	No	
Regeneration Fund Programmes	If the Council does not manage the programmes to ensure that all projects are delivered to scope, time and budget, then this could result in financial implications, the inability to regenerate our town centres, create sustainable economic growth and create long term economic prosperity and also reputational harm to the Council.	No	Yes	Place Service Improvements and Commitments
Customer Experience	Providing inconsistent or inefficient customer service can lead to frustration, repeated contacts, reduced engagement, and increased costs due to avoidable demand.	No	Yes	Customer Journey
Equalities	If the Council fails to meet its legal obligations in respect of the Equality Act 2010 and the Public Sector Equality Duty ensuring fairness is adhered to and is unable to demonstrate and evidence compliance with its obligations, then this will result in potential legal consequences for non compliance, reputational harm to the Council as well as potential impact on recruitment and retention.	Yes	Yes	Business Change

Strategic Risk	Summary of Risk	Could the General Fund Balance be Used to Mitigate this Risk?	Is an Earmarked Reserve Held to Mitigate this Risk?	Name of Earmarked Reserve Held to Mitigate Risk
Climate Change	Failure to meet the Council's net-zero commitments by 2030 could damage its reputation, increase financial pressures and demands on services, and reduce public confidence.	No	Yes	Climate Change
Workforce Recruitment	Failing to recruit a qualified workforce would prevent the Council from meeting its statutory duties, risking reputational damage, penalties, litigation and even imprisonment.	Yes	Yes	Business Change
Borough Archives	Failure to secure National Archives Accreditation risks losing Place of Deposit status, leading to reputational harm, additional storage costs, and reduced access unless alternative accommodation meeting British Standards is provided.	No	Yes	Place Service Improvements and Commitments
Electoral Arrangements	Ongoing technical and legislative challenges with implementing changes from the Elections Act 2022 could undermine the Returning Officer's ability to run elections effectively, risking reduced voter confidence and potential disenfranchisement	Yes	Yes	Elections
Sandwell Local Plan	Failure to prepare and adopt a Local Plan within the timescales required could result in Government intervention in the operation of the planning service and in the decision-making process for planning applications resulting in a loss of local democratic oversight.	Yes	Yes	Place Service Improvements and Commitments

Strategic Risk	Summary of Risk	Could the General Fund Balance be Used to Mitigate this Risk?	Is an Earmarked Reserve Held to Mitigate this Risk?	Name of Earmarked Reserve Held to Mitigate Risk
Organisational Culture	An ineffective organisational culture could undermine relationships, people management, employee engagement and inclusion, leading to staffing challenges, poor delivery of corporate and improvement plans, government intervention, reputational harm and missed improvement opportunities.	No	Yes	Business Change
Adult Social Care Sickness Absence	If interventions are not in place to enable staff to remain at work and return to work following sickness absence, then this could impact the operating model for the service and increase staff sickness absence rates.	Yes	Yes	Adult Social Care
Medium Term Financial Strategy	If the Council is unable to plan its income and expenditure effectively, and is unable to balance its budget, then this will impact on the Council's financial resilience and its ability to effectively discharge its statutory responsibilities, impacting on the Council's ability to deliver sustainable services to the people of Sandwell.	Yes	Yes	Financial Planning
Budget Monitoring and Management	If the Council does not put in place effective arrangements to monitor and manage the current year's budget then it will result in overspends and impact the resilience of the Council's finances.	Yes	Yes	Budget Monitoring - Savings Not Delivered

Strategic Risk	Summary of Risk	Could the General Fund Balance be Used to Mitigate this Risk?	Is an Earmarked Reserve Held to Mitigate this Risk?	Name of Earmarked Reserve Held to Mitigate Risk
Housing Transformation	If the Council does not put in place robust arrangements and receive appropriate assurances to ensure that the Housing function meets the requirements under the new Regulatory regime from both the Regulator of Social Housing and the Building Safety Regulator, with rigour and pace, then the Council will fail in its responsibilities to provide good quality affordable housing.	No	Yes	HRA Reserves
Homelessness and Temporary Accommodation	Rising homelessness is driving longer and more frequent use of temporary accommodation, creating financial pressures and legal risks unless effective mitigation is put in place.	Yes	Yes	Grants (Housing grants)
Continuous Improvement	The Council must continually assess and evidence improvement to meet its Best Value Duty and avoid reputational or financial risks.	No	Yes	Corporate Improvement Plan
SEND - Placements and Transport	If the Council does not consider options on how to manage the increasing upwards trajectory of demand in respect of SEND travel assistance, and both demand and cost of SEND placements, there will be a significant impact on the Council's budget and the High Needs Block	Yes	Yes	SEND Transformation
Building Community Cohesion	A breakdown in community cohesion can create mistrust, social tension, and reduced cooperation, ultimately harming residents' wellbeing, community safety, and efforts to address extremism.	No	Yes	Neighbourhoods

Strategic Risk	Summary of Risk	Could the General Fund Balance be Used to Mitigate this Risk?	Is an Earmarked Reserve Held to Mitigate this Risk?	Name of Earmarked Reserve Held to Mitigate Risk
Pandemic	A pandemic remains a major national risk, requiring councils to maintain essential services, follow national guidance, manage health and economic impacts, and protect public trust despite unpredictable timing and severity.	Yes	Yes	Grants (Public Health grant)
Changes in the Integrated Care Board and the Impact on Adult Social Care and the Council	Risk to resource allocation with regards to Better Care Fund (BCF) and wider budget pressures across the health economy may impact on integration and support to residents in Sandwell.	No	Yes	Better Care Fund

Earmarked Reserve Balances

Earmarked Reserves	Opening Balance as at 1st April 2025 (£000)	Forecast Contributions (to)/from Reserves in 2025/26 (£000)	Proposed Reallocation of Reserves within 2025/26, following Review	Forecast Closing Balance as at 31st March 2026 (£000)	Contributions (to)/from Reserves Proposed within 2026/27 Budget	Forecast Opening Balance as at 31st March 2027 (£000)
Investment Reserves						
Transformation:						
Invest to Save	(1,677)	0	0	(1,677)	0	(1,677)
Business Change	(3,850)	77	(300)	(4,073)	0	(4,073)
Corporate Improvement Plan	(1,055)	0	0	(1,055)	0	(1,055)
Customer Journey	(1,500)	0	0	(1,500)	0	(1,500)
Asset Register System	(202)	88	0	(114)	0	(114)
Oracle Fusion	(6,160)	1,469	0	(4,691)	0	(4,691)
Cost of Exit Packages	(1,452)	0	0	(1,452)	0	(1,452)
SEND Transformation	0	(1,000)	0	(1,000)	(4,000)	(5,000)
Digital Transformation	0	0	(1,443)	(1,443)	0	(1,443)
Aspiration Fund	0	(8,625)	0	(8,625)	0	(8,625)
Directorate Service Improvements and Commitments:						
Adult Social Care	(1,914)	460	688	(766)	0	(766)
Children and Education	(89)	0	89	0	0	0
Place	(7,517)	1,255	142	(6,121)	180	(5,941)
Finance and Transformation	(2,229)	367	68	(1,795)	0	(1,795)
Assistant Chief Executive	(240)	0	114	(126)	0	(126)
Neighbourhoods	(208)	0	0	(208)	0	(208)
Revenue Contributions to Capital Projects	(6,809)	10	(1,139)	(7,938)	0	(7,938)
Residual Covid Grant Funding	(5,257)	2,718	2,539	0	0	0
Total Investment Reserves	(40,160)	(3,182)	758	(42,584)	(3,820)	(46,404)

	Opening Balance as at 1st April 2025 (£000)	Forecast Contributions (to)/from Reserves in 2025/26 (£000)	Proposed Reallocation of Reserves within 2025/26, following Review	Forecast Closing Balance as at 31st March 2026 (£000)	Contributions (to)/from Reserves Proposed within 2026/27 Budget	Forecast Opening Balance as at 31st March 2027 (£000)
Earmarked Reserves						
Reserves Held to Manage Risks						
Financial Planning	(8,590)	0	1,663	(6,927)	0	(6,927)
Inflation and Demographic Growth	(10,680)	0	6,111	(4,570)	0	(4,570)
Contract Risks	(13,045)	6,622	(6,935)	(13,358)	6,597	(6,761)
Budget Monitoring - Savings Not Delivered	0	0	(1,557)	(1,557)	0	(1,557)
Insurance	(8,806)	69	0	(8,737)	0	(8,737)
Repairs and Maintenance	(696)	100	(100)	(696)	0	(696)
Severe Weather	0	0	0	0	(1,250)	(1,250)
Total Reserves Held to Manage Risks	(41,818)	6,791	(819)	(35,846)	5,347	(30,498)
Smoothing Reserves						
Contract Payments	(12,477)	(5,575)	0	(18,051)	0	(18,051)
Capital Financing	(7,685)	(5,117)	0	(12,802)	0	(12,802)
Business Rates Volatility	(14,072)	0	0	(14,072)	0	(14,072)
Elections	(1,093)	0	(300)	(1,393)	0	(1,393)
Total Smoothing Reserves	(35,327)	(10,692)	(300)	(46,319)	0	(46,319)
Restricted Reserves						
Grant-Funded Activities	(11,123)	1,830	361	(8,933)	0	(8,933)
Better Care Fund	(14,592)	2,407	0	(12,185)	0	(12,185)
Funds Held on Behalf of Other Organisations	(1,534)	76	0	(1,458)	0	(1,458)
Kickstart Loans	(2,001)	0	0	(2,001)	0	(2,001)
Dedicated Schools Grant	(5,292)	6,593	0	1,301	0	1,301
Other Schools Related Reserves	(7,711)	0	0	(7,999)	0	(7,999)
Total Restricted Reserves	(42,254)	10,906	361	(31,275)	0	(31,275)
TOTAL	(159,558)	3,823	0	(156,023)	1,527	(154,496)

Scheme of Delegation – Financial Approvals

The Section 151 Officer has delegated the following officers to undertake the functions listed below:

Authorisation of Purchase Ledger Requisitions and Invoices

To approve expenditure relating to their approved area of budget and/or portfolio, up to the following value per transaction, providing that:

- The requirements of the Financial Regulations and Procedures in the Council's Constitution and other requirements in the Constitution are complied with.

Officer Grade	Revenue Transaction Approval Limit	Capital Transaction Approval Limit
Chief Executive	£10,000,000	£10,000,000
Executive Director	£10,000,000	£10,000,000
Assistant Chief Executive	£1,000,000	£5,000,000
Service Director / Hay Manager Level 2	£500,000	£1,000,000
Hay Manager Level 1	£100,000	£500,000
Band J	£50,000	£100,000
Band I	£50,000	£100,000
Band H	£10,000	£10,000
Band G	£10,000	£10,000
Band F and below	-	-

Write Off of Council Tax and Business Rates Debt

To write off any individual debt(s) (including any associated court costs and bailiffs' fees) up to the value of £25,000 per individual or organisation, which is considered to be uneconomical to collect or is irrecoverable. All individual debts above this amount shall be done in consultation with the Cabinet Member for Finance and Resources, and the Monitoring Officer.

Officer	Approval Limit
Section 151 Officer	Up to £25,000
Deputy S151 Officer	Up to £5,000
Revenues and Benefits Head of Service or Senior Operations Manager	Up to £3,000
Revenues and Benefits Recovery Team Manager	Up to £2,000

Discretionary Rate Relief from Non-Domestic Rates

To determine applications from any ratepayer for rate relief in accordance with the Council's policy for administration of applications for Discretionary Rate Relief from Non-Domestic Rates.

Officer	Approval Limit
Section 151 Officer	Over £3,000
Revenues and Benefits Head of Service or Senior Operations Manager	Up to £3,000
Revenues and Benefits Team Manager	Up to £1,000

Treasury Management

To approve payments from the Council's designated bank accounts or to authorise the withdrawal of liquid investments to be credited to the Council's designated bank account:

Transaction	Officer	Amounts
Liquid Cash Investments/ withdrawal	1 x Finance Officer Grade I or above *	Up to £10million individual transaction value
Liquid Cash Investments/ withdrawal	2 x Finance Officer Grade I or above s *	Amounts £10million or above
Fixed Term Deposits	S151 Officer Deputy Section 151 Officer	All amounts
New Fixed Term Borrowing	S151 Officer Deputy Section 151 Officer	All amounts
Purchase Ledger Requisitions and Invoices not processed through Accounts Payable	Approval from designated budget holder per Purchase Ledger Requisitions and Invoices limits Plus 1 x Finance Officer Grade I or above	Up to £10million individual transaction value
Purchase Ledger Requisitions and Invoices not processed through Accounts Payable	Approval from designated budget holder per Purchase Ledger Requisitions and Invoices limits Plus 2 x Finance Officers Grade I or above	Amounts £10million or above

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**
 - no changes
 - **Council Tax Award of Discount Policy**
 - No changes
 - **Council Tax Discretionary Reduction Policy**
 - No changes
 - **Housing Benefits Overpayment Recovery Policy**
 - No changes.
 - **Discretionary Housing Payments Policy**
 - No changes.
 - **National Non Domestic Rates Discretionary Relief Policy**
 - 2026 Supporting Small Business relief scheme introduced to limit the financial impact to businesses that have lost some or all of their eligibility for small businesses rates or rural rates through a value increase in the 2026 revaluation, or lost their eligibility to retail, hospitality and leisure relief.
 - Introduction of new EV Charging Point relief for 2026
 - **National Non Domestic Rates Hardship Relief Policy**
 - No changes.
 - **Flood Relief Policy**
 - No changes.
 - **War Pension and Armed Forces Compensation Disregard Policy**
 - No changes.
 - **Local Council Tax Reduction Scheme Policy**
 - No changes
 - The Policy was presented and approved at Council on 9th December 2025 and is therefore not attached to this report.
 - **Local Welfare Provision**
 - No changes.

Sandwell Metropolitan Borough Council

Corporate Debt

Recovery Policy

2026/27

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 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 provides 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 Executive Director of Finance and Transformation (Section 151), Head of Revenues & Benefits 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 Executive Director of Finance and Transformation (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 Executive Director of Finance and Transformation 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 person's 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

2026/27

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Appeals

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 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 1st April 2024 additional premiums for long-term empty homes will apply. (See below)

From the 1st 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 1st April 2024 additional premiums for long-term empty homes will apply.

From the 1st 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 1st 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 1st April 2019 and 31st 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 1st April 2024 onwards, a 100% 'premium' will apply to homes empty over 1 year, generating a Council Tax charge of 200%.
- From 1st April 2020 onwards, a 200% 'premium' applies to homes empty for over 5 years, generating a Council Tax charge of 300%.
- From 1st 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)

2026/27

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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 1st 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 1st 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 Executive Director of Finance and Transformation.

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:

Stage1: The Head of Revenues and Benefits making a recommendation to the Executive Director of Finance and Transformation, having considered 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 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

2026/27

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)

2026/27

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. 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 Executive Director of Finance and Transformation.

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 Executive Director of Finance and Transformation 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**

2026/27

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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 organisation's are entitled to 80% mandatory 'Charity' rate relief. However, Local Authorities have the option to 'top up' that relief to 100%. Organisation's 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 specialism's 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.

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

Organisation's 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 1st 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 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) apports 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
- 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 2026 Supporting Small Businesses Scheme ('SSBR')

Eligibility and Level of Relief

The Government announced at the 2025 Autumn Statement that for 2026/27 to 2028/29, SSBR is to provide support to businesses for up to 3 years 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.

SSBR will also provide up to 3 years support to businesses entitled to 40% Retail, Hospitality and Leisure relief as on the 31 March 2026.

The relief ensures small businesses and those receiving Retail, Hospitality and Leisure relief do not have to pay more than £800 increase per year effective from 1 April 2026.

Charities and Community Amateur Sports clubs, who are already entitled to mandatory 80% relief, are not eligible for 2026 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.

Businesses currently receiving 2023 SSBR will receive 2026 SSBR for 1 year only, even if they also get eligible reliefs on 31 March 2026.

Period of Entitlement to 2026 SSBR

The 2023 SSBR scheme was provided to support ratepayers who had seen large increases in their bills at the 2023 revaluation, and those ratepayers have had 3 years of support to allow them to adjust to their full 2023 bills. Therefore, for those ratepayers receiving 2023 SSB relief in 2025/26, any eligibility for 2026 SSBR will end on 31 March 2027, even if they also get other eligible reliefs on 31 March 2026. Relief for these ratepayers is awarded for one year only.

All other eligible ratepayers receiving 2026 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 2026 SSBR.

Subsidy Control

The 2026 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 2026/27 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'.

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 2026 SSBR scheme. Ratepayers eligible for the scheme starting in the 2026/27 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 of the property or the award of another relief.

3.5 DISCRETIONARY RELIEFS INTRODUCED FROM 1st 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 did not change 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 did not change 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 did not change 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.

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

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 Reliefs New to 2026

3.6.1.1 EV Charging Point Relief

A 10 year, 100% business rates relief was introduced from 1 April 2026 for eligible vehicle charging points (EVCPs) that are separately assessed by the Valuation Office Agency, and for Electric Vehicle only forecourts.

The relief will be administered under Section 47 and local authorities reimbursed by the government via a section 31 grant.

3.7.1 Future Reliefs in 2026/27

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
2026/27

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 Head of Revenues and Benefits 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:

Stage1: The Head of Revenues and Benefits 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

2026/27

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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

2026/27

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

2026/27

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 than £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. 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.