



# FINANCIAL PLAN

**BE BOLD**  
**BE BIRMINGHAM**

 **Birmingham**  
City Council

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## LEADER'S FOREWORD

This document sets out the Financial Plan for the Council for the 2022/23 financial year, outlining the vision and priorities that will inform future decisions and spending.

As was the case last year, this plan has been produced against a backdrop of the ongoing Covid-19 pandemic that has hit families, neighbourhoods, and businesses right across Birmingham. The pandemic has had a profound impact, both economically and socially and has highlighted long-standing inequalities that must be tackled to ensure that every neighbourhood and every community across Birmingham benefits from the recovery to come.

We are well placed to do just that, because Birmingham continues to be a city of huge potential. Projects such as the Commonwealth Games and HS2 mean we're attracting the investment to make this a golden decade of opportunity for our young and growing population. But this is also a city scarred by over a decade of austerity, where 40 per cent of children currently grow up in poverty, and where unemployment is double the national average.

That is why the Council has already made a strong case for Birmingham to be at the very heart of the Government's levelling up agenda and we will work in partnership with other public agencies and the private sector to improve the lives and life chances of people from across the city.

We will pursue additional funding from central government to increase support and opportunity for Birmingham citizens, but we are not waiting for anyone else to 'level up Birmingham'. We're leading this agenda, we have already published Prosperity and Opportunity for All - our own levelling up strategy, and we're pressing ahead with our bold plans to develop the city and spread its opportunities.

Our current Council Plan priorities are being reviewed in the light of Covid-19 recovery and we are developing bold new proposals that build a city which is:

- Prosperous: through continued economic growth, tackling unemployment, attracting inward investment and infrastructure, and maximising the opportunity of the Commonwealth Games.
- Inclusive: through empowered citizens, looking after vulnerable children, supporting young people to fulfil potential, and promoting diversity, opportunities, and culture.
- Safe: through tackling of anti-social behaviour & hate crime, housing provision and addressing homelessness, and improving living environments, civic pride & culture.
- Healthy: through the tackling health inequalities, encouraging and enabling physical activity and healthy living, quality of care, and helping to support mental health

- Green: by improving the cleanliness of our city and its streets, improving the environment and air quality, carbon reduction and enabling an inclusive green transition.

This Financial Plan outlines how we will deliver on those priorities. Our strategy focuses on early intervention and prevention to level-up life chances and the benefits of growth that must be felt in every street, neighbourhood, and community.

The next twelve months look set to be one of the most challenging periods yet in public sector finance, making it more important than ever that we stabilise our finances and balance the books, ensuring we are well positioned to respond to challenges and deliver our priorities. This 2022-2026 Medium Term Financial Plan sets out how we will achieve that.

We will work with partners at a local, regional and national level to strengthen Birmingham's position as a thriving, young and diverse global city, as the beating heart of the UK both commercially and culturally; a place where everyone is included in the opportunities that the city can offer; a place where we can look back at our heritage with a sense of pride and also look forward with optimism to a golden decade of shared opportunity.

Success for Birmingham will mean success for the people and communities of Birmingham.

2022 will be a year of opportunity for Birmingham and our people. We will showcase our city to the world this summer when we host an unforgettable Commonwealth Games and we will be at the heart of The Festival of Great Britain and Northern Ireland, celebrating the Queen's Platinum Jubilee.

The people of Birmingham will ensure that this year is one to remember and we will build on that success, as we continue to attract investment, build homes, and create jobs for a bolder, brighter, and greener future.

## CHAPTER 1: POLICY CONTEXT

### 1. Introduction

- 1.1. The Medium-Term Financial Plan shows how the Council will use its resources to deliver and improve services for citizens and support its objectives over the next few years. This chapter summarises the policy context that has informed the development of the Plan – including:
- the impact of Covid-19 and a need to refocus our priorities (section 2)
  - changes to the national policy context affecting the environment in which local government operates (section 3)
  - the continued financial challenges facing the Council (section 4)
  - the key opportunities and challenges facing the city (section 5)
  - the development of a new Corporate Plan 2022-2026 and refresh of Council priorities (sections 6 and 8)
  - the continued transformation of the Council (section 7)
  - the Council's response to Government's new levelling up agenda (section 3 and 4)
- 1.2. The Council uses the grant income it receives from central government, income from the Council Tax and Business Rates as well as fees and charges to fund its core services to citizens. We also have substantial assets, such as land and property, which can be used for the benefit of the city. Money received from council housing rents sits in a separate housing revenue ring-fenced fund and can only be used for relevant spending on council housing, such as maintenance and improvements to housing.
- 1.3. In seeking to achieve our ambitions for the city we also work in partnership with other public agencies and the private sector to seek to align their resources with our priorities. We also pursue additional grant funding from central government for specific purposes when these arise. Given these wider resources sit outside our financial plan, the plan therefore does not cover the entirety of the ambitions we have for the city. Section 6 summarises our wider strategic planning process which, through a new Corporate Plan for 2022-2026, will ensure our delivery, enabling and influencing roles and activity as a council are focussed on responding to the challenges facing the city.
- 1.4. This Medium-Term Financial Plan is a key part of the prudent management of the Council's finances. It projects forward the financial position of the Council over the next 10 years reflecting the Government's 2021 Spending Review position. Longer term planning provides for longer-term stability and the continued strengthening of our financial resilience through a controlled approach to spending, income generation borrowing and the effective retention and management of appropriate reserves. It also shows how we will continue to invest to reshape and transform our services so that they provide for better outcomes and better value for money in the future.

## **2. Recovering from COVID and refocusing on our priorities**

- 2.1. The city's economic performance before the pandemic showed that Birmingham has many of the ingredients for success. During the next four-year period, we will emerge from the challenge of the COVID pandemic and the city can grasp the opportunities ahead and ensure that it fulfils its full potential.
- 2.2. Later this year the city will host the Commonwealth Games, one of the biggest sporting events in the world and a great opportunity to show off our city to an audience of a billion people. High Speed Rail (HS2) will arrive by the end of the decade, creating around 26,000 jobs and increasing economic output by £4bn per year. Our commitment to tackle the climate emergency will not only improve our air quality and natural environment, it will also deliver economic growth and job opportunities through investment in decarbonisation and the creation of new industries.
- 2.3. The COVID-19 pandemic has had a significant impact on the city, in terms of the tragic loss of human life, the restrictions it has placed on our everyday lives and the economic impact on workers and businesses. It has also created a severe challenge for the City Council's own finances, with increased spending requirements alongside loss of income.
- 2.4. The crisis has reminded us of our capacity to adapt and take radical action to respond to the challenges we face. This includes mobilising government, national and local to support businesses as well as the strength and solidarity of Birmingham's citizens and communities. We can draw a renewed sense of purpose from our capacity for innovation and the potential of the city's many strong partnerships to drive improvement and change.
- 2.5. But the crisis has also highlighted the chronic and structural inequalities in the city and the continued level of poverty and vulnerability in some groups and communities. Many households remain in a precarious state, relying on parts of the labour market that have been weakened and made fragile by the pandemic.
- 2.6. It also revealed that many of our public services are stretched, fragile and not well designed to provide protection and resilience to our communities and to help individuals and families to overcome inequalities or give them a fair opportunity in life.

## **3. The Changing National Policy Context**

- 3.1. Several important changes are taking place in the environment in which local government operates, principally through changes to central government policy. These are outlined in the following paragraphs.
- 3.2. Following the economic impact of COVID-19, the period of the Medium-Term Financial Plan will see continued restraint in central government funding for

local services. Whilst the Spending Review announced a real-terms increase in local government grant income each year, this includes an assumption that Council Tax will be increased by 3% (with 1% dedicated to social care) and additional funding for social care pressures. Given increased inflation and demand for children's and adults social care services and homeless services and pressures in special education needs, funding available for other services will be severely restrained if not reduced in real terms. Only one year of funding has been announced in detail, so the provision in the three year Spending Review that is included in the period of this Medium Term Financial Plan is not certain.

- 3.3. The Government's overarching policy priority is "levelling up", which involves investment in transport infrastructure, skills and improving the physical environment, businesses and social amenities of local places. The City Council has already responded to this agenda by publishing its own strategy, *Prosperity and Opportunity for All*. This will be used to show how "levelling up" can be achieved in Birmingham, through a partnership between government and the city and to co-ordinate our own measures to tackle inequalities and renew less well-off neighbourhoods.
- 3.4. A significant reshaping of the landscape of regional funding for regeneration is underway, as EU funding and the Local Growth Fund comes to an end to be replaced by the new Levelling Up Fund and the Shared Prosperity Fund due to be phased in from this year. Birmingham has already been successful in securing over £50m from the Levelling Up Fund, but we will have to collaborate across the West Midlands to gain the most from the new arrangements, as part of the West Midlands Combined Authority.
- 3.5. The Government has produced new plans for social care, including an increase in National Insurance to provide more funds. However, additional funding will be very limited, with most of it going to the NHS rather than council provided care services in the first few years. There will continue to be a reliance on additional Council Tax to meet the increased spending pressures during this period. At the same time the Health and Social Care Bill is bringing in new Integrated Care Services, with the aim of strengthening collaboration between councils and the NHS.
- 3.6. New legislation on policing and crime will bring additional responsibilities for the Council's Community Safety function to work with the police and other agencies to tackle violent crime.
- 3.7. Following the UK's departure from the EU, there will be new regulations governing the Council's procurement of goods and services and our powers to promote inward investment.
- 3.8. The Government is looking to councils to help take forward its Early Years Review, restoring services for families with young children. However, funding for this is currently unclear.

- 3.9. A national Net Zero Strategy has been published to begin to tackle the climate emergency. The role of local government in that strategy is not yet clear, but some specific funds have been made available for investment in electric vehicle charging points.
- 3.10. The new Environment Act brings extra responsibilities for local authorities in waste management, planning and conservation.

#### **4. Our financial challenge**

- 4.1.1. The next twelve months looks to be one of the most challenging periods in public sector finance. The ongoing financial impact of COVID-19 after a decade of austerity, inflationary pressures and the increasing demand for our services pose a real threat to the financial sustainability of the city and Council.
- 4.1.2. The Government's agenda for the post pandemic period crisis is not yet fully clear, nor is its plans for the "levelling up" agenda through boosting investment in the regions. There is also additional uncertainty created by the roll-forward of the settlement for 2022/23 only, signalling that reforms to local government financing may be imminent. The Government's plans for reforming the funding of local government may be taken forward in the year ahead after being stalled for some time (the so called "fair funding review" and the resetting of Business Rates growth), with consultations likely to commence from spring 2022.
- 4.1.3. On 7 September 2021, Government set out its new plan for adult social care reform. This included a £86,000 lifetime cap on the amount anyone will need to spend on their personal care, alongside a more generous means-test for local authority financial support. The documents published recognises that local government would be the key player in delivering this transformative change. Proposals to digitalise social care, a greater emphasis on supported housing, policies on workforce recruitment, and a person-centred care service are welcomed by Birmingham. It is not yet clear that the amount of funding committed so far (raised from additional National Insurance contributions) will be sufficient to meet the ambitions laid out by Government. There is little detail so far on how Government will implement a 'fair price for care' and new duties for self-funders to access council arranged care and their rates. It is vital that Government fully funds this aspect of the reform package and works closely with both local authorities and providers on its implementation to ensure that market stability is maintained in the short term, or unsustainable costs for Councils are avoided.
- 4.1.4. The introduction of the rolling budget process, a key part of our financial management improvements, saw the planning assumptions in our 2021 Medium Term Financial Plan refreshed twice in 2021 and taken to both Cabinet and Overview and Scrutiny Committee, July and October. In October 2021 when the Medium Term Financial Plan was refreshed to give us the latest baseline position, the Council faced a substantial budget deficit over the next four years, ranging from £58.1m in 2022/23 to £125.7m by

2025/26, with a very uncertain outlook over the longer term. It is therefore more important than ever that we stabilise the Council's finances and balance the books, ensuring that we are well positioned to tackle those challenges and priorities highlighted above. This latest 2022 Medium Term Financial Plan achieves that, reducing the gap to around £32.8m by 2025/26.

- 4.1.5. The Council's ambition is to have a "best in class" financial management process, having attained a 3-star CIPFA Financial Management rating in 2022. The position was up from the one-star rating awarded in 2019 and delivered a year ahead of schedule. In outlining its assessment, CIPFA concluded that Birmingham had made great strides in addressing the issues that constrained overall financial management capability and indicated that this progression highlighted a highly commendable response to issues arising from our April 2019 assessment. Work will continue developing robust financial planning, improving our procurement and business partnering approaches, benchmarking performance, instilling strong governance, leveraging digital tools to automate manual tasks and facilitate analytics and embedding business case development practice across the organisation. A key enabler providing an efficient and effective back-office to the Council will be our investment in a state-of-the-art Finance, Procurement and Human Resources system and additional investment in support teams so that there is the required co-ordination with service delivering functions.
- 4.1.6. This Medium-Term Financial Plan provides firm financial forecasts for income and expenditure driven by our Delivery Plan 2020-2022, supporting effective allocation and prioritisation of resources to critical work and projects over a longer period. This Medium-Term Financial Plan, together with a new Corporate Strategy 2022-2026 and Delivery Plan will support the monitoring of performance against our ambitions, giving us a clear picture of our progress both as a Council and as a city.

## 5. **Opportunities & Challenges for the city**

### 5.1. **Opportunities**

- 5.1.1. **The Commonwealth Games.** The biggest sporting and cultural event ever to be held in the city. We will be hosting the third largest sporting event in the world, with thousands of visitors arriving for the event and more than 1 billion people watching us from around the world, creating the opportunity to promote our city to new investors and visitors and strengthen our global links.
- 5.1.2. **Continued investment in the city.** Despite the pandemic, major projects such as HS2, the £700 million Paradise Development and Smithfield have continued. These landmark projects will in turn create opportunities for further investment and job creation and HS2 has the potential to stimulate a transformation in the city's economy.
- 5.1.3. **Strong economic fundamentals.** Birmingham is the engine of the West Midlands economy and helped to deliver faster growth than the rest of the country in the period before the pandemic. The city is becoming a hub for

advanced manufacturing, life sciences, creative industries, financial services, and technology. The city is well-placed to harness the economic opportunities of the future, including digital, automation, and decarbonisation.

- 5.1.4. **Diversity.** Birmingham is the most ethnically and culturally diverse city outside of London. This diversity brings with it a rich mix of creativity, entrepreneurship, skills, and talent that all contribute to the city's social and economic vitality.
- 5.1.5. **Youth.** We are also a young city, with almost 50% of citizens under the age of 30, which presents huge potential for a brighter future of accelerated growth, fairer distribution of wealth, and opportunities for innovation across all spheres of life. In July 2021, the Council produced its Breaking Down Barriers: Working Towards Birmingham's Future' report which examined the impact of Covid-19 on young people in Birmingham and set out a range of practical recommendations for improving and simplifying the employment, education and training landscape in Birmingham. These recommendations will be addressed as part into the delivery of Birmingham City Council's Economic Recovery Strategy, including the work of the new Birmingham Employment Taskforce.
- 5.1.6. **The pride and passion in Birmingham are clear.** Our citizens are overwhelmingly positive about calling Birmingham home: 78% are proud to live in Birmingham and 75% feel there is good community cohesion amongst different ethnic groups in their local area.
- 5.1.7. The 2020s have the potential to be a "golden decade" for the city. The Council, as one of the leaders of place, will have a key role in delivering this together with our partners, citizens and communities. In doing so, we will seek to capture the pride in our city and be bold and confident in grasping the opportunities ahead.

## 5.2. **Challenges**

- 5.2.1. To fully grasp and exploit these opportunities we must understand, acknowledge and address some major challenges facing the City. From climate change to inequality, from helping our young people thrive to enabling our citizens to live well into old age, our path to prosperity requires us to respond to **five 'grand challenges'** (see paragraphs 5.2.2 – 5.2.7).
- 5.2.2. Many of the challenges stem from **historic and structural inequalities within our society and economy**, and the Covid-19 pandemic has exposed and compounded the difficulties our most vulnerable citizens face in their daily lives. So we must address the structural inequalities that exist within our city. For many of our citizens the opportunities in the city are out of reach. This is damaging for them and threatens the long-term cohesion of our city. The Council has already committed itself to address these inequalities, recently publishing "Everyone's Battle, Everyone's Business" – a call to action for the Council and the city. This commitment also lies at the heart of our approach to "levelling up".

- 5.2.3. **Unemployment and low skill levels.** The COVID-19 pandemic and the closure of businesses has had a damaging impact on the Birmingham economy, setting back the impressive economic growth we have seen in recent years. Businesses across the city have seen trade and revenue fall dramatically. Jobs have been lost and unemployment rates are high and likely to increase further in the short term with knock on effects on affordable housing, while citizen qualification levels are below the national average. More than 1 in 8 of working age people in the city have no qualifications.
- 5.2.4. **Health and wellbeing.** Health inequalities in Birmingham remain stark and have been exacerbated by the COVID-19 pandemic. Low life expectancy and chronic conditions such as diabetes afflict our poorest communities far worse than those living in more affluent circumstances. We must prevent ill health and maximise health and wellbeing for everyone in Birmingham by building safe and secure homes and shaping a healthier environment for citizens that enables them to achieve their potential and aspirations at every age.
- 5.2.5. **Violent crime, homelessness and other social problems.** Birmingham has high levels of crime and homelessness. Too many families are in insecure or inadequate accommodation and struggle to find housing they can afford. There is a need to further strengthen resilience and cohesion within our communities given the inequalities that have been exacerbated by the pandemic, and those given focus through the Black Lives Matter and #MeToo movements and to respond to the serious issue of engrained violent crime.
- 5.2.6. **The climate emergency.** The climate crisis has never been more urgent for our city, nation and humanity. The latest report from the IPCC lays bare the desperate state of Earth's climate and nature emergency and the need for us to address it. The city has high levels of air pollution and an inefficient housing stock, leading to fuel poverty.
- 5.2.7. **Creating more opportunities for children and young people.** Our young people are one of our greatest strengths and represent a bright future for Birmingham. But the pandemic has been particularly tough on our children and young people, and we need to build a bright future for them. Too many of our children and young people do not get the start in life - over 40% are living in relative poverty and 5% die before they reach their first birthday. Youth unemployment is around 25% and average educational attainment remains below the national level. Last July the Council launched its '*Breaking Down Barriers*' report, an in-depth piece of research culminating in ten recommendations designed to reduce unemployment and unlock the potential of Birmingham's young people.

## 6. **Our Strategic Planning Process**

- 6.1. This Medium-Term Financial Plan is part of a wider strategic planning framework that also includes a Council Delivery Plan and Business Plans for each council Directorate.

- 6.2. Our Delivery Plan 2020-2022 identified three longer term goals which are fundamental to tackling the critical challenges facing the city whilst managing demand on council services to a more affordable level. These continue to guide the transformation of the Council and will develop beyond 2022. They are summarised in the section 7 below.
- 6.3. A new Corporate Strategy for 2022-2026 will bring together these objectives and set out priority outcomes that provide the context for a range of more detailed strategies and plans for different service areas that address the most important challenges facing the city.
- 6.4. The Strategy will be finalised following the elections in May of this year, and the appointment of the new political administration for 2022-26 and published alongside a new Delivery Plan that sets out specific deliverables and commitments we need to achieve. The Strategy will guide our work for the next four years, whilst the Delivery Plan and Business Plans will be refreshed annually.
- 6.5. Working in partnership with others, we will develop comprehensive proposals for change to tackle inequality, create new opportunities and address both long-standing and new challenges facing the city.



7. **Continuing priorities from our Delivery Plan**
- 7.1. A new Corporate Strategy 2022-2026 will set out our priorities and guide our work programme for the next four years, including a continuation of the three areas for transformation we identified in the Delivery Plan 2020-2022:
- 7.2. **Area 1 – Shifting our focus from crisis to prevention**

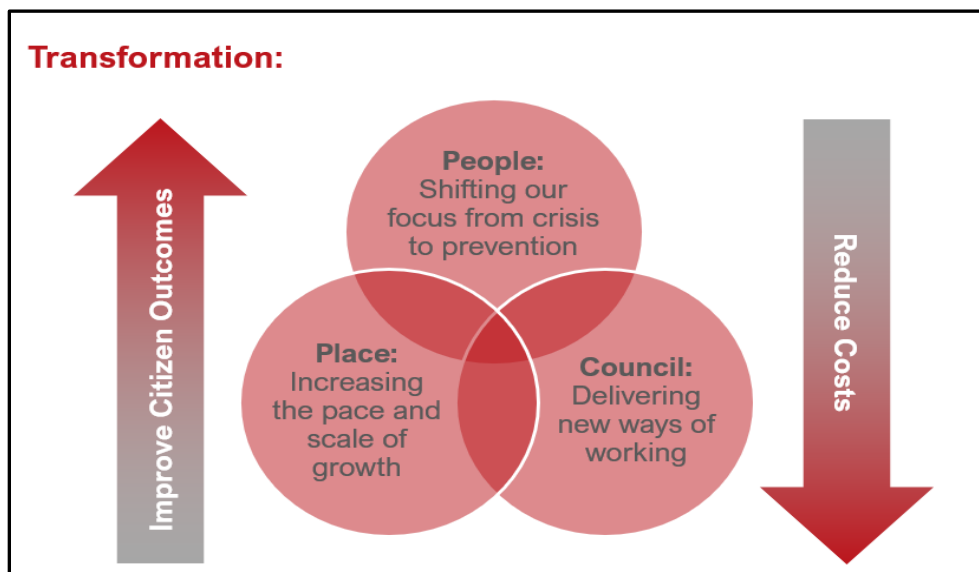
- 7.2.1. We will continue to increase our efforts to help and support individuals and families at the early stages of an issue or crisis in their lives, before it becomes an acute problem and results in a more substantial need for support. We need to work with people differently, drawing and building on the support that exists in the community, as well as different groups of professionals working together giving them all a common mission to help people stay afloat and then thrive.
- 7.2.2. We will make best use of customer insight and business intelligence to ensure we make informed decisions and prioritise our resources appropriately embedding the principles of prevention, prediction and early intervention into everything we do.
- 7.2.3. We will take a whole system approach, promoting the independence and resilience of service users and communities, collaborating with partners, and placing citizens and communities at the heart of our decision making. We will come out of our siloes and organise services around demand and customer need, so we make the best use of our limited resources.
- 7.2.4. We will continue the work the Council has already undertaken on the localisation of services and the development of hubs, building a platform that enables the network of resources to grow and be sustained. We will work closely with service users, the Community and Voluntary Sector in the city and draw on best practice from elsewhere.
- 7.2.5. Working in this way, outcomes will be better for individuals by supporting them in ways that help them before they reach a tipping point and for the Council by reducing demand over the long term.
- 7.3. **Area 2 – Increasing the pace and scale of growth, for those that need it the most, while delivering our climate change objectives**
- 7.3.1. The role of Place in supporting the Financial Plan starts with the ‘Our Future City Plan’ which in itself sits firmly alongside the new Corporate Plan, the Levelling Up Strategy and a whole host of vital Council documents. Taken together they set out the ambition for a prosperous and fair City, one that has ambitious plans for growth but that is committed to delivering that growth alongside key infrastructure for new and existing communities. These ambitions must be met within the context of this financial plan and the Council’s approach to its own asset base, and its approach to delivering in partnership, will be key in balancing the two demands. A refreshed approach to asset management and optimisation is well underway seeking to drive further efficiencies in the way the Council manages its operational building and land and seeks to introduce further innovation in the way that it sells or uses its surplus assets. Opportunities to acquire new assets which support our regeneration objectives will also be considered alongside an ongoing assessment of how the Council is driving best value from its commercial assets. A refresh of the Council’s Housing Strategy and Property Strategy will be key to supporting the Council in its financial and service delivery targets.

- 7.3.2. The pandemic has inevitably led to a slowing down of economic growth in the city and has severely damaged some key sectors. We will use our assets and opportunities, such as HS2 and Commonwealth, to leverage growth and investment across the City and we will ensure that all citizens share in the creation and benefits of sustainable growth. We will use our landholdings and access to low cost finance, to build back up the pace and scale of growth across the city. We will also focus on social infrastructure, including social and affordable housing and community amenities, supporting our town centres and local high streets and creating opportunities for local people.
- 7.3.3. We will adopt a more active and deliberate stance, leveraging the Council's balance sheet, and in so doing becoming the corner stone and enabler of a more circular, inclusive and sustainable economy.
- 7.3.4. While it is important to deliver growth, social and economic prosperity must go hand in hand with the need to take action to respond to the climate and ecological emergency. Birmingham's size, political commitment, historic association with technology, engineering and innovation and outstanding research facilities means the city is exceptionally well placed to become a global leader in tackling climate change.

#### **7.4. Area 3 – Delivering new ways of working**

- 7.4.1. The pandemic has given rise to a significant shift in some of the Council's working arrangements and we need to take forward and make permanent those that have delivered benefits to staff, citizens and services.
- 7.4.2. We intend that 80-85% of our workforce will continue to work in an agile and flexible manner; this has made a significant positive contribution to workforce equalities and talent management, opening up opportunities for example, to those with caring responsibilities to grow and develop in the workplace.
- 7.4.3. With this change, our office accommodation will become spaces for collaboration supported by technology that enables hybrid meetings and access to data remotely. This approach supports our early intervention priority, enabling hub and community-based working that is consistent across the Council. It also fits with our refreshed approach to growth, quickly releasing prime city centre and other assets for potential re-development. This will not always mean selling off assets to the highest bidder. A considered approach will be taken to enable development of community spaces, local businesses and jobs and new homes as well as financial returns for the Council that can be re-invested in our wider objectives.
- 7.4.4. We will deliver relentlessly reliable services enabled by a strong performance management culture. This means getting the basics right: all services must demonstrate they have a grip on the key issues and challenges and are responding with pace. This will be underpinned by a robust and sustainable strategic planning, financial and assurance framework.

- 7.4.5. We will be a customer focused, agile and responsive council through the better use of technology and utilising new delivery models and simplified processes.
- 7.4.6. We will continue to develop an inclusive and diverse workforce which is supported to develop new skills and capabilities and empowered to be creative, innovative and outcome focused and to exploit opportunities.
- 7.4.7. We will develop strong partnerships to deliver better outcomes, working in teams alongside people who work for other organisations and connecting with citizens and communities in a meaningful way.



## 8. **Be Bold, Be Birmingham: refreshing our goals**

- 8.1. This continued transformation will be the framework for how we deliver services and activity that address the opportunities and grand challenges facing the city. Current Council Plan priorities are being reviewed in the light of Covid-19 recovery and the 'levelling up' of the city. Many were introduced as long-term goals and remain relevant as we develop bold new proposals that build a city which is:
- 8.2. *Prosperous:* through continued economic growth, tackling unemployment, attracting inward investment and infrastructure, and maximising the opportunity of the Commonwealth Games.
- 8.3. *Inclusive:* through empowered citizens, looking after vulnerable children, supporting young people to fulfil potential, and promoting diversity, opportunities and culture.
- 8.4. *Safe:* through tackling of anti-social behaviour & hate crime, housing provision and addressing homelessness, and improving living environments, civic pride & culture.

- 8.5. *Healthy:* through the tackling health inequalities, encouraging and enabling physical activity and healthy living, quality of care, and helping to support mental health
- 8.6. *Green:* by improving the cleanliness of our city and its streets, improving the environment and air quality, carbon reduction and enabling an inclusive green transition.

## CHAPTER 2: FINANCIAL STRATEGY

### 1. Overview

- 1.1. The Council in February 2021 adopted a Medium Term Financial Plan for 2021-2025 that set a balanced budget for 2021/22, set a target for the Delivery Plan to achieve £38.5m of savings to balance the budget for 2022/23 and highlighted a significant structural budget deficit for the financial years beyond 2023/24. The pandemic has continued to impact the people of Birmingham and has added further pressure to the Council's finances both the financial position in 2021/22 and the medium term financial outlook. The Council has responded to this challenge and to the need to have a financially resilient Medium Term Finance Plan by mainly focusing on planning the delivery of transformative change. It is in this context that the Council has set out its Medium Term Financial Plan for 2022-2026. Full 10-year numbers are available in Appendix A.
- 1.2. As part of a new 'rolling budget' approach to financial management the Council updated the outlook of its Medium Term Financial Plan in July and in October, reporting the results to both Cabinet and Overview & Scrutiny Resources Committee.
- 1.3. The Local Government Settlement announced in December 2021 only provided funding for 2022/23 contrary to widespread hopes that the fact the government held a three-year spending review in October would signal similar long-term stability for Councils. The one- year settlement is largely a rollover settlement from 2021/22, with the focus very much on "stability" for the immediate year ahead. There remains significant uncertainty over the level of resources available to the Council beyond 2022/23, mainly due to the reforms to local government financing.
- 1.4. The Settlement included a new one-off 'Services grant', worth £822m nationally, which is intended to support all services delivered by Councils, and therefore unringfenced. This grant was distributed in proportion to the business rates and grant funding Councils received in 2013/14. As this part of Councils' funding was designed to provide more to Councils with higher spending needs and/or less ability to raise Council tax such as Birmingham. Councils in deprived areas have received a relatively larger share of this new grant, with Birmingham being allocated around 3% of the national total, £24.7m. It is Government's intention to consult at a later date on the distribution of this £822m national sum in future years, and therefore for planning purposes, it has been assumed that Birmingham will receive a similar level of resources as received in 2022/23 for future years.
- 1.5. The Settlement did not include any additional funding for Covid related impacts. The recent rise in cases due to the Omicron variant is an important reminder that the pandemic is not over. In response to the consultation, Birmingham will lobby for the Government to step in with another round of

support including grant funding for COVID additional costs and support for income losses.

- 1.6. The Financial Plan assumes annual increases in Council Tax at the maximum permissible level of 1.99%. Given the significant pressure on Social Care services reflected in the budget proposals, the Council proposes to increase Council Tax further in 2022/23 by the 1% adult social care precept announced by the Government in the Local Government Settlement. Council Tax is therefore assumed to increase by 2.99% in 2022/23. Government's core spending power calculations assume authorities raise Council tax by the maximum amount permissible without holding a referendum.
- 1.7. The Council will also continue to invest, through the capital programme, in priorities such as continuing to retain and improve Council owned assets, including its buildings and roads, and facilitating the growth in the Birmingham economy through major projects and supporting businesses in the city.
- 1.8. The Medium Term Financial Plan should be viewed as a provisional plan that sets out a path through the 2022/23 with the expectation that continued work on the 3 pillars of Delivery Plan (People, Place and A Fit for Purpose Council) will yield proposals in the future that address the long term financial sustainability of the Council, with the initial financial contributions impacting in 2022/23.

## **2. Medium Term Funding Outlook**

- 2.1. Significant uncertainty remains over the Council's resources beyond 2022/23. There are a number of Government policy announcements and decisions that are expected in the near future that create significant uncertainty over forecasting the level of resources for the Council over the medium term. The Local Government settlement announcement hinted that more fundamental changes in the distribution of funding could be implemented as early as 2023/24. It was announced that work will start "in the coming months" to work out "with the sector" how to update funding distribution and "challenges and opportunities facing the sector". Birmingham will continue to input into the review of local government financing to ensure that its position and circumstances are taken into account.

### **Comprehensive Spending Review**

- 2.2. In October 2021 the Government announced its Comprehensive Spending Review. Allocations to Government departments were made for the 3 years to 2024/25, but the provisional settlement only provided indicative funding for the year ahead. Councils will have to wait until around Autumn 2022 for more certainty over longer term funding.

## **Local Government Fair Funding Review**

- 2.3. The Government has been conducting a review of local government funding distribution called the Fair Funding Review, recently changed to the Review of Relative Needs and Resources.
- 2.4. Following years of delay, it is anticipated that the outcome of the review will be known for 2023/24 following confirmation that Government intends to bring forward a further consultation on funding reform. The latest position was that the Government will work with local government to understand the lasting impact the pandemic has had on service demands and revenue raising and will then revisit the priorities for reform of the local government finance system. Birmingham looks forward to seeing how the fair funding review will support the Government's 'levelling up' agenda and will engage with the Government in the new year as this policy proceeds. It is vital that any reforms recognise the higher demands on services for urban Councils such as Birmingham, the levels of deprivation and the inability to generate much additional income through Council Tax increases.

## **Local Retention of Business Rates**

- 2.5. Since 2017/18 the Council, along with the other West Midlands District Councils has been in a 100% Business Rates Retention Pilot. As such it has forgone Government Revenue Support Grant in order to retain 100% of Business Rates income.
- 2.6. The Government had intended to introduce 75% Business Rates retention nationally from 2021/22 alongside a planned periodic reset of accumulated Business Rates growth, redistributing local Business Rates growth across all local authorities based on need. In October 2021, the Secretary of State for Levelling up, Housing and Communities announced that Government had abandoned plans to allow Councils to retain 75% of their business rates as it would conflict with the levelling up agenda. It was announced that Government would instead review the mechanism for redistributing funding to the authorities most in need. The Council's planning assumption is for the Business Rates Retention Pilot to continue.
- 2.7. It is expected that the reset of business rates baselines will take place in 2023/24, with the Council likely to lose resources of around £11.3m in that year. This has been reflected in our financial plans.

## **Brexit**

- 2.8. It is to be welcomed that a Brexit deal was concluded in so far as it removes some of the uncertainty. However, there are expected to be impacts on the Council moving forward, although the current pandemic and economic crisis makes it difficult to form a clear view on the impacts for the Council. Particularly, regarding the replacement of EU grant funding by the UK Shared Prosperity Fund, the impacts on the supply chain and the ability to deliver services, there is little information available on all of these issues.

## Savings Delivery

- 2.9. The Council has significantly improved its delivery of savings in recent years. Table 2.1 below demonstrates this improvement, indicating that the past 4 years the Council has been delivering around 82% of its planned savings. This position has been maintained despite the challenges faced by the Council in dealing with the pandemic.

**Table 2.1 Previous Savings Delivery**

Year	Planned Savings £m	Savings Delivered £m	Delivery %
2016/17	88.2	32.4	37%
2017/18	70.9	48.3	68%
2018/19	52.9	42.8	81%
2019/20	46.2	38.7	84%
2020/21	22.1	16.0	73%
2021/22*	33.1	29.9	91%

\* Quarter 3 position

- 2.10. COVID-19 has had an impact on the ability of the Council to deliver some of its savings planned for 2021/22 and onwards. The Financial Plan reflects a realistic position for the savings programme going forward.

## 3. Capital Programme

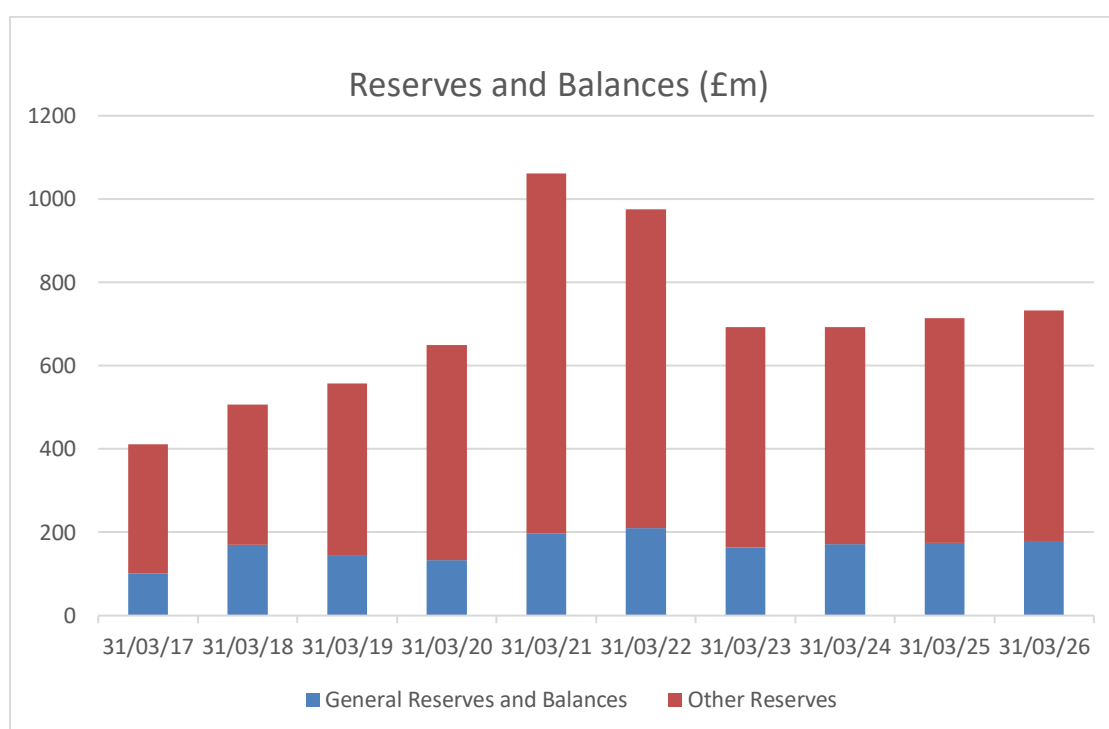
- 3.1. The Council has a large and complex capital programme driven particularly by the Council Plan, with the ambition being to develop a longer term strategy in the form of a 25 year capital programme. COVID-19 has impacted the capital programme in 2021/22 resulting in some slippage of schemes into future years, changes to a number of schemes and additional costs.
- 3.2. The Capital Strategy priorities for new projects and programmes are focussing on Council Plan driven expenditure, statutory requirements and proposals that support revenue savings, income or service modernisation. Supporting the Capital Strategy are the Property Strategy and the Commercialisation Strategy. These are set out in Chapter 6.
- 3.3. The Council will continue to manage its borrowing in accordance with CIPFA's Prudential Code and has a prudent policy for debt repayment set out in its Minimum Revenue Provision policy. Future Council borrowing from the Public Works Loans Board will need to comply with new lending terms that prevent local authorities from using its loans to buy investment assets primarily for yield.

## 4. Financial Resilience

### Reserves

- 4.1. The Council holds significant levels of reserves. Earmarked Reserves are held for specific purposes and are intended to be used when the activity for which they are held comes due. The Council also holds General Reserves which are available to the Council to manage emergencies and exceptional unforeseen events. Reserves are only available to use once and cannot be used as a replacement for ongoing funding requirements. The following chart shows the movement in those reserves over time, with the largest boost to the reserves being made in 2020/21. It is anticipated that the Council will have reserves levels of around £945.8m at the start of 2022/23, and around £732.5m by the end of the medium term reporting period.

**Figure 2.2 Reserves and Balances graph**



- 4.2. The Council's Reserves Policy (Appendix C) makes it clear that general reserves should not be used to mitigate the requirement to make ongoing savings and these reserves have not been used to mitigate savings. Cabinet, in November 2020 increased the General Fund Reserve to £38.4m to represent 4.5% of the Council's net budget and this level of reserves has been maintained into 2022/23 in light of the current risks facing the Council. In addition, £50m was identified from existing reserves to support the implementation of the Delivery Plan which delivers a financially sustainable position in the medium term.

## **CIPFA Financial Resilience Index**

- 4.3. The Financial Plan 2020-2025 considered CIPFA's Financial Resilience Index published in January 2021. The assessment was that the Council was in a relatively healthy financial position compared to other similar authorities.
- 4.4. The Council has been working with CIPFA over the past year to develop a bespoke version of the Financial Resilience Index which will allow the Council to compare itself with what it feels are more relevant comparator groups. Those are the Core Cities (Manchester, Liverpool, Newcastle Upon Tyne, Leeds, Sheffield Nottingham and Bristol) and the West Midlands Local Authorities (Leicester City, Sandwell, Wolverhampton, Dudley, Walsall and Solihull),

A full breakdown of the 2021 CIPFA Resilience Index can be seen [here](https://www.cipfa.org/services/financial-resilience-index-2021/resilience-index-2021).  
(<https://www.cipfa.org/services/financial-resilience-index-2021/resilience-index-2021>)

## CHAPTER 3: REVENUE BUDGET

1. As set out in Chapter 2, the national context for local government funding continues to remain uncertain, despite the promise of a multi-year settlement announced by Government. Recovery from the Covid pandemic is expected to take time, resulting in an impact on the Council's expenditure and income generation capabilities for example in relation to reduced car parking income and income from leisure facilities and an expected underlying growth in demands for services. Government has provided no additional funding in 2022/23 to deal with the legacy impacts of Covid. Reforms are still being planned by national government in relation to local government financing, particularly around the fair funding review and business rates, including national redistribution of growth. There is also a lack of certainty around the impact of the adult social care cap and what it means for local authority finances. Given the uncertainty of these reforms, which are expected to have a fundamental impact in terms of how local government may be funded in the future, the financial projections have been based on the current systems continuing in the future
2. The Council has taken a prudent approach in its estimation of additional income, and the forecasting of expenditure for the medium term. The level of reserves as a percentage of net budget has been maintained in order to manage the risks.

### INCOME

3. Table 3.1 below sets out the Council's level of income across the medium term to 2025/26. The table indicates that the Council has four main sources of income: grants from Central Government, a share of Business Rates income, Council Tax income and locally raised revenue through fees and charges, sales, rents, etc, with increasing reliance being placed on locally generated income funding. It is anticipated that there will be a 5.4% increase in the Council's level of income compared to the 2021/22 levels, including funding being passported to schools and benefits claimants. Corporate and Directorate funding is expected to increase by 9.1% over the period, representing the change in income to directly fund services.

**Table 3.1 General Fund Grant and External Income**

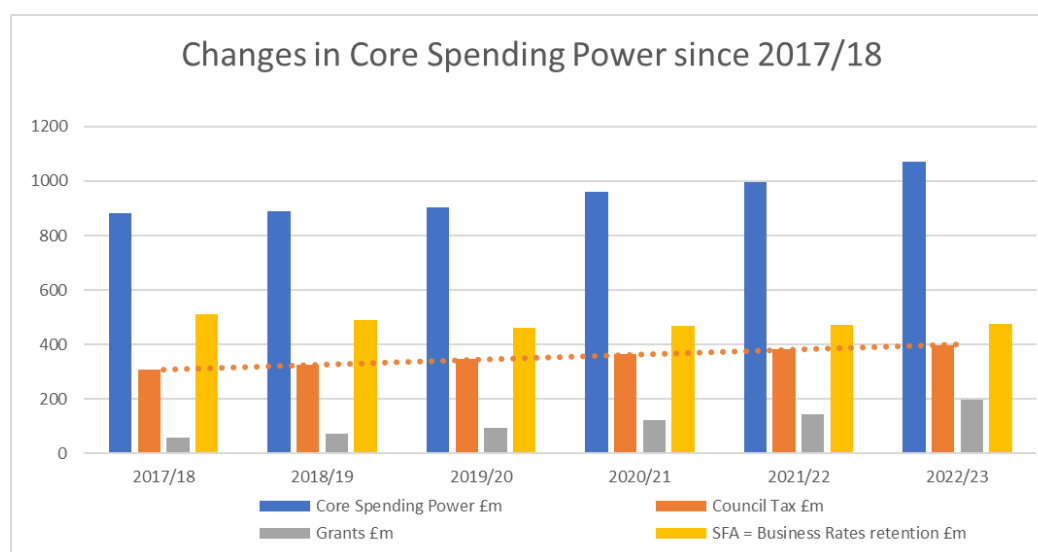
	2021/22 £m	2022/23 £m	2023/24 £m	2024/25 £m	2025/26 £m
Top Up Grant	55.951	59.400	60.542	61.706	62.893
Other grants	481.687	560.057	487.244	489.379	491.350
<b>Subtotal grant funding</b>	<b>537.638</b>	<b>619.457</b>	<b>547.786</b>	<b>551.085</b>	<b>554.243</b>
Business Rates	411.693	352.040	435.702	450.715	464.023
Collection Fund surplus/(deficit)	(17.659)	(35.997)	(16.222)	0.000	0.000
Business Rates					
Council Tax	382.923	401.153	413.563	425.257	437.189
Collection Fund surplus/(deficit)	(4.237)	(17.365)	(1.532)	0.000	0.000
Council Tax					
Top Up Grant / Business Rates Reset	0.000	0.000	(11.333)	(13.252)	(14.671)
<b>Subtotal Collection Fund</b>	<b>772.720</b>	<b>699.831</b>	<b>820.178</b>	<b>862.720</b>	<b>886.541</b>
Potential income reduction from funding reforms	0.000	0.000	(1.000)	(5.000)	(9.000)
External income <sup>1</sup>	381.004	383.255	393.430	403.659	414.142
<b>Subtotal Corporate &amp; Directorate Funding</b>	<b>1,691.362</b>	<b>1,702.543</b>	<b>1,760.394</b>	<b>1,812.464</b>	<b>1,845.926</b>
Schools funding (Ring-Fenced) <sup>2</sup>	787.810	801.346	793.316	793.316	793.316
Grants to reimburse expenditure <sup>3</sup>	479.886	479.856	479.826	479.826	479.826
<b>Total General Fund Grant &amp; External Income</b>	<b>2,959.058</b>	<b>2,983.745</b>	<b>3,033.536</b>	<b>3,085.606</b>	<b>3,119.068</b>

Figures are shown cumulatively

The table above excludes use of reserves which are discussed later in Chapter 3

1. External Income has been forecast from 2022/23 based on information in the Savings Programme and CPI forecasts for future years.
2. For the time being, Schools' funding has been assumed to remain unchanged in future years. No adjustments for schools transferring to academies or changes in funding formula have been made as there is too much uncertainty at present. However, schools will be required to contain spend within the resources available.
3. We have not sought to forecast future demand in this area, especially for Benefits
4. Locally derived income, in the form of Council Tax, retained Business Rates, sales, fees and charges, makes up around 64% of Corporate and Directorate funding, compared to the 36% from Government grants. Therefore, there is a strong incentive for the Council to plan for and achieve growth in the tax base for both Council Tax and Business Rates. Combined, Council Tax and Business Rates income funds around 19% of total gross general fund expenditure. The disadvantage of this reliance is that the Council also bears the risk of any downward trends in the income, such has been the case during the COVID-19 pandemic, with the legacy impact as we recover from the pandemic continuing to remain unknown. Over the past years, increasingly the burden of funding the Council's budget has fallen on Birmingham taxpayers and the Government's spending power calculations for local authorities relies on Councils uplifting Council tax by the maximum values. This is illustrated in the chart below which shows the spending power changes since 2017/18.

**Figure 3.2 Changes in Birmingham's Spending Power from 2017/18 to 2022/23**



Source: Provisional Local Government Finance Settlement- CSP Supporting Information Table 2223 (The orange dotted line shows the trend in the annual increase in council tax)

## 5. Business Rates

- 5.1. The Council continues to be part of the West Midlands Pilot for 100% Business Rates retention. Current financial plans assume that the Pilot will continue, as confirmed by the recent Spending Review, meaning that the Council will continue to benefit from retaining any local Business Rates to support local investment. The Government has signalled that it will no longer proceed with the move to 75% business rates retention, so an element of risk has been removed for the levels of Business Rates which is currently retained in the local area. We await announcements on what the future Business Rates scheme will be.
- 5.2. Funding uncertainties however remain around how the funding baseline for the change will be set and calculated. This process, referred to as a reset, will redistribute real terms growth in Business Rates amongst local authorities based on need. The timing of any potential reset has not yet been announced as part of Government's plans, although this is likely to take place in 2022/23, with the first impact being in 2023/24. It is estimated that the Council could lose £11.3m from a reset.
- 5.3. The Council has updated its forecasts of future Business Rates receipts to include the impact of new developments and the sustainability of businesses and the recovery from the pandemic. The forecast for 2022/23 was approved by Cabinet at the meeting of 18 January 2022 and is therefore the basis for the numbers in the MTFP. Through a combination of factors, including the impact of release of the frozen multiplier and the impact of appeals, Business Rates are expected to reduce to £352.0m in 2022/23 from £411.7m level in 2021/22. It has been assumed that there will be no inflation applied to business rates in 2022/23 due to the frozen multiplier announced at the Spending Review, but that an increase of 2% will be applied from 2023/24

onwards. The Council is compensated for the frozen business rates levels in 2022/23 through additional section 31 grants from Government. Additionally, real terms growth of 0.5% per annum will resume from 2022/23 onwards, with an additional 0.5% growth achieved in 2023/24 due to the Commonwealth Games effect.

- 5.4. Income from Business Rates is managed through a separate Collection Fund. Resources from Business Rates for 2021/22 are expected to be £141.7m less than budgeted before receipt of government grants. This is primarily due to:
- Growth estimates were lower than anticipated
  - Collection rates being lower than anticipated when the budget was set
  - Government changes to Business Rates relief meant significant funding was received as Section 31 grant from Government rather than Business Rates. In mid-December 2021 Government passed legislation to provide discretionary Business rates relief to businesses in 2021/22 that have been affected by major changes in circumstances due to Covid 19 but have not been able to claim a reduction in rateable value in their bills (CARF) Government has indicated that Birmingham will receive £30.1m of Section 31 grant to offset this relief. As part of the support to businesses, Government granted substantial relief to hospitality and leisure industries. Birmingham has received £124.4m of Section 31 grant to offset the deficit identified above, meaning that the net shortfall on Business Rates income is £17.3m for 2021/22, which will need to be funded in 2022/23
- 5.5. In addition to the above there is a further £2.5m of deficit brought forward from prior years, along with £16.2m of deficit from 2020/21 which Government allowed local authorities to spread across three years as part of the flexibilities granted to deal with Covid. In total, business rates deficits of £36.0m have to be funded in 2022/23.

## **6. Council Tax**

- 6.1. Council Tax income yield is dependent upon several elements in the Council Taxbase calculation, namely: the number and mix of dwellings including new developments, changes in discounts and exemptions, changes to the number of claimants under the Council Tax Support Scheme, the level of Council Tax, and the assumed level of collection. The estimated funding within the Medium Term Financial Plan is based on the forecast of 258,362 Band D equivalent properties for 2022/23, which was approved by Cabinet at its meeting on 18 January 2022. The financial plans assume annual tax base growth of 1.7% in 2022/23, slightly increased due to specific budget proposals to identify properties not previously charged Council Tax and retrospectively bill them, generating an extra £0.4m. The growth rate then reverts to 0.8% from 2023/24, back to normal levels. Non-collection has been assumed to be at a rate of 3.15% in 2022/23 (down from 3.4% for 2021/22), before reducing to usual levels of 2.9% annually from 2023/24 onwards.

- 6.2. Where Councils have been unable to collect outstanding Council Tax in a year, this shortfall usually becomes an adjustment to the Council's overall income in the financial year following collection. For 2021/22, the Council Tax deficit has been estimated to be £15.8m. In addition, there is a further £1.5m deficit which is brought forward from 2020/21 under Government's flexibility to phase shortfalls due to the pandemic across three years.
- 6.3. The Council Tax requirement for 2022/23 assumes a general increase in Council Tax of 1.99% and a 1% precept relating to adult social care. The flexibility to charge this precept in addition to the general amount of Council Tax was extended by Government in recognition of the ongoing financial pressures on adult social care services. The precept is estimated to raise £3.9m of additional resources to support adult social care investment.
- 6.4. The Council Tax requirement of £401.2m (excluding parish precepts and Enterprise Zone growth) is divided by the Council Taxbase for the year of 258,362 to give a band D Council Tax for Birmingham Council of £1,552.68 (excluding Police, parish and Fire precepts). This figure is converted to the amount payable by properties in other valuation bands by applying a set multiplier, to arrive at the charge citizens will pay for Council services. The calculations are shown in Table 3.3 below.

**Table 3.3 Council Tax Requirement**

	<b>City Council Services £</b>	<b>Incl. Parish Precepts and Enterprise Zone Growth £</b>
Gross Expenditure	3,876,057,904	3,882,906,284
Parish Precepts		1,881,798
Less: Estimated Income (excluding Business Rates, Top Up Grant and Council Tax)	(3,116,827,275)	(3,120,924,228)
<b>Net Expenditure</b>	<b>759,230,629</b>	<b>763,863,854</b>
Less:		
Business Rates	(352,040,401)	(360,209,980)
Business Rates (surplus)/deficit	35,997,112	41,415,264
Revenue Support Grant	0	0
Top Up Grant	(59,400,064)	(59,400,064)
Council Tax Collection Fund (surplus)/deficit	17,365,000	17,365,000
<b>Council Tax Requirement</b>	<b>401,152,276</b>	<b>403,034,074</b>
<b>Divided by taxbase</b>	<b>258,362</b>	<b>258,362</b>
<b>Band D Council Tax</b>	<b>1,552.68</b>	<b>1,559.96</b>

- 6.5. In 2021/22, Birmingham's Council Tax, including adult social care precept and excluding parish precepts, was the 10<sup>th</sup> lowest for the unitary authorities. Birmingham's Council Tax is approximately 6.1% lower than the average Metropolitan Band D rate. In comparison to its West Midlands neighbours, Birmingham's Council Tax was 4<sup>th</sup> lowest, with only that of Solihull, Sandwell and Dudley being lower. Even if the proposed increases are applied, Birmingham will continue to be a relatively low Council Tax area.

- 6.6. Beyond 2022/23, the financial plans assume a 1.99% annual increase in Council Tax rates based on the current referendum limit. No further increases have been assumed for the Adult Social Care precept. This is a planning assumption; the actual tax rises will need to be formally approved by Full Council each year.

## 7. Precepts

- 7.1. The Council also collects the precepts on behalf of other organisations and the impact of these on Council Tax is as outlined in the table below.

**Table 3.4 Precepts**

	Band D Council Tax 2021/22 £	Band D Council Tax 2022/23 £	Increase/ (Decrease) £	Date Precept Agreed
Birmingham City Council	1,507.60	1,552.68	45.08	
Fire and Rescue Authority	63.04	XXXX	XXXX	
West Midlands Police & Crime Commissioner	177.55	XXXX	XXXX	
New Frankley in Birmingham	27.28	XXXX	XXXX	
Royal Sutton Coldfield	49.96	XXXX	XXXX	

**Note: INFORMATION FROM PRECEPTORS NOT YET RECEIVED. TO BE UPDATED FOR THE FULL COUNCIL VERSION**

Full details of the calculations are set out in Appendix H.

## 8. Government grants

- 8.1. The total grant allocation from Government for the Council is expected to be £1.9bn, as detailed in Appendix B. This is an increase of £95.3m compared to the budget position for 2021/22. There are two main categories of grant:
- Those that are used to fund wider Council services, for example Top Up Grant, Business Rates related Section 31 grants
  - Those ringfenced to fund service specific activities, for example the Social Care Grant.
- 8.2. Further information on funding of education services, including schools, is set out in Chapter 4. The total Dedicated School Grant expected to be managed by the Council is £734.9m in 2022/23, subject to the finalisation of pupil numbers. The Dedicated School Grant will reduce if schools convert to academies. Total school funding is expected to be £801.3m in 2022/23.
- 8.3. The Council will continue to explore all other opportunities for further grant funding and submit bids as appropriate to seek to maximise income and identify additional funding to deliver the Council's priorities.

## 9. Locally generated income

- 9.1. The Council has budgeted to receive approximately £383.3m from fees and charges and other sources of income in 2022/23. Some charges are set by legislation (e.g. licensing charges) whereas others the Council has discretion to determine. Fees and charges are set on an annual basis and subject to annual approval from Council/Cabinet. Further details about fees and charges are set out in Appendix S.

## 10. **Housing income**

- 10.1. Further information on income within the Housing Revenue Account, including details of rent and service charge income is set out in Chapter 5. Total income is expected to be £287.7m in 2022/23.

## **SPENDING DEMANDS**

## 11. **Background**

- 11.1. The Council's Medium Term Financial Plan is shaped by the particular financial circumstances facing Birmingham, which in turn result mainly from the national context outlined in Chapter 2. Significant pressures over the medium term arise as a result of:

- Demand for key services increasing, and the complexity of that demand is also increasing
- Inflationary pressure
- Continued recovery from the Covid pandemic and the Council's role in facilitating, supporting and influencing the recovery process.
- Changing expectations from Government and citizens on the level of service
- Limited scope to increase Council Tax and other fees and charges

## 12. **Budget Pressures and Investments**

- 12.1. In developing the budget plans, the Council undertook a review of base budgets to determine adequacy and reviewed demands on services. In addition, due diligence was carried out on the existing savings programme to ensure delivery of savings or the replacement of savings with suitable alternatives when the original plans proved to be no longer feasible. Requests for additional funding to improve service delivery or to deliver specific projects were also considered and, where justified, have been included in the financial projections. The table below shows an analysis of pressures built into the updated financial plans, £110.0m in 2022/23 reducing to £62.3m in 2025/26. There is reduction of time limited one- off investment from 2022/23, which results in the lower values in future years.

**Table 3.5 Analysis of Pressures and investment 2022/23 to 2025/26**

<b>Categorisation</b>	<b>2022/23 £m</b>	<b>2023/24 £m</b>	<b>2024/25 £m</b>	<b>2025/26 £m</b>
Growth (Budget increases for inadequacy and specific projects)	24.250	0.399	4.353	4.433
Savings non-delivery	18.211	17.183	17.295	17.341
Commonwealth Games (reprofiling within cap)	37.342	0.000	0.000	0.000
Invest to Save (including repayments)	14.043	9.234	10.287	10.706
Demography	9.250	18.090	26.840	35.590
Change in legislation or regulation	5.154	2.707	1.037	1.037
Revenue cost of capital projects	3.752	5.836	5.836	5.836
Time limited resources	3.733	(8.078)	(9.458)	(9.876)
Pressures resulting from COVID 19	2.444	2.257	2.105	2.105
Other	0.642	1.329	3.404	3.479
Pension Fund	0.469	0.572	0.747	0.883
Revenue cost of redundancy	(9.281)	(9.281)	(9.281)	(9.281)
<b>Total</b>	<b>110.009</b>	<b>40.248</b>	<b>53.165</b>	<b>62.253</b>

Figures are shown cumulatively

### 13. Service pressures

- 13.1. The Council's budget is also under pressure from continuing increases in the number of vulnerable citizens accessing Council services, notably within social care, Children's services and the homelessness services. In order to manage cost pressures over the medium term, significant work is taking place to manage this demand, including investment in early help and prevention.

### 14. Social Care

- 14.1. The financial sustainability of the social care system is a nationally recognised and widely reported problem, for which there has been much lobbying from the local government sector. The Government's response, in the absence of a sustainable long term solution that fully address all of the cost pressures, has been through both the provision of additional grant funding and giving local authorities the option of increasing the social care precept by a further 1% for 2022/23. Additional funding, compared to the 2021/22 levels is £20.8m, made up of additional Social Care Grant of £16.9m and the estimated funding from the 1% adult social care precept on Council Tax of £3.9m. The additional income will be used to offset some of the pressures in both adult and children's social care, although the funding will not cover all of the pressures as identified below.

## 15. **Adult Social Care**

- 15.1. Adult social care supports around 12,000 citizens at any point in time, providing around 20,000 packages of care, and remains the Council's largest area of net expenditure, around 47%. Additional investment of £32.4m has been provided to the service to cover anticipated additional costs. This is partially funded through accepting the Adult Social Care tax levy allowed (£3.9m).
- 15.2. The Council has continued progressing its successful approach to social care that fosters enablement and independence, and reduced reliance on Council intervention. The customer journey project 2017-2020 introduced the three conversations approach. This approach has placed a greater emphasis on supporting citizens to live independently in community settings, rather than being placed in long term traditional care settings, delivering better outcomes for the citizens. The growth that has been built into the budget recognises the impact of these previous initiatives and the impact of ongoing transformation work.
- 15.3. Growth in demand from demographic, population and societal changes has been estimated at £14.9m. Covid had an impact of reducing numbers of Older Adults in receipt of care, this is now increasing again. Growth in demand has switched from Older People to Younger Adults with more complex needs, and therefore more expensive packages. This demand figure is reduced by £6.3m to recognise the ongoing impact of recent transformation.
- 15.4. Inflationary increases in externally commissioned care packages have been factored into the budget at £13.7m. Provider costs are predominantly wages. As a significant proportion of care workers are predominantly minimum wage workers, there are limited opportunities for providers to minimise the impact of the recent 6.6% increase in the National Minimum Wage. The Council has a duty to, as well as an obvious benefit from, maintaining a sustainable and stable care market, so must support providers in meeting these rising costs.
- 15.5. Birmingham recognises that the largest impact on potential future demand is prevention and early intervention, through both promoting independence before requiring statutory support, and through building community and voluntary sector solutions to low level support need. Therefore, as part of the transformation agenda, investment of £3.3m in this area has been built into the financial plans. Alongside this a £3.3m saving has been included in the plans to reflect the immediate financial benefit of some of the initiatives running under phase 2 of the Transformation programme.
- 15.6. As part of its attempt to mitigate costs, the Council will seek to maximise its use of ringfenced capital funding, seek to work with Health partners as part of the Birmingham Integrated Care System to make better use of any such funding and continue to drive modern care solutions, for example Shared Lives, technology enabled care, adaptations, community and non-statutory support. A further £1m saving has been recognised in this area.

15.7. Birmingham is supportive of the principles of protecting more people from catastrophic care costs under the social care reform plans and views the plan for increased National Insurance contributions (later to be replaced with the Health and Social Care Levy in 2023) as only a first step in providing some sustainable funding for the sector. However, it is recognised that in the first three years only an additional £3.6bn is being reserved nationally for local authority provided social care, with the remainder being passported to the National Health Service. The financial plans assume that the cost of any reforms will be cash neutral, although this is yet to be tested.

## 16. **Children's Social Care**

16.1. Birmingham has a relatively high population of young people compared to other cities, with 46.1% of the population below 30. The Office for National Statistics predicts that there will be 5.3% growth in the number of children aged 5 to 14 over the next 20 years. Currently, 41% percent of Birmingham's children live in poverty. The number of young people, and those living in poverty directly impacts on the number of children requiring support from Children's services.

16.2. There is a continuing financial impact of demand pressures within children's social care due to increasing caseload and the complexity of cases. The Council recognises that early intervention can help limit the need for children to enter the social care system, lay the groundwork for improved performance at school and help to ease future pressure on adult social care by reducing the pressure on services for vulnerable adults. Continued investment in a co-ordinated approach to Early Help across partners will develop better preventative services and in the longer term reduce demand and cost for acute services.

16.3. The Council's children in care population is around 2,050, which represents an increase of around 14% since 2015, slightly above the national average. More recently, there has been a net increase of 128 children in care since April 2021 and the number of Unaccompanied Asylum Seeking Children has now reached 122. However, the care population has remained consistently lower than that of Birmingham's statistical neighbours, although Birmingham's unit cost has been higher due to the complexity of the cases and limited access to in-house fostering placements.

16.4. The average cost of care is £955 per week (as at November 2021) compared to £890 in August 2020. There are currently 49 children in placements costing over £5,000 per week compared to 23 at the same time last year, with the current highest unit cost per week being £14,175. The average weekly cost of an Unaccompanied Asylum Seeking Child placement is £727 for a 16/17 year old, and £348 for 18-21 year olds. There are differing reimbursement rates from the Home Office for Unaccompanied Asylum Seeking Children dependent on their age and their method of entry into Birmingham (whether they presented independently or through the National Transfer Scheme).

- 16.5. Third party direct care and placement costs in Children's Social Care are impacted by a combination of inflationary increases linked to CPI (3.8% as at October 2021) and by increases to the National Living Wage and Employer National Insurance Contributions. These increases have resulted in a requirement for an additional £4.2m to be allocated to the third party direct care and placements budget for financial year 2022/23.
- 16.6. HM Court and Tribunal Services have also notified of increases to Civil and Family Court Fees resulting in a requirement for this budget to be increased by £0.1m for financial year 2022/23.

### **Other Children's Services**

- 16.7. Home to School Transport remains an area of significant expenditure and risk for the Council. It is a vital and statutory service that provides transport to some of the most vulnerable children and young people in the city. COVID-19 has made it difficult to gauge ongoing cost pressures. Work is being undertaken to improve medium and long-term demand and financial modelling. In recognition of the immediate pressures within the service, a further £9.8m of additional funding has been recognised in the financial plans for 22/23, which reduces to £3m for future years.
- 16.8. Following a joint inspection by Ofsted and the Care Quality Commission (CQC) that identified major improvements were needed in the system supporting children and young people with Special Education Needs and Disability (SEND), an action plan was produced which outlined a range of changes that were needed across the city in the coming years. A SEND Commissioner for Birmingham City Council has been appointed and confirmed in October 2021. The SEND Commissioner will undertake a diagnostic assessment of Birmingham City Council's SEND Services, with the instruction to provide recommendations on the issues highlighted within the inspection report and assess the strategic and operational improvement required to secure rapid, effective and sustainable improvement in the delivery of SEND Services. The appointment of the SEND Commissioner is for a 12-month period. The findings of the Commissioner could lead to large budget implications for the Education & Skills Directorate which will need to be managed.
- 16.9. Although there are current in year underspends on the High Needs Block, within the Dedicated Schools Grant, the level of spend on High Needs remains an area of concern. This reflects a national pattern whereby there is insufficient High Needs funding to fully meet local need. There was a cumulative deficit on High Needs of £9m at the start of 2021/22. This was largely the result of pressures relating to; unfunded statutory obligations arising from the 2014 Special Education Needs and Disability (SEND) reforms and increasing numbers of pupils with high needs and increasing complexity of needs. The Council agreed with the Schools Forum that the deficit will be repaid back at £5m a year starting in 2020/21, for three years. Financial monitoring this year indicates that this plan will be delivered and 2022/23 will be the final year of the repayment plan.

- 16.10. The Government has announced substantial additional national funding for Special Needs in 2022/23, resulting in Birmingham receiving additional funding of £26m from that received in the latest notification for 2021/22. This additional funding will contribute positively to addressing pressures and allowing the local authority to meet its statutory obligations.

### **Transformation**

- 16.11. Additional financial resources totalling £7.6m have been approved by Cabinet in financial years 2021/22 and 2022/23 to fund the Education & Skills transformation programme across four key areas:

- **SEND Improvement (£4.6m)**

The transformation focus in this area will be on carrying out the necessary work to improve the quality of service provided to children and families and addressing systemic weaknesses. Cabinet have agreed funding for this work totalling £4.6m, made up of £1.8m in 2021/22 and £2.8m in 2022/23.

The local authority has also taken steps to stabilise its SENAR department with added capacity, to ensure that children and young people with SEND in Birmingham are better supported and engaged. £5.1m additional funds have been approved by Cabinet in 2021/22 to support this Business as Usual activity.

- **Home to School Transport Improvement (£2.7m)**

Currently a number of roles are being provided by interim members of staff because these roles do not exist in the substantive structure, or the functions were significantly under-resourced. These are for key functions: assurance, compliance and contract management and it is imperative that these roles are retained in order to ensure the service is safe and well-run. Funding of £2.7m was approved by Cabinet for the continuation of these roles in 2021/22, a permanent structure will need to be finalised and implemented in 2022/23.

- **SEND Strategy and Delivery Model (£0.1m)**

This area of transformation is required in order to review the way in which SEND Services are delivered in Birmingham and to ascertain if this model is the best one or whether other delivery models should be explored and implemented. Funding of £0.1m has been approved by Cabinet in 2021/22 to carry out scoping work in this area in order to decide what activity is needed and to prepare a business case and programme plan as well as to support work to underpin a new SEND Strategy.

- **Education and Skills Transformation (£0.2m)**

The Education and Skills Directorate covers a wide range of activities integral to delivering the Council's ambition for the city. However, the department is not sufficiently equipped or structured to deliver its role. There is a need to review both the structure of the Directorate and its vision, strategy, remit and purpose. Funding of £0.2m has been approved by Cabinet in 2021/22 to set

up the overall programme across the Directorate, review all governance arrangements currently in place, prepare a business case and programme plan and carry out initial consultation with staff and stakeholders to bring back to CLT and Cabinet for discussion. The outcome of the work will be presented to Cabinet for discussion and decision in early 2022.

### **CIPFA Budget Sufficiency Review**

- 16.12. The Chartered Institute of Public Finance and Accountancy (“CIPFA”) was asked to carry out a review of the Education and Skills Directorate and assess the sufficiency of the 2022/23 budget requirement. Work commenced in September 2021 and was completed in December 2021 – formal submission of the completed review is pending as of 13<sup>th</sup> January 2022.

The review covered the key areas of the Directorate:

- Education and Early Years
- Birmingham’s Children’s Trust (BCT)
- Skills and Employability
- Inclusion and Special Educational Needs & Disability (SEND)

The review also looked at specific spending areas such as school transport and reviewed current transformation bids to assess the feasibility of costs being appropriately charged to Dedicated Schools Grant (DSG).

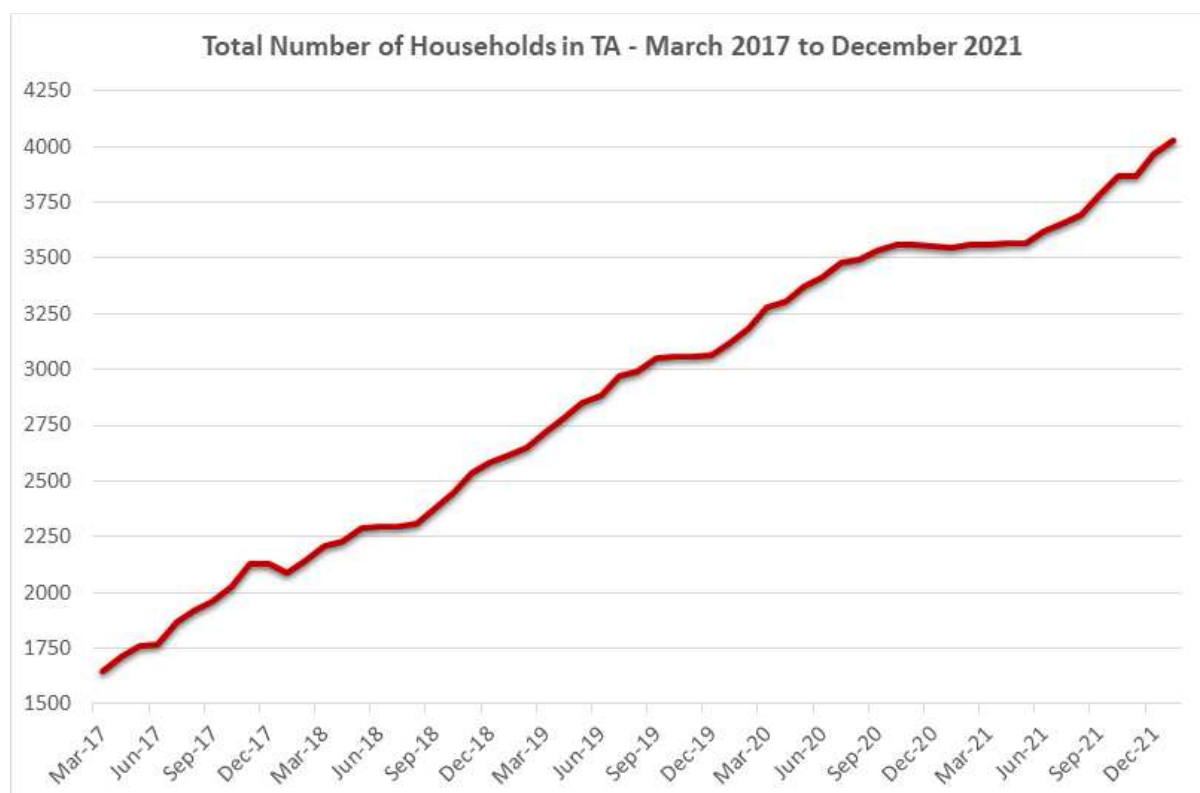
## **17. Homelessness**

- 17.1. The Housing Solution & Support Service has a statutory duty to provide suitable and sustainable housing solutions to citizens that present as homeless or at risk of homelessness. In recognition of the challenges facing the service, Government has provided ring-fenced £7.3m of grant funding to Birmingham in 2022/23 through the Homelessness Prevention Grant. This grant is a continuation of that provided in 2021/22 (£7.2m) plus an allocation of £0.1m to meet the new burdens following the expansion of priority need to those who are made homeless due to domestic abuse. As part of the Spending Review announcements, Government committed to spend at least £630m a year tackling homelessness and rough sleeping for the next three years (up to March 2025), a total of £2bn across the period to tackle homelessness, highlighting this area as a priority for investment in line with one of key recommendations of the Kerslake Commission on Homelessness and Rough Sleeping.
- 17.2. The ability to effectively discharge this responsibility through the current level of resources is becoming increasingly untenable, which is resulting in a significant increase in the use of Temporary Accommodation (TA) as the service has no choice but to respond to this demand through crisis management. It is the statutory provision of TA, and more specifically, the use of Bed & Breakfast (B&B), which places additional cost pressures and other performance challenges upon this service. In the financial year 2021/22 this cost pressure amounted to £2.7m. Whilst the service has been working hard to reduce B&B usage and its associated expense, there is more work to

be done to eradicate B&B as a form of TA. It is the costliest TA provision and the most unsuitable.

- 17.3. The overall use of TA in Birmingham has significantly increased (**135%**) since 2017 as set out in the graph below.

**Figure 3.6 Growth in Temporary Accommodation Population**



- 17.4. In the same period, the Council has also seen the use of B&B increase by **141%** as it is the most readily available TA provision for use in emergency accommodation situations. If the number of households in B&B continues to increase in line with the previous trend, the cumulative cost would amount to £148m by 2024.
- 17.5. Transformation plans included in the Medium Term Financial Plan aim to stop this growth in demand through preventative outreach work, while simultaneously sourcing more hostel and alternative accommodation to meet the current level of need without the use of B&B. This is estimated not only to stop the growth in costs, but to go further and save £8.9m of current B&B spend, therefore a reduction of this amount is reflected in the financial plan.
- 17.6. The service completed consultation on a new operating model that will reduce the overall cost of provision whilst delivering a more sustainable, legally compliant and customer focussed service. The new model focuses on effective casework to move households out of TA and into suitable secured accommodation in a timely manner, then moves on to outreach work to support those on the verge of eviction and reduce the demand for temporary accommodation, at which point planning will be joined up with the wider Early

Intervention and Prevention pillar of the Council's Delivery Plan to ensure the most effective use of efforts to support the City's most vulnerable citizens. The service is in the process of mobilising the new model, which includes recruiting to 126 new vacancies. The realisation of the new model benefits will start from April 2022 in line with the plan. As a recognition of the pressures in the service, £2.6m of ongoing investment has been reflected within the Medium-Term-Financial Plan.

## 18. Commonwealth Games

- 18.1. The Council's financial contributions to the cost of the Commonwealth Games, being held between 28 July and 8 August 2022, arise as a consequence of the Host City Contract that was entered into in December 2017, with the overall budget for the core costs being confirmed by Government in June 2019. The Council's share of core costs (revenue and capital) amounts to £184.2m, in addition to which the Council is also responsible for the funding of a range of additional activities relating to City Readiness, Community Fund and the Commonwealth Games Programme Team. The overall costs associated with the Commonwealth Games are £221.6m and are set out in the following table.

**Table 3.7 Overall Costs of Commonwealth Games**

	2018/19	2019/20	2020/21	2021/22	2022/23	Total
	Actual	Actual	Actual	Estimate	Budget	
	£m	£m	£m	£m	£m	£m
<b>Core Costs</b>						
Capital Investment	1.552	11.447	47.765	78.388	6.007	145.189
Revenue Contributions	4.988	8.460	0.000	15.854	9.707	39.009
<b>Total Core Costs</b>	<b>6.540</b>	<b>19.907</b>	<b>47.765</b>	<b>94.242</b>	<b>15.714</b>	<b>184.198</b>
<b>Direct Council Costs (Revenue)</b>						
Programme Team	0.421	0.780	5.547	6.533	3.092	16.373
City Readiness	0.000	0.000	0.000	5.000	10.000	15.000
Community Fund	0.000	0.000	0.000	6.000	0.000	6.000
Alexander Stadium Overlay	0.000	0.000	0.000	3.534	1.375	4.909
Overlay Funding from Organising Committee	0.000	0.000	0.000	(3.534)	(1.375)	(4.909)
<b>Total Direct Revenue Costs</b>	<b>0.421</b>	<b>0.780</b>	<b>5.547</b>	<b>17.533</b>	<b>13.092</b>	<b>37.373</b>
<b>Total Games Costs</b>	<b>6.961</b>	<b>20.687</b>	<b>53.312</b>	<b>111.775</b>	<b>28.806</b>	<b>221.571</b>

Figures are shown annually

## 19. Inflation

- 19.1. Allowance for £159.6m of net inflation across the four years from 2022/23 to 2025/26 has been included in the MTFP (see Appendix A). This includes an uplift of non-pay budgets by an average 2% and income budgets by 1% annually. Uplifts of 2.5% have been applied to pay budgets from 2022/23

onwards in light of the Spending review announcement that public sector workers would receive a pay rise in 2022/23.

- 19.2. Inflation allowance has been made at defined rates where there are specific contractual commitments in place. The financial plans include provision for energy inflation to take account of the anticipated rise in energy prices across the immediate and short term due to the crisis within the markets (£11.8m in 2022/23). The inflation provision also includes £3.3m of increased costs as a result of the increase in National Insurance employer contributions to fund the reforms to adult social care.

## 20. **Corporately Managed Budgets**

### 20.1. Redundancy

- 20.1.1. It is estimated that there will be reductions in Full Time Equivalent (FTE) staff numbers of approximately 100 during 2022/23. These are targeted reductions based primarily on service transformation to achieve these savings. While we will seek to minimise the number of redundancies where possible, provision has been made to meet any associated exit costs through the use of capital receipts flexibility.

### 20.2. Financing Costs

- 20.2.1. The Council's capital programme is £1.2bn over the four-year period to 2025/26, to deliver investment in line with the Council's priorities. The revenue effects of capital expenditure have been reviewed in the context of the capital programme outlined in Chapter 6 of this report, and expectations of movements in interest rates. The forecast revenue impact of the capital programme is reflected in this budget. Further details can be found in Chapter 6 and Appendix J.

### 20.3. Equal Pay

- 20.3.1. The Council has existing liabilities as a result of claims issued under the Equal Pay Act 1970, for which a provision of £153.8m has been recognised in the budget. It is estimated that total liabilities in respect of this will be approximately £1.2bn, with just over £1.1bn settled as at 31 March 2021.
- 20.3.2. The Medium Term Financial Plan includes the revenue implications of Equal Pay settlements, including financing costs arising from capital expenditure in previous years, loss of income arising from asset sales and repayment of temporary borrowing from reserves. Net General Fund revenue costs are expected to be around £123.9m in 2022/23, rising to £124.1m in 2025/26, after taking account of contributions from the HRA.

## 21. **Overall Budget Challenge and Savings Requirement**

- 21.1. Whilst the Local Government Finance Settlement announcements in December 2021 provided very welcomed additional funding for Birmingham

City Council in 2022/23 as well as the extension of funding previously announced on a one-off basis, these additional resources are expected to be substantially absorbed by ongoing demand and demographic pressures, and do not represent a significant reversal in the context of the level of sustained funding reductions experienced by local government.

- 21.2. In order to meet the service pressures described above and to ensure base budget adequacy, cost reductions and/or further income generation are required across the medium term. This equates to £140.2m from the General Fund budget by 2025/26 and represents around 18% of the current total General Fund net budget. By 2025/26, planned savings proposals total £107.4m, and therefore fall short of the savings requirement by £32.8m in that year.
- 21.3. Should additional resources materialise across the medium term, they will be used to offset any remaining financial gaps, and any additionality will be reinvested in Council services in line with priorities outlined in Chapter 1.
- 21.4. Table 3.8 summarises the overall budget position for the period to 2025/26 and identifies the remaining budget gap, the gap reported below has been smoothed through the use of the budget smoothing reserve. The use of the budget smoothing reserve represents good financial planning practices as it evens out the fluctuations in the gap, and ensures that the Council is not delivering more savings than required.

## 22. Savings Requirement for future years

**Table 3.8 Savings Requirement**

	2022/23 £m	2023/24 £m	2024/25 £m	2025/26 £m
Base budget 2020/21	828.671	828.671	828.671	828.671
Changes in pay and price inflation	63.420	94.104	127.316	159.580
Budget pressures	110.009	40.248	53.165	62.253
<b>Corporate adjustments:</b>				
Other net change in use of / contribution to reserves	(144.094)	(10.239)	10.567	9.481
Corporately managed budgets	20.179	38.090	34.809	35.916
Changes in corporate government grants	(78.160)	(11.124)	(13.259)	(15.230)
<b>Total expenditure</b>	<b>800.025</b>	<b>979.750</b>	<b>1,041.269</b>	<b>1,080.671</b>
Business Rates	(352.040)	(435.702)	(450.715)	(464.023)
Top Up Grant	(59.400)	(48.209)	(43.454)	(39.222)
Council Tax	(401.153)	(413.563)	(425.257)	(437.189)
Collection Fund (surplus)/deficit Business Rates	35.997	16.222	0.000	0.000
Collection Fund (surplus)/deficit Council Tax	17.365	1.532	0.000	0.000
<b>Total resources</b>	<b>(759.231)</b>	<b>(879.720)</b>	<b>(919.426)</b>	<b>(940.434)</b>
<b>Savings requirement</b>	<b>40.794</b>	<b>100.030</b>	<b>121.843</b>	<b>140.237</b>
Planned savings	(40.794)	(67.475)	(89.399)	(107.443)
<b>Other solutions to be determined</b>	<b>0.000</b>	<b>32.555</b>	<b>32.444</b>	<b>32.794</b>

Figures are shown cumulatively

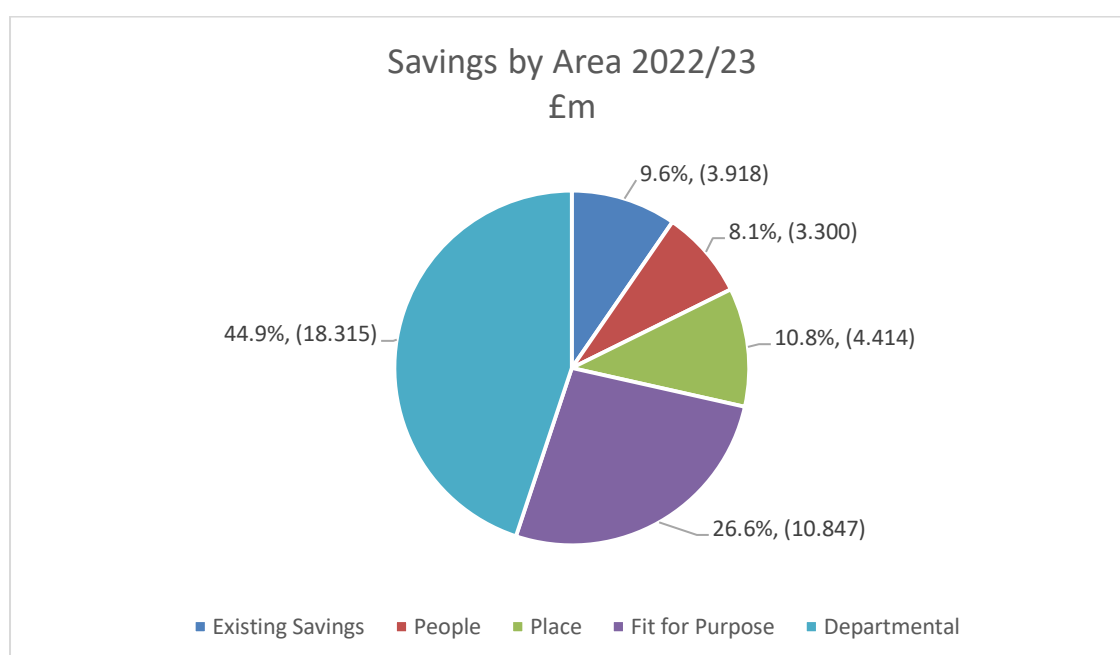
### 22.1. Savings Proposals

22.1.1. The Medium Term Financial Plan 2021-25 agreed in February 2021 included savings proposals to be delivered up to 2024/25. Given the significant impact the COVID-19 pandemic has had on the Council, a fundamental review of the savings programme has taken place, supported by the monthly Star Chamber process. The review has identified that some savings need to be rephased due to changing circumstances, some have been substituted with an alternative saving and others have been removed from the programme since they are no longer considered to be deliverable in their original form. Existing savings of £3.9m are included within the financial plans.

22.1.2. Work has also continued, supported by the Corporate Programme Management Office, to identify transformative Delivery Plan savings in the 3 pillars of People, Place and Fit for Purpose Council. The Council still faces a challenging medium term financial position. This emphasises the importance of the ongoing work across the Council to transform services, continually improve processes and ways of working and identify new income streams so we can reduce the cost of service provision, to protect against service reductions and to balance future years' budgets. It is anticipated that new transformation proposals will be developed for the next two financial years by March 2022, for which the outcome will be reported to Cabinet in summer 2022.

- 22.1.3. Recognising that transformative change takes time to embed and deliver changes in costs or income generation, services also proposed mainly one-off budget options for closing the 2022/23 financial gap and to ensure that the Council met its legal obligations to set a balanced budget. Some of the proposals identified impact on the Collection Fund or the use of specific reserves and are therefore classified as such for reporting purposes.
- 22.1.4. New savings total £36.9m in 2022/23 rising to £104.2m by 2025/26. The Council therefore has a saving programme for the period 2022/23 to 2025/26, totalling £107.4m, in which there can be some reasonable confidence in its delivery. Savings proposals are itemised in Appendix G.
- 22.1.5. Figure 3.9 below summarises the savings programme for 2022/23, showing the levels of savings that have been achieved through the 3 pillars of the Delivery Plan, existing savings and those that have been put forward by services.

**Figure 3.9 Analysis of Savings 2022/23**



## 22.2. Pay Policy

- 22.2.1. The Council is statutorily required under the Localism Act 2011 to undertake an annual review of its pay arrangements and to publish these referring to the following:
- The methods by which salaries of all employees are determined
  - The detail and level of remuneration of its most senior employees, i.e., 'Chief Officers', as defined by the relevant legislation
  - The detail and level of remuneration of the lowest paid employees

- The relationship between the remuneration for highest and lowest paid employees
- The Committee(s) /Panels responsible for ensuring the provisions set out in this statement are applied consistently throughout the Council and recommending any amendments to the full Council

22.2.2. The above details are captured in a Pay Policy Statement, attached at Appendix R. The purpose of the Statement is to provide transparency regarding the Council's approach to setting the pay of its employees (excluding those working in local authority schools). The principles set out within the Pay Policy Statement are compliant with the budget proposals.

## 23. **Reserves**

23.1. The Council maintains reserves for a variety of reasons. These include:

- The need to put aside sums in case of unexpected future expenditure (such as a large insurance claim)
- To smooth out future payments (such as payments under PFI agreements) or to cover timing differences (such as grant money received in any given year where expenditure takes place in a later year)
- To provide pump prime funding for projects to deliver changes in working practices.
- To fund specific activities where the Council has little or no flexibility. These ringfenced reserves are mainly for Schools or the Housing Revenue Account and cannot be used to support general Council activity

23.2. The Council's policy on reserves, as shown in Appendix C, makes clear that reserves are not to be used to avoid the necessity to make ongoing savings or meet budget pressures other than in exceptional circumstances.

23.3. The Council's reserves can be split into the following categories:

- General Reserves and Balances
- Earmarked Reserves
- Revenue Grant Related Reserves
- Ringfenced Reserves
- Capital Reserves

23.4. Reserves can only be used on a one-off basis, which means that their application does not offer a permanent solution.

## 24. **Use of Reserves 2022/23**

- 24.1. In line with the Council Plan and Budget 2019+ agreed in February 2019, the Council planned for the strategic use of £5.0m of Corporate Reserves in 2021/22 and £4.0m in 2022/23 to fund the revenue costs arising from the backdated application of a consistent Minimum Revenue Provision policy to 2007/08 as referred to in paragraph 24.4. In line with the Financial Plan 2021-2025 agreed in February 2021, there will be a use of £25.0m of Corporate Reserves as referred to in paragraph 24.6.

**Table 3.10 Strategic Use of Reserves**

	2021/22 £m	2022/23 £m	Movement £m
Use of Financial Resilience Reserve	(5.000)	(29.000)	(24.000)
Use of Capital Receipts Flexibility Reserve	(18.101)	0.000	18.101
<b>Strategic Use of Reserves</b>	<b>(23.101)</b>	<b>(29.000)</b>	<b>(5.899)</b>

- 24.2. In 2022/23 a net use of reserves is planned totalling £283.2m. The overall position is set out in Table 3.11 below.

**Table 3.11 Analysis of Reserves in 2022/23**

	Forecast Closing Balance (31st March 2022) £m	2022/23 planned (use) / contribution to Reserves £m	2022/23 planned net (borrowing)/ repayments to Reserves £m	Total £m
Delivery Plan Reserve (DPR)	60.278	(21.427)	6.309	<b>45.160</b>
Financial Resilience Reserve (FRR)	111.177	(29.956)	(0.912)	<b>80.309</b>
General Fund Balance	38.382	0.000	0.000	<b>38.382</b>
Schools Reserves	69.389	0.000	0.000	<b>69.389</b>
DSG Reserves	12.660	0.000	0.000	<b>12.660</b>
Public Health Reserves	12.218	(9.168)	0.000	<b>3.050</b>
Earmarked Reserves	671.854	(228.021)	0.000	<b>443.833</b>
<b>Total</b>	<b>975.958</b>	<b>(288.572)</b>	<b>5.397</b>	<b>692.783</b>

Note: While there is a forecast 2021/22 General Fund overspend of £4.2m based on Month 9 budget monitoring, it is expected that corrective action will take place to ensure the budget is balanced by March 2022. If it is not, there will need to be a use of Reserves.

### **Delivery Plan Reserve (DPR)**

- 24.3. The Delivery Plan Reserve (DPR) has been established to enable the necessary investment required by the Council's Delivery Plan. It also contains the previous Invest to Save Reserve for which the following allocations and repayments have been planned. It is expected that once business cases for the Delivery Plan projects have been finalised there will be further drawdowns during the year.
- 24.4. The breakdown of uses of and contributions to the DPR is set out in the table below:

**Table 3.12 Delivery Plan Reserve**

	£m
Opening Balance as at 1st April 2021	70.097
Forecast Net Repayment of DPR in 2021/22	3.296
Forecast Use of DPR in 2021/22	(13.115)
<b>Subtotal Forecast Balance as at 31st March 2022</b>	<b>60.278</b>
<b>Planned Use of DPR in 2022/23</b>	
To fund Birmingham Children's Trust inflation	(3.300)
To fund Early Help improvements	(0.845)
Drawdown approved in 2021/22 but delayed until 2022/23	(13.619)
Funding of New Ways of Working approved in 2021/22 but delayed	(3.715)
To fund SEND improvements	(2.792)
To Implement Transport Saving	(0.074)
Work Place Parking Levy	(0.360)
<b>Subtotal Planned Use of DPR in 2022/23</b>	<b>(24.705)</b>
<b>Planned Repayment of DPR in 2022/23</b>	
FG101 19+ ERP system REVISED	1.429
CC105 19+ Transportation Workstream *	0.040
EC103b 19+ Operational Hubs*	0.200
EC103a 19+ Commercial Property*	0.964
Central Administrative Buildings	0.800
ICTD Service Transition	3.310
<b>Subtotal Planned Repayment of DPR in 2022/23</b>	<b>6.743</b>
<b>Planned Contribution to DPR in 2022/23</b>	
Corporate Contribution to DPR	2.844
<b>Subtotal Planned Contribution to DPR in 2022/23</b>	<b>2.844</b>
<b>Forecast net use of DPR 2022/23</b>	<b>(15.118)</b>
<b>Closing Balance as at 31st March 2023</b>	<b>45.160</b>

**Financial Resilience Reserve (FRR)**

- 24.5. This reserve was created in 2017/18 from the backdated application of a consistent Minimum Revenue Provision policy to 2007/08. This policy requires a planned use of the reserve in 2022/23 of £4.0m to fund the additional revenue costs. This is in line with the Reserves Policy. The FRR covers a range of financial risks. Risks associated with the budget that these may be required to fund can be seen in Appendix E.
- 24.6. As planned in the Financial Plan 2021-2025, there will be use of £25.0m in 2022/23 of reserves that were contributed during the years 2019/20 to 2021/22 from the replacement of Direct Revenue Financing of Capital by increasing the Council's Capital Financing Requirement.
- 24.7. There will be a use of £1.0m of the FRR to fund Route to Zero (R20) in 2022/23 as approved by Cabinet in October 2021.

- 24.8. A net £0.9m will be borrowed from the reserve in 2022/23 to offset financial implications of decisions made in the budget. In future years net repayments are planned.
- 24.9. The breakdown of uses of and contributions to the FRR is set out in the table below:

**Table 3.13 Financial Resilience Reserve**

	£m
<b>Opening Balance as at 1st April 2021</b>	<b>89.257</b>
Use of FRR in 2021/22 re MRP	(5.000)
Net borrowing from FRR in 2021/22	(9.618)
Contribution from replacement of DRF in 2021/22	9.304
Further Contribution to FRR	38.660
Funding of improvement to SEND service	(5.100)
Funding of Route to Zero (R20)	(0.250)
Funding of Home to School Transport pressures	(6.076)
<b>Subtotal Forecast Balance as at 31st March 2022</b>	<b>111.177</b>
Use of FRR in 2022/23 re MRP	(4.000)
Use of DRF Contributions in 2022/23	(25.000)
Funding of Route to Zero (R20)	(0.956)
Net borrowing from FRR in 2022/23	(0.912)
<b>Closing Balance as at 31st March 2023</b>	<b>80.309</b>

### **General Fund Balance**

- 24.10. The General Fund Balance will be £38.4m at 1 April 2022. This represents c4.5% of the Council's net General Fund budget in line with the Cabinet decision of 10 November 2020. There is no planned use of the General Fund Balance in 2022/23.

### **Schools Reserves**

- 24.11. In 2022/23, there is no planned use of Schools' reserves and the balance remains the same as £69.4m.

### **Dedicated Schools Grant (DSG) Reserves**

- 24.12. In 2022/23, there is no planned use of DSG reserves and the balance remains the same as £12.7m

### **Public Health Reserves**

- 24.13. In 2022/23, there is a planned use of Public Health reserves of £9.2m and the balances are planned to reduce from £12.2m to £3.1m.

### **Earmarked Reserves**

- 24.14. In 2022/23 it is proposed to make a net use of £228.0m of earmarked reserves comprising the following:

**Table 3.14 Net use of Earmarked Reserves**

<b>Uses of Earmarked Reserves</b>	<b>£m</b>
Section 31 grant to offset the Business Rates Collection Fund deficit related to Government reliefs	(124.400)
Commonwealth Games Contingency Reserve	(27.100)
Covid Hardship Fund Reserve to offset the loss to Collection Fund from Council Tax Support given out	(17.000)
Covid Reserve to support the on-going costs of the Covid pandemic	(8.700)
Release of the Community Recovery Plan Reserve to the General Fund	(9.100)
Business Rates Volatility Reserve to fund increased cost of appeals	(8.400)
Income compensation reserve related to the Collection Fund losses in 2020/21	(7.800)
Policy Contingency Reserves set aside to fund Social Care Modernisation.	(6.300)
Better Care Fund Grant Reserves	(5.500)
Enhanced Operations CWG (Commonwealth Games) Reserve.	(4.100)
ERP System Reserve to fund costs of the project from underspends in previous years	(3.400)
Commonwealth Games City Readiness reserve.	(2.700)
Release of £2.0m of Housing Benefit Subsidy Reserve that is no longer required.	(2.000)
Commonwealth Games City Legacy reserve.	(1.800)
Release of part of Corporate Major Events Reserve no longer required.	(1.500)
Cyclical maintenance reserve for the Library of Birmingham for planned works.	(1.100)
Local Election Costs cyclical reserve to fund costs of Council Elections 5 May 2022	(1.000)
Policy Contingency Reserve set aside to fund the cost of interim staff.	(0.800)
Uses of Other grant reserves.	(9.100)
Uses of Other earmarked reserves	(1.000)
<b>Subtotal Uses of Earmarked Reserves</b>	<b>(242.800)</b>
<b>Contributions to Earmarked Reserves</b>	
Clean Air Zone Reserve for future use in line with legislative restrictions.	10.200
Cyclical maintenance Reserve (Offset by the use of cyclical maintenance reserve above)	0.600
Insurance Fund	2.000
Education PFI Reserve	1.200
Capital Fund Replenishment funded Corporately	0.300
Contributions to Other Reserves	0.500
<b>Subtotal Contributions to Earmarked Reserves</b>	<b>14.800</b>
<b>Total (Use)/Contributions to Earmarked Reserves</b>	<b>(228.000)</b>

### **Overall Impact on Reserves**

24.15. The summary movement in reserves is shown in Table 3.15 below. This shows the movement in reserves between the planned figures for the 2021/22 and 2022/23 financial years.

24.16. The table below shows that there was a budgeted net use of reserves of £155.9m in 2021/22. This has increased by £127.3m to £283.2m in 2022/23. The most significant increase relates to the Commonwealth Games where,

as planned, there is a use of £31.2m of reserves in 2022/23, compared to a contribution of £10.9m in 2021/22, which is a net increase in use of £42.1m compared to 2021/22. There was also a one-off general contribution to the FRR of £38.7m in 2021/22. The falling out of this contribution shows as a further £38.7m increase in use compared to 2021/22.

**Table 3.15 Movements in Reserves**

	2021/22* £m	2022/23 £m	Movement £m
<b>Strategic use of reserves (see table 3.10)</b>	<b>(23.101)</b>	<b>(29.000)</b>	<b>(5.899)</b>
<b>Corporate (Use of)/ Contribution to Reserves</b>			
Contribution to Capital Fund (Revenue Reserve)	0.275	0.275	0.000
Business Rates Volatility Contingency	0.743	(8.432)	(9.175)
Section 31 Grant	(177.261)	(124.412)	52.849
General Contribution to FRR Reserve	38.660	0.000	(38.660)
Use of FRR Reserve to fund R20	0.000	(0.956)	(0.956)
Contribution to FRR Reserve re DRF	9.304	0.000	(9.304)
Contribution to Delivery Plan Reserve	0.000	2.844	2.844
Use of Council Tax Hardship Fund Reserve	0.000	(16.992)	(16.992)
Policy Contingency Reserve	(10.700)	(7.005)	3.695
Use of Community Recovery Plan Reserve	0.000	(9.067)	(9.067)
Use of Covid Reserve	0.000	(8.700)	(8.700)
Use of Delivery Plan Reserve-to be allocated	0.000	(24.271)	(24.271)
Income Compensation re Collection Fund	(13.197)	(7.827)	5.370
Release of Corporate Events Reserve	0.000	(1.500)	(1.500)
Corporate Use of Housing Benefit Subsidy Reserve	0.000	(2.000)	(2.000)
Cyclical Maintenance Reserve	1.490	(0.510)	(2.000)
Commonwealth Games Reserves	10.854	(31.249)	(42.103)
Insurance Fund	2.000	2.000	0.000
Other Use of Reserves	0.812	1.232	0.420
<b>Other (Use of)/ Contribution to Reserves</b>	<b>(137.020)</b>	<b>(236.570)</b>	<b>(99.550)</b>
<b>Borrowing from/ Repayments to Reserves</b>			
<b>Borrowing for:</b>			
Net Corporate Borrowing from FRR	(10.299)	(0.942)	9.357
Planned use of Delivery Plan Reserve	(0.568)	(0.434)	0.134
<b>Sub-total Borrowing from Reserves</b>	<b>(10.867)</b>	<b>(1.376)</b>	<b>9.491</b>
<b>Net Repayments:</b>			
Other Repayments to Reserves	0.443	0.454	0.011
<b>Sub-total Net Repayments</b>	<b>0.443</b>	<b>0.454</b>	<b>0.011</b>
<b>Total Corporate Uses of/Contribution to Reserves and Borrowing/Repayment</b>	<b>(147.444)</b>	<b>(237.492)</b>	<b>(90.048)</b>
<b>(Use of)/Contribution to Grant and Earmarked Reserves</b>			
(Use of)/Contribution to Grant Reserves	(7.419)	(23.720)	(16.301)
(Use of)/Contribution to Other Earmarked Reserves	16.905	0.264	(16.641)
Directorate Repayment of Delivery Plan Reserve	3.864	6.743	2.879
Directorate Repayment of FRR	1.281	0.030	(1.251)
<b>Total Other (Use of)/Contribution to Reserves</b>	<b>14.631</b>	<b>(16.683)</b>	<b>(31.314)</b>
<b>*Total(Use of)/Contribution to Reserves</b>	<b>(155.914)</b>	<b>(283.175)</b>	<b>(127.261)</b>

\* This is the original planned use of Reserves as per the Financial Plan 2021-25.  
Use of earmarked Section 31 reserve (£124.4m) is shown as a below the line transaction within resourcing

24.17. After taking account of planned contributions to and from reserves and balances, the position is expected as shown in Table 3.16 below.

**Table 3.16 Reserves Position**

Description	31/03/2022 £m	31/03/2023 £m	31/03/2024 £m	31/03/2025 £m	31/03/2026 £m
<b>General Reserves and Balances</b>					
Corporate General Fund Balance	38.382	38.382	38.382	38.382	38.382
Delivery Plan Reserve	60.278	45.160	51.159	52.599	53.944
Financial Resilience Reserve Gross	132.057	102.101	99.101	97.101	96.101
Net Borrowing from Financial Resilience Reserve	(20.880)	(21.792)	(17.490)	(13.297)	(9.541)
Subtotal Financial Resilience Reserve	111.177	80.309	81.611	83.804	86.560
<b>General Reserves and Balances</b>	<b>209.837</b>	<b>163.851</b>	<b>171.152</b>	<b>174.785</b>	<b>178.886</b>
<b>Schools Reserves</b>	69.389	69.389	69.389	69.389	69.389
<b>DSG Reserves</b>	12.660	12.660	12.660	12.660	12.660
<b>Public Health Reserves</b>	12.218	3.050	(0.000)	(0.000)	(0.000)
<b>Earmarked Reserves</b>					
<b>Earmarked reserves: Contractual commitments</b>					
Highways PFI	196.345	196.345	196.345	196.345	196.345
Education & Skills PFI	4.597	5.829	7.490	9.588	12.133
Other Contractual Commitments	5.131	4.839	4.837	4.834	4.831
<b>Total Contractual commitments</b>	<b>206.073</b>	<b>207.013</b>	<b>208.672</b>	<b>210.767</b>	<b>213.309</b>
<b>Earmarked reserves: Planned Future Revenue &amp; Capital Expenditure</b>					
Bus Lane Enforcement Income	4.137	4.137	4.137	4.137	4.137
Capital Fund	5.005	5.280	5.555	5.830	6.105
Clean Air Zone	19.021	29.221	37.221	42.921	46.721
Commonwealth Games Contingency Reserve	27.146	0.000	0.000	0.000	0.000
Community Recovery Plan Reserve	9.067	0.000	0.000	0.000	0.000
Covid Reserve	16.500	7.800	7.800	7.800	7.800
Corporate Major Events	2.000	0.500	0.500	0.500	0.500
Covid-19 Council Tax Hardship Fund Reserve	17.992	1.000	1.000	1.000	1.000
Enhanced Operations CWG	4.103	0.000	0.000	0.000	0.000
Income Compensation re Collection Fund	15.654	7.827	0.000	0.000	0.000
One-off resources from previous years	10.070	3.065	3.065	3.065	3.065
S31 Grant Reserve	124.412	0.000	0.000	0.000	0.000
Other Grant Reserves	87.163	72.611	70.755	68.899	66.850
Other Earmarked Reserves	29.630	18.460	19.675	19.918	20.203
<b>Total Planned Future Revenue &amp; Capital Expenditure</b>	<b>371.900</b>	<b>149.900</b>	<b>149.708</b>	<b>154.070</b>	<b>156.381</b>
<b>Earmarked reserves: Specific Risks</b>					
Business Rates Volatility Contingency	21.076	12.644	12.644	12.644	12.644
Cyclical Maintenance	18.322	17.812	19.612	22.702	25.792
Insurance Fund	12.305	14.305	16.305	18.305	20.305
Waste Disposal Outage Contingency	2.000	2.000	2.000	2.000	2.000
Other Risk Reserves	4.686	4.686	4.686	4.686	4.686
<b>Total Specific Risks</b>	<b>58.389</b>	<b>51.447</b>	<b>55.247</b>	<b>60.337</b>	<b>65.427</b>

<b>Earmarked reserves: Budget Stabilisation</b>					
Budget Smoothing Reserve	34.672	34.672	25.672	31.672	35.672
<b>Total Budget Stabilisation</b>	<b>34.672</b>	<b>34.672</b>	<b>25.672</b>	<b>31.672</b>	<b>35.672</b>
<b>Earmarked reserves: Other</b>					
Other Reserves	0.820	0.800	0.779	0.759	0.738
<b>Total Other</b>	<b>0.820</b>	<b>0.800</b>	<b>0.779</b>	<b>0.759</b>	<b>0.738</b>
<b>Total Earmarked Reserves</b>	<b>671.854</b>	<b>443.833</b>	<b>440.078</b>	<b>457.605</b>	<b>471.528</b>
<b>Total Reserves</b>	<b>975.958</b>	<b>692.783</b>	<b>693.279</b>	<b>714.439</b>	<b>732.463</b>

Figures are shown cumulatively

Note: Details of Other Earmarked Reserves can be found in Appendix D

## 25. Policy Contingency

- 25.1. Separate and distinct from reserves, the 2022/23 budget includes a Policy Contingency budget as detailed in Table 3.17 below. The Policy Contingency budget is held centrally and not allocated to services at the start of the financial year. It is retained to protect against unplanned expenditure or when the costs of certain decisions which may be taken during the course of the financial year become clearer. Allocations will be made to services only after the demonstration of need and are subject to review and approval by the Chief Finance Officer with the exception of allocations from General Contingency which will be approved by Cabinet.
- 25.2. The unallocated General Contingency of £4.7m provides some level of risk cover in the overall delivery and management of the budget in 2022/23.
- 25.3. There are a number of savings that will be allocated to Directorates in 2022/23. Until they are allocated, these will be held within the Policy Contingency budget.

**Table 3.17 Policy Contingency**

<b>Policy Contingency</b>	<b>£m</b>
Inflation Contingency	20.930
Delivery Plan	13.619
SEND Improvement	2.792
Workforce Equalities	2.000
Apprenticeship Levy	1.308
Short-term Improvement in the Council House	1.000
Loss of Income from Car Park Closures	0.252
Corporate Funding for Owning & Driving Performance (ODP) Culture Change Programme	0.129
Transport - Funding for Young People	1.228
General Contingency	4.724
<b>Total Policy Contingency excluding savings</b>	<b>47.982</b>
Contract Savings	(1.147)
Capitalisation of Transformation costs - to be allocated to services in 2022/23	(20.000)
Fit for Purpose savings	(9.802)
<b>Total Savings to be allocated</b>	<b>(30.949)</b>
<b>Total Policy Contingency</b>	<b>17.033</b>

## CHAPTER 4: SCHOOLS AND DEDICATED SCHOOLS GRANT

### 1. Overview

- 1.1. Schools receive funding via a variety of different funding streams, the main ones being the four blocks of the Dedicated School Grant (DSG), Pupil Premium, Education & Skills Funding Agency (ESFA) Post 16 Funding and Universal Infant Free School Meals.
- 1.2. DSG is the main funding stream for schools and education services. The allocation of DSG announced by DfE 16 December 2021, and subsequent conversations with DfE, is set at £1,357.4m for 2022/23.
- 1.3. DfE have also announced indicative supplementary allocations totalling £39.3m for Birmingham in 2022/23.
- 1.4. The comparable year on year increase/(decrease) in DSG by individual blocks is shown in table 4.1.
- 1.5. There is a change to the way schools' business rates are to be funded by the Department for Education (DfE). From 2022/23 business rates will be paid directly to billing authorities rather than paid via the DSG and passported to schools for them to pay the billing authorities. This will result in less administration work for schools and mean billing authorities will receive payment in a timely manner rather than on an ad hoc school by school basis.
- 1.6. The allocation of DSG funding is governed and managed in conjunction with the Schools Forum.
- 1.7. Schools are expected to meet all the pay and inflationary pressures from within their budget allocations.
- 1.8. There are two main issues having an impact on the Council currently
  - **High Needs Deficit & Pressures.** An overall DSG surplus of £3.6m (excluding school balances) was bought forward from 2020/21, comprising a net deficit of £3.6m on the High Needs budget block (£9.1m cumulative deficit offset by £5.4m underspend in 2020/21) and a surplus of £7.2m on the other budget blocks.

DSG Reserves at March 21	£m	£m
Schools Block	(5.5)	
Central Schools Services Block	(0.7)	
Early Years Block	(1.0)	
<b>Subtotal Other</b>		<b>(7.2)</b>

DSG Reserves at March 21	£m	£m
High Needs Block underspend 20/21	9.1	
High Needs Block Deficit	(5.4)	
<b>Subtotal High Needs</b>		<b>3.6</b>
<b>Total DSG Reserves</b>		<b>(3.6)</b>

The Council forecast a neutral position on the DSG for 2021/22. This largely reflects the impact of increased national funding for High Needs and more robust and innovative approaches to managing Special Educational Needs and Disabilities (SEND) demand locally. This should deliver more sustainable services going forward and meet SEND priorities as well as repaying the deficit to plan. DfE requires all Councils with a deficit in excess of 1% at year end to produce a Deficit Recovery Plan, but the year-end deficit for Birmingham was less than 1% (under 0.7%), indicating that the scale of the deficit is not a major issue for DfE.

- **School Deficits & Academy Conversion Write Offs.** Schools' deficits remain an issue and a range of measures have been implemented to address this, including increased monitoring and challenge, alongside support for schools with actual or emerging deficits. This is increasingly important as schools converting to academy status under directive orders result in deficits falling to the local authority. At the end of 2020/21 there were a total of 28 schools in deficit totalling £6.3m, compared to 2019/20 figures of 39 schools in deficit totalling £8.7m.

## 2. Summary of Funding

- 2.1. The total provisional DSG funding for Birmingham in 2022/23 of £1,357.4m comes through four blocks of funding.
- 2.2. The ESFA currently recoups an amount from the DSG allocation to directly passport to academies and free schools and the Council is then responsible for the remaining budget. At the time of writing the recouped amount for schools had not been announced by DfE/ESFA, but for scale purposes £621.1m was recouped in 2021/22.
- 2.3. In the 2022/23 financial year, schools will be allocated £1.2bn nationally, £30.6m for Birmingham, to provide support for the costs of the Health and Social Care Levy and wider costs. This funding will be allocated through the schools' supplementary grant 2022/23. In addition to the schools' supplementary grant local authorities have been allocated £325m nationally, £8.7m for Birmingham, additional high needs funding for 2022/23. This is on

top of the dedicated schools grant high needs block allocations, calculated under the national funding formula.

- 2.4. School-level allocations of the schools' supplementary grant for the 2022/23 financial year will be published in spring 2022 and these will be passported to the relevant schools.
- 2.5. The extra High Needs funding recognises the additional costs that local authorities and schools will face in the coming year, which were not foreseen when the original high needs block allocations were calculated, including the Health and Social Care Levy, that will be applied initially through increased national insurance contributions from employers.
- 2.6. A summary of funding is set out in the tables below.

**Table 4.1 Dedicated Schools Grant Funding (for all schools)**

DSG	2021/22 DSG Allocation at Nov 21 £m	2022/23 DSG Allocation at Dec 21 £m	2022/23 Indicative Supplementary Allocation At Dec 21 £m	2022/23 Total Including Supplementary Allocation £m	Changes From 2021/22 £m
Schools Block	1,002.107	1,031.442	30.562	1,062.004	59.897
Central School Services Block	18.284	8.303		8.303	(9.981)
High Needs Block	212.318	234.723	8.730	243.453	31.135
Early Years Block	91.313	82.957		82.957	(8.356)
<b>Total DSG Before Recoupment</b>	<b>1,324.021</b>	<b>1,357.424</b>	<b>39.292</b>	<b>1,396.716</b>	<b>72.696</b>
Rates Adjustment*	(7.909)	(7.909)		(7.909)	(0.000)
High Needs Recoupment	(31.762)	(32.823)	Tbc	(32.823)	(1.061)
Schools Recoupment**	(621.077)	(621.077)	Tbc	(621.077)	0.000
<b>Total DSG After Recoupment</b>	<b>663.272</b>	<b>695.615</b>	<b>39.292</b>	<b>734.907</b>	<b>71.635</b>

\* The DSG allocation has been adjusted for 2021/22 to show the effect of the removal of business rates funding – this is to allow a like for like comparable analysis to be shown

\*\* Schools recoupment for 2022/23 has been shown at the latest 2021/22 allocation as recoupment figures won't be known until the next DfE notification in March 2022

- 2.7. In addition, for maintained schools in Birmingham (academy schools receive their funding direct from ESFA) there should be the following additional funding streams (figures are approximate as DfE/ESFA have not finalised at the time of writing).

**Table 4.2 Other School Funding for Maintained Schools**

	£m
Pupil Premium Grant	43.045
Education & Schools Funding Agency (for Sixth Forms)	7.700
Universal Infant Free School Meals (UIFSM) Grant	7.664

### 3. Schools Block

- 3.1. The basis of allocation to schools and other providers is underpinned by national funding regulations and is different for each of the blocks of the DSG, as is the timeline by which allocations must be made.
- 3.2. For the Schools Block Birmingham is required to submit a prescribed return (Authority Proforma Tool - APT) to the Education, Schools and Funding Agency (ESFA) setting out its proposed fair funding formula for delegating funding to primary and secondary schools covering Reception to Year 11. This APT was submitted 21st January 2022. Political ratification for this is required. The ESFA then check the proforma to ensure it is compliant with national regulations. Following ESFA approval the Council will need to issue budgets to its maintained primary and secondary schools by the national deadline of 28th February 2022. The ESFA will also use the proforma to calculate the Academy budgets.
- 3.3. The proposed funding factors meet all statutory requirements. In addition, the DfE requires Local Authorities to set a Minimum Funding Guarantee between 0.5% and 2.0%, as this forms part of the funding formula. The minimum funding guarantee (MFG) is intended to provide schools with stability of funding: the MFG does this by guaranteeing all schools a minimum percentage increase in their funding per pupil from one year to the next. MFG excludes business rates and lump sums. Schools Forum have agreed to set a minimum funding guarantee of 2% (that also becomes a maximum funding guarantee), and increase:
- De Delegation: increase by 3% in line with the general NFF factor increase rate
  - Split sites: increase by 3% in line with general NFF factor increase rate
  - PFI top ups for PPP1 schools: increase by 7.2% in line with ONS (Office for National Statistics) published RPI(X) rate at November 2021
- 3.4. Having applied the NFF including the primary AWPU rate at £3,217, MFG @2% with no capping or scaling, this base model resulted in a total cost of £1,0bn with £0.3m remaining to allocate. This is a one-off allocation for 2022/23 only. Four options were presented to Schools Forum with the fourth option being recommended by the LA and supported by Schools Forum. This option involves sharing the £0.3m surplus equally between primary and secondary phase with an additional £4.69 per pupil for primary schools, and £3.53 per pupil for secondary schools, maintaining MFG @2% with no capping or scaling.

## Tables 4.3 Local Authority Funding form

### Pupil Led Factors

Note that: DSG school block doesn't cover reception Unit

Primary minimum per pupil funding level	Secondary (KS3 only) minimum per pupil funding level	Secondary (KS4 only) minimum per pupil funding level	Secondary minimum per pupil funding level
£4,265	£5,321.00	£5,831.00	£5,525.00

### Pupil Led Factors (1-6)

#### Factor 1) Basic Entitlement Age Weighted Pupil Unit (AWPU)

Description	Amount per pupil	Pupil Units	Sub Total
Primary (Years R-6)	£3,221.69	109,456.50	£352,634,911
Key Stage 3 (Years 7-9)	£4,539.53	44,563.08	£202,295,454
Key Stage 4 (Years 10-11)	£5,115.53	28,355.00	£145,050,853

#### Factor 2) Deprivation

Description	Primary amount per pupil	Secondary amount per pupil	Eligible proportion of primary NOR	Eligible proportion of secondary NOR	Sub Total
FSM	£470.00	£470.00	42,316.43	26,171.81	£32,189,474
FSM6	£590.00	£865.00	45,412.52	34,114.44	£56,302,379
IDACI Band F	£220.00	£320.00	8,549.06	5,587.22	£3,668,705
IDACI Band E	£270.00	£425.00	13,239.72	9,039.13	£7,416,353
IDACI Band D	£420.00	£595.00	12,370.23	8,425.50	£10,208,667
IDACI Band C	£460.00	£650.00	18,083.84	12,627.08	£16,526,169
IDACI Band B	£490.00	£700.00	22,729.16	14,600.40	£21,357,569
IDACI Band A	£640.00	£890.00	9,651.98	5,815.94	£11,353,452

#### Factors 3) Looked After Children (LAC), 4) EAL, 5) Mobility

Description	Primary amount per pupil	Secondary amount per pupil	Eligible proportion of primary NOR	Eligible proportion of secondary NOR	Sub Total
LAC March 19	£0.00		843.05		£0
EAL 3 Primary	£565.00		24,930.58		£14,085,779
EAL 3 Secondary		£1,530.00		3,331.60	£5,097,351
Pupils starting school outside of normal entry dates	£925.00	£1,330.00	1,202.19	358.26	£1,588,511

### Factor 6) Low prior attainment

Description	Weighting	Amount per pupil (primary or secondary respectively )	Percent age of eligible pupils	Eligible proportion of primary and secondary NOR respectivel y	Sub Total
Primary low prior attainment		£1,130.00	32.25%	35,298.24	£39,887,006
Secondary low prior attainment (year 7)	64.53%	£1,710.00	23.31%	17,052.72	£29,160,152
Secondary low prior attainment (year 8)	64.53%		22.84%	in above total	in above total
Secondary low prior attainment (year 9)	64.53%		23.57%	in above total	in above total
Secondary low prior attainment (year 10)	63.59%		23.47%	in above total	in above total
Secondary low prior attainment (year 11)	58.05%		23.78%	in above total	in above total

### Other Factors:

Factor			Lump Sum per Primary School (£)	Lump Sum per Secondary School (£)	Lump Sum per Middle School (£)	Lump Sum per All-through School (£)
7) Lump Sum			£121,300.00	121,300.00		
8) Sparsity factor			£55,000.00	80,000.00		
Primary distance threshold (miles)	2.00	Primary pupil number average year group threshold		21.40	Apply primary distance taper	NFF

Factor			Lump Sum per Primary School (£)	Lump Sum per Secondary School (£)	Lump Sum per Middle School (£)	Lump Sum per All-through School (£)
Secondary distance threshold (miles)	3.00	Secondary pupil number average year group threshold		120.00	Apply secondary distance taper	NFF
Middle schools distance threshold (miles)	2.00	Middle school pupil number average year group threshold		69.20	Apply middle school distance taper	NFF
All-through schools distance threshold (miles)	2.00	All-through pupil number average year group threshold		62.50	Apply all-through distance taper	NFF

### School Block APT Total summary @21/01/2022

Descriptions/Factors	Total £	Proportion of total pre MFG funding (%)	Notional SEN (%) Primary	Notional SEN (%) Secondary
1) Basic Entitlement (AWPU)	£699,981,218			
Primary (Years R-6)		34.83%	5.00%	5.00%
Key Stage 3 (Years 7-9)		19.98%	5.00%	5.00%
Key Stage 4 (Years 10-11)		14.33%	5.00%	5.00%
2) Deprivation	£159,022,767	15.71%	50.00%	50.00%
3) Looked After Children (LAC)	£0	0.00%	0.00%	0.00%
4) EAL		1.89%	0.00%	0.00%
5) Mobility		0.16%	0.00%	0.00%
4) EAL+ Mobility	£20,771,640			
6) Low prior attainment	£69,047,158	6.82%	100.00%	100.00%
7) Lump Sum	£46,528,658	4.60%	0.00%	0.00%
8) Sparsity factor	£0	0.00%	0.00%	0.00%
9) Fringe Payments	£0	0.00%		
10) Split Sites	£391,561	0.04%		
11) Rates	£7,909,491	0.78%		
12) PFI funding	£4,412,833	0.44%		
13 ) Exceptional circumstances	0			
<b>Total Funding for Schools Block Formula (excluding MPPF and MFG Funding Total)</b>	<b>£1,008,065,327</b>	<b>99.57%</b>		
14) Additional funding to meet minimum per pupil funding level	£4,322,093	0.43%		
<b>Total Funding for Schools Block Formula (excluding MFG Funding Total)</b>	<b>£1,012,387,420</b>	<b>100.00%</b>		
15) Minimum Funding Guarantee	2.00%	£17,006,648		

<b>Descriptions/Factors</b>	<b>Total £</b>	<b>Proportion of total pre MFG funding (%)</b>	<b>Notional SEN (%) Primary</b>	<b>Notional SEN (%) Secondary</b>
Less than 0.5% or greater than 2%?		No		
Apply capping and scaling factors?		No		
MFG Net Total Funding (MFG + deduction from capping and scaling)	£17,006,648			
<b>Total Funding for Schools Block Formula</b>	<b>£1,029,394,069</b>			
Additional funding from the high needs budget	£500,000.00			
Growth fund (if applicable)	£987,071.93			
Falling rolls fund (if applicable)	£1,061,000.00			
Other Adjustment to 21-22 Budget Shares	£0			
<b>Total Funding For Schools Block Formula (including growth and falling rolls funding)</b>	<b>£1,031,442,141</b>			
<b>% Distributed through Basic Entitlement</b>	<b>69.14%</b>			
<b>% Pupil Led Funding</b>	<b>93.72%</b>			
<b>Primary: Secondary Ratio</b>	<b>1:1.33</b>			
22-23 NFF NNDR allocation	£7,909,491			
<b>Total Funding For Schools Block Formula (excl NNDR)*</b>	<b>£1,023,532,650</b>			

#### 4. Central Schools Services Block

- 4.1. The Central School Services block (CSSB) was established by the DfE in 2018/19 and created with the aim of funding LA's for statutory duties they hold for both maintained schools and academies. It brings together:
- Funding for ongoing responsibilities, such as admissions
  - Funding previously allocated through the retained duties element of the education services grant (ESG)
  - Residual agreed funding for historic commitments
- 4.2. The indicative 2022/23 allocation (after discussions with the DfE) for the CSSB is estimated to be £8.303m – a reduction of £9.981m from the figure for 2021/22. The DfE has begun reducing the element of funding within the CSSB that some LA's receive for historic commitments made prior to 2013/14. This will reduce by 20% each year. DfE does not believe it is fair to maintain significant differences in funding indefinitely between local authorities which reflect historic decisions.
- 4.3. This overall change disguises two important factors, regarding DfE's overall calculation:
- (i) for 2022/23 Birmingham Council has lost £10.0m relating to Equal Pay commitments, which have now ceased, and also lost 20% of its funding for the remaining historical commitments
  - (ii) has gained 4.5% for its other responsibilities.

- 4.4. A breakdown for the budget for CSSB for 2021/22 and the agreed budget for 2022/23 (as agreed by Schools Forum 20th January 2022) is provided in the below. Please note the CSSB does not include funding for any central front-line budgets and commitments held in the Early Years and High Needs blocks.

**Tables 4.4 Central Schools Service Block Budget**

<b>Budget Area - Part 1 Historic Commitments</b>	<b>2021/22 £m</b>	<b>2022/23 £m</b>
Contribution to Combined Budgets:		
* Contribution to Children Services re Equal Pay	10.660	0.660
* Early Help & Brokerage Service	0.262	0.262
* School Improvement	1.000	1.000
* Nursery & Special Redundancy (only Nursery Redundancy from 2020/21 onwards)	0.125	0.125
CONTRIBUTION FROM ONGOING COMMITMENTS		(0.894)
<b>Sub Total</b>	<b>12.047</b>	<b>1.153</b>
<b>DfE Allocation</b>	<b>11.441</b>	<b>1.153</b>
<b>Over/(Under)</b>	<b>0.606</b>	<b>0.000</b>

<b>Budget Area - Part 2 Ongoing &amp; Centrally Retained Duties</b>	<b>2021/22 £m</b>	<b>2022/23 £m</b>
Copyright Licenses	0.922	0.957
School Admissions – statutory service requirement.	1.778	1.855
Schools Forum	0.080	0.083
1. Strategic planning for the Education Service as a whole:		
*Corporate Director /AD's plus support	0.651	0.678
*School Places Planning	0.273	0.284
*Participation Team	0.303	0.316
*Finance Support	0.626	0.652
*Statutory Advice Council Religious Education	0.100	0.104
2. Education Welfare	0.271	0.282
3. Asset Management	0.721	0.751
4. Other as agreed by School Forum (13th June 2019)		
*Schools Financial services - financial advice to schools	0.058	0.060
*Schools Human Resources Services	0.110	0.115
5. Use of DSG Balances	(0.036)	
CONTRIBUTION TO HISTORIC COMMITMENTS		0.894
SET ASIDE IN RESERVE TO SMOOTH REDUCTION IN HISTORIC COMMITMENTS		0.119
<b>Sub Total</b>	<b>5.857</b>	<b>7.150</b>
<b>DfE Allocation</b>	<b>6.842</b>	<b>7.150</b>
<b>Over/(Under)</b>	<b>(0.985)</b>	<b>0.000</b>
<b>TOTAL APPROVED</b>	<b>17.904</b>	<b>8.303</b>
<b>TOTAL DFE ALLOCATION</b>	<b>18.284</b>	<b>8.303</b>

Budget Area - Part 2 Ongoing & Centrally Retained Duties	2021/22 £m	2022/23 £m
OVER/ (SURPLUS TO BE ALLOCATED)	(0.380)	0.000

Please note:

- De Delegated budgets are still held in the Schools block
- Early Years and High Needs front line - Centrally managed front line budgets are in their respective blocks and not the CSSB
- The £0.660m contribution to Children services re Equal Pay is for manual employees for 20 years (2012/13 to 2031/32) agreed by School Forum 6th October 2011

## 5. Early Years Block

5.1. Within the framework for the Early Years block of the DSG there are several requirements for LAs which are intended to ensure that funding is fairly distributed to providers. These are:

- A minimum amount of funding that must be passed through to providers (95%).
- A universal base rate for all types of provider.
- Supplementary funding for Maintained Nursery Schools (ringfenced to MNS only).
- A maximum cap of 10% on the amount of funding that can be used for the mandatory and discretionary supplements.
- A Disability Access Fund linked to children that access Disability Living Allowance.
- A requirement for a SEND inclusion fund (in Birmingham this is known as ISEY – Inclusion Support in Early Years).

5.2. Birmingham City Council has a commitment to undertake an annual EY rates review of the current formula, with the intention of linking any large-scale changes to national changes usually agreed for a three-year period in line with the governments Comprehensive Spending Review (CSR) timetable.

5.3. HM Treasury has recently announced a three-year settlement for 2022 – 2025. Within this there is a commitment to additional Early Years funding over each of the next three years through the national formula. Nationally the additional investment in early years education has been confirmed as £160m in 2022/23; £180m in 2023/24; and £170m in 2024/25. This will mean an increase on the hourly per child rate in the national formula paid to the LA for two, three- and four-year olds.

5.4. At Schools Forum 20th January 2022 members agreed to the recommendations from an earlier Early Years Forum to;

a) Note that the current level (£2.95m) of funding will be retained centrally to support the Councils delivery of the Statutory Duties for early years, incrementally increasing over the next 3 years to the 5% the LA is able to retain.

- b) Maintain the current level of Deprivation and FSM supplements.
- c) Increase the amount allocated to ISEY over the next 3 years, maintaining the current level of £1m (noting that £0.25m is held within the centrally retained element), increasing to £1.5m in 23/24 and 1.75m in 24/25. To also note the request for the increase to be matched over the 3-year period from the High Needs Block.
- d) Agree the funding rates to be applied to providers as follows:

**Table 4.5 Base Rates for 3 and 4 Year Olds for Providers**

	Maintained Nursery Schools	Schools with Nursery Classes	PVIs
<b>2020/21</b>	4.37 + protection	4.37	4.37
<b>2021/22</b>	4.41 + protection	4.41	4.41
<b>2022/23</b>	4.52 + protection	4.52	4.52
<b>2023/24*</b>	4.63 + protection	4.63	4.63
<b>2024/25*</b>	4.76 + protection	4.76	4.76

\*IMPORTANT: The amounts for these two years will be subject to confirmation following an annual rate review each year and are indicative only based on the known increase to the national allocation.

**Table 4.6 Rates for 2-year old's – Straight in/out for all providers**

	All Settings	Increase
<b>2020/21</b>	5.32	0.08
<b>2021/22</b>	5.40	0.08
<b>2022/23</b>	5.61	0.21
<b>2023/24*</b>	5.82	0.21
<b>2024/25*</b>	6.03	0.21

\*The rate for two-year olds will increase with the allocation of the national formula. This is estimated only at the current time and will be confirmed following an annual rate review each year and once the DfE announce the national formula.

- e) Note the requirement for all rates to be confirmed as part of an annual review in line with the Early Years block allocation from the DfE.

## 6. High Needs Block and SEND

- 6.1. The increasing level of spend on High Needs and SEND is a national issue, which is also reflected in Birmingham. At the end of 2020/21 the cumulative High Needs deficit was £9.1m with a further repayment of £5.0m planned to be made during 2021/22. The Government has announced substantial increases in High Needs for which Birmingham received £180.6m in 2021/22 (as at November 2021) and will receive an additional c£30.1m (after

recoupment and pupil import /export adjustments) in 2022/23. In addition to dealing with the cumulative deficit over a three-year period, the funding will be used for investment in the following areas:

- Increasing special school places and mainstream resource bases to meet need
- Developing the local provision model with schools working in partnership with other schools to support SEND
- Increasing resources for Speech and Language and Occupational Therapy in conjunction with Health
- Increasing resources for children in early years settings with SEND
- Investing in services which have maximum impact and represent value for money

6.2 Details of the proposed HNB budget will be taken to Schools Forum in early March, and reported to Cabinet through the budget monitoring cycle early in 2022/23.

## **7. Academisation and School Deficits**

7.1 There is continuing activity of schools converting to academy status either under directive orders or voluntarily. At the time of writing, a total of 11 schools had converted in 2021/22 with a further 5 currently proposed in 2022/23.

7.2 Schools which are given a directive order to convert to Academy status and have a financial deficit at the point of conversion will have the deficit transferred to the local authority. In Birmingham this is funded through a combination of:

- a DSG contingency of £1.1m, which is the first call. The DSG contingency is subject to agreement annually by the School Forum and is a reducing budget as schools convert to academy status
- the balance through resources freed up by the application of corporate capital resources to fund schools capital maintenance expenditure, subject to approval as part of the annual capital budget process.

## **CHAPTER 5: HOUSING REVENUE ACCOUNT (HRA)**

### **1. Summary**

- 1.1. The HRA Self Financing Framework was introduced from April 2012 (as part of the Localism Act 2011) and this required local authorities to maintain a long term HRA Business Plan.
- 1.2. The HRA Business Plan 2022+ sets out the immediate and long-term financial plans and is underpinned by a number of key operational assumptions (relating to property, arrears, debt, and inflation and rent levels).
- 1.3. The HRA Business Plan 2022+ shows a balanced long-term financial plan and incorporates the continuation of a long-term debt reduction programme that commenced in 2015/16 (to match the expected life spans of existing properties), but at a slower rate than initially planned.
- 1.4. In October 2017 the government announced its intention to set a long term rent deal for local authority landlords and housing associations from 2020/21 onwards. The long term rent deal, which was confirmed in the Policy statement on rents for social housing (February 2019), allows local authority landlords to increase rents on both social rent and affordable rent properties on an annual basis by up to CPI +1% from 2020, for a period of at least 5 years.

### **2. Background**

- 2.1. The Council manages over 59,000 homes.
- 2.2. The Housing Revenue Account is a statutorily ring-fenced account that deals with income and expenditure arising as a result of the Council's activities as a provider of social and affordable housing. The legislation requires that income and expenditure relating to the Council's provision of social and affordable housing must be accounted for within the HRA and that the proposed annual budget is balanced.

### **3. Strategic Overview and Context of Financial Pressures on the HRA**

- 3.1. The HRA is under considerable service and financial pressure as a result of national and local policy changes and the following issues are reflected in the HRA Business Plan:
  - 3.1.1. There is a commitment to continue to invest in building safety measures for all the HRA high-risk buildings to achieve compliance with both current and future legislative requirements.
  - 3.1.2. The commitment to building safety has had a knock-on effect on the ability to cyclically improve the standard of our properties and respond to repairs. There is a need to ensure that HRA dwellings meet current and future standards.

- 3.1.3. The recommendations of the Social Housing White Paper and further consultation around potential Tenant Satisfaction Measures mean that the Council needs to refresh its approach to tenant engagement
- 3.1.4. Increased costs for both new build homes and current retained stock with the need to move towards the Government's target of net zero carbon emissions
- 3.2. Whilst the HRA is facing these pressures it remains in a good financial position and is stable and affordable over the 30-year period of the plan.
- 3.3. There are statutory requirements to ensure that there is no cross-subsidy between the HRA and General Fund services (the "who benefits" principle – designed to ensure that Council tenants do not pay twice for the same service, through both Council Tax and Rents), that an annual balanced budget is set and that the service is sustainable and affordable in the long run based on the HRA Self-Financing framework.

#### **4. Key Outcomes and Strategic Housing Service Objectives**

- 4.1. The HRA Business Plan 2022+ is intended to support the following key strategic and Housing Service objectives:
- 4.2. Building New Homes and Maintaining our Stock
  - Provision of new affordable housing to replace obsolete properties and provide a significant contribution to the Housing Growth Strategy with 1,878 new Council homes being built, with an associated investment of £416.2m.
  - Investment to keep properties in their current improved condition (to ensure that the properties are not impaired) at an estimated cost of £628.6m over the next ten years. This will be achieved through the life-cycle replacement of property components (windows, heating, kitchens, bathrooms, roofs, electrical components) as well as fire protection works and structural investment.
  - Completion of the Sprinkler System installation programme in 2022/23, with an estimated total cost of £33.2m since the start of the programme in 2018/19.
  - Discharge of statutory day to day repairs and maintenance obligations (including compliance with health and safety on annual gas inspections) with investment of £792.8m over the next ten years.
  - Adaptations to properties to continue to promote independent living (an investment of £65.3m over the next ten years).
  - The HRA will need to contribute the Council's commitment to make Birmingham Carbon Neutral by 2030, which will involve investment in a significant retrofit programme within the HRA portfolio. This will require some grant funding to support the programme.

#### 4.3. Rent Policy

- To ensure that the rent policy is consistent with the national rent policy of rent increases being up to CPI +1%.
- To ensure that service charges are set at a level that reflects the costs of service delivery, whilst ensuring value for money for tenants and ensuring that charges are eligible for support through housing benefit wherever possible.

#### 4.4. External Resource Generation

- As highlighted above, one of the key priorities for the HRA is to improve the energy efficiency of its properties and aim to reach net zero carbon emissions. In order to achieve this the HRA will require grant assistance.
- The HRA has secured £0.5m of ERDF grant funding for the installation of green technology on a BMHT scheme at Gressel Lane, and will receive an estimated £4.7m of grant funding to help make more than 1,000 homes more energy efficient.
- The HRA will aim to secure grant from other sources, including the Social Housing Decarbonisation Fund and the Greater Birmingham and Solihull Local Enterprise Partnership to assist with the funding of energy efficient retrofit measures on its properties.
- Maximising the use of retained Right to Buy (RTB) receipts and access to Homes England and West Midlands Combined Authority grant funding programmes to support and increase the new build housing programme.

### 5. **HRA Business Plan 2022+ and Budget 2022/23**

5.1. A summary of the HRA Self Financing Business Plan 2022+ is set out in Appendix L.

5.2. In summary, the Business Plan will ensure a continued sustainable and affordable long term financial plan for the housing service (sustained reduction in long-term debt and affordable rents) and the strategic financial issues are highlighted below:

- A balanced revenue budget over the next 10 years, achieved as a result of:
  - An increase in future rental income with the implementation of the national rent policy as set out above
  - A clear focus on maximised collection of rents from tenants, linked to the review and enforcement of tenancy conditions and continuation of the annual visits programme, despite the increasing pressures from the full roll out of Universal Credit

- The level of borrowing to be in accordance with the Prudential Code, with the level of debt required to be affordable and sustainable. The financial viability of individual schemes (including the affordability of any new borrowing that may be required) will continue to be considered as a part of the Full Business Case produced for each scheme or programme
- Re-phasing of the planned debt repayment and reduction programme to ensure a balanced overall position year on year.
- Total HRA debt at 31 March 2023 is forecast to amount to £1,105.7m.
- Maintenance of adequate reserves and provisions for potential bad debts (estimated at beginning of 2022/23 at £116.0m, including minimum balances of £13.5m and provisions for bad debts of £39.2m)

5.3. The comparison of the HRA budget for 2021/22 and the proposed budget for 2022/23 is set out in Table 5.1 below:

**Table 5.1 HRA Budget 2021/22 and 2022/23**

	2021/22 £m	2022/23 £m	Change £m	Change %
Repairs	65.767	75.394	9.627	+14.6%
Local Housing Costs	69.121	69.668	0.547	+0.8%
Bad Debt Provision	8.120	5.546	(2.574)	-31.7%
Estate Services Costs	20.032	20.534	0.502	+2.5%
Debt Repayment	3.656	0.000	(3.656)	-100.0%
Debt Financing Costs	52.214	47.903	(4.311)	-8.3%
Contributions for Capital Investment	62.623	68.693	6.070	+9.7%
<b>Total Expenditure</b>	<b>281.533</b>	<b>287.738</b>	<b>6.205</b>	<b>+2.2%</b>
Rental Income (net of Voids)	(254.737)	(260.501)	(5.764)	+2.3%
Other Income/Service Charges	(26.796)	(27.237)	(0.441)	+1.6%
<b>Total Income</b>	<b>(281.533)</b>	<b>(287.738)</b>	<b>(6.205)</b>	<b>+2.2%</b>

## 6. HRA Business Plan 2022+ – Short Term and Long-Term Financial Evaluation

6.1. The revenue aspects of the HRA Business Plan 2022+ are summarised below:

**Table 5.2 HRA Business Plan 2022+**

	2022/23 £m	2023/24 £m	2024/25 £m	2025/26 £m	10 Year £m
Repairs	75.394	74.388	75.193	76.679	792.828
Local Housing Costs	69.668	70.802	72.370	73.972	766.374
Bad Debt Provision	5.546	5.558	5.635	5.259	49.266
Estate Services Costs	20.534	21.001	21.674	22.221	230.137
Debt Repayment	0.000	0.000	0.000	9.992	104.618
Debt Financing Costs	47.903	49.134	50.711	50.037	481.291
Contribns for Capital Investment	68.693	73.805	77.090	72.147	781.344
<b>Total Expenditure</b>	<b>287.738</b>	<b>294.688</b>	<b>302.673</b>	<b>310.307</b>	<b>3,205.858</b>
Rental Income (net of Voids)	(260.501)	(267.077)	(274.269)	(281.120)	(2,908.162)
Other Income/Service Charges	(27.237)	(27.611)	(28.404)	(29.187)	(297.696)
<b>Total Income</b>	<b>(287.738)</b>	<b>(294.688)</b>	<b>(302.673)</b>	<b>(310.307)</b>	<b>(3,205.858)</b>

Figures shown annually

## 7. Capital Programme

- 7.1. The capital expenditure plans for the Council housing stock are set out in Table 5.3 below (including the major programmes and the financing of the expenditure).

**Table 5.3 Capital Expenditure**

	2022/23 £m	2023/24 £m	2024/25 £m	2025/26 £m	10 Year £m
Housing Improvement Programme (including Fire Protection and Sprinkler Programmes)	85.136	71.735	60.463	61.199	661.953
Adaptations	4.000	4.000	6.350	6.927	65.291
New Build and Regeneration	54.611	82.142	70.461	69.492	486.492
Other Investment	0.000	0.000	0.000	0.000	10.676
<b>Total</b>	<b>143.747</b>	<b>157.877</b>	<b>137.274</b>	<b>137.618</b>	<b>1,224.412</b>
<b>Funded by:</b>					
Revenue Contributions	(68.693)	(73.805)	(77.090)	(72.147)	(781.344)
Receipts / Grants	(19.542)	(35.223)	(45.969)	(45.785)	(280.512)
Prudential Borrowing	(37.417)	(23.159)	(8.363)	0.000	(70.528)
Other Resources inc Reserves	(18.095)	(25.690)	(5.852)	(19.686)	(92.028)
<b>Total</b>	<b>(143.747)</b>	<b>(157.877)</b>	<b>(137.274)</b>	<b>(137.618)</b>	<b>(1,224.412)</b>

Figures shown annually

## **CHAPTER 6: CAPITAL STRATEGY**

### **1. Summary**

- 1.1. This capital strategy sets out the main influences for the capital programme, and how the available resources have been used to meet the Council's key priorities. It sets out the planned use of borrowing, including treasury management activity, and how capital risks are managed.
- 1.2. The capital strategy has been prepared having regard to CIPFA's Prudential Code and Treasury Management Code.

### **2. Objectives**

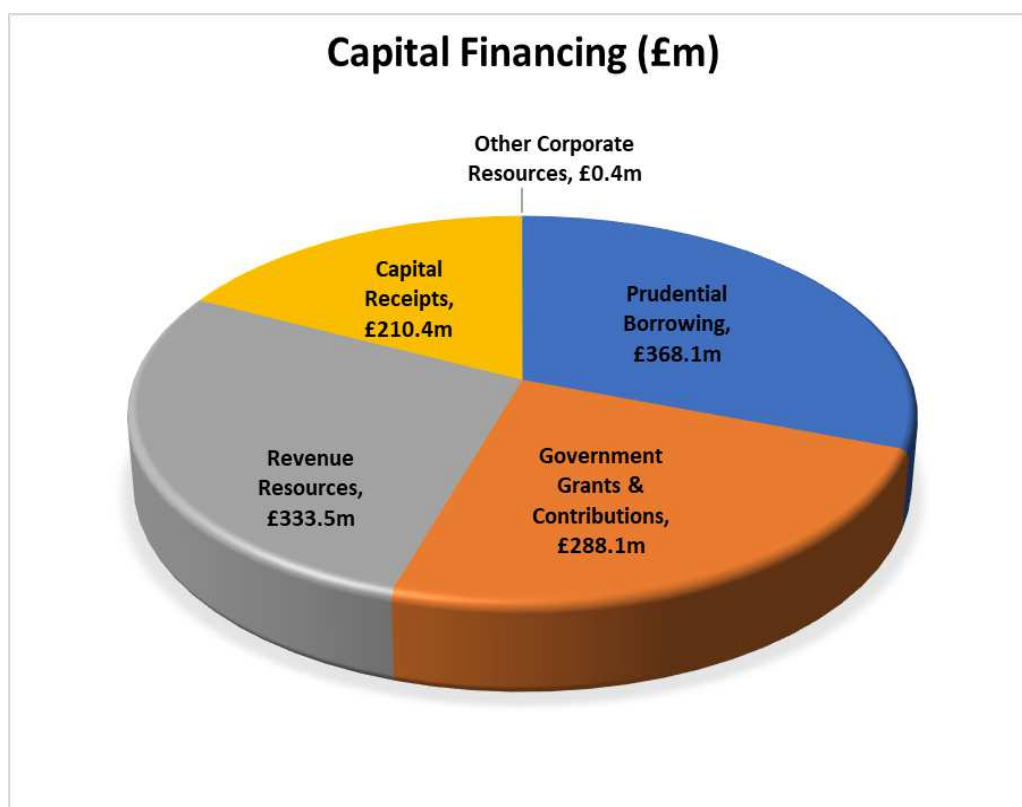
- 2.1. The overall objective of the Council's Capital Strategy and Programme is for capital investment to support the Council Plan priorities. This will be achieved by:
  - Integrating capital budget decisions into the Council's annual, medium and long term planning process, so that capital investment decisions are prioritised alongside plans for revenue income and expenditure, as well as plans for assets including the Council's land and buildings and liabilities including the prudent use of borrowing
  - Co-ordinating the management of capital through the Capital Board, which oversees a 'one Council' strategic approach to capital management.

### **3. Strategic Context**

- 3.1. The drivers of the Council's capital programme are complex and bring together many aspects of the Council's service and financial planning. This is driven particularly by the Council Plan, which sets out the Council's planned outcomes and priorities for the medium term. These have been the strategic drivers in the development and prioritisation of capital proposals as described below. The Capital programme since March 2020 has been impacted by Covid 19 resulting in slippages into future years and changes to a number of schemes.
- 3.2. Key drivers of capital investment include:
  - The Council's property, plant and equipment is valued at nearly £6.2 billion in its latest accounts. Reforming this portfolio to be fit for the Council's future needs and service delivery models is a key focus of the property strategy described in section 5.3 below
  - The Council's school's estate continues to evolve rapidly under the influence of academisation and other national policies, but it remains a sizeable asset portfolio, and the Council has a duty to ensure there are sufficient school places

- Economic regeneration and transport remain a key priority for the city's future prosperity, and the proposed HS2 rail terminal at Curzon Street station represents a major opportunity which forms part of the city's Enterprise Zone
  - Meeting the housing needs of Birmingham remains a major priority, both within the Council's HRA, and through its support for other housing development both for sale and for private rented accommodation
  - The Commonwealth Games is a significant opportunity for Birmingham which is a key priority for the next year,
- 3.3. These key capital and infrastructure needs for the coming years cannot be delivered by the Council on its own. Partnership working is an essential part of addressing these needs and is reflected in many of the Council's capital plans.
4. **Capital Resources**
- 4.1. Resources of £1,200.4m have been identified to fund the four-year capital programme from 2022/23 to 2025/26, summarised as follows:

**Figure 6.1 Capital Financing**



- 4.2. A significant part of the Council's capital resources can only be used for specific and designated purposes. These are referred to as specific resources. This includes capital grants and contributions of £288.1m, revenue resources of £333.5m (including HRA revenue resources of £299.7m) and

HRA capital receipts of £148.6m. Cabinet may approve additional budgets funded by additional external resources.

- 4.3. Some capital resources are available without significant restrictions, and the Council has more freedom to allocate these towards its own priorities as set out in the Council Plan. These are referred to as corporate resources and comprise mainly capital receipts from asset sales and borrowing under the prudential system of capital finance for local authorities.
- 4.4. Corporate resources of £430.3m have been budgeted for use to finance the capital programme over the coming four years. This includes the use of prudential borrowing and capital receipts from asset sales. Revised or additional capital budgets funded from corporate resources may be approved by Cabinet, however additional prudential borrowing must be approved by full Council if the borrowing costs are not funded by additional income, savings or budget virements. No substantial increases in prudential borrowing or the use of capital receipts will be agreed outside of the annual budget process.
- 4.5. The Council's capital financing plans seek to make use of available resources in the most efficient way, including borrowing in accordance with the Prudential Code for local authority capital finance. £368.1m of prudential borrowing is included in the four year capital plans, within the framework and policies set out in this capital strategy, further described below.
- 4.6. The Council's capital financing plans seek to fund the capitalisation of revenue reform costs under the Flexible Use of Capital Receipts legislation. £37.1m has been included in the plans for 2022/23 with a further £28.7m identified for the current financial year. Projects may be accelerated or slipped between financial years. A breakdown of these schemes can be found at Appendix J.
- 4.7. Final decisions on the funding of the capital programme will be taken by Cabinet in the Outturn report after the end of each financial year.
- 4.8. A breakdown of the resources used in financing the capital programme is at Appendix J. Further details of all capital grants are shown in Appendix J.

## **5. Capital Strategy**

- 5.1. In the above context of needs and resources, the Council has developed the following policies and high level processes to ensure the effective management of capital (arrangements are set out more fully in Appendix J):
  - The management of capital will be overseen by the Capital Board, through strong governance and assurance processes for capital planning, capital appraisal and approval, project management, and capital monitoring and review. Executive decisions will be made in accordance with the Council's constitution
  - Revised or additional capital budgets may be approved by Cabinet, within the constraints of the Council's constitution and its Prudential

borrowing limit. No substantial increases in prudential borrowing or the use of capital receipts will be agreed outside of the annual budget process

- CIPFA's Prudential Code and Treasury Management Code have been adopted by the Council
- All use of capital resources, including capital receipts, will be prioritised across the Council as a whole in relation to the Council's key priorities
- The use, re-use, and disposal of the Council's land and buildings will be managed by the Property and Assets Board to secure best value for the Council's priorities
- The Council will encourage community engagement in the operation of properties in support of specific key priorities, and will commission community asset transfers where appropriate
- The Council will manage its use of borrowing in accordance with CIPFA's Prudential Code. A prudent policy for debt repayment is set out in the Minimum Revenue Provision policy at Appendix Q. General Fund borrowing costs (including interest and repayment charges) in 2022/23 represent 29.4% of the net revenue budget, which reflects a substantial investment in capital but reduces the resources which would be otherwise available for other revenue priorities. In order to ensure that borrowing remains at an affordable and sustainable level, the Council will seek over the medium term to manage its new prudential borrowing for normal service delivery at a level which is close to the amount which it sets aside from the revenue account each year for debt repayment (i.e. MRP).
- Borrowing for the Commonwealth Games and the Perry Barr Regeneration Scheme is an exception to this policy, but this is mostly planned to be repaid from the disposal of dwellings and land that form a part of the Perry Barr Regeneration Scheme from 2023.

5.2. Capital priorities for new projects and programmes have therefore focussed on the following areas:

- Council Plan driven expenditure which may be funded from external grants and contributions, especially where it supports key priorities
- Statutory requirements and other legal commitments
- Proposals which support revenue savings, income or service modernisation
- Projects also need to demonstrate that they represent value for money and are deliverable at an appropriate risk.

### **Property Strategy**

5.3. The Council's Property Strategy was approved by Cabinet in November 2018. Implementation of the Strategy takes account of the subsequent guidance

with regards PWLB lending terms and revisions to the Prudential Code and will comply with them. The Property Strategy provides a long term strategic approach to the management of the Council's real estate. It aims to maximise commercial and social returns by re-aligning the property assets, ensuring they act as a catalyst for development and inclusive economic growth and underpin the social fabric of communities across the city. In order to achieve this vision the Strategy divides the existing property assets in to four key themes:

- Commercial properties – this income earning portfolio focuses on increasing efficiency by selling underperforming properties and reinvesting the proceeds into the portfolio to maximise returns within a balanced and prudent risk management strategy
- Growth and Development – focusing on key growth areas, land and buildings will be utilised as catalysts for development and regeneration to deliver new homes and jobs
- Community – supporting community organisations to deliver Council's core objectives, encouraging independent social cohesion using sport, culture and third sector neighbourhood activities
- Operational – efficient and rationalised buildings to support the provision of modern 21st century Council services.

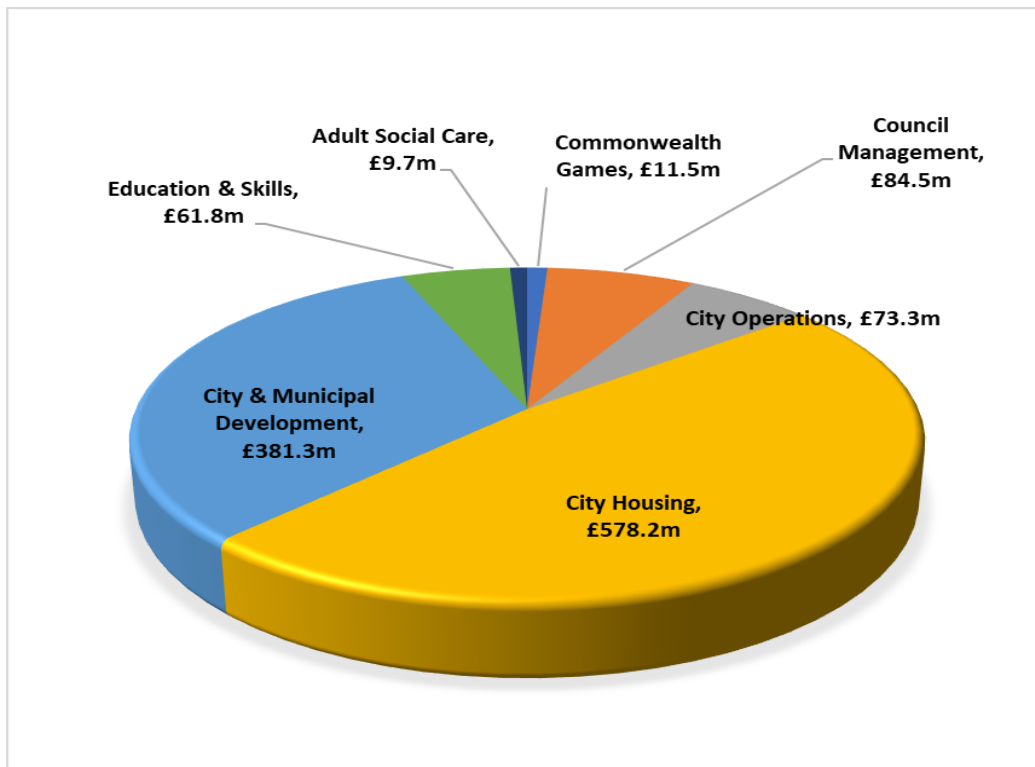
### **Commercialisation Strategy**

- 5.4. The Council's Commercialisation Strategy focusses on "*Taking a business-like approach in every service, every day – making every £ count for Birmingham*". This recognises that to maximise performance 'commercial thinking' needs to be embedded across the organisation. To support this, the Council has a Commercial Hub within Finance and Governance to support the identification of commercial opportunities across the Council and to lead on and support activities related to commercialism which will enable the facilitation of an organisation-wide behavioural change.
- 5.5. The Council's risk management approach recognises that currently the Council has low to moderate ability and appetite to take significant new risks, in light of the existing financial challenges and risks the Council is currently managing. A combination of Finance, Legal and the Programme Management Team (PMO) provide governance structure and operate key roles in ensuring that where risks are taken they are fully understood and proactively managed.
- 5.6. Investment in loans, shares and commercial property plays a significant part in a more commercial approach to the Council's activities, including its working with business and community partners. The Service and Commercial Investment Strategy at Appendix J sets out the investment activity and risk management processes which support this agenda. A low-risk policy towards investments is proposed, with a limit on the size of the overall financial investment portfolio at £526m.

## 6. Capital Programme

- 6.1. Based on the above strategy to support the delivery of the Council Plan outcomes, the proposed Capital Programme totals £531.7m in 2022/23 and £1,200.4m over the four-year period. This includes:
- Investment in Council housing through the HRA of £576.5m
  - £82.8m (in the four-year period) on the Perry Barr Residential Scheme
  - £191.2m on roads and transport infrastructure
  - Continuing commitment to the funding of development in the Enterprise Zone totalling £54.9m over the next four years, including investment to enable Birmingham to get the most out of the HS2 Curzon railway station
  - £11.5m on the Commonwealth Games
  - £49.5m for the Waste Management Service Strategy including replacement vehicles
  - Major investment in Education and Skills of £61.8m
- 6.2. New projects and priorities have been identified through the Council's financial planning process and added to the capital programme. These total £25.0m and relate to additional Transformation projects funded from the Flexible Use of Capital Receipts and an additional £5m for Corporate Capital Contingency funded from corporate prudential borrowing. Further budgets funded from Government allocations of capital grants (for example for schools and transport) will be added to the programme when the allocations are known.
- 6.3. The updated Capital Programme for £1,200.4m for the next four years is therefore as follows:

**Figure 6.2 Capital Programme split**



- 6.4. Appendix J provides further details of the capital programme, including a summary of the projects included. It also shows a longer-term ten-year view of identified capital plans, consistent with the Council's Long Term Financial Plan.
- 6.5. A General Fund capital policy contingency of £20.0m (£5.0m p.a.) has been included in this budget to manage unexpected needs arising during the financial year before the next annual budget process. The use of the contingency will be managed by the Capital Board and approved in accordance with the Council's constitution.
- 6.6. Much of the capital programme is delivered through partnership working, especially with the West Midlands Combined Authority (WMCA) and the Greater Birmingham and Solihull Local Enterprise Partnership (GBSLEP). The Council acts as Accountable Body for the GBSLEP, and carries out significant prudential borrowing in support of the Enterprise Zone (EZ), with financing costs being funded by Business Rates growth within the EZ. This is controlled through Financial Principles agreed by the LEP with the Council.
- 6.7. Capital receipts are also used to finance debt repayment in accordance with the Council's MRP policy, and to meet Equal Pay settlements. The financial implications of the funding of Equal Pay settlements have been included in

this Financial Plan. This takes account of borrowing costs and requirement for the use of capital receipts to partially fund Equal Pay settlements.

## 7. Debt and Treasury Management

7.1. Local authorities are required by law to set an overall limit on their debt outstanding, including loans and other long term liabilities. This 'prudential limit' may not be exceeded, so the Council's proposed limit allows for risks, uncertainties, and potential changes during the year which may need to be accommodated within this overall limit. On this basis, the Prudential Limit for Debt has been set at £4,500.0m for 2022/23, £4,600.0m in 2023/24, £4,700.0m in 2024/25 and £4,700.0m in 2025/26.

7.2. The limit is calculated as follows:

**Table 6.3 Forecast Debt and Authorised Prudential Limit Based on the Current Capital Programme**

	2022/23 £m	2023/24 £m	2024/25 £m	2025/26 £m
Forecast opening gross loan debt	3,452.300	3,536.600	3,395.800	3,362.200
<b>Capital expenditure financed from borrowing</b>				
- Self Funded	154.000	55.600	24.900	18.900
- Requiring budget support	63.900	40.200	5.700	5.000
Other cash flows	-25.500	-123.800	53.800	53.300
Less loan debt revenue repayment provision	-108.100	-112.800	-118.000	-133.300
<b>Forecast closing gross loan debt</b>	<b>3,536.600</b>	<b>3,395.800</b>	<b>3,362.200</b>	<b>3,306.100</b>
Closing PFI and similar debt liabilities	374.000	348.500	322.100	295.400
<b>Forecast closing debt (loans, PFI, etc)</b>	<b>3,910.600</b>	<b>3,744.300</b>	<b>3,684.300</b>	<b>3,601.500</b>
Allowance for planned cashflows, day to day fluctuations and other potential borrowing	589.400	855.700	1,015.700	1,098.500
<b>Authorised Prudential Limit for Debt</b>	<b>4,500.000</b>	<b>4,600.000</b>	<b>4,700.000</b>	<b>4,700.000</b>
<b>Analysis of forecast closing debt:</b>				
General Fund Debt	2,781.000	2,581.100	2,503.700	2,430.900
HRA Debt	1,129.600	1,163.200	1,180.600	1,170.600

Figures shown annually

7.3. Appendix J analyses planned prudential borrowing between projects which are self-financed through additional income or savings, and projects whose borrowing requires additional budget support. The Council's revenue budget includes provision to meet the net cost of all the above borrowing.

- 7.4. The CIPFA Prudential Code expects local authorities to consider and approve a number of 'prudential indicators'. These relate to the capital programme generally as well as borrowing, and are set out in Appendix Q.
- 7.5. The Council's debt liabilities and its investments arising from day-to-day cashflows need careful management in order to manage the costs and risks. This is the subject of the Council's Treasury Management Strategy and Policies, which are set out at Appendix M and N.

## **8. Management of Guarantees and Partnership Finance Risks**

- 8.1. The Council has entered into financial guarantees and other obligations which are subject to risk management arrangements.
- 8.2. The Council has guaranteed £73m loan debt issued by NEC (Developments) plc, which since the sale of the NEC Group has been a wholly owned subsidiary of the Council. The value of this liability is reflected in the Council's own debt and is managed as part of treasury activity.
- 8.3. The Council has also provided guarantees in respect of staff TUPE'd to external bodies and who have retained membership of the Local Government Pension Scheme (LGPS) to the West Midlands Pension Fund for pension deficits and to some of the external bodies in respect of changes to contribution rates. To minimise the risks to the Council, external bodies may be required to take out a bond, payable on any default. The assessed residual risk has been recognised in the Council's financial statements.
- 8.4. The Council is a constituent member of the WMCA. Participating authorities share an exposure to any unfinanced revenue losses of WMCA, including debt finance costs. The Council and other member authorities support WMCA's capital investment plans, which include substantial prudential borrowing (subject to revenue funding support). This exposure is managed through the authorities' voting rights in WMCA including approval to its annual revenue and capital budget.

The Council participates in other joint ventures and companies. The Council may give letters of assurance in support of these activities and any assessed risk is accounted for in the Council's financial statements.

## **CHAPTER 7: SECTION 25 REPORT – ROBUSTNESS OF ESTIMATES AND ADEQUACY OF RESERVES**

From: Rebecca Hellard Director of Council Management, S151 Officer

### **1. Section 25 Assurance Statement**

- 1.1. This section of the report contains the formal recommendations from the Section 151 officer as to the robustness of the budget estimates for 2022/23, the medium-term financial plan and the adequacy of reserves. It includes an evaluation of the background to budget preparations for 2022/23, including risks and uncertainties, deliverability of the proposed budget, and financial sustainability of the Council.
- 1.2. Recommendations: Pursuant to section 25 of the Local Government Act, the City Council is asked to note this report and agree to have due regard to the contents when making decisions about the budget. This will also extend to the assumptions contained in the Council's Medium Term Financial Plan (MTFP) and the financing and resourcing assumptions set out in the Capital Programme.

### **2. Executive Summary**

- 2.1. Section 25 of the Local Government Act 2003 requires the Section 151 officer (for Birmingham City Council this is the Director of Council Management) to formally give an opinion as to the robustness of the budget estimates and the level of reserves held by the Council. Section 25 (2) of the 2003 Act requires that the Council must consider this report when making decisions about the budget and setting the Council Tax and Business Rates.
- 2.2. In preparing the 2022/23 Budget and Medium Term Financial Plan processes have been put in place to ensure that the budget is robust, achievable, and sustainable and that services can be delivered within the anticipated available funding. Savings have been developed based upon underpinning cross cutting transformation themes aligned to the Delivery Plan and this produces a high degree of confidence that the budget estimates are robust. Extensive workshops have given assurance upon delivery and these have been followed up with business cases that set out clear delivery plans for all budget proposals. This budget reflects the Council's statutory requirements to deliver services and aligns with the Council's Delivery Plan.
- 2.3. Programme Management has been strengthened at a strategic level with a Corporate Programme Management Office having been established to track and report on key council programmes, providing regular performance reports to the Corporate Leadership Team and Cabinet.
- 2.4. The 2022/23 budget and medium term budget proposals have been developed against the background of considerable uncertainty and volatility. In any year there are some uncertainties within the budget. In normal times predicting spending on demand led budgets with a high degree of accuracy is

difficult and currently even more difficult as we recover from the Covid 19 pandemic. Consequently, it is important that variations from the financial plan and budget are identified and reported early, together with remedial actions to ensure a balanced budget can continue to be delivered, and where necessary mitigating savings options are put in place. CiPFA in the summer of 2021 recognised that the City Council has strong robust financial management processes in place and awarded the city a 3 star rating for Financial Management. This is an excellent achievement and recognises the work undertaken to strengthen financial management across the whole council including budget setting.

- 2.5. It is also essential that the budget includes an assessment of the potential financial risks facing the Council and that the Council has adequate reserves should those risks materialise. The Council holds a general reserve for unforeseen and unplanned circumstances and a range of earmarked reserves for specific eventualities. In setting the budget and prudently managing its finances, the Council considers the level of both general and specific earmarked reserves. The level of these reserves reflects the risks the Council faces.

### 3. **Reserves**

- 3.1. In setting the budget and prudently managing its finances, the Council must consider the level of both general and specific earmarked reserves. The level of these reserves reflects the risks the Council faces.
- 3.2. Cabinet, in November 2020, agreed that in light of the growing uncertainty about public finances, general reserves were to be increased to 4.5% of the net budget. The Council's General Fund Reserve has been increased to £38.4m representing 4.5% of the Council's net General Fund Budget, and the 2022/23 budget continues to contain this level of general fund reserve. In the current environment, alongside the risks facing the Council and level of other reserves, this is a level I as the S151 Officer consider to be adequate.
- 3.3. In addition to known liabilities, the budget also has regard to various risk issues where at the time of setting the budget there is no contractual liability but there is a possibility that payment may be required at some point in the future. It is prudent to plan for future expenditure and to strike a balance between the needs of current and future taxpayers. In these cases, earmarked reserves are held.
- 3.4. The level of earmarked reserves and their intended use has been reviewed and the Medium Term Financial Plan reflects the results of that review. The conclusion is the level of these reserves are adequate having regard to the risks identified. Further details can be found in section Appendix E.
- 3.5. Furthermore, the Financial Resilience Reserve provides additional financial resilience. The reserve's balance is anticipated to be £111.2m as at 31 March 2022 and this is welcomed in this particularly uncertain time.

- 3.6. Due to the continuing uncertainty surrounding the Covid 19 pandemic we continue to maintain a specific Covid reserve to fund the ongoing recovery from the pandemic. The reserves' balance at the 31<sup>st</sup> March 2023 is anticipated to be £7.8m and will be utilised to mitigate costs arising as a direct impact of the pandemic.
- 3.7. However, whilst reserve levels are considered adequate, they require continuous monitoring. The Council cannot be complacent and must continue to maintain financial rigour, particularly with regard to delivering planned savings, accumulated debt and associated financing costs and financial income collection.

#### **4. Financial Management**

- 4.1. The Chartered Institute of Public Finance and Accountability (CIPFA) has developed a Financial Management Code (FM Code) to support good practice in financial management and to help local authorities demonstrate financial sustainability. The first time standards of financial management for local authorities have been set out in a code. The first full year of application of the FM Code was 2021/22 and it was for each authority to determine the extent to which it complies with the Code and to identify what action it may wish to take to better meet the FM Code standards. A report was presented to Audit Committee in June 2021 and presented a positive picture for financial management at the Council and is consistent with the results of the CIPFA Financial Management three star assessment.
- 4.2. CIPFA in the summer of 2021 awarded the council with a three star rating for Financial Management, this is an amazing achievement formally recognising the journey the authority has been on to improve and enhance its financial management process. This recognition gives me assurance as your statutory S151 Officer that the financial management processes we have in place are robust and demonstrate best practice. We must however not become complacent and will continue to improve financial management with the introduction of 1B, the Oracle based system in April 2022 being a significant enhancement for the council. We will also be seeking to further enhance our CIPFA rating to four star.

#### **5. Policy Contingency**

- 5.1. It is also prudent to hold a budget for general contingencies to cover the fact that certain budget assumptions may be inaccurate i.e., demand for a service has proved greater than expected. As such the Council holds a General Policy Contingency budget of £4.7m for 2022/23 and specific policy contingency sums.

#### **6. Savings – development and tracking**

- 6.1. The 2022-23 budget contains savings proposals totalling £40.8m, with a further £66.6m to be delivered over the period of the MTFP. There are robust mechanisms in place to ensure that there is accountability for the delivery of

planned savings, and progress against delivery is monitored on a monthly basis. The Corporate Programme Management Office will be supporting managers to track delivery of savings and regular reports on progress will be presented to the Corporate Leadership team and Cabinet. The Council is operating management disciplines to ensure management and policy actions are considered in relation to overspending budgets. Generally, virements are considered at a corporate level against corporate priorities, including the contribution towards the optimal level of general fund reserves.

## **7. Inflation**

7.1. The budget contains provision for specific contractual and other inflationary pressures. These provisions are based on the best information available at the time. The budget also contains some provision for general price inflation, and it is anticipated that services will have to manage any inflationary pressures that arise above those provided for. Contracts are also reviewed and provision for known significant contractual changes are made. The impact of pay and price inflation is monitored during the year as part of the budget monitoring process. The key inflation elements built in to the budget are :

- Pay Inflation at 2.5% year on year.
- Pensions Employer rates fully reflect the most recent actuarial review in 2019 including changes to the future service rate and past deficit payments.
- Price inflation has been provided at a rate of 2% per annum for general expenditure items.
- Income has been uplifted by 1% 2022/23, and 2% beyond that. The lower increase in 2022/23 represents a prudent assumption and a reflection of the current challenges within the economy.

7.2. Contract have been reviewed and provision for known contractual changes are made. Specific higher adult and children social care market inflation has been provided for to support the care market. Budgetary provision has also been made to reflect the increased prices due to the crisis in the energy market.

7.3. The one significant Levy the Council has is Passenger Transport. The budget forecasts for 2022/23 reflect the latest estimates.

## **8. Income**

8.1. Locally generated income from Business Rates and Council Tax are significant sources of funding for the Council, and both have been impacted by the pandemic and the level of recovery remains uncertain. The budget estimates for Business Rates income are based on a prudent and best assessment of the tax base reflecting the current economic conditions, an

estimate of impact from appeals and for 2022/23 a prudent reduction in the collection rate.

- 8.2. The Council Tax taxbase is determined with reference to the number of properties in the city and the number of associated reliefs and exemptions together with the assumed numbers of residents benefitting from the Council Tax support scheme. A prudent assumption has again been made for income collection rates as we continue to recover from the pandemic.
- 8.3. The amount of Council Tax to be collected in 2022/23 and used to support the Council's revenue budget is based on the Council taxbase. The taxbase set for 2022/23 is based on the most accurate and prudent forecasts of anticipated chargeable dwellings and associated level of discounts, reliefs, and collectable amounts for the year. The Council Tax collection rate for 2022/23 has been assumed to be 96.85% and for future years has been set at normal levels of 97.1%. For each 1% not collected, the cost is approximately £3.9m in lost income to the Council. Legislation requires that any Collection Fund surplus or deficit be adjusted through the Council Tax and Business Rates calculations in the next year.
- 8.4. The Council's share of Business Rates income for 2022/23 has been set at £352.0m. A detailed NNDR 1 return for 2022/23 has been submitted to Government. Prudent estimates of Business Rates appeals, bad debts provisions, changes to the rating list etc. have been included. A collection rate of 97% has been set for Business Rates for 2022/23. The financial plans assume that the collection rate increases to normal levels of 98% from 2023/24 onwards. For each 1% not collected the cost is approximately £3.5m in lost income to the Council.
- 8.5. Directorates have undertaken a review of fees and charges. The revised schedule of proposed fees and charges are included as an appendix to this report and are subject to a budget decision.

## **9. Adult Social Care Precept**

- 9.1. As the Chief Financial Officer, I am satisfied that the Council Tax income yield from the adult social care precept has been utilised to meet adult social care needs. The additional investment in social care is shown in Chapter 3.

## **10. Capital programme and Borrowing**

- 10.1. The Prudential Code recommends that Chief Finance Officers report on the affordability and risk associated with the capital strategy. The capital programme is fully financed from a combination of existing resources, external grants and contributions, capital receipts, and an affordable level of borrowing.
- 10.2. The Council has a Capital Strategy which provides an over-arching framework by which capital expenditure and non-treasury investment decisions can be assessed. Based on the Corporate Capital Strategy the

Council has an approved four-year capital programme. Over the medium term the Capital Programme will move to a 10-year and ultimately a 25-year programme. Furthermore, the capital programme is evaluated with regard to the Prudential Code in terms of its prudence, affordability, and sustainability. Investments are reviewed against appropriate risk factors. The revenue budget and MTFP reflects the financing and borrowing assumptions as contained in the approved capital programme.

- 10.3. It may be necessary, and subject to Council decisions during the year with regard to the overall capital programme and how it is to be financed, to revisit the Prudential Indicators from time to time to ensure that any amendments and proposed additions to the capital programme remain prudent and affordable in terms of the Council's approved revenue budget and MTFP.
- 10.4. The Capital Strategy at Chapter 6 prioritises the use of external grants and funding where possible to support Council Plan priorities. Capital receipts assumptions are based on a prudent assessment which uses a risk-weighted forecast of expected capital receipts from asset sales and other sources.
- 10.5. The Council has a relatively high level of borrowing compared with most other authorities, but the policy set out in the Capital Strategy and Appendix J is that the Council will seek over the medium term to manage its new prudential borrowing for normal service delivery at a level which is close to the amount which it sets aside from revenue account each year for debt repayment.
- 10.6. The Council has recently undertaken a full review of the Capital Programme with a view to reducing borrowing costs and the associated revenue repayment costs. The results of this review are included in the quarter 3 financial monitoring report to February 2022 Cabinet and will also be presented to Resources Overview and Scrutiny Committee.
- 10.7. Council investments and borrowing comply with the current Treasury Management Strategy as approved by Council. At any one time the Council will have several cash income streams, such as capital receipts and Government grants and when appropriate these will be invested as part of the overall and day to day cash flow management activities undertaken by the Treasury Manager. Risks including Brexit impacts are reflected in the Treasury Management Strategy.
- 10.8. Cash investments are made in accordance with the Investment Strategy as set out in the Treasury Management Strategy and can be liquidated at short notice and are available at any point in time to meet the Council's day to day requirements for cash funding.
- 10.9. The Council's debt repayment policy at Appendix P results in a strong debt repayment profile, which is illustrated in the Treasury Strategy Appendix M Figure M.5.

## 11. **Risk**

- 11.1. The Council has well established procedures in place to identify and anticipate risks with a Risk Management Strategy, a full review of all strategic risks in 2021/22 and regular monthly reports presented to CLT Assurance meetings and Audit Committee. These risk management processes form part of the budgetary control framework and are underpinned by the Council's governance arrangements culminating in the Annual Governance Statement and supported by the Internal Audit service. These include a Risk Management Framework and a regularly reviewed Strategic Risk Register with progress on both regularly reported to the Audit Committee. The sharing of risk is in accordance with the principle of the risks being borne by the party best placed to manage that risk. Inherent risks include any guarantee or variation of service throughput (service volumes). If risks materialise the expectation is that such an eventuality will be contained where possible and considered in future years' budgets and general fund reserves restored to at least the minimum prudent level.
- 11.2. The Council manages capital risks through its business case appraisal and approval arrangements, and through regular capital and treasury monitoring. Capital risks have also been considered in assessing the adequacy of reserves.
- 11.3. The Council has a strategic well measured and prudent approach to commercial risk and this is also reflected in the Capital Strategy. Treasury management risks are managed through the Treasury Management Strategy and Policy.
- 11.4. The main risks that have been identified are:-
- The continued impact of COVID-19 as the city and country embarks on a period of recovery, including the underlying economic impact on businesses and residents in the city
  - Rising demand for Council services e.g. – social care and housing
  - The ongoing impact of the recent Brexit deal, which while uncertain represents a risk beyond the loss and non-replacement of European funding.
  - The impact of legislative changes and new burdens including the significant transfer of risk to Local Government through 100% Business Rates retention, the reliance on locally raised income and potential reforms to local government funding and the Business Rates system.
  - The non- delivery of planned budget savings and efficiencies, resulting in overspends or the need to reduce spending on other services across the Council.
  - The impact of the Commonwealth Games in the summer of 2022 which we hope will bring a positive impact to the city but must continue to be managed in a timely manner.
  - Industrial disputes, major litigation, both currently and in the future.

- Managing the Capital Programme to achieve the policy objective of reducing the revenue impact of prudential borrowing.
- The delivery within budget of capital schemes.
- The possibility of legal challenge including judicial review arising from Council decisions with regards to the delivery of statutory services.

## 12. **Governance**

- 12.1. The Council's Constitution specifically defines the role of all Members in determining and agreeing the policy and budgetary framework of the Council in accordance with applicable laws providing sufficiency of resources. The budget approval process includes Cabinet Committee meetings, the Scrutiny Committee meeting and Member training sessions and briefings leading up to the formal Budget meeting and the consideration of the recommendations set out in the Council budget report. These are the mechanisms by which all Members have the opportunity in advance of the Full Council meeting on the 22<sup>nd</sup> February 2022 to define, challenge, amend and ultimately vote on the Council's budgetary framework for the next year and medium term.
- 12.2. Two updates for the MTFP were reported to Cabinet in July and October 2021. This updates to the Medium Term Financial Plan have been completed and supported by:
- base salary estimates and projections of demand for demand-led services
  - risk based balances calculation
  - prudential borrowing and capital funding review
  - an assessment of inflation
  - monthly monitoring of budget pressures and savings delivery
- 12.3. The budget setting process for the MTFP has been significantly strengthened across the whole Council, CLT have worked closely with the Finance team and Corporate Programme Management Officers to develop budget options. CLT have received regular progress reports and taken part in budget development workshops discussing and developing options. The Corporate Programme Management Office has been significantly strengthened and is responsible for maintaining a since tracker of savings options with progress on delivery being presented to monthly CLT Performance Boards and Cabinet Member Briefing sessions.

## 13. **Insurance**

- 13.1. The Council's insurance arrangements are a balance between external insurance premiums and internal funds to "self-insure" some areas. Premiums and self-funds are reactive to external evaluations of the risks faced by the Council which includes both risks that are generic to all organisations and those specific to the authority.

- 13.2. The level of the Insurance Reserve is planned to increase by £2.0m annually; with the balance as at 31 March 2023 anticipated to be £14.3m.

**14. Current year position**

- 14.1. In addition to the uncertainty around government spending plans and the settlement for local government, the Covid-19 pandemic has continued to have a significant impact in the current year and on the Council's ability to forecast future spending requirements and income levels. Before the pandemic, the Council was already experiencing increasing demand for services, including children's social care; home to school and special educational needs transport; and higher demands across adult social care including adults with learning disabilities, mental health services and support to older people. The pandemic has significantly changed demand patterns for services such as social care, public transport and waste recycling/disposal, we will need to monitor and respond to these emerging patterns closely.
- 14.2. The budget monitoring position as at the end of December 2021 was reported to Cabinet on 8th February 2022. The revenue budget showed a forecast net overspend of £4.2m. Further details can be found in the Cabinet report. Action to address the current £4.2m overspend is critical to ensure a balanced budget is achieved by the year end. If there is any overspend at the year-end this will need to be funded from reserves and will put pressure on the 2022/23 revenue budget. The under delivery of previously agreed savings will also need to be reviewed as these too will impact on the 2022/23 budget.
- 14.3. This draft budget will require some difficult decisions about service levels and provision both in 2022/23 and over the medium term. These decisions will need to be confirmed under the Council's constitutional arrangements and Financial Regulations after due consultation and equalities impact assessments. As such the draft budget is a plan which can be subject to change, with any changes considered and agreed by Cabinet through the in year financial monitoring reports.
- 14.4. Treatment of Growth Pressures. Major demand and price factors affect the 2022/23 and future years budgets include 2021/22 budget pressures continuing into 2022/23 and future years. Some pressures were identified as part of the monthly monitoring process, including base budget inadequacies for Travel Assist and SENAR. These are being addressed as part of this budget. The 2022/23 budget forecasts have therefore been informed by 2021/22 budget monitoring reports which have been reported to Cabinet and Scrutiny through the year and have been supported by the Star Chamber process.
- 14.5. The medium-term plan shows a balanced position for 2022/23, At this stage it assumes possible use of the budget smoothing reserve over the period 2023/24 to 2025/26 to allow savings options to be developed and implemented in a managed way over the three years. This use of the Budget Smoothing Reserve is considered the best approach to manage the level of

savings required over this period. The forecasts on which this medium-term plan is based are inevitably less reliable than the forecasts for 2022/23. In particular the one-year settlement for 2022/23 and the government's commitment to undertake a review of local government funding arrangements during 2022 mean that funding forecasts are particularly uncertain. In recognition, the savings plans over the medium term include options that will need to be closely monitored and reviewed to ensure they continue to enable the council to manage its spending in line with available resources. This is accepted as a prudent necessity, and the Council cannot wait for the outcome of the Government's funding review before developing savings options. The budget must be a rolling process with savings developed and monitored throughout the year.

- 14.6. As Section 151 officer I can formally report that in my view the budget estimates are robust and the level of reserves adequate, as required by the Local Government Act 2003, on the assumption that the proposed council tax increases up to but not exceeding the 2% referendum threshold and 1% for the Adult Social Care levy are agreed.
- 14.7. Council tax is a significant source of funding for council services. Any lesser increase than that proposed, without a corresponding reduction in base budget spending would have an adverse impact on the Council's financial resilience and ability to mitigate future spending risks or medium-term uncertainties over the future funding gap.
- 14.8. The draft revenue proposals for 2022/23 and the medium-term plan are not without risk and work will be ongoing through regular financial monitoring to ensure savings and a balance budget is delivered. Where savings are no longer deliverable alternative options will be sought.
- 14.9. The draft proposals strike a balance between affordability whilst allowing sufficient resources for the Council to fulfil its statutory responsibilities and address local priorities. This is not an easy combination and will require some difficult decisions about service levels and provision. It will require services to bear down on spending growth, particularly with regard to future price levels and managing demand. In my view whilst this presents risks, the Council has sufficient financial resilience and reserves together with a strong record of sound financial management such that the additional risks are not excessive or reckless.
- 14.10. The 2021/22 budget included an additional contribution to general reserves in line with the medium-term strategy to have the overall level at 4.5% of net spending to improve financial resilience. This level of general reserves is considered to be essential in light of increased financial risks, the increased self-sufficiency of councils and greater reliance on tax income, and medium term uncertainties. Any drawdown from general reserves either as part of addressing the 2021/22 overspend or to cover variances from the draft 2022/23 plan would require general reserves to be replenished back up to 4.5% level at the earliest opportunity, even if this requires delivery of additional savings from the proposed amounts identified in future years.

- 14.11. Failure to maintain general reserves at 4.5% would in my opinion would put the adequacy of the Council's reserves and consequently its financial resilience at risk.
- 14.12. The longer-term capital planning within the proposed programme delivers urgent and critical works and priority projects as well as addressing the need to minimise new borrowing and deficiencies in previous plans that have led to significant rephasing. Both of these have significant consequences on future revenue budgets. The Council has undertaken a review of the Capital programme in 2021/22 with a view to reducing future borrowing costs and ongoing associated repayment costs. Details of this review are contained in the quarter 3 financial monitoring report presented to Cabinet in February 2022.
15.     **Recommendations:**
- 15.1.   (a) Pursuant to section 25 of the Local Government Act, the Council is asked to note this report and agree to have due regard to the contents when making decisions about the budget.

## APPENDIX A: MEDIUM TERM FINANCIAL PLAN

	2022/23 £m	2023/24 £m	2024/25 £m	2025/26 £m	2026/27 £m	2027/28 £m	2028/29 £m	2029/30 £m	2030/31 £m	2031/32 £m
Base Budget 2021/22	828.671	828.671	828.671	828.671	828.671	828.671	828.671	828.671	828.671	828.671
Pay & Price Inflation	63.420	94.104	127.316	159.580	193.682	234.144	272.855	313.208	359.769	404.171
Meeting Budget Issues and Policy Choices	110.009	40.248	53.165	62.253	64.649	74.091	83.166	92.254	101.295	110.045
Savings Plans	(40.794)	(67.475)	(89.399)	(107.443)	(107.472)	(107.472)	(107.472)	(107.472)	(107.472)	(106.252)
Corporate Adjustments:										
Other net change in use / contribution to reserves	(144.094)	(10.239)	10.567	9.481	6.452	7.007	7.520	8.049	5.661	5.661
Corporately Managed Budgets	20.179	38.090	34.809	35.916	31.813	25.817	14.458	14.086	28.115	28.108
Changes in Corporate Government Grants	(78.160)	(11.124)	(13.259)	(15.230)	(17.024)	(18.861)	(20.729)	(22.583)	(25.268)	(27.137)
<b>Total Net Expenditure</b>	<b>759.231</b>	<b>912.275</b>	<b>951.870</b>	<b>973.228</b>	<b>1,000.771</b>	<b>1,043.397</b>	<b>1,078.469</b>	<b>1,126.213</b>	<b>1,190.771</b>	<b>1,243.267</b>
Business Rates	(352.040)	(435.702)	(450.715)	(464.023)	(476.239)	(488.766)	(501.473)	(513.927)	(526.689)	(539.779)
Business Rates Deficit in 20/21 funded by S31 grants	(52.849)	(177.261)	(177.261)	(177.261)	(177.261)	(177.261)	(177.261)	(177.261)	(177.261)	(177.261)
Use of S31 grant reserve to fund Business Rates deficit arising in 20/21	52.849	177.261	177.261	177.261	177.261	177.261	177.261	177.261	177.261	177.261
Business Rates Deficit	35.997	16.222	-	-	-	-	-	-	-	-
Council Tax	(401.153)	(413.563)	(425.257)	(437.189)	(449.457)	(462.068)	(475.033)	(488.364)	(502.067)	(516.154)
Council Tax Deficit	17.365	1.532	-	-	-	-	-	-	-	-
Top Up Grant	(59.400)	(60.542)	(61.706)	(62.893)	(64.104)	(65.340)	(66.600)	(67.885)	(69.196)	(69.196)
Top Up Grant - Reset	-	11.333	13.252	14.671	15.755	16.878	18.004	19.017	20.082	21.171
Potential impact of spending review	-	1.000	5.000	9.000	9.000	9.000	9.000	9.000	9.000	9.000
<b>Total Resources</b>	<b>(759.231)</b>	<b>(879.720)</b>	<b>(919.426)</b>	<b>(940.434)</b>	<b>(965.045)</b>	<b>(990.296)</b>	<b>(1,016.102)</b>	<b>(1,042.159)</b>	<b>(1,068.870)</b>	<b>(1,094.958)</b>
<b>Gap</b>	<b>-</b>	<b>32.555</b>	<b>32.444</b>	<b>32.794</b>	<b>35.726</b>	<b>53.101</b>	<b>62.367</b>	<b>84.054</b>	<b>121.901</b>	<b>148.309</b>

Figures shown cumulatively

## APPENDIX B: GRANTS

Grant	2021/22 Budget £m	2022/23 Budget £m	Variation £m	2023/24 Budget £m
Public Health Grant	92.227	93.348	1.121	93.348
Improved Better Care Fund	65.921	67.915	1.994	67.915
Top Up Grant	55.951	59.400	3.449	60.542
Highways Management and Maintenance PFI Grant	50.311	50.311	0.000	50.311
Social Care Support Grant	49.875	66.756	16.881	66.756
Covid 19 Local Authority Support Grant	43.830	0.000	(43.830)	0.000
Better Care Fund	40.151	38.477	(1.674)	38.477
Small Business Rate Relief Grant	39.819	104.539	64.720	36.766
Service Grant	0.000	24.694	24.694	24.694
Schools PFI Grant	18.232	18.232	0.000	18.232
Business Rates S31 Grant - 2% Inflation Cap	16.413	30.148	13.735	38.565
New Homes Bonus	7.599	3.665	(3.934)	2.130
Housing Benefit Admin Grant	4.685	4.594	(0.091)	4.594
DCLG - Preventing Homelessness Grant	4.675	4.675	0.000	4.675
Illegal Money Lending	4.150	4.253	0.103	4.253
Independent Living Fund Grant	3.686	4.084	0.398	4.084
Strat Dir People	0.000	3.780	3.780	0.000
Youth Promise	3.626	3.265	(0.361)	3.265
Primary PE and Sport Grant	3.616	3.616	0.000	3.616
Asylum Seekers	3.250	2.906	(0.344)	2.424
Troubled Families	2.630	2.630	0.000	2.630
New Burdens - Homelessness Grant	2.496	2.633	0.137	2.633
GBSLEP Skills fund ESF	2.353	2.353	0.000	0.000
Lower Tier Funding	2.245	2.365	0.120	0.000
Pure - ESF	2.000	2.288	0.288	2.288
MHCLG Local Council Tax Support Admin Grant	1.985	2.118	0.133	2.118
Youth Justice Good Practice Grant	1.936	2.106	0.170	2.125
New Remands Framework	1.197	1.426	0.229	1.426
Vulnerable Persons Resettlement Grant	1.113	0.550	(0.563)	0.550
Housing First Grant	1.095	0.818	(0.277)	0.000
Asylum Migration and Integration Fund	0.882	0.094	(0.788)	0.000
Business Growth Programme 2	0.860	0.860	0.000	0.000
School Improvement Grant	0.820	0.820	0.000	0.000
Local Reform and Community Voices Grant	0.785	0.803	0.018	0.803
UKRS Resettlement	0.000	0.761	0.761	0.761
Afghan Interpreters	0.000	0.682	0.682	0.682
RTOF-Refugee Trans	0.000	0.024	0.024	0.000
Home Office - Prevent Projects Grant Stream	0.712	0.712	0.000	0.712
Staying Put Grant	0.639	0.639	0.000	0.639
Community Safety Fund	0.633	0.633	0.000	0.633
DWP - New Burdens Housing Benefit Admin Grant	0.566	0.572	0.006	0.572
Community Discharge Grant	0.519	0.548	0.029	0.548
Rough Sleeping Initiative	0.499	1.358	0.859	1.358
ESF1.1 Progression - WOW	0.469	0.000	(0.469)	0.000
Verify Earnings & Pension Alerts Service 2018	0.456	0.461	0.005	0.461

Grant	2021/22 Budget £m	2022/23 Budget £m	Variation £m	2023/24 Budget £m
Scambusters RIT	0.320	0.320	0.000	0.320
ERDF - Basic Programme	0.292	0.000	(0.292)	0.000
Rough Sleeping Accom	0.000	0.239	0.239	0.000
Strategic Libraries - Delivery of Business & Intellectual Property Review	0.231	0.231	0.000	0.231
New Burdens	0.225	0.300	0.075	0.300
Rapid Rehousing Pathway	0.211	0.000	(0.211)	0.000
DA Support	0.000	0.178	0.178	0.000
Social Care in Prisons	0.209	0.168	(0.041)	0.168
Food Trials Horizon	0.199	0.199	0.000	0.128
Extended Rights to Free Travel	0.164	0.221	0.057	0.221
Additional HBAA - Housing Benefit Accuracy Assessment	0.113	0.000	(0.113)	0.000
UC Implementation Support - Support for Complex Housing Cases	0.109	0.110	0.001	0.110
War Pensions	0.101	0.094	(0.007)	0.094
Direct Salary Grant	0.100	0.100	0.000	0.100
Sutton Park Stewardship	0.097	0.098	0.001	0.098
Virtual School Head	0.077	0.077	0.000	0.000
Stimulating Regeneration Innovation through better e-Government Services	0.071	0.000	(0.071)	0.000
Home Office Police & Crime Panel Grant 18-19	0.066	0.067	0.001	0.067
Mag. Courts - LCD Grant ReDebt Chges	0.064	0.062	(0.002)	0.059
KS2 Moderation & Phonics Grant	0.027	0.027	0.000	0.270
Nature Conservation	0.025	0.025	0.000	0.025
Prep for Adulthood	0.000	0.000	0.000	0.000
Regional Development Work - Strategic Libraries	0.020	0.020	0.000	0.000
Lickey CP Ranger Hub	0.009	0.009	0.000	0.009
<b>Subtotal Directorate Grants</b>	<b>537.638</b>	<b>619.457</b>	<b>81.820</b>	<b>547.786</b>
<b>Expenditure Reimbursement Grants</b>				
Rent Allowance Grant	327.956	327.956	0.000	327.956
HRA Rent Rebates Grant	146.397	146.397	0.000	146.397
DWP - Discretionary Housing Grant	4.975	4.975	0.000	4.975
Higher Education Funding Council (HEFC)	0.558	0.528	(0.030)	0.498
<b>Subtotal Expenditure Reimbursement Grants</b>	<b>479.886</b>	<b>479.856</b>	<b>(0.030)</b>	<b>479.826</b>
<b>Direct Schools Funding Grants</b>				
Dedicated Schools Grant (DSG)	721.201	734.907	13.706	734.907
Pupil Premium Grant	43.045	43.045	0.000	43.045
Holiday Activity & Food Programme	8.200	8.030	(0.170)	0.000
EFA Grant for Post 16 Provision	7.700	7.700	0.000	7.700
Universal Infant Free School Meals	7.664	7.664	0.000	7.664
<b>Subtotal Direct Schools Funding Grants</b>	<b>787.810</b>	<b>801.346</b>	<b>13.536</b>	<b>793.316</b>
<b>Total Grants</b>	<b>1,805.334</b>	<b>1,900.659</b>	<b>95.326</b>	<b>1,820.928</b>

## **Further Information on Revenue Grants over £5m**

Details of all revenue grants that exceed £5m are given below.

### **Public Health Grant - £93.3m**

Local authorities (upper tier and unitary) are responsible for improving the health of their local population and reducing health inequalities. Local authorities receive an annual ring-fenced public health grant from the Department of Health. The core condition of this grant is that it should be used only for the purposes of the public health functions of local authorities. The local authority statutory duties for public health services are mainly outlined in the Health and Social Care Act 2012 legislation. They include the duty to improve public health through mandated and non-mandated functions. There are also existing public health duties for health protection which sit under different legislation such as the Public Health Act. Legislative measures for local authorities' responsibilities for dental public health are covered by separate statutory instruments (Section 5.2). The Public Health grant is ring-fenced and can only be used on public health related activities set out in a range of legislation and included in the grant conditions.

It is anticipated that the Birmingham allocation of this grant for 2022/23 will be £93.3m.

### **Private Finance Initiative Grants - £68.5m**

The City Council will continue to receive funding for Private Finance Initiative (PFI) projects of £68.5m being £50.3m for Highways and £18.2m for schools. Whilst this funding is un-ringfenced, it is needed to meet contractually committed payments and is not available to meet City Council expenditure generally, other than on a temporary basis and requiring repayment.

### **Improved Better Care Fund (iBCF) - £67.9m**

In the Spending Review 2015 the Government announced that it will be making additional funding available to local authorities through the Improved Better Care Fund; this became available in 2017/18. A further statement in the spring Budget in 2017 increased the amounts available for Adult Social Care via the iBCF. For Birmingham, £65.9m is available in 2021/22.

The City Council's financial plans include significant additional resources for Adult Social Care to meet the growing level of demand for such services and further savings arising from the continued drive to provide these services in the most efficient way. Therefore, this has been used to help address additional funding of care services, to part mitigate budgetary pressures in relation to demography and assist in the delivery of the Adult Social Care savings programme. In addition to this there is also a programme of change which has been agreed with health partners and approved via the Health & Wellbeing Board, to work in a more integrated way, to

support the reductions in delayed transfers of care from hospitals and to protect and support the care provider market.

For 2022/23 the iBCF for Birmingham will be an allocation of £67.9m, an inflationary increase of around £2m compared to the previous year's allocation.

### **Business Rates related grants - £134.7m**

These grants have been given to compensate for the impact of Government decisions to constrain the increase in the Business Rates multiplier and increased relief for small businesses, retail, hospitality and the leisure industries. Both of these grants total £134.7m, which is an increase of £78.5m over the 2021/22 levels.

### **Top Up Grant - £59.4m**

This grant is received to reflect the fact that the Government's estimate of retained Business Rates income is still less than the estimate of the Council's need to spend. The Council's Top Up Grant will increase by £3.4m to £59.4m in 2022/23.

### **Social Care Grant - £66.8m**

The Government first provided Social Care Grant allocations in 2019/20 when £1bn of new resources was made available to support social care nationally. The funding has continued since then at an increasing level and a further £636m was made available nationally for 2022/23. This grant is intended provide to additional support for the most vulnerable. Birmingham's allocation is £66.8m an increase of £16.9m from the 2021/22 allocation. The grant will be fully utilised to support social care activities across the Council.

### **22/23 Services Grant - £24.7m**

The Government introduced a new one-off Services Grant worth £822 million in 2022/23. The new grant will provide funding in recognition of the vital services provision, including social care. It includes funding for local government costs for the increase in employer National Insurance Contributions. The grant will not be ring-fenced. The Government intends this to be a one off grant for 2022/23 and to work closely with local government on how to best use this funding from 2023/24 onwards. The Council's allocation of the grant is £24.7m.

### **Better Care Fund - £40.2m**

Better Care Fund (BCF) is a mandatory, national programme with specified minimum contributions from Clinical Commissioning Groups (CCG) and Local Authorities. This fund seeks to drive the transformation of services to ensure that people receive better and more integrated care and support through pooled budget arrangements between Local Authorities and CCGs.

For Birmingham, Cabinet in March 2014 endorsed the principle of a BCF joint pooled budget for Older Adult Social Care and health integrated provision between the City Council and local NHS CCG's.

Funding will continue into 2022/23, and it is estimated that £40.2m will be available to the City Council in that year, the same level of grant as for the previous financial year.

### Other Directorate Revenue Grants

In addition to the main grant funding streams, smaller specific grants continue to be received from Government. Services will need to manage within the level of grant that they receive. A full breakdown of all grants the City Council expects to receive in 2022/22 can be seen in the table at the start of this Appendix.

### Schools Funding - 2022/23

Schools receive funding via a variety of different grant streams, the main ones being:

- Dedicated Schools Grant - £1,396.7m
- Pupil Premium - £43.0m
- Education & Schools Funding Agency (ESFA) - £7.7m
- Universal Infant Free School Meals (UIFSM) Grant - £7.7m
- Holiday Activities & Food Programme 2021 - £8.2m

### Dedicated Schools Grant (DSG) - £1,404.7m

The expected funding for 2022/23, based on DSG allocations received in December 2021, and a summary of how schools' funding is applied can be seen in the table below:

DSG	2022/23 DSC allocation at dec 21 £m	2022/23 Indicative supplementary allocation at Dec 21 £m	2022/23 Total including supplementary £m
Schools block	1,031.442	30.562	1,062.004
Central school services block	8.303	0.000	8.303
High needs block	234.723	8.730	243.453
Early years block	82.957	0.000	82.957
<b>Total DSG before recoupment</b>	<b>1,357.424</b>	<b>39.292</b>	<b>1,396.716</b>
Rates adjustment*	(7.909)	0.000	(7.909)
High needs recoupment	(32.823)	Tbc	(32.823)
Schools recoupment***	(621.077)	Tbc	(621.077)
<b>Total DSG after recoupment</b>	<b>695.615</b>	<b>39.292</b>	<b>734.907</b>

DSG is allocated to Local Authorities in four blocks. Local authorities can only switch resources between blocks with the permission of the School Forum and / or

Secretary of State. The amount announced for Birmingham is £1,396.7m. However, this includes funding for mainstream academies that will be recouped by the Education & Skills Funding Agency. The amount to be recouped for Schools has not been published by DfE, but the latest recoupment figures for 2021/22 are £621.1m. The recoupment for Rates and High Needs are both as advised by DfE. Further academisation during 2022/23, will result in further recoupment and reduction in the grant paid to the City Council.

The 4 blocks through which DSG is allocated consists of:

- Schools block (covering provision in mainstream schools from Reception to Year 11 and includes an estimate for Growth Fund). The 2022/23 notified allocation is £1,062.0m before recoupment.
- Early Years block (covering nursery schools, nursery classes and Private, Voluntary and Independent sector providers of early years provision (PVIs). The 2022/23 indicative allocation is £83.0m (no recoupment applies to this area).
- High Needs block (covering pupils with high needs – defined by the DfE as those requiring provision costing in excess of a given threshold). The 2022/23 indicative allocation is £243.5m before recoupment and an estimated £32.8m will be deducted from this figure for the direct funding of places by ESFA.
- Central School Services block – this covers commitments such as Admissions and certain prescribed statutory and regulatory duties. The notified allocation is expected to be £8.3m. This allocation has significantly reduced from 2021/22 due to the fall out of historical equal pay commitments.

### **Pupil Premium Grant - £43.0m**

Pupil Premium is allocated to provide additional funding for pupils in receipt of free school meals. The funding rates for the pupil premium in the financial year 2022/23 are expected to increase by 2.7% from the values for 2021/22 (the 2021/22 figures have been shown below as the rates for 2022/23 are yet to be announced). As the allocations for 2022/23 have not yet been published by the ESFA, the budget above has been based on the 2021/22 allocation (the actual figure will depend on eligible pupil numbers). It will apply to all pupils aged from 4 to 15 (year groups Reception to 11) who are:

- Known to be eligible for free school meals (£1,345 per pupil in primary and £955 per pupil in secondary)
- Looked After children (£2,345 per pupil)
- Children who have ceased to be looked after by a local authority in England and Wales because of adoption, a special guardianship order, a child arrangements order or a residence order (£2,345 per pupil)
- Pupils whose parents are serving members of the armed forces (Service Children) (£310 per pupil)

**Education & Schools Funding Agency - £7.7m**

It is estimated that the City Council will receive £7.7m from the Education & Skills Funding Agency (ESFA) to fund education and training of 16-19 year olds in sixth forms within schools.

**Universal Infant Free School Meals (UIFSM) Grant - £7.7m**

The grant is paid to schools to enable them to provide free school meals for pupils in Reception to Year 2. There has been no confirmation of grant funding for 2022/23 and the grant figure above reflects the allocation to maintained schools and Alternative Provision for 2021/22. Academy schools receive their UIFSM grant direct from the ESFA.

**Holiday Activities & Food Programme 2021 - £8.0m**

The local authority will receive grant funding of up to £8.030m in 2022-23 to deliver the holiday activities and food (HAF) programme in its area. The funding allocated to the local authority is calculated based on the numbers of children eligible for and in receipt of free school meals in its area. The programme will offer the equivalent of 6 weeks' holiday provision to eligible children. Those eligible will be school aged children from reception to year 11 (inclusive) who receive benefits-related free school meals. The local authority will also have discretion to use up to 15% of its funding to provide free or subsidised places for children who are not in receipt of benefits-related free school meals but who the local authority believe could benefit from HAF provision.

**Grants to Reimburse Expenditure - £479.9m**

The City Council receives a number of grants to reimburse costs incurred, mainly in paying benefit claimants. Whilst these form part of the gross budget of the City Council, the level of expenditure is determined by claimant demand and eligibility. Payments made to claimants are closely matched by any grant received. The grants to fund benefit expenditure expected to be received by the City Council in 2022/23 are anticipated to be around £479.9m, largely similar to the grant allocation from the previous year. The figures for 2022/23 are still subject to a full review.

## **APPENDIX C: RESERVES POLICY**

### **1. Background**

- 1.1. The purpose of this policy is to set out how the Council will determine and review its overall level of reserves and how it uses them.
- 1.2. The Council is required to maintain adequate financial reserves for meeting unknown and potential estimated future expenditure when calculating the Council Tax requirement.
- 1.3. All planned use of reserves must be for a specific purpose in order to ensure there is a sustainable budget. They should not be used to mitigate the need for ongoing savings. Reserves will only be released upon relevant approval as set out in the Constitution.
- 1.4. The Council has usable reserves and unusable reserves on its Balance Sheet. The unusable reserves are as a result of accounting adjustments and are not therefore available to spend. This policy will concentrate on usable reserves.

### **2. General Policy**

- 2.1. Usable reserves can be split into the following categories:
  - General Reserves and Balances
  - Earmarked Reserves
  - Revenue Grant Related Reserves
  - Ringfenced Reserves
  - Capital Reserves
- 2.2. The Council maintains usable reserves primarily for the following reasons:
  - The need to put aside sums in case of unexpected exceptional future expenditure
  - To smooth out the impact of payments on the revenue account
  - To cover timing differences such as grant money received in any given year where expenditure takes place in a later year
  - To provide pump prime funding for projects to deliver changes in working practices
- 2.3. Reserves can only be used on a one-off basis which means that their application does not offer a permanent solution to the requirement to deliver significant reductions in the future level of Council expenditure.

- 2.4. Reserves are not to be used to avoid the necessity to make or the failure to deliver ongoing savings

### 3. **Managing the Level of Reserves**

- 3.1. The Council must maintain sufficient general reserves and working balances to cover the key financial risks and contingencies.
- 3.2. An assessment will be carried out annually as part of the budget setting process to consider the risks the Council is exposed to and the level of general reserves that are appropriate.
- 3.3. As part of the budget setting process the Section 151 Officer will consider and assess the level of general reserves. Consideration will be given to the strategic, operational and financial risks facing the Council.
- 3.4. Major factors to be considered when evaluating the level of reserves, including but not limited to the following:

Budget Assumptions	Issues to Consider
Inflation and Interest rates volatility	The overall financial standing of the Council
Estimates of the level and timing of Capital Receipts	The trend of the Council's financial management and the robustness of the Medium Term Financial Plan
The financial risks inherent in any significant new funding partnerships, major contractual arrangements or major capital programme	The Council's end of year closedown procedures relating to budget under/overspend.
The availability of other funds to deal with major contingencies and the adequacy of provisions	The adequacy of the Council's arrangements to cover major unforeseen risks.

### 4. **Usable Reserves**

#### 4.1. General Reserves and Balances

- 4.1.1. These are funds that do not have restrictions as to their use. The Council can use them for any purpose within the General Fund. The purpose of general reserves is to manage the impact of exceptional emergencies and unforeseen events. Without such reserves the potential financial impact of these unforeseen events could cause a financial deficit in the General Fund, which would be severely disruptive to the effective operation of the authority. General Reserves held include:

#### 4.1.2. General Fund Balance and Carry Forward Balances

- These reflect the accumulated surpluses of income over expenditure from previous years and any resources set aside as general contingency against adverse future events

#### 4.1.3. Financial Resilience Reserve (FRR)

- This is a reserve created in 2017/18 from the backdated application of a consistent Minimum Revenue Provision (MRP) policy of 2007/08
- The change in policy has created additional revenue costs. The Council plans to release some of this reserve in line with the Council Plan and Budget 2018+ to phase in the ability to meet the additional costs as shown in Table C.1 below. The balance of this reserve is to provide contingency fund in case the Council faces financial difficulties in the future

**Table C.1 Planned use of FRR to Meet Additional Revenue Costs**

2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
£5.9m	£5.9m	£5.0m	£4.0m	£3.0m	£2.0m	£1.0m	Nil

#### 4.1.4. Delivery Plan Reserve

- The Delivery Plan Reserve (DPR) has been established to enable the necessary investment required by the Council's Delivery Plan

#### 4.2. Earmarked Reserves

##### 4.2.1. Earmarked Reserves enable the Council to set aside sums to meet specific future liabilities. These include:

##### 4.2.2. Capital Fund

- This is a revenue reserve which has arisen from revenue contributions set aside to fund budgeted capital expenditure, Equal Pay settlements and associated costs in line with the Council's Capital Financing and Equal Pay funding claims

##### 4.2.3. Insurance Reserve

- The Council self-insures against all bar the most catastrophic business risks other than where insurance cover is a legal requirement. A budget is held to cover insurance losses in-year and the Insurance Reserve exists to act as a buffer should losses exceed budgeted expectations in

any given financial year. The fund increases in those years where losses incurred do not exceed the budget

#### 4.2.4. Highways PFI Reserve

- This reserve has been earmarked to support the Highways PFI Business Model

#### 4.2.5. Other Earmarked Reserves

- There are some reserves which cover a wide range of services that have been set aside to support future years' service delivery. These include, for example, resources earmarked for Special Educational Needs reform, a local innovations fund, highways initiatives, subvention for major events, replacement IT systems and repairs and maintenance for specific service chargeable buildings. These reserves are monitored at Directorate level and can only be used for a particular purpose
- During the annual review if it is determined earmarking is no longer necessary the reserves will be allocated to general reserves

4.2.6. The request to use these funds or contribute to reserves must be approved by Cabinet and the allocation of Earmarked Reserves will be made when services can demonstrate that the funding is required for that particular purpose.

#### 4.3. Revenue Grant Related Reserves

4.3.1. These reserves relate to the unused element of grant support for which the conditions of the grant are expected to be met. The reserves will be used to meet future years' expenditure for the service for which the grant was awarded.

4.3.2. These are managed by the Directorates. The reserves will only be released following the Directorate requests being approved by the Section 151 Officer to use funding in line with grant conditions

4.3.3. The Council holds various Section 106 reserves which were contributed by private companies to improve the local community. The fund must be used for the specific scheme and within the agreed timescale. If funds are not used, they need to be returned back to the contributors.

4.3.4. In addition, the Council also received Highways PFI grant in advance of required payments. These funds are taken to reserves to be utilised in years when annual maintenance expenditure exceeds the annual Government grant income, in line with the PFI model.

#### 4.3.5. Ringfenced Reserves

- Reserves that are required to be used for specific activities undertaken by the Council with little or no flexibility. These are mainly for schools or for the Housing Revenue Account and cannot be used to support general Council activity. These include:

#### 4.3.6. Schools reserves

- The reserves are the net cumulative balances held by Council maintained schools. Under national school funding regulations, the schools are entitled to retain these balances for unexpected commitments and/or for planned school curriculum/infrastructure improvements and investment

#### 4.3.7. Housing Revenue Account (HRA)

- The HRA is a statutory account, ringfenced from the rest of Council funds, so that rents charged to tenants in respect of dwellings cannot be subsidised from the General Fund. Similarly, rents collected from HRA tenants cannot be used to subsidise the General Fund. The balances on the HRA reflect the accumulated surpluses of income over expenditure

#### 4.3.8. HRA Major Repairs Reserve

- The Council is required by The Accounts and Audit Regulations 2015 to maintain the Major Repairs Reserve. The reserve controls an element of the capital resources required to be used on HRA assets or for capital financing purposes

#### 4.4. Capital Reserves:

##### 4.4.1. These are reserves that have been set aside to finance capital schemes and cannot be used to support revenue expenditure without the consent of the Secretary of State. These reserves comprise:

- Capital Receipts Reserve reflects the income received from the disposal of capital assets prior to being used to fund future capital expenditure or for the redemption of debt. Capital receipts cannot be used to fund revenue expenditure except where allowed by statute. The Council will allocate resources from the Capital Receipts Reserve in line with its priorities
- Capital Grants Unapplied reflects the unused element of capital grants or capital contributions awarded to the Council, for which the conditions of the grant support are expected to be met or for which there are no conditions. The reserve will be used to meet future years' capital expenditure in a way which best fits with the Council's priorities

#### 4.5. Borrowing

- 4.5.1. The Council will also face temporary large costs for which ongoing savings are not required, for example, pension fund strain costs. In these instances it is prudent to borrow temporarily from reserves and identify smaller ongoing savings from which to repay the reserves. However, this will only be agreed if there is a clear plan for how repayment can be made.
- 4.5.2. Temporary borrowing can be made from general reserves, earmarked reserves, schools reserves and grant related reserves.
- 4.5.3. Borrowing is approved by the Council as part of the budget. However amendments can be approved by Cabinet in year.

#### 5. Governance and Review

- 5.1. The Council recognises the need to hold and maintain adequate reserves that meet the needs of the organisation. However, there is an opportunity cost as a result of the Council allocating resources away from other potential uses. It is therefore critical for the Section 151 Officer to regularly review the purpose and level of reserves.
- 5.2. All anticipated use of reserves should be understood and recognised as part of the budget setting process and agreed when Council approves the budget.
- 5.3. Any identified use of, or contribution to, reserves after the budget has been set should be approved by Cabinet or the Section 151 Officer in the case of grant reserves, prior to the budget being changed. Uses should be for specific purposes for which reserves have been set aside and not to address savings non-delivery or budget pressures. Contributions to reserves should be for specific costs expected to be incurred in the future.
- 5.4. The reserves position is reported monthly as part of the revenue monitoring process. The planned usage of reserves is also included as part of the budget setting process. In addition the level and use of reserves is reported and reviewed during the closedown process.

**The reserves policy will be reviewed annually as part of the budget setting process.**

## APPENDIX D: OTHER EARMARKED RESERVES

Directorate	Description	31/03/ 2022 £m	31/03/ 2023 £m	31/03/ 2024 £m	31/03/ 2025 £m	31/03/ 2026 £m
Finance Control	Offshoring	(1.425)	(0.971)	0.000	0.000	0.000
City and Municipal	Speed Camera	0.123	0.083	0.042	0.000	0.000
City and Municipal	Graduate Hub	0.531	0.531	0.531	0.531	0.531
City and Municipal	Invest to Save - Central Admin Buildings	0.363	0.363	0.363	0.363	0.363
City and Municipal	Invest to Save - Commercial Property - Investment Strategy	0.410	0.410	0.410	0.410	0.410
City and Municipal	Invest to Save -Public Hubs	0.356	0.356	0.356	0.356	0.356
City and Municipal	Invest to Save - Work Place Parking Levy	0.285	0.285	0.285	0.285	0.285
City and Municipal	Health & Safety Survey Reserve	1.043	1.043	1.043	1.043	1.043
City Operations	Highways Initiatives	0.557	0.557	0.557	0.557	0.557
City Operations	Sheldon Transport Action Group (VAS Signs)	0.014	0.014	0.014	0.014	0.014
City Operations	Manor Farm Park Barn	0.209	0.209	0.209	0.209	0.209
City Operations	Proceeds of Crime Act (POCA) - Illegal Money Lending Team	0.581	0.581	0.581	0.581	0.581
City Operations	Proceeds of Crime Act (POCA) - Trading Standards	0.493	0.493	0.493	0.493	0.493
City Operations	Hackney Carriages	(0.863)	(0.863)	(0.863)	(0.863)	(0.863)
City Operations	Licensing Entertainment/General	(0.169)	(0.169)	(0.169)	(0.169)	(0.169)
City Operations	Major Events (Subvention)	0.473	0.473	0.473	0.473	0.473
City Operations	POCA Regional Investigation Team	0.001	0.001	0.001	0.001	0.001
City Operations	Old Rep Theatre	0.015	0.015	0.015	0.015	0.015
City Operations	Maintenance of Bereavement Infrastructure Assets	0.057	0.057	0.057	0.057	0.057
City Operations	Localisation - Post COVID Recovery	0.102	0.102	0.102	0.102	0.102
City Operations	Local Grants Vol Organisations/Leader's Portfolio Funding	0.144	0.144	0.144	0.144	0.144
City Operations	Parks Pool Cyclical Maintenance	0.700	0.700	0.700	0.700	0.700
Education & Skills	Youth Promise Plus	0.144	0.000	0.000	0.000	0.000
Education & Skills	Youth Promise Plus	0.289	0.151	0.151	0.151	0.151
Education & Skills	LOB - Archives Development Fund	0.004	0.004	0.004	0.004	0.004
Education & Skills	School Improvement Grant	0.301	0.000	0.000	0.000	0.000
Education & Skills	Wellbeing Grant for Educational Psychology Service.	0.000	0.000	0.000	0.000	0.000
Council Management	ITDS Landing Team	0.270	0.270	0.270	0.270	0.270
Council Management	Benefits Service Transformation	0.907	0.907	0.907	0.907	0.907

Directorate	Description	31/03/ 2022 £m	31/03/ 2023 £m	31/03/ 2024 £m	31/03/ 2025 £m	31/03/ 2026 £m
Council Management	Housing Benefit Subsidy Reserve	8.608	6.608	6.608	6.608	6.608
Council Management	Joint Venture Contribution	1.017	1.017	1.017	1.017	1.017
Council Management	Revenues NNDR Revaluations & Project Developments	2.690	2.690	2.690	2.690	2.690
Council Management	Permanent Loss of Parking Bays (Car Parking Commuted Sums)	0.494	0.494	0.494	0.494	0.494
Council Management	Portfolio Reserve	1.669	1.669	1.669	1.669	1.669
Council Management	Brum Acc 3 Slippage of programme costs	0.000	0.000	0.000	0.000	0.000
Council Management	Business Improvements complaints programme	0.175	0.175	0.175	0.175	0.175
Council Management	Audit - POCA Reserve	0.081	0.061	0.046	0.031	0.016
Council Management	Local Election Costs - Not Assigned	1.020	0.000	0.300	0.600	0.900
Council Management	ERP System Temporary Reserve	3.370	0.000	0.000	0.000	0.000
Council Management	Procurement Training Reserve	0.150	0.000	0.000	0.000	0.000
Council Management	CWG Legacy Programme	1.769	0.000	0.000	0.000	0.000
Council Management	CWG City Operations/ Readiness	2.672	0.000	0.000	0.000	0.000
<b>Grand Total</b>		<b>29.630</b>	<b>18.460</b>	<b>19.675</b>	<b>19.918</b>	<b>20.203</b>

Figures are shown cumulatively

## APPENDIX E: BUDGET RISK

Risk	Mitigation	Existing Reserve/Provision £m	Residual Risk	Maximum Impact over Medium Term Financial Plan £m	Likelihood	Probability weighted medium term potential impact £m
There is a risk of loss of planned Business Rates and associated income from properties not paying the appropriate level of business rates. For 2022/23 collection rates have been assumed at 97% which is higher than the 2021/22 rate of 96% and lower than the pre pandemic rate of 98%.	The Council has employed a company to identify business rates income not being recorded	20	Company actively identifying companies not recorded on the list and therefore not in current baseline. However, pandemic has caused a backlog to accrue at VAO delaying growth to baseline.	40	2%	1
There is a risk of Valuation Office valuation changes to specific categories of buildings reducing BCC's business rates income in year, future years and potentially retrospective.	Mainly such changes are out of the Council's control. Mitigation is around being alerted to live national issues and lobbying when relevant. Any significant sector impact will result in a strong lobby for government to fund the impact.	20	Risk will always remain in the current system. Government has announced it will freeze the business rates multiplier for 2022/23. Any changes of significant scale would affect the whole of local government and would be highly likely to require government support. Currently government has delayed any change for the near future.	40	2%	1
Business Rates Appeals being greater than current assumptions of c5%.	Provision has been made for a prudent level of successful appeals based on historic experience. Additional provision into business rates 22/23 base. Additionally,	20	Impact on appeals could be underestimated. Reserve available to cover.	20	0%	-

Risk	Mitigation	Existing Reserve/Provision £m	Residual Risk	Maximum Impact over Medium Term Financial Plan £m	Likelihood	Probability weighted medium term potential impact £m
	earmarked reserve held to mitigate further impact.					
Economic Downturn – loss of business rates	Growth assumptions in the budget have been reduced to reflect COVID impact and assumed non-collection. Additionally, earmarked reserve held to mitigate impacts on forecasts.	20	There remains considerable uncertainty over the impact of Covid on the local economy and resultant business rates tax base.	164	10%	16
Council Tax growth forecasts are optimistic	Council Tax growth forecasts are based on the Council's approved housing forecasts and plan. Growth has been lowered to reflect the impact of COVID.		The ongoing COVID impact could be understated	21	10%	2
Council Tax collection falls below budgeted levels producing a deficit on the Collection Fund and impact on the following years budget.	The 2022/23 budget includes an increase in collection from 96.6% in 2021/22 to 96.85% in 2022/23. Pre pandemic collection rates were set at 97.1%. So while collection rates are not yet back to pre-pandemic rates they are gradually increasing.		There remains uncertainty around collection in 2022/23.	8	20%	2
Council Tax Support caseload could be underestimated	Council Tax Support caseload is regularly monitored and the increase in the caseload to date as a		There is a risk the caseload could increase further due to the ongoing impact of Covid-19 and the economic uncertainty.	2	10%	0

Risk	Mitigation	Existing Reserve/Provision £m	Residual Risk	Maximum Impact over Medium Term Financial Plan £m	Likelihood	Probability weighted medium term potential impact £m
	result of Covid-19 has been included in the forecast.					
Outcome of the Government Spending Review and Relevant Needs and Resources Review	The Spending Review in October 2021 suggested a 3 year settlement period which would have provided greater certainty for the sector. However, the Provisional Local Government Finance Settlement announced in December 2021 was for 1 year only. This could potentially signal that reforms to local government finance may be taking place in the next year.		Risk has been pushed out beyond 2202/23 based on government announcements during 2021	51	2%	1
Inflation increases at a greater rate than planned.	Generally provided for 2% inflation increase within the budget on expenditure items.		Risk that inflation is higher than budgeted for and will therefore need to call on the Financial Resilience Reserve for funding.	10	10%	1
	Pay award agreed is higher than budgeted for.					
	Contracts that run at a higher rate than the general assumption have been provided for separately in MTFP					

Risk	Mitigation	Existing Reserve/Provision £m	Residual Risk	Maximum Impact over Medium Term Financial Plan £m	Likelihood	Probability weighted medium term potential impact £m
There is a risk that short-term and long-term interest rates rise above budgeted forecast	The Council has taken a more prudent view than commentators over the medium term.		There remains a risk that COVID/Brexit and the general economic position of the country provide a more significant impact than our prudent forecast. December 2021 saw interest rates rise by 0.25%, the first rise since pre pandemic.	16	2%	0
There is a risk that the new PWLB lending rules exclude BCC from accessing PWLB borrowing, and BCC will have to borrow from the market at a higher rate	Capital programme investments have been reviewed to ensure they are not primarily for yield. The Financial Plan sets out clearly a policy of not investing primarily for yield. Any acquisitions will be reviewed against PWLB guidance for compliance		Nil	0		-
There is a risk that invested treasury monies are unable to be returned e.g. Icelandic Banks/BCCI	Adoption of up to date treasury management practices, regular monitoring and advice from external advisors		Low risk	80	5%	4
There is a risk of capital commitments being entered into with revenue implications that are not reflected in the Budget.	All capital commitments must go through existing Council governance processes. Due diligence strengthened during 2021/22.		These decisions could be agreed	75	5%	4

Risk	Mitigation	Existing Reserve/Provision £m	Residual Risk	Maximum Impact over Medium Term Financial Plan £m	Likelihood	Probability weighted medium term potential impact £m
There is a risk in not achieving budgeted capital grants or capital receipts to fund commitment capital schemes which results in increased prudential borrowing.	Property are required to provide a schedule of disposals and regular updates on progress. Progress has been good in 2021/22 with a target of £100m looking achievable.		Disposals for 2022/23 may not be achieved either at all or when expected as the market could be flooded with properties listed for sale.	50	25%	13
There is a risk that the Capital programme overspends in anyone year and additional prudential borrowing is required in the short term	Regular capital monitoring is undertaken, robust budget setting and robust business cases supported by good project delivery.		Due to a history of slippage this risk has a very low likelihood.	5	5%	0
There is a risk of a Cyber-attack that severely disrupts operations or holds the Council to ransom	Investment and resources put into dealing with the cyber threat		The risk remains and other Councils have suffered attacks and financial consequences.	40	20%	8
Delivering the savings programme	A fundamental review of all savings proposals has been undertaken, there are some ambitious plans that need to be in place for the 1st April 2022		Not all listed savings will deliver a full year impact in 2022/23, resulting in a need to utilise some of the budget smoothing reserve.	30	20%	6
There is a risk of demand pressures in Adult Social Care causing an overspend	Annual demography is built into the budget plus additional social care market inflation. Monthly budget monitoring would identify at an early stage any overspend, and mitigations would be expected		There is a residual risk of an Adults overspend not being contained in one year, although in recent years the service has underspent and delivered its savings target. The ongoing long term impact of Covid on the service is still unknown.	80	10%	8

Risk	Mitigation	Existing Reserve/Provision £m	Residual Risk	Maximum Impact over Medium Term Financial Plan £m	Likelihood	Probability weighted medium term potential impact £m
There is a risk of demand pressures in Children's Social Care causing an overspend in the contract payments to BCT as we see a rising number of complex cases	Annual demography is built into the budget plus additional baseline budget sufficiency sum reflected in 22/23 budget refresh. Monthly budget monitoring would identify at an early stage any overspend, and mitigations would be expected		There is a residual risk of a BCT contractual overspend not being contained in one year,	20	20%	4
There is a risk that SEND and Travel Assist continue to overspend.	Work is underway with a CIPFA review to understand the budget in greater detail, with growth of over £19m built into the budget for 2022/23		Given the ongoing budget review work and demand in this service there is a risk that the growth built into the budget is not enough.	20	20%	4
There is a risk based on recent history of City Operations Department not spending within its annual budget	Monthly budget monitoring would identify any overspend and mitigation would be expected.		Given its history of overspending there remains a residual risk in this Directorate.	15	20%	3
There is a risk of Property Services not delivering its income levels budgeted for	The MTFP and Financial Plan have been developed in line with service projections. Monthly budget monitoring would identify any overspend and mitigation would be expected.		However, in the current environment income levels could remain difficult to achieve	20	10%	2
There is a risk that the Highways PFI alternative arrangement will cost significantly more than the current budget provision	Re procurement is taking place now and soft market testing is underway. The service is intending to re-	200	However there remains a residual risk that the Council could be required to provide additional funding	50	50%	25

Risk	Mitigation	Existing Reserve/Provision £m	Residual Risk	Maximum Impact over Medium Term Financial Plan £m	Likelihood	Probability weighted medium term potential impact £m
	procure within existing external funding					
Increased Pension Contributions required	The Council agreed a three-year payment plan with the pension fund to repay the pension deficit, beginning 2020/21. Any movements would be incremental from the current agreed recovery plan.			20	25%	5
Impact of COVID 19 - potential additional cost implications	Currently no Government funding for 2022/23 identified. The last Government funding as tranche 5 allocated in early 2022/23. Any unspent monies will be ring fenced and carried forwards to 2022/23	17.5	Costs exceed the remaining funding and fall on the Council's overall budget.	10	10%	1
Impact of Brexit – potential loss of grant income	There still remains some uncertainty over the Governments replacement of European Grant funding.			5	40%	2
Industrial disputes	Continuing discussions through ACAS			6	25%	2
Exceeding the 5% VAT Partial Exemption limit	Appropriate taxation advice is taken before each decision is taken			40	5%	2
Commonwealth Games: spend exceeds approved budget	Planned total spend is currently within budget and regular financial monitoring continues to take place.			5	20%	1

Risk	Mitigation	Existing Reserve/Provision £m	Residual Risk	Maximum Impact over Medium Term Financial Plan £m	Likelihood	Probability weighted medium term potential impact £m
Major Contract disputes	Ensure contracts are operated in accordance with the agreed Terms and Conditions. Earmarked reserves in place to mitigate impacts.			10	10%	1
Successful Equal Pay disputes	Provision has been set aside for outstanding Equal Pay claims.	270		0	Very Low	-
	Proactive management of claims and widespread awareness of Equal Pay issues taken into account in decision making					
	Account for costs when payments made rather than when claim lodged so unlikely to be any further costs above the Provision already set aside in 2021/22.					
					<b>Total Risk</b>	<b>118</b>
					<b>70% deflator to reflect not all risks will happen at same time</b>	<b>34.5</b>

Risk	Mitigation	Existing Reserve/Provision £m	Residual Risk	Maximum Impact over Medium Term Financial Plan £m	Likelihood	Probability weighted medium term potential impact £m
					General Fund Reserve	38.4
					Financial Resilience Reserve balance at 31 March 2022	114.5

## APPENDIX F: PRESSURES AND INVESTMENT

Ref	Description	Type of Pressure	Categorisation	2022/23 £m	2023/24 £m	2024/25 £m	2025/26 £m
<b>Chief Executive's Office</b>							
CEO01-23	Investment in Programme Management Office and Delivery Unit services	New	Growth	0.750	0.750	0.750	0.750
<b>Total Chief Executive's Office Pressures</b>				<b>0.750</b>	<b>0.750</b>	<b>0.750</b>	<b>0.750</b>

<b>Council Management</b>							
F03	Rephasing of Invest to Save costs and planned repayments for implementation of new HR & Finance system	Existing	Invest to Save	(0.015)	(0.030)	0.072	0.143
FGP003	Reduction in commercial activity relating to the schools catering element of Cityserve	Existing	Growth	0.584	0.799	0.799	0.799
C12	Contribution to CWG Organising Committee (reprofiling within £184m cap)	Existing	CWG	37.342	0.000	0.000	0.000
	Reversal of one-off support for Commonwealth Games (Community Development Fund)	Existing	Growth	(6.000)	(6.000)	(6.000)	(6.000)
CRP007	Enhanced operations for Commonwealth Games	Existing	Growth	5.000	(5.000)	(5.000)	(5.000)
CRP001	CWG Project Team costs	Existing	Growth	(3.439)	(6.533)	(6.533)	(6.533)
FG01-22	Birmingham Audit hosts a contract to recover historic credits from suppliers, and as a result of upcoming system and process changes, these credits will no longer accrue in the same way.	Existing	Growth	0.208	0.208	0.208	0.208
FG05-22	Reversal of temporary support to advertising market previously provided as a Covid relief	Existing	Other	(0.130)	(0.501)	(0.501)	(0.501)
FG06-22	Loss of advertising banner income as a result of Brindley Place and Moathouse car park demolitions	Existing	Growth	0.130	0.130	0.130	0.130
FG08-22	Reversal of previous support to service finance team to support short term costs of interim staff whilst permanent recruitment took place	Existing	Time limited resources	(0.250)	(0.250)	(0.250)	(0.250)
D07	Reduction in net additional cost required to identify additional Business Rates income	Existing	Time limited resources	(0.438)	(0.438)	(0.438)	(0.438)

Ref	Description	Type of Pressure	Categorisation	2022/23 £m	2023/24 £m	2024/25 £m	2025/26 £m
D01-22	Universal Credit is continuing to roll out, meaning that most working age people who would have claimed help for their housing costs through Housing Benefit, now claim this through the DWP/Universal Credit. Funding is needed to protect the Service from a reduction in funding for Housing Benefit work and ensure that citizens continue to receive their entitlement in a timely manner.	Existing	Changes in legislation or regulation	0.500	1.000	1.400	1.400
D02-22	Reversal of temporary support to improve the Council's performance in managing complaints.	Existing	Time limited resources	0.000	(1.200)	(1.200)	(1.200)
D03-22	To ensure our Cyber Security investment keeps pace with the changing threat landscape	Existing	Changes in legislation or regulation	0.722	1.541	(0.529)	(0.529)
PP02-22	Reversal of Chief Executives Delivery Board Funding	Existing	Time limited resources	(1.250)	(1.250)	(1.250)	(1.250)
G09	Repayment of Invest to Save resources linked to specialist support in delivery of EC103b Operational Hubs	Existing	Invest to Save	(0.175)	(0.175)	(0.175)	(0.175)
CM01-23	Loan repayment (ITS) repayment for ICT	Existing	Invest to Save	0.000	0.000	0.000	0.472
CM02-23	Inability to repay reserves due to delay in implementing the integrating transport function	New	Invest to Save	0.028	0.124	0.160	0.136
CM03-23	Investment in Human Resources operating model (per Cabinet approval)	New	Growth	2.999	3.633	3.087	3.167
CM06-23	Increase for postage budget following above inflationary increases	New	Growth	0.437	0.437	0.437	0.437
CM07-23	Investment in Business Support services to support City Operations directorate	New	Other	0.530	0.530	0.530	0.530
CM08-23	Operational Hubs non delivery of savings in 2021/22	New	COVID	0.161	0.000	0.000	0.000
CM09-23	Use of Policy Contingency Reserve- Finance Interim	New	Time limited resources	0.750	0.000	0.000	0.000
CM10-23	<b>Delivery Plan New Ways of Working</b> (per Cabinet approval)	New	Invest to Save	3.715	0.000	0.000	0.000
CM12-23	Elected Members pay increase	New	Growth	0.200	0.200	0.200	0.200

Ref	Description	Type of Pressure	Categorisation	2022/23 £m	2023/24 £m	2024/25 £m	2025/26 £m
CEO01-23	Investment in Programme Management Office and Delivery Unit services	New	Growth	0.708	0.708	0.708	0.708
<b>Total Council Management Pressures</b>				<b>42.317</b>	<b>(12.067)</b>	<b>(14.145)</b>	<b>(13.546)</b>

<b>Strategy, Equalities &amp; Partnerships</b>							
PPP001	Service review to expand existing team to meet service demand and ensure compliance with Equality Act	Existing	Changes in legislation or regulation	0.012	0.026	0.026	0.026
SEP01-23	Revenue implications of approved capital programmes: City Centre Public Realm hostile vehicle measures maintenance costs	Existing	Other	0.000	0.040	0.040	0.040
SEP02-23	Investment in Communications service	New	Growth	0.325	0.325	0.325	0.325
CM11-23	HR - Equalities Review	New	Growth	0.205	0.205	0.205	0.205
<b>Total Strategy, Equalities &amp; Partnerships Pressures</b>				<b>0.542</b>	<b>0.596</b>	<b>0.596</b>	<b>0.596</b>

<b>City Operations</b>							
N01	Sports & Leisure Service - Planned reversal of temporary corporate support	Existing	Time limited resources	(0.028)	(0.289)	(0.419)	(0.837)
N06	Wholesale Markets Business Case- Planned reversal in temporary resources	Existing & New	Time limited resources	(0.003)	(0.003)	(0.003)	(0.003)
NEP002	Pressures within the Markets service relating to the Indoor Market - planned reversal of temporary support	Existing	Time limited resources	(0.110)	(0.220)	(0.220)	(0.220)
NE04-22	Pressures in the Markets service due to loss of income at St Martins & Rag Markets	Existing	COVID	0.000	0.000	(0.152)	(0.152)
NEL004	Selective Licensing Scheme - Reversal of previous corporate funding plus consultation and introduction of a new scheme	Existing	Time limited resources	(0.150)	(0.150)	(0.150)	(0.150)
NEP011	Moseley Road Baths - reduction in the ongoing maintenance requirements	Existing	Time limited resources	(0.025)	(0.050)	(0.050)	(0.050)
NEP021	Reduction in support required to cover reduced internal demand for the Waste Management Garage	Existing	Time limited resources	(0.150)	(0.150)	(0.150)	(0.150)

Ref	Description	Type of Pressure	Categorisation	2022/23 £m	2023/24 £m	2024/25 £m	2025/26 £m
NEP023	Planned reductions for additional hire and repairs & maintenance of Fleet vehicles in the Waste Management Service	Existing	Time limited resources	(0.500)	(2.000)	(2.000)	(2.000)
NEP028	Increased cost of the Coroners Service	Existing	Demography	0.000	0.090	0.090	0.090
NEP038	Planned changes in reinstatement of the Major Events Budget	Existing	Growth	(0.200)	0.050	0.050	0.050
NE01-22	Reversal of temporary support for waste procurement project external legal advice	Existing	Time limited resources	(0.058)	(0.223)	(0.223)	(0.223)
CO01-23	Waste Service contract increase	New	Growth	0.000	0.000	4.500	4.500
CO02-23	St Martins Open market income losses COVID Costs - Per Tracker	New	COVID	0.108	0.108	0.108	0.108
CO03-23	Rag market income losses COVID Costs	New	COVID	0.267	0.267	0.267	0.267
CO04-23	Cleaner Streets	New	Growth	4.100	0.000	0.000	0.000
CO05-23	Coroner's service- post-mortem examinations	New	COVID	0.160	0.160	0.160	0.160
CO06-23	Street scene initiatives	New	Growth	2.772	0.000	0.000	0.000
<b>Total City Operations Pressures</b>				<b>6.183</b>	<b>(2.410)</b>	<b>1.808</b>	<b>1.390</b>

<b>City Housing</b>							
NE10-22	Temporary accommodation rent reduction following review of charges	Existing	Growth	2.487	2.487	2.487	2.487
CH01-23	Temporary accommodation demand pressure	New	Time limited resources	0.400	0.000	0.000	0.000
<b>Total City Housing Pressures</b>				<b>2.887</b>	<b>2.487</b>	<b>2.487</b>	<b>2.487</b>

<b>City and Municipal Development</b>							
G04	Reprofile of saving InReach Housing Programme (saving MYR4/HN11/SN40)	Existing	Non-delivery	(0.095)	(0.113)	0.099	0.145
G05/IGP16	Rephasing implementation of Council Administrative Buildings saving C26 16+	Existing	Non-delivery	(0.372)	(1.262)	(1.262)	(1.262)
IGP07	Reversal of a fixed four-year programme for Health & Safety Compliance in the Corporate Estate	Existing	Time limited resources	0.000	0.000	(1.250)	(1.250)
IGP10	Invest to Save resources and subsequent repayment for specialist support linked to development of the Workplace Parking Levy	Existing	Invest to Save	0.090	(1.185)	(0.270)	(0.270)

Ref	Description	Type of Pressure	Categorisation	2022/23 £m	2023/24 £m	2024/25 £m	2025/26 £m
IGP12	Reduction in the under achievement of commercial property income	Existing	Time limited resources	(0.036)	(0.036)	(0.036)	(0.036)
IG01-22	Revenue implications resulting from the migration of BCC Local Land Charge Data to HM Land Registry Local Land Charges Register	Existing	Changes in legislation or regulation	0.140	0.140	0.140	0.140
IG05-22	Increase in WMCA Transport Levy	Existing	Other	0.000	0.000	2.000	2.000
CMD01-23	Commercial rent Property growth strategy consolidation	New	COVID	1.993	1.993	1.993	1.993
CMD02-23	Route to zero funding	New	Changes in legislation or regulation	0.956	0.000	0.000	0.000
CMD04-23	Increase in ITA Levy	New	Other	0.369	0.369	0.369	0.369
CMD05-23	Disposal programme income loss	New	Growth	2.000	2.000	2.000	2.000
<b>Total City and Municipal Development Pressures</b>				<b>5.045</b>	<b>1.906</b>	<b>3.783</b>	<b>3.829</b>

<b>Education &amp; Skills</b>							
E01	Community Libraries - Self Service: reversal of time-limited funding	Existing	Time limited resources	(0.174)	(0.174)	(0.174)	(0.174)
ESP112	Change in Children's Trust Contract Price due to a reduction in future Pension Contribution Rates	Existing	Pension Fund	0.379	0.379	0.379	0.379
ES01-22	Reversal of funding for 2021/22 Academisation and closure costs of two special schools	Existing	Time limited resources	(3.000)	(3.000)	(3.000)	(3.000)
ES03-22	Reversal of temporary funding to cover World of Work and the Youth Employment Initiative	Existing	Time limited resources	(1.500)	(1.500)	(1.500)	(1.500)
ES05-22	Reversal of temporary support for Strategic Libraries due to Covid	Existing	COVID	(0.076)	(0.076)	(0.076)	(0.076)
ES06-22	Fall out of one year funding for Library of Birmingham maintenance	Existing	Time limited resources	(0.500)	(1.600)	(1.600)	(1.600)
C04-23	Transport - Funding for Young People	New	Growth	1.228	0.000	0.000	0.000
ES01-23	To meet the current funding gap in the Home to School Transport service and address future estimated demand pressures	New	Growth	9.800	3.000	3.000	3.000

Ref	Description	Type of Pressure	Categorisation	2022/23 £m	2023/24 £m	2024/25 £m	2025/26 £m
ES02-23	To address the underfunding of the SEN Assessment and Review (SENAR) service and enable the council to fulfil its statutory functions	New	Time limited resources	12.300	7.000	7.000	7.000
ES03-23	Funding of Business Case for Early Help	New	Invest to save	7.100	7.100	7.100	7.100
ES04-23	Birmingham Children's Trust demographic growth	New	Demography	0.500	0.500	0.500	0.500
ES05-23	Investment in Youth Work	New	Growth	1.000	0.000	0.000	0.000
<b>Total Education &amp; Skills Pressures</b>				<b>27.057</b>	<b>11.629</b>	<b>11.629</b>	<b>11.629</b>

<b>Adult Social Care</b>							
C09	Adult Social Care Packages - Estimated Future Demand Pressures arising from additional service user numbers and increased need.	Existing	Demography	8.500	17.000	25.500	34.000
AD02-22	Reversal of corporate funding for Covid impact re Voluntary Sector contract extension	Existing	COVID	(0.195)	(0.195)	(0.195)	(0.195)
AD03-22	Reversal of temporary funding for Preparation for Adulthood	Existing	Time limited resources	(1.745)	(1.745)	(1.745)	(1.745)
AD01-23	Short term staffing capacity in Financial Assessments Team to carry out financial assessments of those customers who received social care support following hospital discharge during the Covid pandemic.	New	COVID	0.026	0.000	0.000	0.000
AD02-23	Market Sustainability and Fair Cost of Care Fund	New	Changes in legislation or regulation	3.780	0.000	0.000	0.000
AD03-23	Adults transformation programme	New	Invest to Save	3.300	3.400	3.400	3.300
<b>Total Adult Social Care Pressures</b>				<b>13.666</b>	<b>18.460</b>	<b>26.960</b>	<b>35.360</b>

<b>CORPORATE</b>							
C01	Highways Infrastructure Maintenance	Existing	Demography	0.250	0.500	0.750	1.000
C04	Apprenticeship Levy	Existing	Other	0.049	0.093	0.140	0.188
C05	Pension Fund Costs	Existing	Pension Fund	0.090	0.193	0.368	0.504
C07	Reduction in Revenue Cost of Redundancy	Existing	Redundancy	(9.281)	(9.281)	(9.281)	(9.281)
C10	Reversal of temporary funding for essential repairs at the Council House	Existing	Time limited resources	0.500	(0.500)	(0.500)	(0.500)
CRP002	Revenue costs associated with Capital Projects	Existing	Capital	3.752	5.836	5.836	5.836
CRP003	Reversal of HR additional temporary resources	Existing	Time limited resources	(0.300)	(0.300)	(0.300)	(0.300)

Ref	Description	Type of Pressure	Categorisation	2022/23 £m	2023/24 £m	2024/25 £m	2025/26 £m
C02-22	Non delivery of FGS003 - Contract Savings	Existing	Non-delivery	(0.400)	(0.520)	(0.620)	(0.620)
C02-23	Change in historic Business Transformation Costs and Repayments	Existing	Other	(0.176)	0.798	0.826	0.853
C01-23	Consolidation Programme – Transport Workstream (CC105 19+)	New	Non-delivery	0.400	0.400	0.400	0.400
C03-23	Establishment savings	New	Non-delivery	16.678	16.678	16.678	16.678
C05-23	Contingency for future growth	New	Growth	0.000	5.000	5.000	5.000
<b>Total Corporate Pressures</b>				<b>11.562</b>	<b>18.897</b>	<b>19.297</b>	<b>19.758</b>

<b>Total Budget Pressures</b>			<b>110.009</b>	<b>40.248</b>	<b>53.165</b>	<b>62.253</b>
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Figures shown cumulatively

Note: The figures above are stepped changes from the 2021/22 position. Therefore, where pressures or investment reduce, then the numbers are shown as negative numbers

Types of pressures:

Existing- Pressures that have been approved by Full Council previously

New- Pressures that have arisen during the 2022/23 budget process

Category	Definition
Member priorities	Projects that are supported by Members
Invest to save	Investment in services to deliver planned savings in the future. The initial investment is repaid from the savings.
Growth	Increases to the baseline funding of a service

Category	Definition
Time limited resources	Temporary support to services for a fixed period of time. The funding will be reversed after the agreed period.
Changes in legislation or regulation	Costs associated with new burdens
Demography	Costs associated with changing population and increased access to services
Pension fund	Costs associated with pension liabilities
Capital	Additional revenue costs associated with the delivery of specified capital projects/programmes
Non delivery	Costs associated with the non-delivery of savings that had been initially planned for 2021/22 or previous years.
Redundancy	Costs associated with the funding of exits of staff from the organisation
Covid	Pressures arising as a result of the Covid pandemic
Other	Pressures and investments that do not fit into one of the identified categories above.

## APPENDIX G: SAVINGS

Description	New or Existing Saving	Income Generation or Expenditure Reduction	2022/23 £m	2023/24 £m	2024/25 £m	2025/26 £m
<b>Adult Social Care</b>						
<b>CC002 18+ / AD104 18+ Adult Packages of Care</b> This proposal is based on diverting demand for long term services and reducing levels of unmet eligible need. The impact of these savings will be predominantly on the budget for placements/packages of care. The savings will be achieved through a range of actions which include building community assets (neighbourhood networks), working with the Children's Trust and Education to promote better aspirational outcomes for children coming through transitions, implementing a three conversation model of social work and implementing a Day Opportunities Strategy. The proposals aim to: <ul style="list-style-type: none"> <li>• Enable vulnerable people, such as those with learning disabilities or mental health problems, to access services in the community,</li> <li>• Help older people by working more effectively with the NHS, to avoid admissions to hospital in the future,</li> <li>• Increase income from charges to clients by reviewing our existing charging policy</li> <li>• Continue to provide and develop services that reduce the dependency on social care including Early Intervention, Equipment, Home Adaptations and Occupational Therapy services.</li> </ul>	Existing	Expenditure reduction	(0.025)	0.975	0.975	0.975
<b>ASC001 23+ Adults Transformation Programme</b> Savings from reducing demand for care services through building preventative and community models to provide low level, early interventions to help people live independently with minimal statutory support needed. At the programme's core is a strengths-based approach to adult social care provision, focussing on how individuals can lead fulfilling lives and filling in the gaps with support, rather than providing blanket support which invariably results in loss of independence and fulfilment. There are a range of initiatives included, (e.g. increased use of home adaptations, reenabling, review of complex care packages focusing on preparation for adulthood etc.), to ensure all levels and types of need, and all age groups, can be supported in this new way.	New	Expenditure reduction	(3.300)	(7.000)	(12.200)	(12.200)

Description	New or Existing Saving	Income Generation or Expenditure Reduction	2022/23 £m	2023/24 £m	2024/25 £m	2025/26 £m
<b>ASC004 23+ Income Collection</b> A review of historic joint funding and joint commissioning arrangements will result in a one-off increase in recognised income to the Council through reducing the amount needing to be held aside as contingency for bad or incorrect debt.	New	Income Generation	(1.000)	0.000	0.000	0.000
<b>ASC005 23+ Income Generation</b> Generation of additional fees and charges	New	Income Generation	(0.032)	0.000	0.000	0.000
<b>Total Adult Social Care savings</b>			<b>(4.357)</b>	<b>(6.025)</b>	<b>(11.225)</b>	<b>(11.225)</b>
<b>Council Management</b>						
<b>DCS011 20+ Application platform modernisation</b> The Application Platform Modernisation (APM) Portfolio has been established to exit the Capita data centres, upgrade the existing infrastructure and bring the Council back onto supported infrastructure and software platforms. In addition, the APM programme will be introducing modern management tooling in order to streamline the operational delivery of infrastructure and application services. This proposal supports the delivery of the ICT & Digital Strategy and is part of an invest to save initiative to support the transition of services from Capita. There is a full business case already approved which covers all the capital and revenue costs. Some changes to the savings approach reported in Dec 2019, but numbers remain unchanged.	Existing	Expenditure reduction	(1.529)	(1.540)	(1.540)	(1.540)
<b>EC103B 19+ Operational Hub Programme</b> This proposal will result in the effective utilisation of the Council's operational property assets through the creation of a portfolio of fit for purpose public sector hubs and rationalise unsuitable, under-utilised and expensive to operate buildings.  Links to pressure G09	Existing	Expenditure reduction	0.000	(0.161)	(0.215)	(0.215)
<b>CM001 22+ Additional SAP savings</b> Reduced application costs resulting from the change from SAP to Oracle	Existing	Expenditure reduction	(2.000)	(2.000)	(2.000)	(2.000)

Description	New or Existing Saving	Income Generation or Expenditure Reduction	2022/23 £m	2023/24 £m	2024/25 £m	2025/26 £m
<b>CM002 22+ Replacement saving for reduced external legal spend</b> Increased efficiency and improved ways of working generating savings from the Legal Services staffing structure	Existing	Expenditure reduction	(0.100)	(0.100)	(0.100)	(0.100)
<b>CM003 23+ Digital advertising on key assets</b> • The Council owns a number of assets at strategic locations and there is a clear opportunity to generate additional income that can be reinvested into vital services for residents.	New	Income Generation	(0.100)	(0.300)	(0.300)	(0.300)
<b>CM004 23+ Customer Services</b> • The customer service strategy was approved by Cabinet in December 2021 and we will make immediate improvements in some specific areas to deliver savings in the next 12-18months • Some of the initial changes will update IT systems, introduce greater automation and improve administration capacity within services such as bereavement, waste services and the contact centre to allow greater efficiencies and income generation through those services	New	Expenditure reduction	(0.390)	(0.990)	(1.290)	(1.690)
<b>CM005 23+ Existing ICT &amp; Digital Strategy</b> • We have identified opportunities for decommissioning, standardisation, simplification in areas such as infrastructure and applications. • This will reduce cost of ICT and deliver a saving.	New	Expenditure reduction	(0.500)	(0.500)	(0.500)	(0.500)
<b>CM006 23+ Business Support consolidation</b> Continue to roll out the Council's centralised model of Business Support. This will include further reviewing processes to increase efficiency and better utilise technology and automation. This will allow future savings to be realised from a small reduction in staffing costs through vacancy management.	New	Expenditure reduction	(0.055)	(0.055)	(0.055)	(0.055)

Description	New or Existing Saving	Income Generation or Expenditure Reduction	2022/23 £m	2023/24 £m	2024/25 £m	2025/26 £m
<b>CM007 23+</b> Recover supplier credits through reconciliation of supplier statements and identification of duplicate payments	New	Income Generation	(0.100)	(0.100)	(0.100)	(0.100)
<b>CM008 23+</b> Development and commercial - deletion of post and changed funding for another	New	Expenditure reduction	(0.100)	(0.100)	(0.100)	(0.100)
<b>CM009 23+ Legal and Governance - resource and income maximisation</b> <ul style="list-style-type: none"> <li>• Progress multiple opportunities to improve access to/use of grant funding to reduce general fund expenditure</li> <li>• Review current operating model and identify stop-doing/do differently opportunities</li> </ul>	New	Income Generation	(0.900)	(0.900)	(0.900)	(0.900)
<b>CM010 23+</b> Finance Team - reduction in the use of interims to support business as usual activities	New	Expenditure reduction	(0.763)	(0.763)	(0.763)	(0.763)
<b>CM011 23+ HR - resources</b> Refined investment proposals for the new People Services structure to deliver savings whilst ensuring the model improves services for the council	New	Expenditure reduction	(0.523)	(0.523)	(0.523)	(0.523)
<b>CM012 23+ Customer Services / Business Support</b> Further integration and application of technology into the Contact Centre to improve efficiency and ensure best use of resources. Business Support savings will be realised through removal of vacant posts and continued vacancy management. Governance and performance support teams will also be remodelled to improve integration in line with the development of Council Management Directorate.	New	Expenditure reduction	(0.867)	(0.867)	(0.867)	(0.867)
<b>CM013 23+ Information Technology and Digital Service Redesign</b> Changing from the existing process-heavy operating model, to a leaner, more efficient way of working that is centred on users and focusses on the transformation needs of the Council. We will also be reviewing how we manage third party contracts and IT suppliers to reduce our ongoing costs and gain maximum value from those engagements, this will include a full review of business managed IT spend across the Council to maximise opportunities to standardise and decommission obsolete technologies.	New	Expenditure reduction	(2.400)	(2.400)	(2.400)	(2.400)
<b>CM014 23+ Business Improvement - resources</b> The intention is to build a corporate centre that has the right capacity and capability. There are vacancies across various teams that allow us to redesign to create the desired expertise and drive efficiencies by bringing functions together under the Council Management and Strategy, Equalities and Partnership Directorates.	New	Expenditure reduction	(0.157)	(0.157)	(0.157)	(0.157)

Description	New or Existing Saving	Income Generation or Expenditure Reduction	2022/23 £m	2023/24 £m	2024/25 £m	2025/26 £m
<b>CM015 23+ Insurance</b> - reduce contribution to self-insurance fund	New	Expenditure reduction	(0.189)	(0.189)	(0.189)	(0.189)
<b>Total Council Management</b>			<b>(10.673)</b>	<b>(11.645)</b>	<b>(11.999)</b>	<b>(12.399)</b>
<b>Education &amp; Skills</b>						
<b>PL016D 18+ Youth Service</b> Resources released following the payment of pension fund strain costs.	Existing	Expenditure reduction	0.074	0.074	0.074	0.074
<b>ES001 23+ Education &amp; Skills – Improved management of Private Finance Initiative (PFI) contract</b> Reduced costs as a result of improved management of the contract	New	Expenditure reduction	0.000	0.000	(1.074)	(1.224)
<b>ES002 23+ Children's Trust – Family and Friends Care</b> This opportunity focuses on Family & Friends placement finding for every child at risk of need for a care placement. The default position should be to implement an assessment based on legal premise that every child should be able to live with a family member if they cannot live with their parents (Children Act 1989). Placing children with family and friends' carers is believed to provide better outcome for children in care and also represents a cost effective option.	New	Expenditure reduction	0.000	(2.000)	(2.000)	(2.000)
<b>ES003 23+ Children's Trust – Stronger Families Programme</b> This opportunity further develops the ground-breaking Stronger Families programme developed by the Trust through reallocating existing resources. Further reach and expansion of the programme will yield savings through prevention of family breakdown and avoidance of the need for care. Expansion of the programme includes Family Group Conferencing; Edge of Care; Multi-Systemic Therapy; Safer Families; Lifelong Links; Breaking the Cycle; Reunification Project.	New	Expenditure reduction	0.000	(3.000)	(3.000)	(3.000)

Description	New or Existing Saving	Income Generation or Expenditure Reduction	2022/23 £m	2023/24 £m	2024/25 £m	2025/26 £m
<b>ES004 23+ Children's Trust – Tackling Domestic Abuse to Support Families</b> Introducing greater multi-disciplinary focus in the social work teams to enable greater risk management and support to children and families in the community. The Children's Trust has invested in deploying a small number of Domestic Abuse specialists to work alongside social workers and this is already showing positive benefit in terms of assessment, risk management and support, diverting families where appropriate from higher-tariff intervention (Child Protection, Care etc). Increased capacity will increase the reach and enable further diversion and prevention and enable the Trust to broaden the specialist advice to include Adult Mental Health and substance misuse.	New	Expenditure reduction	0.000	(1.000)	(1.000)	(1.000)
<b>ES005 23+ Schools Balances</b> - Saving associated with the repayment of borrowing from schools reserves to fund the historic Children, Young People and Families business Transformation Programme. This repayment period is coming to an end and will generate savings of £272k in 2022/23.	New	Expenditure reduction	(0.272)	(0.600)	(0.600)	(0.600)
<b>ES006 23+</b> Reduced Prudential Borrowing repayment costs	New	Expenditure reduction	(0.388)	(0.388)	(0.388)	(0.388)
<b>ES007 23+</b> Education and Skills Early retirements - Saving resulting from the reducing cost of pensions	New	Expenditure reduction	(0.590)	(0.800)	(1.010)	(1.220)
<b>ES009 23+ Income Generation</b> Generation of additional fees and charges	New	Income Generation	(0.083)	0.000	0.000	0.000
<b>Total Education &amp; Skills savings</b>			<b>(1.259)</b>	<b>(7.714)</b>	<b>(8.998)</b>	<b>(9.358)</b>
<b>City and Municipal Development</b>						
<b>CMD001 23+ CAB Premises - excluding Council House</b> Reduced costs associated with Council Admin Buildings (excluding Lancaster Circus as already accounted for as part of New Ways of Working) and Council House (see CMD002). Saving from operating costs when the buildings are decommissioned and reduced council borrowing by using capital receipts to repay debt following sale.	New	Expenditure Reduction	(1.314)	(3.745)	(4.427)	(4.427)
<b>CMD002 23+ CAB Premises - Council House Commercialisation</b> Income generation through improved commercial offer including banqueting and events.	New	Expenditure Reduction	(0.050)	(0.100)	(0.150)	(0.200)

Description	New or Existing Saving	Income Generation or Expenditure Reduction	2022/23 £m	2023/24 £m	2024/25 £m	2025/26 £m
<b>CMD003 23+ Commercial Property - Lease Event Opportunities</b> Review of commercial property leases – includes rent reviews and extension options	New	Income Generation	(0.600)	(1.200)	(1.200)	(1.200)
<b>CMD004 23+ Commercial Property - Active Investment</b> Additional income through investment in Public Works Loan Board (PWLB) compliant commercial property	New	Income Generation	(2.250)	(4.500)	(4.500)	(4.500)
<b>CMD005 23+ Commercial Property - Blended Approach Investment and Lease Events</b> Additional income generated through a combination of lease reviews and investment as per CMD003 and CMD004 above	New	Income Generation	0.000	(2.500)	(7.500)	(12.500)
<b>CMD006 23+ Net Returns from Commercial Development</b> Additional income through development opportunities on existing City Council land	New	Income Generation	0.000	0.000	0.000	(4.800)
<b>CMD008 23+ Former 'Working for the future Programme' reduction in borrowing costs</b>	New	Expenditure Reduction	(0.800)	(0.800)	(0.800)	(0.800)
<b>CMD009 23+ Recharge of transportation staff time to capital schemes in line with activity</b>	New	Expenditure Reduction	(0.200)	(0.200)	(0.200)	(0.200)
<b>CMD010 23+ Reduced pension contributions to West Midlands growth company due to liability reducing</b>	New	Expenditure Reduction	(0.300)	(0.300)	(0.300)	(0.300)
<b>CMD011 23+ Solar Panels Wind Farm</b> Income generated from the use of appropriate sites as locations for the generation and sale of renewable energy	New	Income Generation	0.000	0.000	(0.200)	(0.200)
<b>CMD012 23+ Income Generation</b> Generation of additional income through review of fees and charges	New	Income Generation	(0.074)	0.000	0.000	0.000
<b>CO003 23+ Street Work permits</b> Align salary expenditure within existing highways teams to rechargeable activity with the permit scheme	New	Income Generation	(0.100)	0.000	0.000	0.000
<b>Total City and Municipal Development savings</b>			<b>(5.688)</b>	<b>(13.345)</b>	<b>(19.277)</b>	<b>(29.127)</b>
<b>City Operations</b>						

Description	New or Existing Saving	Income Generation or Expenditure Reduction	2022/23 £m	2023/24 £m	2024/25 £m	2025/26 £m
<b>SN21 16+ Removal of universal Superloos</b> The saving will be achieved from the gradual expiry of the current external contracts for the provision of public conveniences in some specific locations in the city.	Existing	Expenditure reduction	(0.255)	(0.274)	(0.328)	(0.362)
<b>PL016E 18+ Neighbourhoods and communities - Community</b> The full year impact of the closure and disposal of Newtown Community Centre and retain the revenue saving arising from the generation of the capital receipt; transfer responsibility for the Friends Institute Trust for which BCC is Custodian Trustee to a third party; and let Coronation Play Centre to an external not-for profit organisation.	Existing	Expenditure reduction	0.025	0.025	0.025	0.025
<b>PL118 19+ 20% Reduction in grant to the Active Wellbeing Society</b> The proposal is to reduce the grant to The Active Wellbeing Society (TAWS) over three years from 2020/21 by 20%. 2022/23 is the final year of the three year budget reduction agreed in the 2019/20 budget. The deferred implementation provides time for TAWS to access other sources of funding to enable activity to continue and hopefully increase in the future.	Existing	Expenditure reduction	(0.108)	(0.108)	(0.108)	(0.108)
<b>CO001 23+ Street Lighting Energy Saving</b> Reduce lighting levels and operational timing of street lighting in order to reduce energy use and costs.	New	Expenditure reduction	(0.150)	0.000	0.000	0.000
<b>CO002 23+</b> Increased staff recharge to the Clean Air Zone to align expenditure within parking services and highways with Clean Air Zone related activity	New	Expenditure reduction	(0.050)	0.000	0.000	0.000
<b>CO005 23+</b> Align Highways recharges to Tame Valley Viaduct capital project in line with activity	New	Expenditure reduction	(0.050)	0.000	0.000	0.000
<b>CO007 23+</b> Align Regulation and Enforcement recharge to ringfenced accounts and grant aid in line with activity	New	Expenditure reduction	(0.050)	0.000	0.000	0.000
<b>CO008 23+</b> Align Grounds maintenance recharge to the Housing Revenue Account in line with activity undertaken	New	Income Generation	(0.200)	0.000	0.000	0.000
<b>CO009 23+</b> Capitalise salaries to Alexander Stadium build in line with activity being undertaken	New	Expenditure reduction	(0.040)	0.000	0.000	0.000
<b>CO010 23+</b> Revenue benefit from capitalising the cost of the indoor track at Arena	New	Expenditure reduction	(0.150)	0.000	0.000	0.000
<b>Total City Operations savings</b>			<b>(1.028)</b>	<b>(0.357)</b>	<b>(0.411)</b>	<b>(0.445)</b>

Description	New or Existing Saving	Income Generation or Expenditure Reduction	2022/23 £m	2023/24 £m	2024/25 £m	2025/26 £m
<b>City Housing</b>						
<b>CH001 23+ Increase Shelforce Income</b> Increased sale of, and new model of delivery of, Fire Doors to housing, this will generate increased income to the Council's internal fixtures supplier. This is a beneficial by-product of the requirement to supply greater numbers of these products and not primarily driven by the savings programme	New	Income Generation	(0.200)	(0.200)	(0.400)	(0.400)
<b>CH002 23+ Dispersed rent Income</b> Freezing rents for citizens in temporary accommodation at the 21/22 level will allow the Council to divert the expected loss from a planned reduction in these rents, while citizens themselves will, in the main, see no impact as rent payments are covered by benefits where applicable.	New	Expenditure Reduction	(2.487)	(2.487)	(2.487)	(2.487)
<b>CH003 23+ Reducing / Eradicating B&amp;B Accommodation</b> The Council will take a two-fold approach to removing the reliance on bed and breakfast as temporary accommodation. Firstly, a focus on prevention and outreach work will reduce the demand for temporary accommodation through working with families and individuals before they are on the cusp of eviction/homelessness. Recognising that this preventative approach will take a while to impact on referrals, and that there will always be a level of need for temporary accommodation, the second part of the programme aims to increase capacity in alternative accommodation, including the development of hostel accommodation in surplus council properties and sourcing alternative properties for temporary accommodation use.	New	Expenditure reduction	0.000	(5.500)	(8.900)	(8.900)
<b>Total City Housing</b>			<b>(2.687)</b>	<b>(8.187)</b>	<b>(11.787)</b>	<b>(11.787)</b>
<b>Corporate</b>						
<b>CO001 23+ Release Highways policy contingency for one year</b> Sums identified for Highways in Policy contingency have been released as surplus to requirement	New	Expenditure Reduction	(0.800)	0.000	0.000	0.000

Description	New or Existing Saving	Income Generation or Expenditure Reduction	2022/23 £m	2023/24 £m	2024/25 £m	2025/26 £m
<b>CO002 23+ Localities / Public Hub</b> The creation of a public hub will provide a community hub infrastructure capable of responding early to the needs of citizens, connecting them to wider assets and resources within the locality and across the city while also making it easier for community, voluntary and public sector organisations to participate and access resources. The hub infrastructure will also allow the Council to rationalise internal resources used in the provision of early help. <b>* This saving will be allocated to departments in year</b>	New	Expenditure Reduction	0.000	(2.500)	(2.500)	(2.500)
<b>CO003 23+ BCC Procurement - Category Management</b> <ul style="list-style-type: none"> <li>The Council is seeking to review and assess commercial opportunities from third party contractual spend.</li> <li>A review of third party expenditure has identified there is scope to deliver areas of improved efficiencies and value for money, opportunities include aligning spend, bringing the spend into a formal contractual arrangement or stopping it altogether</li> </ul> <b>* This saving will be allocated to departments in year</b>	New	Expenditure Reduction	(0.970)	(0.970)	(0.970)	(0.970)
<b>CO004 23+ BCC Procurement - Review top 150 contracts</b> <ul style="list-style-type: none"> <li>A review of the Council's highest value supplier spend has identified opportunities to rationalise some contracts and secure greater value for money</li> <li>This approach will be rolled out across all our contracts and with the aim to increase the level of savings that can be achieved through contract review and rationalisation</li> </ul> <b>* This saving will be allocated to departments in year</b>	New	Expenditure Reduction	(0.587)	(0.587)	(0.587)	(0.587)
<b>CO005 23+ BCC Target Operating Model Design Principles - Voluntary workforce savings programme</b> Specific groups of staff will be given the opportunity to reduce hours or retire early; this will drive rapid change in services and reduce the pay bill which is almost half of BCC net budget. <b>* This saving will be allocated to departments in year</b>	New	Expenditure Reduction	(2.000)	(4.000)	(4.000)	(4.000)
<b>CO006 23+ Maximise the use of grant funding</b> <ul style="list-style-type: none"> <li>We will look at the use of grants and other non general fund sources to ensure most effective use of those resources particularly to fund core Council activity</li> </ul> <b>* This saving will be allocated to departments in year</b>	New	Income Generation	(1.000)	(2.000)	(3.000)	(4.000)

Description	New or Existing Saving	Income Generation or Expenditure Reduction	2022/23 £m	2023/24 £m	2024/25 £m	2025/26 £m
<b>CO007 23+ Improvements in Debt Management</b> <ul style="list-style-type: none"> <li>• Review Enforcement Agent arrangements across the Council with a view to undertaking 'in house' activity where it is appropriate to do so'</li> <li>• We will be reviewing our debt management policy with a view to improving collection of money owed to the Council and reducing the level of bad debt and associated bad debt provision at year end</li> </ul> <b>* This saving will be allocated to departments in year</b>	New	Income Generation	(1.000)	(1.900)	(2.400)	(2.900)
<b>CO008 23+ Traded services</b> <ul style="list-style-type: none"> <li>• A number of services generate a fee in return for services provided to both internal and external clients</li> <li>• In a commercial setting most of these services would at minimum be expected to breakeven and be cost neutral to the Council</li> <li>• Some of these traded services still receive a subsidy from the general fund and in the current context this needs to be reviewed with a view to ensuring fees charged for these services cover the full cost of providing these services</li> </ul> <b>* This saving will be allocated to departments in year</b>	New	Expenditure Reduction	(1.600)	(3.100)	(5.100)	(8.000)
<b>CM009 23+ New Ways of Working</b> <ul style="list-style-type: none"> <li>• With most staff fully embracing hybrid working and greater digitalisation of services, the spend on printing, paper and storage has reduced resulting in a saving</li> <li>• We are also improving our IT infrastructure to allow staff to update systems and client information on the go which will save significant staff time going forward.</li> </ul> <b>* This saving will be allocated to departments in year</b>	New	Expenditure Reduction	(1.295)	(1.295)	(1.295)	(1.295)
<b>CMD007 23+</b> Repayment of borrowing following asset disposal resulting in reduced debt management costs	New	Expenditure Reduction	(4.500)	0.000	0.000	0.000
<b>CO010 23+ Corporate Landlord</b> <ul style="list-style-type: none"> <li>• Rationalisation of Council assets and consolidation of the budgets and resources that manage these assets to enable better use of assets and greater cost efficiencies to be realised.</li> </ul> <b>* This saving will be allocated to departments in year</b>	New	Expenditure Reduction	(0.500)	(2.000)	(3.000)	(5.000)

Description	New or Existing Saving	Income Generation or Expenditure Reduction	2022/23 £m	2023/24 £m	2024/25 £m	2025/26 £m
<b>CO011 23+ Automation</b> <ul style="list-style-type: none"> <li>• A number of opportunities for automating business processes have been identified across the Council and some have already implemented.</li> <li>• There is considerable scope to reduce cost and improve efficiency through greater automation and we are putting in place a process to identify and roll out further process automation.</li> </ul> <b>* This saving will be allocated to departments in year</b>	New	Expenditure Reduction	(0.850)	(1.850)	(2.850)	(3.850)
<b>Total Corporate savings</b>			<b>(15.102)</b>	<b>(20.202)</b>	<b>(25.702)</b>	<b>(33.102)</b>
<b>Total savings</b>			<b>(40.794)</b>	<b>(67.475)</b>	<b>(89.399)</b>	<b>(107.443)</b>

Figures are shown cumulatively

Note: The above numbers represent stepped changes to the 2021/22 position. Therefore, where the saving has reduced, the numbers will be shown as a positive number.

## APPENDIX H: COUNCIL TAX

	City Council £m	Fire and Rescue Authority £m	West Midlands Police & Crime Commissioner £m	New Frankley in Birmingham Parish Precept £m	Royal Sutton Coldfield Town Precept £m
City Council Net Budget	759.229 (411.440)				
Less: Business Rates and Top-Up Grant					
<b>Equals: amount required from Collection Fund</b>	<b>347.789</b>				
Plus: estimated deficit in Collection Fund	53.362				
<b>Equals: amount required from Council Taxpayers</b>	<b>401.151</b>	xxxxx	xxxxx	xxxxx	xxxxx
Divided by taxbase (Band D equivalent properties)	258,362	xxxxx	xxxxx	xxxxx	xxxxx
<b>Equals: Band D Council Tax *</b>	<b>1,552.67</b>	xxxxx	xxxxx	xxxxx	xxxxx
Percentage Change in each element of Council Tax	2.99%	xxxxx	xxxxx	xxxxx	xxxxx
<b>Total Band D Council Tax</b>			xxxxx	xxxxx	xxxxx

					New Frankley in Birmingham		Royal Sutton Coldfield	
	City Council £m	Fire and Rescue Authority £m	West Midlands Police & Crime Commissioner £m	Total excl. Parish Precept £m	Parish Precept £m	Parish Total £m	Town Precept £m	Town Total £m
Band								
A	1,035.11	xxxxx	xxxxx	xxxxx	xxxxx	xxxxx	xxxxx	xxxxx
B	1,207.63	xxxxx	xxxxx	xxxxx	xxxxx	xxxxx	xxxxx	xxxxx
C	1,380.15	xxxxx	xxxxx	xxxxx	xxxxx	xxxxx	xxxxx	xxxxx
<b>D</b>	<b>1,552.67</b>	xxxxx	xxxxx	xxxxx	xxxxx	xxxxx	xxxxx	xxxxx
E	1,897.71	xxxxx	xxxxx	xxxxx	xxxxx	xxxxx	xxxxx	xxxxx
F	2,242.75	xxxxx	xxxxx	xxxxx	xxxxx	xxxxx	xxxxx	xxxxx
G	2,587.78	xxxxx	xxxxx	xxxxx	xxxxx	xxxxx	xxxxx	xxxxx
H	3,105.34	xxxxx	xxxxx	xxxxx	xxxxx	xxxxx	xxxxx	xxxxx

**Note: Figures to be updated for the Full Council version when the notifications from preceptors have been received**

## **APPENDIX I: RESPONSE TO PUBLIC ENGAGEMENT**

### **1. Introduction**

The interactive Brum Budget Challenge was introduced as a means of understanding how Birmingham citizens wish the Council's budget to be prioritised to best meet their needs. The challenge contained a series of sliders, which enabled respondents to adjust the amount spent on key services provided by the city or to alter the income generated via chargeable services or Council Tax.

The challenge also served to demonstrate how difficult it is to prioritise services within a limited budget.

The Brum Budget Challenge went live on 2<sup>nd</sup> December and ran to 31<sup>st</sup> December.

### **2. Responses**

2103 people visited the site during this period; 1190 started the challenge and 127 people submitted a budget (11% of those who started the challenge).

The average completion time for those who submitted a budget was 15 minutes and 20 seconds.

Analysis of responses is limited to high level findings only due to the small numbers of budgets submitted.

This was the first time that the Council has made use of a digital tool for engaging with the citizens about budgeting priorities. Further work will be undertaken during 2022, in conjunction with our Equalities and Communication teams, geared towards improving the response rate and ensuring that a wider cross-section of Birmingham citizens can participate and influence future budget allocations.

### **3. Budget Priorities**

Services/functions where the largest percentage of respondents decreased the budget were:

- Core business functions (73.2%)
- Transport, highways and parking (65.4%)
- Culture, leisure, parks and libraries (56.7%)
- Planning & Development (56.7%)

Services/functions where the largest percentage of respondents increased the budget were:

- Children & Young People (66.9%)
- Education & Skills (50.4%)
- Housing & Homelessness (44.1%)

A full break down of responses is as follows:

**Table I.1 Breakdown of responses**

<b>Service area</b>	<b>Budget maintained (as a %of budgets submitted)</b>	<b>Budget increased (as a % of budgets submitted)</b>	<b>Budget decreased (as a % of budgets submitted)</b>	<b>Starting Budget set in app (£m)</b>	<b>Average budget of those submitted (£m)</b>
Adult Social Care	18.9%	31.5%	49.6%	337.400	335.644
Children & Young People	14.2%	66.9%	18.9%	202.500	203.313
Education & Skills	25.2%	50.4%	24.4%	66.200	66.732
Waste Collection & Cleaner Streets	25.2%	23.6%	51.2%	77.700	76.,302
Housing & Homelessness	22.8%	44.1%	33.1%	12.900	12.798
Transport, Highways & Parking	18.1%	16.5%	65.4%	100.100	96.852
Planning & Development	23.6%	19.7%	56.7%	13.000	12.022
Community Safety & Resilience	32.3%	34.6%	33.1%	3.100	3.139
Maintaining Neighbourhoods	26.8%	36.2%	37%	19.600	19.544
Enforcement and Regulation	37.8%	41.7%	20.5%	2.400	2.509
Core Business Functions	17.3%	9.4%	73.2%	68.900	65.098
Culture, Leisure, Parks & Libraries	15%	28.3%	56.7%	54.800	53.322

Please note, limits were placed on the amounts respondents could increase and decrease budgets by so it is difficult to draw any firm conclusions from the amounts budgets were changed by.

#### **4. Responses on Income**

As well as sliders on service budgets, respondents were also able to make changes to income from chargeable services in the budgets they submitted.

For council tax, 44.1% of those who submitted a budget wanted to increase it further than the 2% increase included as a starting point in the challenge, and 55.9% wanted to decrease it.

For the other income options, responses were:

- Garden waste – 45% increased income from this
- Bulky waste – 44% increased income from this
- Car parking – 56% increased income from this
- Parks income (rental) – 40% increased income from this
- Other existing fees and charges – 49% increased income from this

#### **5. Comments**

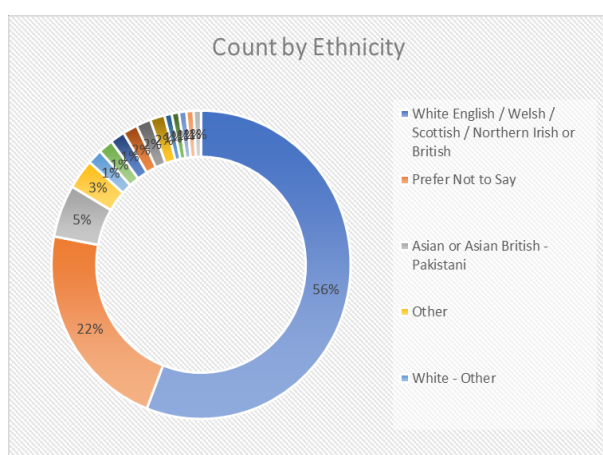
Respondents were given the opportunity to provide comments to explain their budget submission; 72 comments were received.

10 of the comments received gave feedback on the challenge itself. Views were split with 50% finding it an interesting and informative exercise whilst the other 50% expressed frustration with the set up and restrictions in the app (for example service categories used were too high level).

#### **6. Characteristics of respondents**

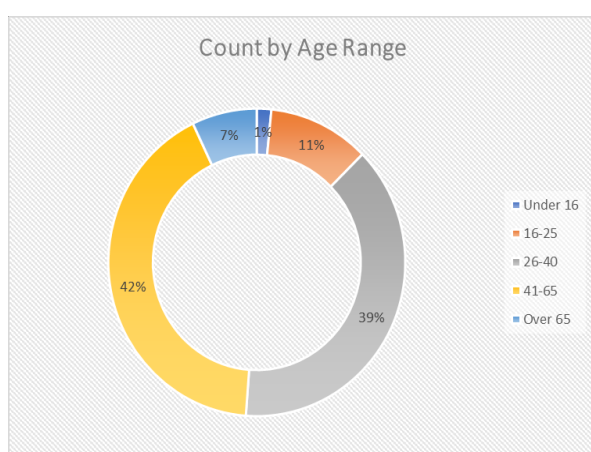
The breakdown of those who submitted a budget is as follows:

**Table I.2 by Ethnicity**



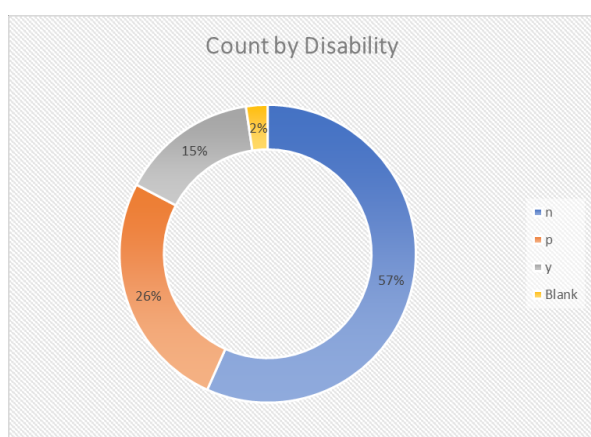
Ethnicity	Count	%
White English / Welsh / Scottish / Northern Irish or British	71	55.9
Prefer Not to Say	28	22.0
Asian or Asian British - Pakistani	7	5.5
Other	4	3.1
White - Other	2	1.6
Asian or Asian British - Indian	2	1.6
White - Irish	2	1.6
Mixed Ethnic - White and Asian	2	1.6
White Gypsy or Irish Traveller	2	1.6
Black or Black British - Caribbean	2	1.6
Mixed Ethnic - White and Black Caribbean	1	0.8
Black or Black British - African	1	0.8
Black or Black British - Other	1	0.8
Mixed Ethnic Group - Other	1	0.8
Asian or Asian British - Bangladeshi	1	0.8

**Table I.3 by Age Range**



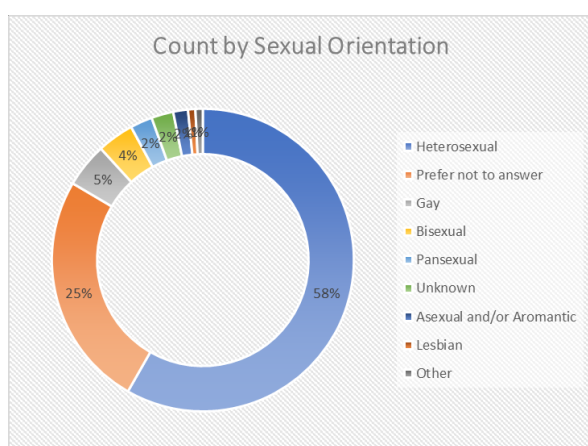
Age Range	Count	%
Under 16	2	1.6
16-25	14	11.0
26-40	49	38.6
41-65	53	41.7
Over 65	9	7.1

**Table I.4 by Disability**



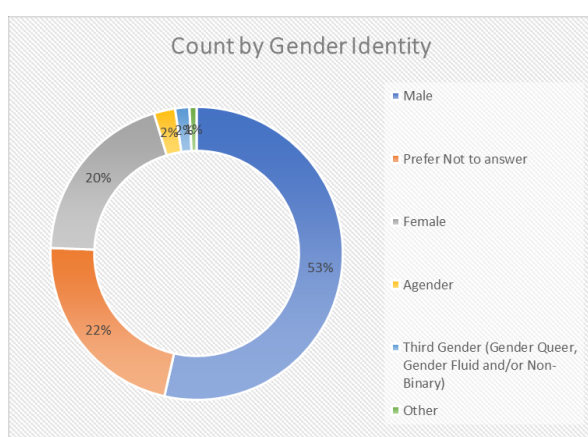
Disability	Count	%
no	72	56.7
Prefer not to say	33	26.0
yes	19	15.0
Blank	3	2.4

**Table I.5 by Sexual Orientation**



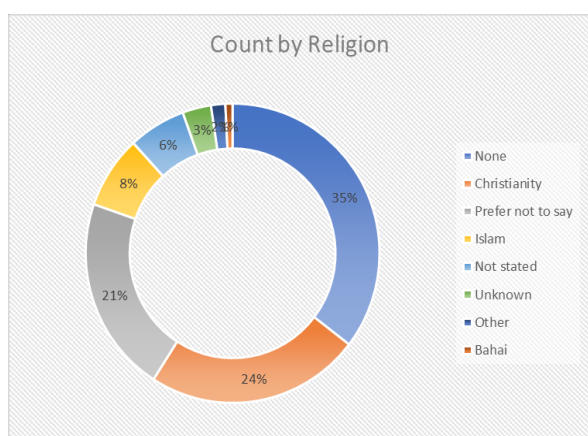
Sexual Orientation	Count	%
Heterosexual	74	58.3
Prefer not to answer	32	25.2
Gay	6	4.7
Bisexual	5	3.9
Pansexual	3	2.4
Unknown	3	2.4
Asexual and/or Aromantic	2	1.6
Lesbian	1	0.8
Other	1	0.8

**Table I.6 by Gender Identity**



Gender Identity	Count	%
Male	68	53.5
Prefer Not to answer	28	22.0
Female	25	19.7
Agender	3	2.4
Third Gender (Gender Queer, Gender Fluid and/or Non-Binary)	2	1.6
Other	1	0.8

**Table I.7 by Religion**



Religion	Count	%
None	45	35.4
Christianity	30	23.6
Prefer not to say	27	21.3
Islam	10	7.9
Not stated	8	6.3
Unknown	4	3.1
Other	2	1.6
Bahai	1	0.8

A break down by ward is not possible as many of those who submitted a budget did not provide their full postcode

## 7. Birmingham's Response

The Council has listened to the views of those who participated in the Budget Challenge and has continued to invest in the 3 key areas where the largest number of respondents have increased budgets. As part of the 2022/23 budget process an extra £41.9m of revenue has been invested in these areas, which builds on previous years of investment to these vital services. This is depicted in the table below.

**Table I.8 Revenue Budget**

Revenue Budget	2020/21 £m	2021/22 £m	Indicative 2022/23 £m
Children & Young People	11.974	21.821	31.423
Housing & Homelessness	4.400	8.010	12.291
Education & Skills	4.700	11.611	39.650

*Numbers shown cumulatively*

In addition, there has been additional capital investment in the areas as follows:

**Table I.9 Capital Budget**

Capital Budget	2020/21 £m	2021/22 £m	Indicative 2022/23 £m
Children & Young People	0.000	1.854	0.000
Housing & Homelessness	80.716	125.393	145.147
Education & Skills	17.739	33.021	45.656

*Annual Investment*

## Summary of Consultation on Budget Proposals

The Leader hosted a Teams event with business rate payers on the 24<sup>th</sup> January to formally consult with them on budget proposals in line with statutory requirements, and to brief them on:

- The Council's priorities and delivery approach
- the financial challenges facing the City Council
- opportunities for economic growth to support the recovery from the Covid-19 pandemic.

The event was also attended by other Cabinet Members and officers.

All business rate payers and Business Improvement Districts representatives were invited to attend. 25 registered to attend although actual participants were lower. No comments were raised, or questions asked at the event.

One comment was raised before the event on business grants and participants were invited to raise questions or comments after the event.

We will consider other means of engagement with business rate payers next year in order to increase participation.

A live Zoom event, hosted by Birmingham Updates, also took place on the evening of the 24<sup>th</sup>. This was attended by the Leader, the Deputy Leader, Cabinet Member for Finance and Resources and the Director of Council Management.

A number of questions were put to the panel covering a wide range of issues, these included:

- Council priorities
- Waste collection and the urban landscape
- Road maintenance and road safety
- Social housing
- Rough sleeping and homelessness
- Commonwealth Games funding
- Brum Breathes and the Clean Air Zone
- Houses in multiple occupation.

## **APPENDIX J: CAPITAL**

The following policies support the Capital Strategy in Chapter 6 above.

### **1. Capital Programme Governance and the Capital Board**

- 1.1. The Capital programme is a resource and expenditure planning tool and does not confer approval for individual budget items to proceed. Individual budgets will not proceed to spend until there has been an executive decision which would normally include 'Gateway' business case appraisals at Strategic Outline Case (capital budget proposal stage), Outline Business Case, and Full Business Case. This process appraises options to deliver desired outputs, sets out the rationale to support the recommended solution, and identifies capital and revenue implications and funding. Account is also taken of the outcome of consultations, equality and risk assessments, and contribution to the Council's strategic objectives.
- 1.2. Revised or additional capital budgets may be approved by Cabinet, within the constraints of the Constitution regarding additional borrowing and the Council's Prudential borrowing limit. This includes Cabinet approval to additional external resources allocated to the Council. It is intended that no substantial increases in prudential borrowing or the use of capital receipts will be agreed outside of the annual budget process.
- 1.3. We carry out regular reviews of the capital programme to ensure the capital programme remains current, given that projects typically extend over several years from initiation. These reviews include scrutinising projects where contracts have not begun or spend is slower than anticipated, to ensure that the capital programme remains current, and that prudential borrowing is not unnecessarily committed. Going forward we will ensure that all approved capital projects will have a two-year longstop date. This means that a new, updated approval will be required where it has not been possible to enter contract within two years of approval.
- 1.4. Strategic oversight of the capital programme will be managed by the Capital Board, including:
  - development of proposals for the capital strategy, capital planning and prioritisation, prior to executive decision
  - review of business cases prior to executive decision
  - monitoring of the capital programme including financial, performance and risks
  - review of capital governance and processes.
- 1.5. CIPFA's Prudential Code and Treasury Management Code have been adopted by the Council.

## **2. General Principles for Capital Planning**

2.1. Some general strategic principles underlie the Council's capital planning. These are to:

- Integrate capital planning into the Council's overall planning over the horizons of the Long Term Financial Plan, Medium Term Financial Plan and annual planning process to ensure that capital planning is delivering the Corporate Plan priorities
- Maximise external funding which supports the Council's priorities, and supplement this with the Council's own resources where appropriate
- Procure the use of capital assets using a robust process for assessing affordability and value for money (the "Gateway" process)
- Work with partners, including the community, businesses and other public bodies, whilst retaining clear lines of accountability and responsibility
- Relate capital resources and planning to asset planning.

## **3. Whole Council Prioritisation of Capital Resources Use**

3.1. All use of capital resources, including capital receipts, will be prioritised across the Council as a whole in relation to the Council's key priorities. The use of all capital receipts will be prioritised through the Council's corporate financial planning process. All previous capital receipt earmarking policies are discontinued unless covered by specific agreements with other organisations (this will not affect existing approved use of capital receipts already identified in the Council's disposals programme or otherwise taken into account in this Financial Plan). It is expected that commercial property portfolio asset sales will be reinvested in the portfolio in order to meet service objectives and to maintain and grow the portfolio income.

## **4. Capital Receipts and Asset Sales**

4.1. All land and buildings which are surplus to existing use will be reviewed under Property and Assets Board arrangements, before any executive decision is made, to ensure the re-use or disposal of the asset provides best value in supporting the Council's objectives. The Council's general policy is that assets will be disposed of for cash at the best market value. Exceptions to this policy should be approved by Cabinet.

4.2. As a general principle, land no longer required for its existing use is be declared surplus so that options about its future use or sale can be reviewed by the Property and Assets Board before proceeding for formal decision. This includes Board consideration of proposals to appropriate land for a different purpose from its existing use, and proposals to sell land and property at less than best price, to ensure that the best value outcome for the Council is obtained in relation to Council priority outcomes.

## **5. Community Asset Transfers**

- 5.1. The Council will encourage community engagement in the operation of properties in support of specific key priorities and may commission Community Asset Transfers (CATs) where appropriate. Third sector organisations will need to have the capabilities to use the assets to provide agreed services, in accordance with arrangements for CATs of property. Sales at less than best price will however reduce the capital receipts available to fund other Council needs and policies. Accordingly, proposed land sale discounts including CATs will be reviewed by the Property and Assets Board before proceeding for formal decision, to ensure that proposals have a strong fit with the Council's key strategic priorities, represent good value for money, and have a good prospect of success. Other properties, and CAT proposals which have been unsuccessful, will proceed for sale on the open market.

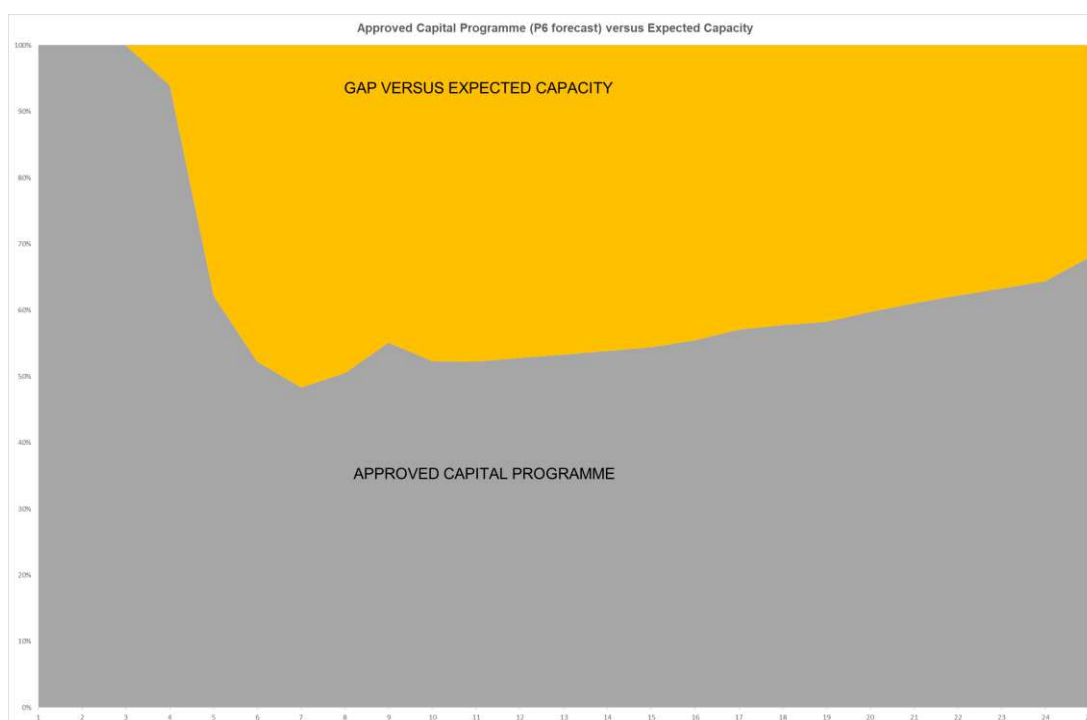
## **6. Prudential Borrowing and Debt**

- 6.1. The Council will use borrowing in accordance with the 'Prudential' system as a tool for delivering policy and managing its finances. Local authorities may borrow to finance capital expenditure, and the affordability of debt is the key constraint. The Council has used the prudential borrowing freedoms actively and successfully to deliver key outcomes for the Council, including investment in regeneration (e.g. Grand Central and the EZ), housing, the Commonwealth Games, and wellbeing facilities.
- 6.2. Prudential borrowing continues to be an important way to fund the Council's own priorities where external funding cannot be obtained. The cost of borrowing will be recharged to the service concerned, where the Council is under a statutory obligation to do so (e.g. the HRA); where the Council has agreed with its partners to do so (e.g. the Enterprise Zone); and where it is good management for borrowing costs to be accounted for as part of an overall project (e.g. where financial or property investments are funded from borrowing). This recognises that borrowing is not a free resource but has a revenue cost.
- 6.3. The Council sets and monitors prudential indicators (including local indicators) to manage its debt exposures. Borrowing costs (including interest and repayment charges) in 2022/23 represent 29.4% of the net revenue budget, or 23.0% of gross income including income from sales, fees, charges and rents. This reflects some growth in the Council's borrowing in recent years, but also reflects the reduction in its income.
- 6.4. In order to ensure that borrowing remains at an affordable and sustainable level, the Council will seek over the medium term to manage its new prudential borrowing for normal service delivery at a level which is close to the amount which it sets aside from the revenue account each year for debt repayment (i.e. MRP). Borrowing for the Commonwealth Games and the Perry Barr Regeneration Scheme is an exception to this policy, but this is mostly planned to be repaid from the disposal of dwellings and land that form a part of the Perry Barr Regeneration Scheme from 2023. This policy requires

careful prioritisation of projects reliant on debt finance, which will be carried out as part of the annual financial planning process.

## 7. 25 Year Capital Plan

- 7.1. Given the importance of optimising long-term capital investment a 25-year capital plan is being developed. This recognises that except for the HRA and Enterprise Zone most capital investment plans are linked to specific projects, which means that the capital programme tails off early and fails to recognise the need for future investment in many areas.
- 7.2. A comparison can then be made between the capital programme and typical borrowing levels, namely the approximately £100m currently amount set aside from the revenue account each year for debt repayment (i.e. MRP) described above. This comparison is illustrated in the chart below, which implies that capital investment will fall to an average of £110m pa in the decade after year 5. Indeed, this decline begins as early as year 3.
- 7.3. However, this is misleading as the capital programme fails to fully reflect future needs.



- 7.4. While the future inevitably brings planning uncertainty the absence of a long-term capital approach makes planning and prioritisation difficult both for individual service areas and the Council as a whole.
- 7.5. We have identified six benefits of a 25-year long term capital plan, aligned with the Council's strategic plans and priorities, to help:
1. Communicate the strategic priorities for the Council.

2. Encourage longer term capital planning across the Council.
  3. Take a longer term view on the future capital requirements for the Council as a result of broader societal changes and trends.
  4. Ensure maintenance, refurbishment and replacement costs for existing assets are adequately budgeted for to ensure efficient and effective use of Council assets.
  5. Identify any affordability and funding gaps early, providing sufficient time to respond and develop alternate strategies.
  6. Provide a framework for future capital planning linked to strategic priorities.
- 7.6. However, to be effective the plan will need to be based on long-term strategic planning rather than purely driven by numbers. Such planning is likely to consider existing assets, both in terms of their condition and future suitability, as well as the need to replace, repurpose or add to them in future. Once services identify the capital needed to deliver the Council's strategic aims this can readily be compared to its investment capacity.

While these identified needs are likely to exceed investment capacity, understanding the future position will enable informed choices and inform medium term decision making.

## J.1 Capital Receipt Flexibility

Directorate	2021/22 £m	2022/23 £m	Details
City Municipal & Development	5.000	10.000	Inclusive Growth - Delivery Plan capacity build
Education & Skills Transformation projects	1.123	0.000	Strengthening Early Intervention in Children Services as well as Technological and Systems improvements to Travel Assist Service. These should reduce demand and produce a more efficient service
City Operations - Transformational initiatives at Household Waste Recycling Centres	0.732	0.000	Transformational initiatives at Household Waste Recycling Centres
Council Management - Business Improvement & Change	1.811	0.000	Various activities undertaken and supported by the PMO and service as a whole
Council Management - Finance Transformation Initiative	1.306	0.000	Implementation of Directorate initiatives and supporting other Directorate projects
Council Management - ICT & D	3.425	6.034	Implementation of the Customer programme, Insight Programme and Cyber security initiatives
Council Management - ICT Savings Proposals	1.287	1.090	Investment in core ICT proposals is an integral part of the programme of transitioning services back into the Council.
Adult & Social Care	3.135	0.000	Early intervention programme, Life Courses project, Eclipse Project and other minor projects
Education & Skills - Travel Assist	0.140	0.000	
Further Transformation / Delivery Plan projects	0.825	0.000	Allowance for further projects that will be identified during the year as the Delivery Plan is implemented. Once identified further capital receipts will be secured to fund them
<b>Total - Revenue Reform Projects from 2021/22 Financial Plan</b>	<b>18.784</b>	<b>17.124</b>	

Directorate	2021/22 £m	2022/23 £m	Details
<b>Schemes To be Approved as part of 2022/23+ Financial Plan</b>	<b>2021/22 £m</b>	<b>2022/23 £m</b>	<b>Details</b>
Council Management - Redundancy Costs including pension strain	0.000	5.000	Cost of change associated with delivering the Council's savings programme.
Council Management - Finance Transformation Initiative	0.341	0.341	Implementation of Directorate initiatives and supporting other Directorate projects
Adult Social Care	0.583	0.583	Senior Manager Time - Transformation Work
Adult Social Care	1.745	1.745	Preparation for Adulthood
Adult Social Care	0.800	0.000	Eclipse Project
Adult Social Care	0.000	0.500	Specialist Impact Team
Education & Skills - Birmingham Children's Trust	1.093	0.000	Practice Hub
City Operations - Waste Management Review	0.068	0.100	Wood Review & HR Restructure
City Operations - Parks & Nature	0.100	0.103	Commercialisation
Council Management – ITDS Staff	4.600	1.000	
Council Management – HR Job Evaluation	0.000	1.700	
Council Management – HR Schools	0.542	0.000	
Further Transformation / Delivery Plan projects	0.000	8.928	
<b>Total – 2022/23 New Revenue Reform Projects</b>	<b>9.872</b>	<b>20.000</b>	
<b>Total Revenue Reform Projects</b>	<b>28.656</b>	<b>37.124</b>	

*N.B. Projects may be accelerated or slipped between financial years.*

## J.2 Capital resources

	2022/23 £m	2023/24 £m	2024/25 £m	2025/26 £m	Total
<b>Specific Resources</b>					
Government Grants & Contributions	141.312	98.379	28.295	20.088	288.074
HRA Revenue Resources & Reserves	74.093	74.305	77.591	73.666	299.655
Other Specific Revenue Resources	20.047	13.795	0.000	0.000	33.842
HRA Capital Receipts	16.640	48.708	35.008	48.233	148.589
<b>Total Specific Resources</b>	<b>252.092</b>	<b>235.187</b>	<b>140.894</b>	<b>141.987</b>	<b>770.160</b>
<b>Corporate Resources</b>					
Prudential Borrowing	217.845	95.806	30.575	23.904	368.130
Earmarked Capital Receipts	61.411	0.361	0.000	0.000	61.772
Other Corporate Resources	0.367	0.000	0.000	0.000	0.367
<b>Total Corporate Resources</b>	<b>279.623</b>	<b>96.167</b>	<b>30.575</b>	<b>23.904</b>	<b>430.269</b>
<b>Total Resources</b>	<b>531.715</b>	<b>331.354</b>	<b>171.469</b>	<b>165.891</b>	<b>1,200.429</b>

Figures are shown annually

### J.3 Capital Grants and Contributions

	2022/23 £m	2023/24 £m	2024/25 £m	2025/26 £m	Total
<b>Government Grants</b>					
Disabled Facilities Grant	9.008	0.000	0.000	0.000	9.008
Schools Capital Maintenance	11.523	0.000	0.000	0.000	11.523
Additional Pupil Places	11.000	12.208	0.000	0.000	23.208
Environment Agency	1.850	1.676	5.937	0.000	9.463
Department for Transport	38.316	44.165	0.000	0.000	82.481
Levelling Up Fund	0.000	16.850	0.000	0.000	16.850
Housing Improvement Grant	5.575	7.163	0.000	0.000	12.738
Integrated Transport Block	5.145	5.145	5.145	4.370	19.805
ERDF	4.291	0.855	0.000	0.000	5.146
Other	1.008	0.000	0.000	0.000	1.008
<b>Total Government Grants</b>	<b>87.716</b>	<b>88.062</b>	<b>11.082</b>	<b>4.370</b>	<b>191.230</b>
<b>Contributions 3rd Party</b>					
Transport & Highways Programmes	8.293	0.825	0.900	0.000	10.018
HRA Developer Contributions	10.022	4.542	16.313	15.718	46.595
Commonwealth Games	2.970	0.000	0.000	0.000	2.970
Other	0.000	0.000	0.000	0.000	0.000
<b>Total Contributions</b>	<b>21.285</b>	<b>5.367</b>	<b>17.213</b>	<b>15.718</b>	<b>59.583</b>
<b>Use of prior year grants</b>	<b>32.311</b>	<b>4.950</b>	<b>0.000</b>	<b>0.000</b>	<b>37.261</b>
<b>TOTAL GRANTS &amp; CONTRIBUTIONS</b>	<b>141.312</b>	<b>98.379</b>	<b>28.295</b>	<b>20.088</b>	<b>288.074</b>

Figures are shown annually

## J.4 Analysis of Prudential Borrowing

	2022/23 £m	2023/24 £m	2024/25 £m	2025/26 £m	Total
<b>Major Self Financed Prudential Borrowing</b>					
Enterprize Zone	24.557	11.518	3.600	14.021	<b>53.696</b>
Fleet & Waste Management	14.288	1.936	9.150	4.883	<b>30.257</b>
Perry Barr Residential Scheme	45.350	13.475	3.003	0.000	<b>61.828</b>
Property Services - Investment Programme	13.089	0.000	0.000	0.000	<b>13.089</b>
Housing Revenue Account	37.417	23.159	8.363	0.000	<b>68.939</b>
Housing Options	1.400	0.000	0.000	0.000	<b>1.400</b>
Housing Development - InReach	3.817	2.520	0.000	0.000	<b>6.337</b>
Transport Highways Major Schemes	4.282	2.417	0.000	0.000	<b>6.699</b>
Capital Loans & Equity	2.041	0.491	0.000	0.000	<b>2.532</b>
ICT & Digital Services	3.342	0.000	0.000	0.000	<b>3.342</b>
SAP Software Upgrade	3.733	0.000	0.000	0.000	<b>3.733</b>
Other	0.669	0.066	0.759	0.000	<b>1.494</b>
<b>Total Capital Projects Self Financed</b>	<b>153.985</b>	<b>55.582</b>	<b>24.875</b>	<b>18.904</b>	<b>253.346</b>
<b>Major Prudential Borrowing with net impact on Council revenue resources</b>					
Fleet & Waste Management	11.970	11.970	0.200	0.000	<b>24.140</b>
Commonwealth Games - Alexander Stadium	5.007	0.000	0.000	0.000	<b>5.007</b>
Commonwealth Games - Organising Committee	3.034	0.000	0.000	0.000	<b>3.034</b>
Corporate Capital Contingency	5.000	5.000	5.000	5.000	<b>20.000</b>
Gateway / Grand Central	0.300	12.691	0.000	0.000	<b>12.991</b>
ERP Implementation	3.097	0.000	0.000	0.000	<b>3.097</b>
Parks & Nature	1.158	1.158	0.000	0.000	<b>2.316</b>
Moseley Road Baths	1.500	1.105	0.000	0.000	<b>2.605</b>

	2022/23 £m	2023/24 £m	2024/25 £m	2025/26 £m	Total
Schools Condition Allocation	3.000	0.000	0.000	0.000	<b>3.000</b>
Schools - Basic Needs Additional Places	16.482	0.000	0.000	0.000	<b>16.482</b>
Community Libraries	0.434	3.000	0.500	0.000	<b>3.934</b>
National Indoor Arena Replacement Track	1.200	0.000	0.000	0.000	<b>1.200</b>
Council House Electrics	9.900	5.100	0.000	0.000	<b>15.000</b>
ICT & Digital Services	1.571	0.150	0.000	0.000	<b>1.721</b>
Other	0.207	0.050	0.000	0.000	<b>0.257</b>
<b>Total Capital Projects requiring revenue resources</b>	<b>63.860</b>	<b>40.224</b>	<b>5.700</b>	<b>0.000</b>	<b>114.784</b>
<b>Total Prudential Borrowing</b>	<b>217.845</b>	<b>95.806</b>	<b>30.575</b>	<b>18.904</b>	<b>368.130</b>

Figures are shown annually

## J.5 Capital Programmes by Scheme

	2022/23 £m	2023/24 £m	2024/25 £m	2025/26 £m	Total
<b><u>COMMONWEALTH GAMES 2022</u></b>					
CWG Alexander Stadium	5.270	0.000	0.000	0.000	5.270
CWG Organising Cttee	6.265	0.000	0.000	0.000	6.265
<b>Total Commonwealth Games 2022</b>	<b>11.535</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>11.535</b>
<b><u>COUNCIL MANAGEMENT</u></b>					
<b><u>Development &amp; Commercial</u></b>					
Gateway/Grand Central Residual Costs	0.300	12.691	0.000	0.000	12.991
Capital Loans & Equity	2.041	0.491	0.000	0.000	2.532
<b>Total Development &amp; Commercial</b>	<b>2.341</b>	<b>13.182</b>	<b>0.000</b>	<b>0.000</b>	<b>15.523</b>
<b><u>Corporately Held Funds</u></b>					
Revenue Reform Projects	36.034	0.000	0.000	0.000	36.034
Corporate Capital Contingency	5.000	5.000	5.000	5.000	20.000
ERP Implementation	3.097	0.000	0.000	0.000	3.097
<b>Total Corporately Held Funds</b>	<b>44.131</b>	<b>5.000</b>	<b>5.000</b>	<b>5.000</b>	<b>59.131</b>
<b><u>SAP Investments</u></b>	<b>3.733</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>3.733</b>
<b><u>ICT &amp; Digital Services</u></b>					
ICT & Digital	6.003	0.150	0.000	0.000	6.153
<b>Total Digital &amp; Customer Services</b>	<b>6.003</b>	<b>0.150</b>	<b>0.000</b>	<b>0.000</b>	<b>6.153</b>
<b>TOTAL COUNCIL MANAGEMENT DIRECTORATE</b>	<b>56.208</b>	<b>18.332</b>	<b>5.000</b>	<b>5.000</b>	<b>84.540</b>

	2022/23 £m	2023/24 £m	2024/25 £m	2025/26 £m	Total
<b><u>CITY OPERATIONS</u></b>					
<b><u>Street Scene</u></b>					
Waste Management Services	26.257	13.908	9.350	0.000	49.515
Parks & Nature Conservation	2.816	1.222	0.000	0.000	4.038
<b>Total Street Scene</b>	<b>29.073</b>	<b>15.130</b>	<b>9.350</b>	<b>0.000</b>	<b>53.553</b>
<b>Private Sector Housing</b>	<b>1.650</b>	<b>0.426</b>	<b>0.000</b>	<b>0.000</b>	<b>2.076</b>
<b><u>Neighbourhoods</u></b>					
Community, Sport & Events	2.700	1.104	0.000	0.000	3.804
Cultural Development	0.150	0.050	0.000	0.000	0.200
<b>Total Neighbourhoods</b>	<b>2.850</b>	<b>1.154</b>	<b>0.000</b>	<b>0.000</b>	<b>4.004</b>
<b><u>Regulation &amp; Enforcement</u></b>					
Markets Services	0.000	0.000	0.759	0.000	0.759
Mortuary/Coroners	0.057	0.000	0.000	0.000	0.057
<b>Total Regulation &amp; Enforcement</b>	<b>0.057</b>	<b>0.000</b>	<b>0.759</b>	<b>0.000</b>	<b>0.816</b>
<b>Highways Infrastructure</b>	<b>3.308</b>	<b>3.201</b>	<b>1.431</b>	<b>4.882</b>	<b>12.822</b>
<b>TOTAL CITY OPERATIONS DIRECTORATE</b>	<b>36.938</b>	<b>19.911</b>	<b>11.540</b>	<b>4.882</b>	<b>73.271</b>
<b><u>CITY HOUSING</u></b>					
Housing Options Service	1.400	0.298	0.000	0.000	1.698
Housing Revenue Account					

	2022/23 £m	2023/24 £m	2024/25 £m	2025/26 £m	Total
Housing Improvement Programme	87.308	74.522	66.163	67.468	295.461
Redevelopment	54.611	82.142	70.461	69.492	276.706
Other Programmes	1.828	1.213	0.650	0.658	4.349
<b>Total Housing Revenue Account</b>	<b>143.747</b>	<b>157.877</b>	<b>137.274</b>	<b>137.618</b>	<b>576.516</b>
<b>TOTAL CITY HOUSING DIRECTORATE</b>	<b>145.147</b>	<b>158.175</b>	<b>137.274</b>	<b>137.618</b>	<b>578.214</b>
<b><u>CITY &amp; MUNICIPAL DEVELOPMENT</u></b>					
<b><u>Planning &amp; Development</u></b>					
<b>Major Projects</b>					
Enterprise Zone - Paradise Circus	3.188	1.790	1.914	0.000	6.892
Enterprise Zone - Other	20.779	6.606	6.568	14.021	47.974
Other Major Projects	3.758	3.953	0.000	0.000	7.711
<b>Total Major Projects</b>	<b>27.725</b>	<b>12.349</b>	<b>8.482</b>	<b>14.021</b>	<b>62.577</b>
<b>Public Realm</b>	<b>0.873</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.873</b>
<b>Infrastructure/Site Enabling Programme</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>
<b>Grants/Loans Programme</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>
<b>Total Planning &amp; Development</b>	<b>28.598</b>	<b>12.349</b>	<b>8.482</b>	<b>14.021</b>	<b>63.450</b>
<b><u>Transport Connectivity</u></b>					
<b>Major Schemes</b>					
Tame Valley Phase 2 & 3	27.542	57.122	0.000	0.000	84.664

	2022/23 £m	2023/24 £m	2024/25 £m	2025/26 £m	Total
A457 Dudley Road	1.762	18.341	0.000	0.000	20.103
Birmingham City Centre Retail Core Public Realm	8.536	0.000	0.000	0.000	8.536
Snowhill Public Realm	1.988	0.926	0.000	0.000	2.914
Other (Major Schemes)	6.728	1.000	1.000	1.000	9.728
<b>Total Major Schemes</b>	<b>46.556</b>	<b>77.389</b>	<b>1.000</b>	<b>1.000</b>	<b>125.945</b>
Brum Breathes & Route To Zero	29.427	5.150	0.200	0.200	34.977
Active Travel	13.465	1.958	2.025	1.000	18.448
Public Transport	2.809	0.100	0.300	0.250	3.459
Infrastructure Development	1.183	1.162	1.620	1.620	5.585
Places for People (Local Neighbourhoods)	1.458	0.525	0.525	0.300	2.808
<b>Total Transport Connectivity</b>	<b>94.898</b>	<b>86.284</b>	<b>5.670</b>	<b>4.370</b>	<b>191.222</b>
<b>Housing Development</b>					
In Reach	3.817	2.520	0.000	0.000	6.337
<b>Total Housing Development</b>	<b>3.817</b>	<b>2.520</b>	<b>0.000</b>	<b>0.000</b>	<b>6.337</b>
<b>Perry Barr Residential Scheme</b>	<b>66.364</b>	<b>13.475</b>	<b>3.003</b>	<b>0.000</b>	<b>82.842</b>
<b><u>Property Services</u></b>					
Property Strategy	22.458	0.000	0.000	0.000	22.458
Council House Major Works	9.900	5.100	0.000	0.000	15.000
<b>Total Property Services</b>	<b>32.358</b>	<b>5.100</b>	<b>0.000</b>	<b>0.000</b>	<b>37.458</b>
<b>TOTAL CITY &amp; MUNICIPAL DEVELOPMENT DIRECTORATE</b>	<b>226.035</b>	<b>119.728</b>	<b>17.155</b>	<b>18.391</b>	<b>381.309</b>

	2022/23 £m	2023/24 £m	2024/25 £m	2025/26 £m	Total
<b><u>EDUCATION AND SKILLS DIRECTORATE</u></b>					
<b><u>Education &amp; Early Years</u></b>					
School Condition Allocations	14.523	0.000	0.000	0.000	14.523
Basic Need - Additional School Places	30.533	12.208	0.000	0.000	42.741
IT Investment	0.600	0.000	0.000	0.000	0.600
<b>Total Education &amp; Early Years</b>	<b>45.656</b>	<b>12.208</b>	<b>0.000</b>	<b>0.000</b>	<b>57.864</b>
<b><u>Skills &amp; Employability</u></b>					
Birmingham Libraries	0.482	3.000	0.500	0.000	3.982
<b>Total Skills &amp; Employability</b>	<b>0.482</b>	<b>3.000</b>	<b>0.500</b>	<b>0.000</b>	<b>3.982</b>
<b>TOTAL EDUCATION &amp; SKILLS DIRECTORATE</b>	<b>46.138</b>	<b>15.208</b>	<b>0.500</b>	<b>0.000</b>	<b>61.846</b>
<b><u>ADULT SOCIAL CARE DIRECTORATE</u></b>					
<b><u>Adult Care &amp; Health</u></b>					
Property Schemes	0.054	0.000	0.000	0.000	0.054
Adults IT	0.653	0.000	0.000	0.000	0.653
Independent Living	9.008	0.000	0.000	0.000	9.008
<b>TOTAL ADULT SOCIAL CARE DIRECTORATE</b>	<b>9.715</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>9.715</b>
<b>TOTAL CAPITAL PROGRAMME</b>	<b>531.715</b>	<b>331.353</b>	<b>171.468</b>	<b>165.891</b>	<b>1,200.429</b>

Figures are shown annually

## J.6 New Capital Schemes

	2022/23 £m	2023/24 £m	2024/25 £m	2025/26 £m	Total
<b><u>COUNCIL MANAGEMENT</u></b>					
<b>Corporately Held Funds</b>					
Flexible Use of Capital Receipts - Revenue Reform	20.000	0.000	0.000	0.000	<b>20.000</b>
Corporate Capital Contingency	0.000	0.000	0.000	5.000	<b>5.000</b>
<b>Total Corporately Held Funds</b>	<b>20.000</b>	<b>0.000</b>	<b>0.000</b>	<b>5.000</b>	<b>25.000</b>
<b>Total Council Management Directorate</b>	<b>20.000</b>	<b>0.000</b>	<b>0.000</b>	<b>5.000</b>	<b>25.000</b>
<b>Total Capital Programme</b>	<b>20.000</b>	<b>0.000</b>	<b>0.000</b>	<b>5.000</b>	<b>25.000</b>
<b>Memorandum Item - Transformation Projects</b>					
Redundancy Costs & Pension Strain	5.000	0.000	0.000	0.000	<b>5.000</b>
Finance Transformation Initiative	0.341	0.000	0.000	0.000	<b>0.341</b>
Adult Social Care - Senior Manager Time re Transformation	0.583	0.000	0.000	0.000	<b>0.583</b>
Adult Social Care - Preparation for Adulthood	1.745	0.000	0.000	0.000	<b>1.745</b>
Adult Social Care - Specialist Impact Team	0.500	0.000	0.000	0.000	<b>0.500</b>
City Operations - Waste Management Review	0.100	0.000	0.000	0.000	<b>0.100</b>
City Operations - Parks & Nature Commercialisation	0.103	0.000	0.000	0.000	<b>0.103</b>
Council Management – ITDS Staff	1.000	0.000	0.000	0.000	<b>1.000</b>
Council Management – HR Job Evaluation	1.700	0.000	0.000	0.000	<b>1.700</b>
Further transformation / Delivery Plan Projects	8.928	0.000	0.000	0.000	<b>8.928</b>
<b>Flexible Use of Capital Receipts Total</b>	<b>20.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>20.000</b>

Figures are shown annually

## J.7 Ten Year summary Capital Programme

	2022/23 Forecast £m	2023/24 Forecast £m	2024/25 Forecast £m	2025/26 Forecast £m	2026/27 Forecast £m	2027/28 Forecast £m	2028/29 Forecast £m	2029/30 Forecast £m	2030/31 Forecast £m	2031/32 Forecast £m	Total Forecast £m
<b>DIRECTORATE:</b>											
<b>COMMONWEALTH GAMES 2022</b>	11.535	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	11.535
<b>COUNCIL MANAGEMENT</b>	56.208	18.332	5.000	5.000	0.000	0.000	0.000	0.000	0.000	0.000	84.540
<b>CITY OPERATIONS</b>	36.938	19.911	11.540	4.882	1.025	0.000	0.000	0.000	0.000	0.000	74.296
CITY HOUSING											
Housing Options	1.400	0.298	0.000	0.000	0.000	0.000	0.329	0.000	1.693	0.000	3.720
HRA	143.747	157.877	137.274	137.618	124.306	110.367	104.316	97.571	102.891	108.445	1,224.412
<b>TOTAL CITY HOUSING</b>	145.147	158.175	137.274	137.618	124.306	110.367	104.645	97.571	104.584	108.445	1,228.132
CITY & MUNICIPAL DEVELOPMENT											
Planning & Development	28.598	12.349	8.482	14.021	11.727	7.168	0.000	0.000	0.000	0.000	82.345
Transport & Connectivity	94.898	86.284	5.670	4.370	3.295	0.000	0.000	0.000	0.000	0.000	194.517
Housing Development	3.817	2.520	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	6.337
Perry Barr Residential Scheme	66.364	13.475	3.003	0.000	0.000	0.000	0.000	0.000	0.000	0.000	82.842
Property Services	32.358	5.100	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	37.458
<b>TOTAL CITY &amp; MUNICIPAL DEVELOPMENT</b>	226.035	119.728	17.155	18.391	15.022	7.168	0.000	0.000	0.000	0.000	403.499
<b>EDUCATION &amp; SKILLS DIRECTORATE</b>	46.138	15.208	0.500	0.000	0.000	0.000	0.000	0.000	0.000	0.000	61.846
<b>ADULT SOCIAL CARE DIRECTORATE</b>	9.715	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	9.715

	2022/23 Forecast £m	2023/24 Forecast £m	2024/25 Forecast £m	2025/26 Forecast £m	2026/27 Forecast £m	2027/28 Forecast £m	2028/29 Forecast £m	2029/30 Forecast £m	2030/31 Forecast £m	2031/32 Forecast £m	Total Forecast £m
<b>TOTAL FORECAST CAPITAL PROGRAMME</b>	<b>531.715</b>	<b>331.354</b>	<b>171.469</b>	<b>165.891</b>	<b>140.353</b>	<b>117.535</b>	<b>104.645</b>	<b>97.571</b>	<b>104.584</b>	<b>108.445</b>	<b>1,873.562</b>

<b>RESOURCES:</b>											
<b>USE OF SPECIFIC RESOURCES:</b>											
Grants & Contributions	141.311	98.380	28.295	20.088	11.649	4.434	0.250	0.250	0.250	0.250	305.157
Use of earmarked Capital Receipts	78.051	49.069	35.008	48.233	23.299	23.591	19.820	11.796	17.547	23.297	329.711
Revenue Contributions - Departmental	20.047	13.794	0.000	0.000	0.000	0.000	0.329	0.000	1.693	0.000	35.863
- HRA (incl reserves & S106)	74.093	74.305	77.591	73.666	93.678	82.343	82.657	85.525	85.094	84.898	813.850
<b>TOTAL SPECIFIC RESOURCES</b>	<b>313.502</b>	<b>235.548</b>	<b>140.894</b>	<b>141.987</b>	<b>128.626</b>	<b>110.368</b>	<b>103.056</b>	<b>97.571</b>	<b>104.584</b>	<b>108.445</b>	<b>1,484.581</b>
<b>USE OF CORPORATE OR GENERAL RESOURCES:</b>											
Corporate Resources	0.368	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.368
Unsupported Prudential Borrowing - Corporate	63.860	40.224	5.700	0.000	0.000	0.000	0.000	0.000	0.000	0.000	109.784
Unsupported Prudential Borrowing - Directorate	153.985	55.582	24.875	23904	11.727	7.167	1.589	0.000	0.000	0.000	278.829
<b>TOTAL CORPORATE RESOURCES</b>	<b>218.214</b>	<b>95.806</b>	<b>30.575</b>	<b>23.904</b>	<b>11.727</b>	<b>7.167</b>	<b>1.589</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>388.981</b>
<b>TOTAL FORECAST USE OF RESOURCES</b>	<b>531.715</b>	<b>331.354</b>	<b>171.469</b>	<b>165.891</b>	<b>140.353</b>	<b>117.535</b>	<b>104.645</b>	<b>97.571</b>	<b>104.584</b>	<b>108.445</b>	<b>1,873.562</b>

Figures are shown annually

## APPENDIX K: REVENUE BUDGET

### Gross Expenditure

	Restated 2021/22 Budget £m	2022/23 Budget £m
<b>Directorate</b>		
Adult Social Care	471.301	505.294
Chief Executive Directorate	0.612	1.326
City Housing	52.445	62.264
City and Municipal Development	154.896	149.760
City Operations	331.386	356.937
Council Management	726.696	767.617
Education & Skills	1,358.380	1,406.642
Strategy Equalities and Partnerships	97.227	108.346
<b>Total Directorate Expenditure</b>	<b>3,192.943</b>	<b>3,358.186</b>
Corporately Managed Budgets	231.731	236.872
Contingencies	(6.447)	18.636
<b>Total Expenditure on Services</b>	<b>3,418.227</b>	<b>3,613.694</b>
Corporate Contribution to Reserves	63.522	(33.627)
Corporate Repayment of Borrowing from Reserves	0.443	8.254
<b>Total General Fund Expenditure</b>	<b>3,482.192</b>	<b>3,588.321</b>
Housing Revenue Account	281.533	287.738
<b>Total Gross Expenditure</b>	<b>3,763.725</b>	<b>3,876.059</b>

## Gross income

	Restated 2021/22 Budget £m	2022/23 Budget £m
<b>Directorate</b>		
Adult Social Care	(132.788)	(147.550)
Chief Executive Directorate	(0.001)	0.000
City Housing	(39.042)	(46.895)
City and Municipal Development	(95.787)	(87.916)
City Operations	(161.251)	(164.255)
Council Management	(674.497)	(675.731)
Education & Skills	(1,066.470)	(1,077.053)
Strategy Equalities and Partnerships	(94.172)	(105.093)
<b>Total Directorate Income</b>	<b>(2,264.008)</b>	<b>(2,304.493)</b>
Corporately Managed Budgets	(114.103)	(119.807)
Contingencies	(10.925)	(7.230)
Corporate Grants	(218.988)	(310.360)
<b>Total Income from Services</b>	<b>(2,608.024)</b>	<b>(2,741.890)</b>
Corporate Contribution to Reserves	(27.396)	(61.632)
Corporate Repayment of Borrowing from Reserves	(18.101)	(25.567)
<b>Total General Fund Income</b>	<b>(2,653.521)</b>	<b>(2,829.089)</b>
Housing Revenue Account	(281.533)	(287.738)
<b>Total Gross Income</b>	<b>(2,935.054)</b>	<b>(3,116.827)</b>

## Net expenditure

	Restated 2021/22 Budget £m	2022/23 Budget £m
Adult Social Care	338.513	357.744
Chief Executive Directorate	0.611	1.326
City Housing	13.403	15.369
City and Municipal Development	59.109	61.844
City Operations	170.135	192.682
Council Management	52.199	91.886
Education & Skills	291.910	329.589
Strategy Equalities and Partnerships	3.055	3.253
<b>Total Directorate Net Expenditure</b>	<b>928.935</b>	<b>1,053.693</b>
Corporately Managed Budgets	117.628	117.065
Contingencies	(17.372)	11.406
Corporate Grants	(218.988)	(310.360)
<b>Total Net Expenditure on Services</b>	<b>810.203</b>	<b>871.804</b>
Corporate Contribution to Reserves	36.126	(95.259)
Corporate Net Borrowing from Reserves	(17.658)	(17.313)
<b>Total General Fund Budget</b>	<b>828.671</b>	<b>759.232</b>
Housing Revenue Account	0.000	0.000
<b>City Council Budget</b>	<b>828.671</b>	<b>759.232</b>

## Analysis of Change

	Base Budget 2021/22 £m	Pay & Price Inflation £m	Budget Pressures & Policy Choices £m	Savings £m	Other items, incl. adjustments between Directorates £m	Base Budget 2022/23 £m
Strategy, Equalities & Partnerships	3.056	0.178	0.542	0.000	(0.522)	3.254
Chief Executive's Office	0.611	0.048	0.750	0.000	(0.083)	1.326
Council Management	52.199	7.248	42.317	(10.673)	0.795	91.886
City Operations	170.135	12.566	6.183	(1.028)	4.825	192.681
City Housing	13.402	1.331	2.887	(2.687)	0.435	15.368
City and Municipal Development	59.109	2.803	5.045	(5.688)	0.574	61.843
Education & Skills	291.911	12.812	25.829	(1.259)	0.297	329.590
Adult Social Care	338.512	11.887	13.666	(4.357)	(1.965)	357.743
<b>Total Directorate Net Expenditure</b>	<b>928.935</b>	<b>48.873</b>	<b>97.219</b>	<b>(25.692)</b>	<b>4.356</b>	<b>1,053.691</b>
Corporately Managed Budgets	117.629	0.000	3.576	(4.500)	0.361	117.066
Contingencies	(17.372)	14.547	9.214	(10.602)	15.619	11.406
Corporate Grants	(218.988)	0.000	0.000	0.000	(91.372)	(310.360)
<b>Total Net Expenditure on Services</b>	<b>810.204</b>	<b>63.420</b>	<b>110.009</b>	<b>(40.794)</b>	<b>(71.036)</b>	<b>871.803</b>
Corporate Use of Reserves	(141.135)	0.000	0.000	0.000	45.876	(95.259)
Corporate Net Borrowing from Reserves	(17.658)	0.000	0.000	0.000	0.345	(17.313)
Contribution to General Balances	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total General Fund Budget</b>	<b>651.411</b>	<b>63.420</b>	<b>110.009</b>	<b>(40.794)</b>	<b>(24.815)</b>	<b>759.231</b>
HRA	0.000	0.000	0.000	0.000	0.000	0.000
<b>City Council Budget</b>	<b>651.411</b>	<b>63.420</b>	<b>110.009</b>	<b>(40.794)</b>	<b>(24.815)</b>	<b>759.231</b>

Made up of:	
Corporately Managed Budgets	20.179
Corporate Use of Reserves	33.167
Corporate Grants	(78.160)
<b>Total</b>	<b>(24.814)</b>

**Note:** figures may include rounding

## APPENDIX L: HRA BUSINESS PLAN

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 1 to 10	Year 30	Year 1 to 30
	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	Total	2051/52	Total
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
<b>HOUSING REVENUE ACCOUNT</b>													
<b>Income</b>													
Rental Income	(264.890)	(271.591)	(278.918)	(285.911)	(292.749)	(299.666)	(306.302)	(312.747)	(319.202)	(325.972)	(2,957.948)	(489.524)	(11,107.545)
Voids	4.389	4.514	4.649	4.791	4.936	5.057	5.182	5.300	5.421	5.547	49.786	8.768	192.216
<b>Net Rental Income</b>	<b>(260.501)</b>	<b>(267.077)</b>	<b>(274.269)</b>	<b>(281.120)</b>	<b>(287.813)</b>	<b>(294.609)</b>	<b>(301.120)</b>	<b>(307.447)</b>	<b>(313.781)</b>	<b>(320.425)</b>	<b>(2,908.162)</b>	<b>(480.756)</b>	<b>(10,915.329)</b>
Service Charges / Other Income	(27.237)	(27.611)	(28.404)	(29.187)	(29.791)	(30.330)	(30.861)	(30.915)	(31.436)	(31.924)	(297.696)	(42.452)	(1,032.588)
<b>Total Revenue Income</b>	<b>(287.738)</b>	<b>(294.688)</b>	<b>(302.673)</b>	<b>(310.307)</b>	<b>(317.604)</b>	<b>(324.939)</b>	<b>(331.981)</b>	<b>(338.362)</b>	<b>(345.217)</b>	<b>(352.349)</b>	<b>(3,205.858)</b>	<b>(523.208)</b>	<b>(11,947.917)</b>
<b>Expenditure</b>													
Repairs	75.394	74.388	75.193	76.679	78.202	79.714	80.886	82.491	84.099	85.782	792.828	127.052	2,914.841
Management	69.668	70.802	72.370	73.972	75.611	77.287	78.999	80.752	82.541	84.372	766.374	131.015	2,909.145
Bad Debt Provision	5.546	5.558	5.635	5.259	3.973	4.185	4.408	4.645	4.896	5.161	49.266	0.000	225.076
Estate Costs	20.534	21.001	21.674	22.221	22.778	23.298	23.829	24.373	24.930	25.499	230.137	40.103	882.384
Capital Financing - Loan Redemption	0.000	0.000	0.000	9.992	10.290	14.182	12.501	11.733	21.013	24.907	104.618	5.723	697.886
Capital Financing - Interest and Other Costs	47.903	49.134	50.711	50.037	49.818	49.770	49.201	49.343	43.144	42.230	481.291	20.938	1,089.416
Contribution to Capital	68.693	73.805	77.090	72.147	76.932	76.503	82.157	85.025	84.594	84.398	781.344	198.377	3,229.169
<b>Total Revenue Expenditure</b>	<b>287.738</b>	<b>294.688</b>	<b>302.673</b>	<b>310.307</b>	<b>317.604</b>	<b>324.939</b>	<b>331.981</b>	<b>338.362</b>	<b>345.217</b>	<b>352.349</b>	<b>3,205.858</b>	<b>523.208</b>	<b>11,947.917</b>
<b>Net (Surplus) / Deficit</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>
<b>CAPITAL ACCOUNT</b>													
<b>Investment</b>													
Housing Improvement Programme	85.136	71.735	60.463	61.199	61.942	62.689	63.497	64.236	65.115	65.941	661.953	85.737	2,182.231
Redevelopment / Clearance	54.611	82.142	70.461	69.492	55.359	40.593	29.665	20.640	28.697	34.832	486.492	51.759	1,350.157
Adaptations and Other Investment	4.000	4.000	6.350	6.927	7.005	7.085	11.154	12.695	9.079	7.672	75.967	83.830	691.557
<b>Total Investment</b>	<b>143.747</b>	<b>157.877</b>	<b>137.274</b>	<b>137.618</b>	<b>124.306</b>	<b>110.367</b>	<b>104.316</b>	<b>97.571</b>	<b>102.891</b>	<b>108.445</b>	<b>1,224.412</b>	<b>221.326</b>	<b>4,223.945</b>
<b>Financing</b>													
Receipts / Grants / Other	(37.637)	(60.913)	(51.821)	(65.471)	(47.374)	(33.864)	(20.570)	(12.546)	(18.297)	(24.047)	(372.540)	(22.949)	(924.249)
New Borrowing	(37.417)	(23.159)	(8.363)	0.000	0.000	0.000	(1.589)	0.000	0.000	0.000	(70.528)	0.000	(70.528)
Contribution from Revenue	(68.693)	(73.805)	(77.090)	(72.147)	(76.932)	(76.503)	(82.157)	(85.025)	(84.594)	(84.398)	(781.344)	(198.377)	(3,229.168)
<b>Total Financing</b>	<b>(143.747)</b>	<b>(157.877)</b>	<b>(137.274)</b>	<b>(137.618)</b>	<b>(124.306)</b>	<b>(110.367)</b>	<b>(104.316)</b>	<b>(97.571)</b>	<b>(102.891)</b>	<b>(108.445)</b>	<b>(1,224.412)</b>	<b>(221.326)</b>	<b>(4,223.945)</b>
<b>Net (Surplus) / Deficit</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>

Figures shown annually

## **APPENDIX M: TREASURY MANAGEMENT STRATEGY**

### **1. Summary**

- 1.1. This appendix sets out the proposed Treasury Management Strategy for 2022/23 given the interest rate outlook and the Council's treasury needs for the year, and in accordance with the Treasury Management Policy at Appendix N.
- 1.2. A balanced strategy is proposed which continues to maintain a significant proportion of short term and variable rate loan debt in order to benefit from low short term interest rates, whilst taking some long term or fixed rate borrowing to maintain an appropriate balance between the risks of fixed rate and variable rate borrowing. The balance between short and long term funding will be kept under review by the Director of Council Management (Section 151 Officer) and will be maintained within the prudential limit for variable rate exposures.
- 1.3. Separate loan portfolios are maintained for the General Fund and the HRA; therefore, separate treasury strategies are set out below where relevant<sup>1</sup>.
- 1.4. The ongoing impact on the UK from coronavirus, expectations for higher interest rates and any post-Brexit trading arrangements will have a major influence on the Council's treasury management strategy for 2022/23.

### **2. Treasury Management Policy and Objectives**

- 2.1. The Treasury Management Policy (Appendix N) sets the Council's objectives and provides a management and control framework for its Treasury Management activities, in accordance with CIPFA's Code of Practice for Treasury Management in the Public Services.
- 2.2. For the Council, the achievement of high returns from treasury activities is of secondary importance compared with the need to limit the exposure of public funds to the risk of loss.
- 2.3. In addition, and due to the growing importance of environmental, social and governance (ESG) issues including climate emergency agendas, the Council will consider ESG factors in the context of its treasury activities.
- 2.4. These objectives must be implemented flexibly in the light of changing market circumstances.

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<sup>1</sup> This Strategy relates to loan debt only. Other debt liabilities relating to PFI and finance leases are not considered in this Strategy and are managed separately. Throughout this Financial Plan, debt and investments are expressed at nominal value, which may be different from the valuation basis used in the statutory accounts.

### 3. Council Borrowing Requirement

- 3.1. The Council's forecast of its required gross loan debt is set out in Table 6.1 in Chapter 6 and is a combination of its new prudential borrowing for capital, reduced by the amounts set aside to repay debt, and short term cashflows. Most of the Council's loan debt is in existing long term loans which mature over periods of up to 40 years or more. The balance of new loans which the Council will need to obtain in each of the next four years is set out in Table M.1:

**Table M.1 Forecast Borrowing Requirement**

	2022/23 £m	2023/24 £m	2024/25 £m	2025/26 £m
Forecast gross loan debt	3,536.600	3,395.800	3,362.200	3,306.100
Forecast treasury investments	(40.000)	(40.000)	(40.000)	(40.000)
<b>Forecast net loan debt</b>	<b>3,496.600</b>	<b>3,355.800</b>	<b>3,322.200</b>	<b>3,266.100</b>
of which:				
forecast long term loans outstanding	2,883.600	2,863.600	2,788.600	2,729.800
Short term investments working balance	(40.000)	(40.000)	(40.000)	(40.000)
Required new/ replacement loan balance	653.000	532.200	573.600	576.300
	<b>3,496.600</b>	<b>3,355.800</b>	<b>3,322.200</b>	<b>3,266.100</b>

Figures shown cumulatively, please note table may contain rounding differences

- 3.2. This strategy sets out how the Council plans to obtain the required new borrowing shown above, by a combination of short term and long term borrowing.
- 3.3. The Council's forecast gross loan debt is due to decrease in forthcoming years. The fall is attributable to lower forecast capital expenditure funded from borrowing and to scheduled debt repayments. If further capital expenditure funded from borrowing is decided on in the future, this will increase the debt levels.
- 3.4. The Council has £71.1m of Lender's Option Borrower's Option (LOBO) loans outstanding. In these loans, the lender has the right to increase the interest rate at certain dates during the loan term, and in this event the Council has the right to repay the loan immediately without penalty. £41.1m of the loans have the potential to be exercised during 2022/23. This would increase the Council's borrowing requirement, but it is considered unlikely that it would happen in the current market environment.
- 3.5. In previous years the Council has repaid some of its LOBO loans early; in May 2019, £30m of LOBO loans held with Commerzbank were repaid. This resulted in a significant saving for the Council and it removed a substantial

amount of LOBO loans from its loan portfolio. The Council will consider further loan restructuring opportunities if they become available and where they provide a cost saving or a reduction in risk.

#### **4. Interest Rate and Credit Outlook**

- 4.1. UK Bank Rate is fundamental for the Council's treasury management activity, in terms of expenditure on loan interest where new loans are taken out and on income received from investments. UK Bank Rate is set by the Bank of England's Monetary Policy Committee (MPC) and their interest rate outlook is influenced by domestic and international economic and political developments.
- 4.2. The UK economy continues to recover from the coronavirus pandemic despite renewed uncertainty from the Omicron variant in December 2021. As a result, the MPC revised down their expectations for 2021 Q4 GDP growth from 1% in November to 0.6% in December. The November Monetary Policy Report had also expected UK GDP to grow by 5% in 2022 and regain its pre-pandemic size in Q1 2022. However significant challenges lie ahead and forecasts may change by the next quarterly report in February 2022.
- 4.3. The resurgence in demand following the various lockdowns in the past year led to an expected rise in inflation. However supply side factors resulting in shortages in the economy have amplified inflationary pressures, especially in the UK as a result of Brexit. Annual CPI inflation was 5.1% in November 2021, the highest it has been in 10 years, with the MPC expecting inflation to peak at around 6% in April 2022 before falling back.
- 4.4. In December 2021, the MPC raised Bank Rate for the first time in 3 years, from 0.10% to 0.25%. The MPC believe transitory factors are feeding longer-term inflationary expectations that will require further modest interest rate rises. Arlingclose, the Council's treasury advisor, has forecast the Bank Rate to rise to 0.50% in Q1 2022 and remain there. Given the level of uncertainty over economic growth the Council has taken a prudent view and has assumed further increase in Bank Rate for the treasury budget by the end of 2022/23.
- 4.5. Upside risks to UK interest rates in 2022/23 include:
- Higher than expected economic growth as the impact of the pandemic eases
  - Higher than expected inflation rates due to the persistence of supply side factors
  - A positive impact from trade arrangements made post-Brexit

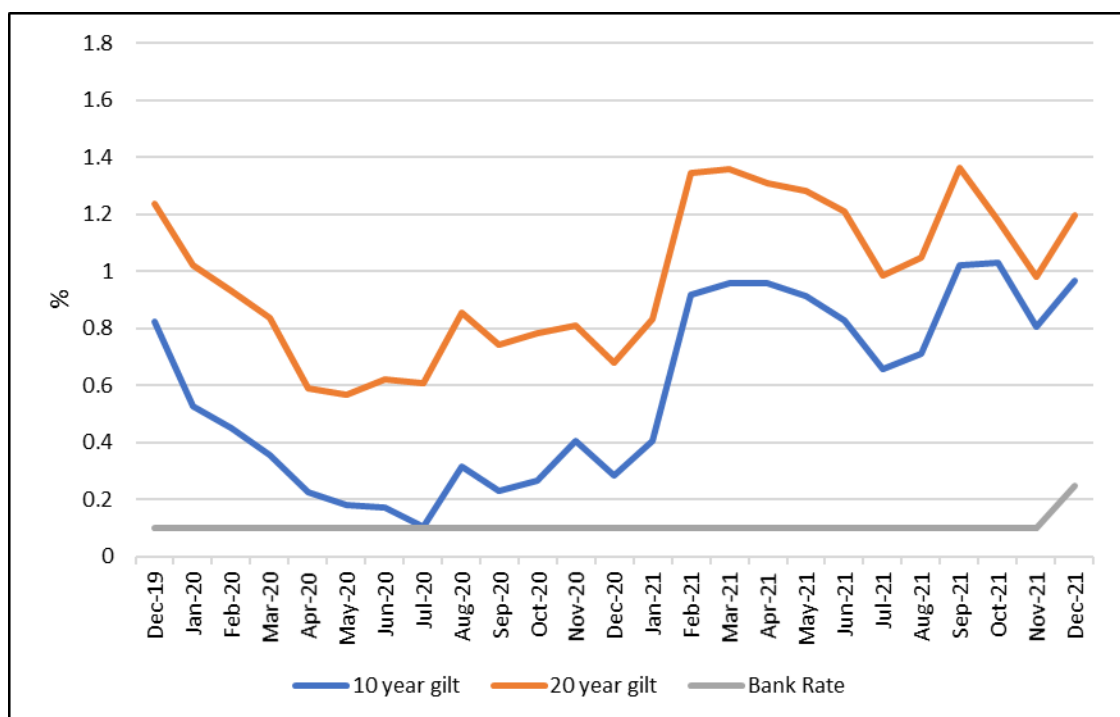
Downside risks to UK interest rates include:

- The effects of coronavirus on global and UK economic recovery remain significant

- UK economic growth falters as household spending comes under pressure from rises in prices and strains on household income.
- Post Brexit trade risks to the UK economy

4.6. Longer term interest rates are typically represented by UK Government Gilt yields. The chart at Figure M.2 shows that Gilt yields fell to record low levels in 2020 with the onset of the global pandemic. Since then gilt yields have risen sharply due to expectations of interest rate rises on the back of longer term inflationary fears. Volatility arising from both economic and political events are likely to continue although yields still remain at near historically low levels.

**Figure M.2 Bank Rate and Gilt Yields**



4.7. The credit outlook for banks relates to their risks for default and became more significant following the 2015 Bank Recovery and Resolution Directive (BRRD). Here a failing bank would need to be 'bailed in' by current investors instead of being 'bailed out' by the Government, thus increasing the risk of loss for local authorities holding unsecured bank deposits.

4.8. Due to better economic growth prospects for the UK, banks are perceived to be in a better position than earlier this year with some institutions able to reduce their provisions for bad loans. Credit ratings agencies have recognised their improved capital positions and upwardly revised the outlook on a number of UK banks. The Council will continue to monitor bank credit worthiness and seek the advice of its treasury advisor, Arlingclose.

## 5. **Borrowing strategy**

- 5.1. The Council's capital investment programme allows it to deliver key priorities such as economic regeneration, transport, housing and school improvements, and to support service transformation. The capital investment programme can be funded from government grants, revenue resources, capital receipts from asset sales and prudential borrowing.
- 5.2. It is appropriate for the Council to borrow to fund its capital expenditure. The Council will receive long term service benefit over a number of years so it should be able to fund the capital expenditure over the years benefits are received.
- 5.3. Although borrowing costs (including interest costs and repayment charges) reflect a substantial investment in capital, the Council will ensure borrowing for the capital programme remains at an affordable and sustainable level. The Council periodically reviews its capital programme and associated prudential borrowing requirements and will reduce this where it can as long as it does not impede the Council's key priorities.
- 5.4. The Council can use capital receipts to repay debt and reduce its borrowing costs in accordance with its MRP Policy (Appendix P). In 2022/23 the Council has planned to use £80m of capital receipts to repay debt which should allow it to make savings in borrowing costs of around £4.5m a year in the following years.
- 5.5. Borrowing costs are also managed by the type of loans the Council takes. As part of its borrowing strategy, the Council has targeted a short term or variable rate loans balance (less than 12 months) of around £500m-£600m, to take advantage of the prevailing low short term borrowing rates. Short term rates reduced significantly in 2021/22 and low rates are expected to continue into 2022/23. It is proposed to continue with a short term loans level of around £500m-£600m, with the balance of the Council's borrowing needs being met through long term borrowing (i.e. for periods of one year or more).
- 5.6. Based on this strategy, the following table summarises, for the Council as a whole, the new long term and short term borrowing proposed to fund the required new or replacement borrowing each year:

**Table M.3 Proposed Borrowing Strategy**

	2022/23 £m	2023/24 £m	2024/25 £m	2025/26 £m
<b>cumulative new borrowing:</b>				
total long term loans	90.000	90.000	90.000	90.000
new short term loans	563.000	442.200	483.600	486.300
<b>Required new/ replacement loan balance</b>	<b>653.000</b>	<b>532.200</b>	<b>573.600</b>	<b>576.300</b>

Figures are shown cumulatively

- 5.7. The strategy results in a forecast for new long term borrowing of £90m in 2022/23. The balance of new long term borrowing does not increase in the following years as the requirement for new loans is lower from 2023/24.
- 5.8. In 2020/21, the Council paid a three year advance pensions payment for which it received a discount; this means there are reduced pensions cash outflows in 2021/22 and 2022/23. If the Council is offered a similar discount in 2023/24, it may choose to make an advanced payment which could be funded by cash balances or a temporary increase in borrowing. The forecast debt figures at Table M.1 do not include future pensions advanced payments as these are yet to be agreed.

## 6. Short term borrowing

- 6.1. The Council's short term borrowing needs are largely met through other local authorities who lend their surplus cash balances at comparatively low rates. Loans from local authorities are deemed to meet the Council's ESG considerations as surplus funds will have been obtained from sources with public service objectives.
- 6.2. The availability of loans from other local authorities can tighten especially at financial year end when authorities have used much of their cash balances. Given the size of its short-term debt portfolio, the Council has sought to diversify its sources of short term borrowing from reliance on the local authority lending market:
- The Council has a Working Capital Facility available with its current bankers should it require loans for a short period.
  - The Council is exploring the possibility of using a short term loan solution offered by the UK Municipal Bond Agency (MBA), in a partnership with the Council's treasury advisors Arlingclose, through the issuance of commercial paper. The MBA Commercial paper proposal is expected to have rates comparable to the local authority lending market and without the risks and administration of issuing commercial paper individually.
- 6.3. Short term and variable rate exposures remain within the 30% prudential limit set out in Appendix Q4.

- 6.4. It should be noted that a possible scenario is that short term and long term interest rates may rise (or are expected to rise) more sharply than currently forecast. A higher level of long term borrowing may be taken if appropriate to protect future years' borrowing costs.

### **Long Term Borrowing**

- 6.5. The main source of long term borrowing for local authorities has been the Public Works Loans Board (PWLB), managed by HM Treasury. At the end of November 2020, the Treasury returned PWLB rates to 0.8% above gilts with the condition that local authorities would not be able to access PWLB loans if their 3 year capital programme included capital expenditure primarily for yield. The Council has not undertaken, nor has plans to undertake, any investments primarily for yield.

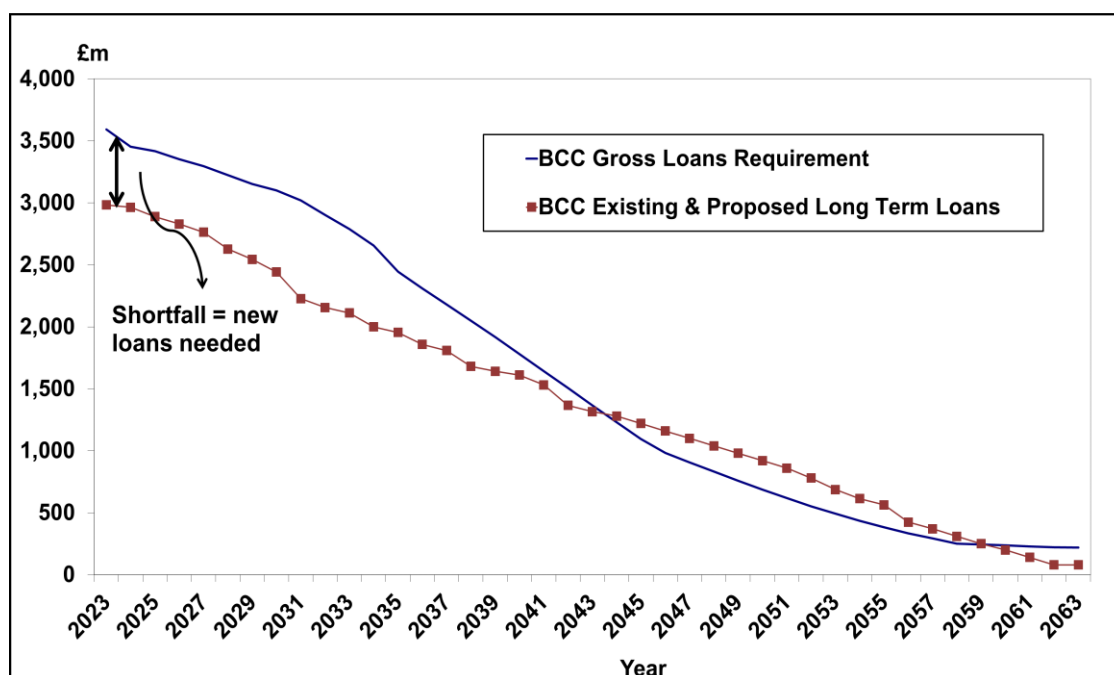
The consequence of the PWLB rate decrease is that it is likely to offer a cheaper and quicker route to borrowing than alternative sources of borrowing, by at least 0.5% based on latest market analysis. For value for money, it is important that the Council continues to meet the PWLB's lending criteria. It is also uncertain how private sector lenders would view the risk profile for Councils that were no longer eligible for PWLB loans.

- 6.6. Nonetheless, the Council will continue to monitor market developments and will seek to use and develop other funding solutions if better value may be delivered. This may include other sources of long term borrowing if the terms are suitable, including listed and private placements, bilateral loans from banks, local authorities or others, Islamic forms of finance and sale and leaseback arrangements.
- 6.7. The Council will also consider forward starting loans from capital markets, where the interest rate is fixed in advance, but the cash is received in later years. The Council may also restructure existing loans and other long term liabilities e.g. by premature repayment and replacement with new loans.
- 6.8. After the PWLB amended its lending terms in November 2020, private debt capital markets were unable to match the PWLB's lower rates. However, more recently, the market has suggested ESG bonds could be competitive when compared to the PWLB, due to a lack of supply and increasing demand from institutional investors. ESG bonds are used to finance projects that support environmental and social goals; Most local authority capital schemes, including significant aspects of Birmingham's capital programme, could be linked to ESG objectives and fit the criteria for an ESG bond.
- 6.9. The Council will consider the use of ESG bonds in sourcing long term borrowing, should they provide better value through lower costs and rates when compared to PWLB borrowing.

### **Liability benchmark**

- 6.10. The Council's loan maturity profile can be compared with the level of loan debt outstanding required by this Financial Plan, as follows:

**Figure M.4 BCC Loans Outstanding vs. Gross Loans Requirement**



- 6.11. The Gross Loans Requirement in Figure M.4 represents the level of outstanding loan debt required by this Financial Plan. It takes account of existing loans outstanding plus planned prudential borrowing; this reduces over time as a result of the Minimum Repayment Provision (MRP) for debt. The difference between the Gross Loans Requirement and Existing & Proposed long term loans represents forecast short term borrowing or investments. The Gross Loans Requirement represents a liability benchmark against which to measure the amount and maturity of required borrowing. In practice, future borrowings would never allow the outstanding loans to reach nil as matured debt is replaced by debt for new capital projects.
- 6.12. The shortfall shown in the chart is planned to be met by a short term loans portfolio of around £500m-£600m, in line with the current strategy (see paragraph 5.5).
- 6.13. The Treasury Management Prudential Limits and Indicators consistent with the above strategy are set out in Appendix Q, including a summary loan debt maturity profile.
- 6.14. The Treasury Management Strategy must be flexible to adapt to changing risks and circumstances. The strategy will be kept under review by the Director of Council Management (S151) in accordance with treasury management delegations.

## 7. HRA and General Fund Treasury Strategies

- 7.1. The Housing Revenue Account (HRA) inherited a largely long term fixed rate debt portfolio at the start of the current HRA finance system in 2012. As a result, the Council is looking to increase the HRA's exposure to short term loans whenever possible. The General Fund and HRA exposures to short term and variable interest rates in accordance with the strategy are as follows:

**Table M.5 Forecast Variable Rate Exposure Based on the Proposed Borrowing Strategy**

	2022/23 £m	2023/24 £m	2024/25 £m	2025/26 £m
<i>(taking account of debt maturities and proposed long term borrowing)</i>				
<b>Housing Revenue Account</b>				
Year end net exposure to variable rates	236.600	288.100	308.500	313.400
Closing HRA net loan debt	1,129.600	1,163.200	1,180.600	1,170.600
Variable exposure % of debt	20.9%	24.8%	26.1%	26.8%
<b>General Fund</b>				
Year end net exposure to variable rates	306.400	189.100	193.900	199.900
Closing General Fund net loan debt	2,367.000	2,192.600	2,141.600	2,095.500
Variable exposure % of debt	12.9%	8.6%	9.1%	9.5%
Year end variable interest rate assumption provided for in the budget	1.00%	1.25%	1.25%	1.25%

Figures are shown cumulatively

Note: the variable rate figures above include long term loans with less than a year to maturity. Potential repayment option calls on LOBO loans are excluded as none are expected in this period.

- 7.2. The variable rate exposure means that a 1% rise in variable rates at the end of 2022/23 would cost an estimated £3.1m per annum for the General Fund and £2.4m per annum for the HRA. However, the budget provides for a potential increase in variable rates (as shown above), which is considered to be prudent in this context.
- 7.3. This strategy therefore acknowledges the risk that maintaining a significant variable rate loan debt may result in increased borrowing costs in the longer term, but balances this against the savings arising from cheaper variable interest rates. The Director of Council Management (Section 151 Officer) will keep the strategy under close review during the year, in the light of the Council's financial position and the outlook for interest rates.

## 8. Treasury Management Revenue Budget

- 8.1. Based on this strategy the proposed budget figures are as follows:

**Table M.6 Treasury Management Revenue Budget**

	2022/23 £m	2023/24 £m	2024/25 £m	2025/26 £m
Net interest costs	128.809	129.839	127.411	128.043
Revenue charge for loan debt repayment	108.067	112.776	117.998	133.314
Other charges	(10.394)	4.182	2.102	1.998
<b>Total</b>	<b>226.482</b>	<b>246.797</b>	<b>247.511</b>	<b>263.355</b>
Met by the HRA	46.705	46.953	47.331	56.507
Met by the General Fund	179.777	199.844	200.180	206.848
<b>Total</b>	<b>226.482</b>	<b>246.797</b>	<b>247.511</b>	<b>263.355</b>

Figures are shown annually, note table may contain rounding differences

- 8.2. The budgeted interest cost in each year reflects a prudent view of borrowing costs and the cost of the additional borrowing in this Financial Plan. Actual interest costs will be affected not only by future interest rates, but also by the Council's cash flows, the level of its revenue reserves and provisions, and any debt restructuring.

## 9. Investment Strategy

- 9.1. The Council has surplus cash to lend only for short periods, as part of day-to-day cashflow management and to maintain appropriate cash liquidity. A month end investment balance of £40m in deposits is used as guidance in order to maintain adequate liquidity to meet uncertain cashflows. Any such surplus cash is invested in high credit quality institutions and pooled investment funds such as Money Market Funds (MMFs). MMFs are expected to continue to form a major part of the cash investment portfolio, as they are able to reduce credit risks in a way the Council cannot do independently, by accessing high quality institutions and spreading the risk more widely.
- 9.2. In terms of the Council's ESG considerations for its investment strategy, MMFs are not typically managed with the explicit or implicit aim of being an ESG or 'ethical' product. MMF managers have varying approaches to ESG incorporation with many preferring active engagement, using their shareholding and voting rights to influence and improve corporate behaviour and responsibility.
- 9.3. The ESG credentials of the MMFs that the Council invests in have been reviewed, based on information provided by individual MMFs. All MMF managers have engaged with ESG as an issue for their investors and the Council will consider those MMFs that show a genuine commitment to incorporate ESG as a source of enhanced financial risk management.

- 9.4. Due to the coronavirus pandemic, Councils experienced increased uncertainty over their cashflows during 2021/22. Central Government had provided significant grants to the Council as it looked to use local authorities to coordinate the support required by the local population in dealing with the financial impact of the pandemic. As a result, the Council held liquid cash balances that far exceeded the guidance of £40m throughout the year. This is unlikely to continue into 2022/23 unless the financial impact of the coronavirus pandemic resumes.
- 9.5. Although the outlook for the UK economy has improved, a degree of uncertainty from the coronavirus pandemic remains; a further economic downturn could force the Bank of England to set Bank Rate at or below zero. This could feed through to negative interest rates on low risk, short term investment options. Since investments cannot pay negative income, negative rates would be applied by reducing the value of investments. In this event, the Council would measure security as receiving the contractually agreed amount at maturity, even though this may be less than the amount originally invested.
- 9.6. Long term investments of one year or more are not currently expected to be appropriate for treasury management purposes, as the Council does not expect to have temporary surplus cash to invest for that length of time.

## **10. Other Treasury Management Exposures and Activities**

- 10.1. During 2021/22, the Council established a Treasury Management Panel consisting of senior Finance Officers and treasury officers at the Council. The Council's Treasury Management Panel meets regularly, usually monthly, and acts as an advisory body, providing guidance, support and scrutiny to decisions made by treasury officers.
- 10.2. The Council has guaranteed the £73m loan debt issued by NEC (Developments) Plc, which since the sale of the NEC Group has been a wholly owned subsidiary of the Council. The value of this liability, due to mature in 2027, is reflected in the Council's own debt and is managed as part of treasury activity.
- 10.3. The Council is a constituent member of the West Midlands Combined Authority (WMCA). Participating authorities share an exposure to any unfinanced revenue losses of WMCA, including debt finance costs. The Council and other member authorities support WMCA's capital investment plans, which include substantial prudential borrowing (subject to revenue funding support). This exposure is managed through the authorities' voting rights in WMCA including approval to its annual revenue and capital budget.

## 11. **Advisers**

- 11.1. Arlingclose Limited are appointed to provide treasury management advice to the Council, including the provision of credit rating and other investment information. Advisers are a useful support in view of the size of the Council's transactions and the pressures on staff time. The Council's contract with Arlingclose is due to expire during 2022/23 so a tender exercise will be undertaken to appoint a treasury management advisor.

## 12. **Prudential Indicators for Treasury Management**

- 12.1. The Council is required under the Local Government Act 2003 and the CIPFA Treasury Management Code to set Prudential Indicators for treasury management. These are presented in Appendix Q4.

## APPENDIX N: TREASURY MANAGEMENT POLICY

### 1. Overview

- 1.1. This appendix sets out the Council's proposed Treasury Management Policy. The policy sets the overall framework and risk management controls which are used in carrying out the Council's borrowing, lending and other treasury activities.

### 2. Statutory Guidance

- 2.1. This Treasury Management Policy, the Treasury Strategy at Appendix M, and the Service and Commercial Investment Strategy at Appendix O, comply with the statutory requirement to have regard to the following Codes and Guidance:

- CIPFA's Code of Practice for Treasury Management in the Public Services (2017)
- CIPFA's Prudential Code for Local Authority Capital Finance (2017)
- The Government Guidance on Local Authority Investments (2018)

The Council has adopted the above Codes.

- 2.2. During 2021 CIPFA undertook extensive consultations on its revised Prudential Code and Treasury Management Code. It published the revised Codes in late December 2021, although the accompanying guidance notes are yet to be published. CIPFA recommended a soft implementation for 2022/23 with full implementation by 2023/24.
- 2.3. The Council already complies with the core principles of the revised Prudential Code and has adopted changes to the Treasury Management Code which it considers to be good practice, such as Environmental, Social and Governance (ESG) risk considerations.

### 3. The Council's Treasury Management Objectives

- 3.1. The Council's treasury management objectives and activities are defined as:

*"The management of the organisation'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."*

- 3.2. Effective treasury management will provide support towards the achievement of the Council's business and service objectives. It is therefore committed to the principles of achieving value for money in treasury management, and to

employing suitable comprehensive performance measurement techniques, within the context of effective risk management<sup>2</sup>.

### **Treasury Management Risks**

- 3.3. The Council attaches a high priority to a stable and predictable charge to revenue from treasury management activities, because borrowing costs form a significant part of the Council's revenue budget. The Council's objectives in relation to debt and investment can be stated more specifically as follows:

*"To assist the achievement of the Council's service objectives by obtaining funding and managing the Council's debt and treasury investments at a net cost which is as low as possible, consistent with a high degree of interest cost stability and a very low risk to sums invested."*

- 3.4. This does not mean that it is possible to avoid all treasury risks, and a balance has to be struck. The main treasury risks which the Council is exposed to include:

- Interest rate risk - the risk that future borrowing costs rise
- Credit risk - the risk of default in a Council investment
- Liquidity and refinancing risks - the risk that the Council cannot obtain funds when needed
- Environmental, Social and Governance (ESG) risks – the risk that the Council's treasury activities negatively impact sustainability and climate change.

- 3.5. The Treasury Management team has suitably qualified and trained staff to actively manage treasury risks within this Policy framework. However, staff resources are limited, and this may constrain the Council's ability to respond to market opportunities or take advantage of more highly structured financing arrangements. External advice and support may also be required. The following activities may for example be appropriate based on an assessment at the time, to the extent that skills and resources are available:

- the refinancing of existing debt
- borrowing in advance of need, and forward-starting loans
- leasing and hire purchase
- use of innovative or more complex sources of funding such as listed bond issues, private placements, ESG bond issues and private placements, commercial paper, Islamic finance, and sale and leaseback structures

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<sup>2</sup> Paragraphs 3.1, 3.2, 3.6 and the final sentence of 4.5 are required by the CIPFA Treasury Management Code

- investing surplus cash in institutions or funds with a high level of creditworthiness, rather than placing all deposits with the Government
- 3.6. The successful identification, monitoring and control of risk are the prime criteria by which the effectiveness of the Council's treasury management activities will be measured. Accordingly, the analysis and reporting of treasury management activities will focus on their risk implications for the organisation, and any financial instruments entered into to manage these risks.
- 3.7. The Council's approach to the management of treasury risks is set out in the rest of this Treasury Management Policy.

#### 4. **Managing Treasury Risks<sup>3</sup>**

##### **Interest Rate Exposures**

- 4.1. It is important for the Council to manage its interest rate exposure due to the risk that changes in the level of interest rates leads to an unexpected burden on the Council's finances. As the Council has and expects to have significant loan balances, rather than investment balances, a rise in interest rates poses greater risks for the Council. As a result, the Council will monitor the impact of a 1% interest rate rise on the General Fund, to ensure that it can adequately protect itself should this or a similar scenario occur.
- 4.2. The stability of the Council's interest costs is affected by the level of borrowing exposed to short term or variable interest rates. Short term interest rates are typically lower, so there can be a trade-off between achieving the lowest rates in the short term and in the long term, and between short term savings and long term budget stability. The Council will therefore limit the amount of the short term debt it holds in order to manage its variable interest rate exposure. The Council will monitor the following amounts for its interest rate exposure:

**Table N.1 Prudential Limits - Interest Rate Exposure**

	% of loan debt (net of investments)			
	2022/23	2023/24	2024/25	2025/26
General Fund impact of an unbudgeted 1% rise in interest rates	£3.1m	£1.9m	£1.9m	£2.0m
Upper limit on net variable rate exposures	30%	30%	30%	30%

Figures are shown annually

- 4.3. The current planned variable rate exposure is set out in the Treasury Management Strategy Appendix M.

<sup>3</sup> Throughout this Financial Plan, debt and investments are expressed at nominal value, which may be different from the amortised cost value required in the statutory accounts.

## **Maturity Profile**

- 4.4. The Council will have regard to forecast Gross Loan Debt in managing the maturity profile. This takes account of forecast cashflows and the effect of MRP (minimum revenue provision for debt repayment) to produce a liability benchmark against which the Council's actual debt maturity profile is managed. Taking this into account the proposed limits are as follows:

**Table N.2 Prudential Limits - Maturity Structure of Fixed Rate Borrowing**

	<b>lower and upper limits:</b>
under 12 months	0% to 30% of gross loan debt
12 to 24 months	0% to 30%
24 months to 5 years	0% to 30%
5 to 10 years	0% to 30%
10 to 20 years	5% to 40%
20 to 40 years	10% to 60%
40 years and above	0% to 40%

## **Policy for Borrowing in Advance of Need**

- 4.5. Government investment guidance expects local authorities to have a policy for borrowing in advance of need, in part because of the credit risk of investing the surplus cash. The Council's policy is to borrow to meet its forecast Net Loan Debt, including an allowance (currently of £40m) for liquidity risks. The Council will only borrow in advance of need where there is a clear business case for doing so and will only do so for the forecast capital programme, to replace maturing loans, or to meet other expected cashflows.
- 4.6. The Council is a substantial net borrower and only has cash to invest for relatively short periods as a result of positive cashflow or borrowing in advance of expenditure. The Council considers all its treasury risks together, taking account of the investment risks which arise from decisions to borrow in advance. Such decisions need to weigh the financial implications and risks of deferring borrowing until it is needed (by which time fixed interest rates may have risen), against the cost of carry and financial implications of reinvesting the cash proceeds until required. This will be a matter of treasury judgement at the time, within the constraints of this policy, and treasury management delegations.

## **5. Investment Policy: All Investments**

5.1. The CIPFA Prudential and Treasury Codes recommend that authorities' capital strategies should include a policy and risk management framework for all investments. The Codes identify three types of local authority investment:

- Treasury management investments, which are taken to manage cashflows and as part of the Council's debt and financing activity
- Commercial investments (including investment properties), which are taken mainly to earn a positive net financial return
- Service investments, which are taken mainly to support service outcomes

The Government's investment guidance strengthens the management and reporting framework relating to commercial and service investments.

## **6. Investment Policy: Service and Commercial Investments**

6.1. Service and commercial investments are taken out for different reasons from treasury management investments. The Council's strategy for such investments, including commercial property investments, is set out in Appendix O.

## **7. Investment Policy: Treasury Management Investments**

7.1. The Council's cashflows and treasury management activity will generally result in temporarily surplus cash to be invested. The following paragraphs set out the Council's policy for these 'treasury management' investments.

7.2. The investment of temporarily surplus cash results in credit risk, i.e. the risk of loss if an investment defaults. In accordance with Government investment guidance, the Council distinguishes between:

- 'Specified Investments' which mature within 12 months and have a 'high credit quality' in the opinion of the authority
- 'Non-specified Investments' which are long term investments (i.e. maturing in 12 months or more), or which do not have such high credit quality. The Government views these as riskier. Such investments require more care, and are limited to the areas set out in the policy for Non-specified Investments below

7.3. Low investment risk is a key treasury objective, and in accordance with Government and CIPFA guidance, the Council will seek a balance between investment risk and return that prioritises security and liquidity as more important than achieving a high return. The Council will also consider secured forms of lending such as covered bonds, but these instruments are not generally available for short term and smaller size deposits.

- 7.4. The Council seeks to be a responsible investor and will consider ESG factors within the relatively narrow scope of its investments. The Council makes few if any investments in listed equities or bonds and will seek to avoid investment in companies whose business do not have regard to ESG objectives.
- 7.5. The Council will continue to make deposits only with institutions having high credit quality as set out in the Lending Criteria table below. The main criteria and processes which deliver this are set out in the following paragraphs.

### **Specified Investments**

- 7.6. The Council will limit risks by applying lending limits and criteria for 'high credit quality' as shown in Table N.3; these limits have been set by the Council in consultation with Treasury advisors.

**Table N.3 Lending Criteria**

<b>'Specified' short term loan investments (all in Sterling)</b>	<b>Minimum Short term rating*</b>	<b>Minimum Long term rating*</b>	<b>Maximum investment per counterparty</b>
Banks (including overseas banks) and Building Societies	F1+ /A1+ /P1	AA- /AA- /Aa3	£25m
	F1+ /A1+ /P1	A- / A- /A3	£20m
	F1 /A1 /P1	A- / A- /A3	£15m
	F2 /A2 /P2	BBB+ /BBB+ /Baa1	£10m
Sterling commercial paper and corporate bonds	F1+ /A1+ /P1	A- / A- /A3	£15m
Sterling Money Market Funds (short term and Enhanced)	AAA (with rating indicating lowest level of volatility where applicable)		£40m
Local authorities	n/a	n/a	£25m
UK Government and supranational bonds	n/a	n/a	None
UK Nationalised Banks and Government controlled agencies	n/a	n/a	£25m
Secured investments including repo and covered bonds	Lending limits determined as for banks (above) using the rating of the collateral or individual investment		

\* Fitch / S&P / and Moody's rating Agencies respectively. Institutions must be rated by at least two of the Agencies, and the lowest rating will be taken into account.

- 7.7. Money may be lent to the Council's own banker, in accordance with the above lending limits. However, if the Council's banker does not meet the above criteria, money may only be lent overnight (or over the weekend), and these balances will be minimised.
- 7.8. Credit ratings are monitored on a real-time basis as provided via the Council's Treasury Management advisers, Arlingclose, and the Council's lending list is updated accordingly, when a rating changes. Other information is taken into account when deciding whether to lend. This may include the ratings of other rating agencies; commentary in the financial press; analysis of country, sector and group exposures; and the portfolio make up of Money Market Funds (MMFs). The use of particular permitted counterparties may be restricted if this is considered appropriate.
- 7.9. Credit rating methodologies and credit limit requirements may change as the circumstances demand: in this event the Director of Council Management (Section 151 Officer) may determine revised and practicable criteria seeking similarly high credit quality, pending the next annual review of this treasury management policy.

#### **Non-specified Investments and Limit**

- 7.10. For treasury management investment purposes, the Council will limit non-specified investments to £400m (there are presently none), and will use only the following categories of non-specified investments:
- Government stocks (or "Gilts") and other supranational bonds, with a maturity of less than five years: up to 100% of non-specified investments
  - Covered bonds and repo where the security meets the Council's credit criteria set out above: up to 50% of non-specified investments
  - Unsecured corporate bonds, Certificates of Deposit (CD) or Commercial Paper (CP) with a maturity of less than three years, subject to the Lending Criteria in the table above: up to 20% of non-specified investments
- 7.11. Other categories of non-specified investments will not be used for treasury management purposes.

#### **Investments of Group companies**

- 7.12. The Council participates in a range of joint ventures and companies. The Treasury Management team maintains a group Treasury Policy for group entities with significant investment balances, with the objective that the treasury investments of the companies are invested consistently with the Council's own treasury investment criteria. This is generally achieved by the Council taking deposits at a commercial rate from the companies.

## Investment Maturity

- 7.13. Temporarily surplus cash will be invested having regard to the period of time for which the cash is expected to be surplus. The CIPFA Prudential Code envisages that authorities will not borrow more than three years in advance, so it is unlikely that the Council will plan to have surplus cash for longer than three years. However, where surplus cash for over 12 months is envisaged, it may be appropriate to include some longer term (non-specified) investments within a balanced risk portfolio. The following limits will be applied:

**Table N.4 Prudential Limits on Investing Principal Sums for Over 364 Days:**

Year	£m
1-2 years	£400m
2-3 years	£100m
3-5 years	£100m

- 7.14. In making investments in accordance with the criteria set out in this section, the Director of Council Management (Section 151 Officer) will seek to spread risk (for example, across different types of investment and to avoid concentration on lower credit quality). This may result in lower interest earnings, as safer investments will usually earn less than riskier ones.
- 7.15. Where the Council deals with financial firms under the MiFID II regulations<sup>4</sup>, it has requested to be opted up to 'professional' status. This means that the Council does not receive the level of investment advice and information which firms are required to provide to retail investors. Professional status is essential to an organisation of the Council's size, to give it access to appropriate low-risk investments available only to investors classed as professional, and to ensure that it is able to act quickly to invest Council funds safely and to earn a good return.
- 7.16. The Council does not currently use investment managers (other than through the use of pooled investment vehicles such as Money Market Funds). However, if investment managers are appointed, their lending of Council funds would not be subject to the above restrictions, provided that their arrangements for assessing credit quality and exposure limits have been agreed by the Director of Council Management (Section 151 Officer).

## 8. Policy for HRA Loans Accounting

- 8.1. The Council attributes debt and debt revenue consequences to the HRA using the 'two pool' method set out in the CIPFA Treasury Management

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<sup>4</sup> The Markets in Financial Instruments Directive 2 (MiFID II) regulates, amongst other things, the way that financial firms provide advice to various categories of client.

Code. This method attributes a share of all pre-April 2012 long term loans to the HRA. Any new long term loans for HRA purposes from April 2012 are separately identified. The detailed accounting policy arising from the 'two pool' method is maintained by the Director of Council Management (Section 151 Officer).

## **9. The Council Acting as Agent**

- 9.1. The Council acts as intermediary in its role as agent for a number of external bodies. This includes roles as accountable body, trustee, and custodian, and these may require the Council to carry out treasury management operations as agent. The Director of Council Management (Section 151 Officer) will exercise the Council's treasury responsibilities in accordance with the Council's treasury delegations and relevant legislation, and will apply any specific treasury policies and requirements of the external body. In relation to the short term cash funds invested as accountable body, the Council expects to apply the investment policy set out above.

## **10. Reporting and Delegation**

- 10.1. A Treasury Management Strategy report is presented as part of the annual Financial Plan to the Council before the start of each financial year. Monitoring reports are prepared monthly, and presented quarterly to Cabinet, including an Annual Report after the year end.
- 10.2. The management of borrowings, loans, debts, investments and other assets has been delegated to the Director of Council Management (Section 151 Officer) acting in accordance with this Treasury Management Policy Statement. This encompasses the investment of trust funds where the Council is sole trustee, and other investments for which the Council is responsible such as accountable body funds. The Director of Council Management (Section 151 Officer) reports during the year to Cabinet on the decisions taken under delegated treasury management powers.
- 10.3. In exercising this delegation, the Director of Council Management (Section 151 Officer) may procure, appoint and dismiss brokers, arranging and dealer banks, investment managers, issuing and paying agents, treasury consultants and other providers in relation to the Council's borrowing, investments, and other treasury instruments and financing arrangements, and in relation to funds and instruments where the Council acts as agent.
- 10.4. The Director of Council Management (Section 151 Officer) maintains statements of Treasury Management Practices in accordance with the Code:

TMP1	Treasury risk management
TMP2	Performance measurement
TMP3	Decision-making and analysis
TMP4	Approved instruments, methods and techniques

TMP5	Treasury management organisation, clarity and segregation of responsibilities, and dealing arrangements
TMP6	Reporting requirements and management information arrangements
TMP7	Budgeting, accounting and audit arrangements
TMP8	Cash and cash flow management
TMP9	Money laundering
TMP10	Training and qualifications
TMP11	Use of external service providers
TMP12	Corporate governance

Similarly, Investment Management Practices for service and commercial investments are prepared in accordance with the Treasury Management Code.

## 11. **Training**

Planned and regular training for appropriate treasury management staff is essential to ensure that they have the skills and up to date knowledge to manage treasury activities and risks and achieve good value for the Council. Staff training will be planned primarily through the Council's performance and development review process, and in accordance with Treasury Management Practice 10. Training and briefings for Councillors are also held as appropriate.

## **APPENDIX O: SERVICE & COMMERCIAL INVESTMENT STRATEGY**

*Compliance with the main requirements of the Government's Statutory Guidance on Local Government Investments is shown by cross reference in square brackets to the relevant paragraph of the Guidance.*

### **1. Scope and Purpose of Strategy**

- 1.1. The word "Investments" in this strategy covers financial investments, including loans and shares, which have been made to support service and commercial objectives. Examples include loans to InReach and Warwickshire County Cricket Club, and the Council's investment in Birmingham Airport. Non-financial investments such as commercial property are included where the main objective had been for financial return [4]. Any such property investments are historic and the Council does not invest in property primarily for yield. Investments taken for treasury management reasons are considered in the Treasury Management Strategy and Policy, separate appendices in this Financial Plan.
- 1.2. This strategy sets out the Council's approach to such investments, including risk management, appraisal, monitoring, governance and procedures. In doing this it addresses the requirements of the 2018 Statutory Guidance on Local Government Investments.
- 1.3. Investment values provided in this appendix are the book values in the Council's accounts, unless otherwise stated.

### **2. Objectives of the Strategy**

- 2.1. To use investments where appropriate to support the Council's priorities, within prudent financial limits.
- 2.2. To ensure that investment decisions and portfolio management are joined up with the Council's overall business and financial planning.
- 2.3. To deliver value for money to meet service objectives on commercial or less than commercial terms.
- 2.4. To manage risks in accordance with the Council's risk appetite and financial circumstances (including due diligence when making investment decisions).

### **3. The Existing Financial and Property Investment Portfolios**

- 3.1. The Council's service and commercial investments are extremely diverse, given their very different service motives and applications. The estimated book value of financial investments at 30 September 2021 is £121.1m.
- 3.2. The property investment portfolio is currently being reorganised in accordance with the revised Council's Property Investment Strategy. Its gross income in 2022/23 is budgeted at £24.1m.

3.3. Table O.3 at the end of this appendix shows the main contribution of the Council's service and commercial investments to Council objectives. [22]

#### 4. **Investment Policy and Strategy 2022+**

4.1. Joint working, partnerships and joint delivery arrangements are key to the provision of Council and wider public services. Financial and property investments are likely to be an ongoing result of the Council's partnership working.

4.2. In the context of the current Council Plan and priorities, investments may feature in arrangements for:

- Supporting specific policy priorities in the Council Plan or policy frameworks, e.g. housing, regeneration or preventative action
- Supporting partnership working, including with the voluntary sector
- Supporting the Council's savings proposals by providing a direct and indirect financial return within the revised Prudential Code and Department for Levelling Up, Housing and Communities (DLUHC) guidelines.

4.3. The Council recognises that all investments carry the risk of financial loss. The risk of losses may seem distant or not be apparent at the time an investment is considered, but an estimate of the risk of loss needs to be accounted for from the outset. Financial gains and losses from investments will be the responsibility of the service to which the investment relates.

4.4. The Council will be especially cautious where investments are funded wholly or partly from borrowing. Debt "gearing" creates additional costs of interest and repayment. It creates a fixed liability and a fixed repayment obligation, whilst the investment's value and income are at risk. The scope for the Council to borrow to fund investments is also limited by the relatively high level of Council debt and low headroom for additional borrowing.

4.5. In line with Government Guidance the Council will not borrow to invest purely for financial gain [46]. This principle does not prevent the Council from borrowing for the prudent management of its financial affairs or protection of its existing financial and property investment portfolios in its financial best interests.

4.6. The Council's risk appetite in relation to new financial investments will therefore be low, given the high level of financial risks the Council is already exposed to, including the need to balance the revenue budget and manage the level of Council debt. Any new investments will therefore be expected to:

- Show a compelling contribution to the Council's core objectives and planned service strategies, and must be prioritised within the Council's available resources.

- Evidence a low financial risk with a commensurate financial return, or if returns are below commercial levels, provide clear non-financial benefits to the Council which demonstrate strong value for money, and comply with State Aid requirements.
  - Be prioritised within the investment limits set out below, to ensure that investment activity remains proportionate to the Council's finances overall.
  - Strike a prudent balance between security, liquidity and yield (whilst recognising that the delivery of strong service benefits may sometimes justify a higher financial risk) [29]
  - Meet the Council's Environmental, Social and Governance (ESG) considerations
- 4.7. The Council is mindful of Government and CIPFA advice that commercial investments including property must be proportionate to the resources of the authority [34]. The Council should avoid becoming over-reliant on risky investment income to support core service obligations, especially given its low investment risk appetite set out in 4.6 above.
- 4.8. HM Treasury issued updated Public Works Loans Board (PWLB) lending terms in August 2021 that confirmed local authorities would not be able to access PWLB loans if they invest in investment assets primarily for yield, after 26 November 2020. The Council is not currently planning any investments primarily for yield. All service and commercial investments will have regard to the guidance and lending terms issued by HM Treasury.
- 4.9. Budgeted gross income from service and commercial investments (including property) represents 3.5% of the net revenue budget by 2022/23 [44]. This investment income exposure represents a manageable financial risk and will be monitored as part of the Council's normal revenue monitoring as well as through the investment indicators (paragraph 7.1 below).
- 4.10. Any shortfall in budgeted net income from service and commercial investments will be managed through the Council's regular budget monitoring and mitigation processes, and through the investment governance arrangements described in paragraph 8.1 below [44].
- 4.11. The arrangements for realising investments and managing liquidity risk will depend on the purpose and nature of the investment in each case. Where investments have been made to support service purposes and have been funded from cash resources, there is not a funding pressure to have an investment exit route in place. Where investments are funded by borrowing, the Council's MRP Policy (Appendix P) sets out the arrangements to repay debt without resorting to a sale of the investments [42-43].

## 5. Financial Investment Plans and Limits for 2022+

- 5.1. An area of additional investment proposed in this Financial Plan is to expand the Council's investment in InReach, its wholly-owned housing company. The Council has provided loans and equity of £15.4m to develop the Embankment private rented housing. This development is now complete, being let, and performing well. Further loans to and equity investment in InReach are in the Council's budget to develop rented housing at Key Hill. The Council's total proposed investment in InReach, including both current arrangements and new proposals, is anticipated to increase to £22.8m. InReach will increase the supply of both private rented and affordable housing in Birmingham, which is a key priority for the Council, as well as generating a net income for the Council. In the longer term, further opportunities for InReach activity will be kept under review.
- 5.2. The main financial risk when investing in loans and equity is that the loan repayments are not made, and that the shares lose value or dividends are less than expected. In order to limit the financial impact of investment risks, an overall limit for the Council's service and commercial investments over the next three years (excluding the property investment portfolio) is proposed as follows:

**Table O.1 Service and Commercial Investment Strategy**

Financial Investments	Est value at 30.9.21 £m	planned changes £m	Total £m	limit £m
Loans to subsidiaries	39.100	29.800	68.900	
Loans to businesses	29.500	(7.000)	22.500	
Other loans	14.600	(6.400)	8.200	
Shares in subsidiaries	8.400	0.000	8.400	
Shares in businesses	27.800	0.000	27.800	
other shares	1.700	0.000	1.700	
<b>Total</b>	<b>121.100</b>	<b>16.400</b>	<b>137.500</b>	<b>525.500</b>

- 5.3. The planned changes reflect the proposals described above, over the medium term to 2025/26. The limit has been set with a view to allowing scope for further investment of £388m during this period. This includes potential for further investment of up to £75m in InReach to support the potential purchase of part of the Perry Barr Residential Scheme, as well as a loan to Birmingham Airport Holdings and investment in major regeneration projects. These investments would be subject to resource prioritisation and business case approval. Cabinet may approve a reallocation of individual limits within the total limit above. The limit applies to the Council's own investments and not to

investments which it holds as accountable body or on behalf of others [34, 36].

- 5.4. Investments may also carry liquidity risk, which is the risk that funds may be tied up in investments and not available if needed for other purposes. The Council's due diligence procedures for investments review liquidity risk, including how exit routes have been considered and the appropriate maximum period for investments to be committed [42].

## **6. Property Investment Portfolio Plans and Limits for 2022+**

- 6.1. The Council's Strategy for the Property Investment Portfolio was approved by Cabinet in July 2019. This included seeking to remove lower value and inefficient commercial property holdings from the portfolio and reinvesting the proceeds into the portfolio, with a view to a better risk balanced portfolio, meeting service objectives and reducing running costs. The implementation of this strategy will be in accordance with the revised Prudential Code and PWLB lending terms.
- 6.2. The strategy envisages that permitted investment may be funded temporarily from borrowing, pending capital receipts from the portfolio's asset sales. The borrowing is currently limited to £100m a year and will be repaid by the end of 2025/26.
- 6.3. The main financial risks of property investment are that rental income or property values may fall as a result of changing economic and market conditions, or due to the condition of individual properties. The risk of loss compared with any borrowing taken to purchase investments is shown by the indicator below for the % of investments financed from borrowing [38-40]. The property risks in this strategy will be managed by the Property Investment Board in accordance with the parameters and procedures set out in the Property Investment Strategy approved by Cabinet, and within the investment limit of £100m a year.
- 6.4. Liquidity risk in property investments will be managed by the Property Investment Board and through the limit of £100m a year on new investments [43].

## **7. Investment Indicators**

- 7.1. The Council will use the following investment indicators to strengthen its investment risk management framework, as recommended by the Government Guidance [23]:

**Table O.2 Service and Commercial Investment Indicators**

Service and commercial investment indicators	2022/23 £m	2023/24 £m	2024/25 £m	2025/26 £m
<b>Financial investments</b>				
planned value	144.100	140.700	139.400	137.500
borrowing to fund investments	85.700	83.400	82.100	81.200
% investments financed by borrowing	59.5%	59.3%	58.9%	59.1%
secured investments	96.700	94.600	93.600	92.100
% investments secured	67.1%	67.2%	67.2%	66.9%
<b>Budgeted investment income (financial and property)</b>				
Gross investment income	26.300	31.900	39.200	51.500
Council net revenue budget	759.200	879.700	919.400	940.400
Investment income as % of net revenue budget	3.5%	3.6%	4.3%	5.5%
Financial investment limit (cumulative)	308.500	441.500	483.500	525.500
New property investment limit	100.000	200.000	300.000	400.000

Figures are shown cumulatively

## 8. Governance

- 8.1. The Capital Board will review new investment proposals and programmes prior to approval and will monitor existing investments and risks. The Development and Commercial Finance Team and the Treasury Management team will exercise Council-wide oversight and co-ordination of service and commercial investments.
- 8.2. Financial and property investment decision making will follow the Council's Business Case governance requirements, with particular attention to expert due diligence, robust financial appraisal and taking external advice in consultation with the Director of Council Management (Section 151 Officer). Procedures and checklists for investment appraisal and management are set out in the Council's financial procedures (the Loans, shares, investments and guarantees for service purposes document on the Council's Intranet) [41,50].
- 8.3. Market understanding and analysis will be the responsibility of the relevant service supported by their Finance Business Partner and the Treasury Management team, but it is recognised that for complex investments, external advice is likely to be needed [41]. New investments must reflect the Council's core priorities and must be agreed by the Director of Council Management (Section 151 Officer) via the Treasury Management team before presentation of any executive decision report.

- 8.4. Individual investment monitoring is the responsibility of the service holding the income budget, as part of normal budget monitoring, with overall co-ordination and oversight from Finance staff.
- 8.5. Investment Management Practices are required by the CIPFA Treasury Management Code to support strong and sound financial management in this specialist area. These will be maintained for each type of investment by the service budget-holder responsible, with support from Development and Commercial Finance, and will include appropriate income collection and credit control arrangements [41]. Investment Management Practices will be reviewed annually.
- 8.6. Advisers will be used where necessary to achieve sufficient skills and understanding. In particular, the Council's treasury management adviser (Arlingclose) can provide support in relation to financial investments, and the Council also retains a property adviser to support the Property Investment Portfolio. These appointments are monitored and assessed by treasury and property officers [41]. The Council's business loans and investments portfolio is managed by Finance Birmingham, the Council's wholly owned fund management company.
- 8.7. Officer and Member training will be available through the Council's treasury advisers, alongside treasury management training opportunities. Information relevant to investment decisions will form part of executive decision reports to members [48]. Cabinet Committee – Group Company Governance and relevant officers also receive training on companies. Due diligence requirements for investments will ensure that officers are aware of the core principles of the prudential framework and local authority regulatory requirements [49]. These arrangements will support the capacity, skills and culture of the Council in making and managing investments for service and commercial purposes [48-49].

**Table O.3 Contribution of Investments to Council Outcomes**

<b>Financial Investments</b>	<b>Main contribution</b>	<b>Other contribution</b>
<b>Loans</b>		
InReach Ltd - housing developments	housing	profit
Birmingham Propco (NEC Hotels)	economy	profit
Performances Birmingham Ltd	economy	arts
Millennium Point	economy	arts
Business loans portfolio	economy	
Warwickshire County Cricket Club	economy	
Acivico ICT Loan	economy	
BLLP	education	
Kick Start loans	housing	
Other commercial loans	various	
Loans to non-BCC schools	education	
Birmingham Children's Trust	children	
Other small loans	various	
loans to employees	management	employees
Wholesale Markets	economy	profit
<b>Shares</b>		
Birmingham Airport Holdings	economy	profit
InReach Ltd	housing	
Birmingham Propco (NEC Hotels)	economy	profit
Business share portfolio	economy	
Financial vehicle shareholdings	financial mgt	economy
Other small share holdings	various	
<b>Property investment portfolio</b>		
Investment Properties	economy	profit
other commercial property portfolio	economy	profit

## APPENDIX P: DEBT REPAYMENT POLICY

### Minimum Revenue Provision Statement 2022/23

#### Introduction

1. The Government's Capital Finance and Accounting Regulations require local authorities to make 'prudent annual provision' in relation to capital expenditure financed from borrowing or credit arrangements. This is known as Minimum Revenue Provision or MRP, but it is often referred in shorthand as "debt repayment". Local authorities are required to have regard to the Government's statutory guidance on MRP.
2. This policy applies to the financial year 2022/23. Any interpretation of the statutory guidance or this policy will be determined by the Section 151 Officer (currently the Director of Council Management).

#### Principles of Debt Repayment Provision

3. The term 'prudent annual provision' is not defined by the Regulations. However, the statutory guidance says:

*"the broad aim of prudent provision is to ensure that debt is repaid over a period that is either reasonably commensurate with that over which the capital expenditure provides benefits, or, in the case of borrowing supported by Government Revenue Support Grant, reasonably commensurate with the period implicit in the determination of that grant".*

The guidance does not prescribe the annual repayment profile to achieve this aim, but suggests four methods for making MRP which it considers prudent, and notes that other methods are not ruled out. The Council regards the broad aim of MRP as set out above as the primary indicator of prudent provision, whilst recognising the flexibilities which exist in determining an appropriate annual repayment profile.

4. The Council considers that the above definition of 'prudent' does not mean the quickest possible repayment period, but has regard to the prudent financial planning of the authority overall, the flow of benefits from the capital expenditure, and other relevant factors.
5. Consistent with the statutory guidance, the Council will not review the individual asset lives used for MRP as a result of any changes in the expected life of the asset or its actual write off. Some assets will last longer than their initially estimated life, and others will not; the important thing is the reasonableness of the estimate.

### **General Fund MRP Policy: Borrowing pre 31 March 2008**

6. The Council's policy is to charge MRP on the pre-2008/09 borrowing at 2% of the balance at 31 March 2008, fixed at the same cash value so that the whole debt is repaid after 50 years.

### **General Fund MRP Policy: Prudential Borrowing from 1 April 2008**

7. The general repayment policy for prudential borrowing from 1 April 2008 is to repay borrowing within the expected life of the asset being financed, subject to a maximum period of 50 years. This is a change from previous practice which had a maximum period of 40 years. The amended policy should better reflect the life of the assets employed and is consistent with other Councils.
8. The Council's policy is in accordance with the "Asset Life" method in the guidance. The repayment profile will follow an annuity repayment method (like many domestic mortgages) which is one of the options set out in the guidance. This is subject to the following details:
  - An average asset life for each project will normally be used. This will be based on the asset life normally used for depreciation accounting purposes (recognising that MRP is estimated at the start of the project, whereas depreciation is not determined until the project has finished, so there may be estimation differences).
  - There will not be separate MRP schedules for the components of a building (e.g. plant, roof etc.).
  - A standard schedule of asset lives will generally be used, but where borrowing on a project exceeds £10m, expert property advice may also be taken into account.
  - Asset life will be determined by the Section 151 Officer.
9. MRP will commence in the year following the year in which capital expenditure financed from borrowing is incurred, except for single assets where over £1m financed from borrowing is planned, where MRP may be deferred until the year after the asset becomes operational.
10. Other methods to provide for debt repayment may occasionally be used in individual cases where this is consistent with the statutory duty to be prudent, as justified by the circumstances of the case, at the discretion of the Section 151 Officer.
11. If appropriate, shorter repayment periods (i.e. less than the asset life) may be used for some or all new borrowing.

### **Housing Revenue Account MRP Policy**

12. The statutory MRP Guidance states that the duty to make MRP does not extend to cover borrowing or credit arrangements used to finance capital

expenditure on HRA assets. This is because of the different financial structure of the HRA, in which depreciation charges have a similar effect to MRP. The Council's policy is that net HRA debt will reduce over the medium term, in order to deliver a debt to revenues ratio of below 2:1 by 2039/40. This reflects reductions in property numbers through Right to Buy and demolitions and will support the maintenance of a balanced and sustainable HRA Business Plan with the capacity to meet investment needs in later years. The Council will also seek to deliver a reduction in HRA debt per dwelling.

13. The annual HRA Loan Redemption to achieve the above policy is projected as follows in the HRA Business Plan:

<b>Year</b>	<b>Loan redemption £m</b>
2022/23	-
2023/24	-
2024/25	-
2025/26	10.0
2026/27	10.3
2027/28	14.2
2028/29	12.5
2029/30	11.7
2030/31	21.0
2031/32	24.9

Additional voluntary HRA debt repayment provision may be made from revenue or capital resources.

### **Concession Agreements and Finance Leases**

14. MRP in relation to concession agreements (e.g. PFI contracts) and finance leases will continue to be calculated on an asset life method for assets under contracts in place before 1 April 2018, using an annuity repayment profile, consistent with the method for prudential borrowing in paragraph 8 above. For assets under contracts entered into from 1 April 2018, the annual MRP charge will match the element of the rent/charge that goes to write down the balance sheet liability, to reflect accounting changes under IFRS16. The Section 151 Officer will determine the appropriate treatment, having regard to the MRP Guidance, in complex cases.

## **Transferred Debt**

15. Transferred Debt is debt held by another local authority whose costs are recharged to the Council (usually as a result of earlier reorganisations, such as the abolition of the former County Council). MRP in relation to Transferred Debt will be charged in line with the MRP policy for borrowings pre 31 March 2008, as described in paragraph 6, as the transferred debt relates to that period.

## **SPECIFIC SITUATIONS**

### **Statutory capitalisations**

16. Expenditure which does not create a fixed asset, but is statutorily capitalised, will follow the MRP treatment in the Government guidance, apart from any exceptions provided for below.

### **Cashflows**

17. Where a significant difference exists between capital expenditure accrued and the actual cashflows, MRP may be charged based on the cash expended at the previous year end, as agreed by the Section 151 Officer.
18. The reason for this is that, if expenditure has been accrued but cash payments have not yet been made, this may result in MRP being charged in the accounts to repay borrowing which has not yet been incurred.

### **Equal Pay settlements**

19. The Council has plans in place to fund Equal Pay settlement liabilities, primarily from capital receipts. However, there are risks to the timing and quantum of future capital receipts. As a risk management mechanism, and as a last resort, MRP may be reduced if there are insufficient capital receipts to fund Equal Pay settlement costs in that year. The revenue saving will then be used to meet the settlement costs.
20. Any such reduction will be made good by setting aside equivalent future capital receipts to provide for debt repayment, when there is a surplus of capital receipts available after funding Equal Pay settlements. Any such reduction in MRP will be repaid over no more than 20 years on an annuity profile, including a charge to the revenue account to the extent that capital receipts are not available.

### **Capitalised loans to others**

21. MRP on capitalised loan advances to other organisations or individuals will not be required. Instead, the capital receipts arising from the loan principal repayments will be used as provision to repay debt. Where principal repayments are not broadly spread over the life of the loan, the Section 151 Officer may determine that annual Revenue MRP must be made for reasons

of prudence. Revenue MRP contributions would still be required equal to the amount of any default on the repayment of the loan advanced.

### **Enterprise Zone (EZ)**

22. Borrowing by the Council related to the Greater Birmingham & Solihull Local Enterprise Partnership (GBSLEP), and which is supported by additional Business Rates from the EZ or from other GBSLEP income, will be repaid within the lifetime of the EZ or other associated income stream (or the estimated life of the assets being funded, if shorter). This was originally 2038, but has been extended to 2046. This means that the repayment period for EZ-supported borrowing will reduce each year so that all EZ debt can be repaid by 2046.

### **Voluntary repayment of debt**

23. The Council may make additional voluntary debt repayment provision from revenue or capital resources. In this case, the Section 151 Officer may make an appropriate reduction in later years' levels of MRP.
24. Where it is proposed to make a voluntary debt repayment provision in relation to prudential borrowing from 2008/09 under the asset life method, it may be necessary to decide which assets the debt repayment relates to, in order to determine the reduction in subsequent MRP. The following principles will be applied by the Section 151 Officer in reaching a prudent decision:
- where the rationale for debt repayment is based on specific assets or programmes, any debt associated with those assets or programmes will be repaid
  - where the rationale for debt repayment is not based on specific assets, debt representative of the service will be repaid, with a maturity reflecting the range of associated debt outstanding

Subject to the above two bullet points, debt with the shortest period before repayment will not be favoured above longer MRP maturities, in the interests of prudence, to ensure that capital resources are not applied for purely short term benefits.

Based on this policy, the Capital Financing Requirement (CFR) will be fully repaid by no longer than 50 years after any prudential borrowing is incurred (including PFI). Existing PFI contracts will be fully repaid 40 years after the final capital expenditure under the Council's PFI contracts. On new PFI / finance lease contracts it will be repaid in line with the contractual payments as set out in paragraph 14.

## APPENDIX Q: PRUDENTIAL INDICATORS

### Appendix Q1

	WHOLE COUNCIL	2022/23 Indicators £m	2023/24 Indicators £m	2024/25 Indicators £m	2025/26 Indicators £m
	<b>Capital Finance</b>				
1	Capital Expenditure - Capital Programme	531.700	331.400	171.500	160.900
2	Capital Expenditure - other long term liabilities	33.000	33.200	34.100	35.600
3	<b>Capital Expenditure</b>	<b>564.700</b>	<b>364.600</b>	<b>205.600</b>	<b>196.500</b>
4	Capital Financing Requirement (CFR)	4,639.100	4,594.900	4,547.800	4,424.000
	<b>Planned Debt</b>				
5	Peak loan debt in year	3,556.100	3,502.200	3,384.200	3,339.000
6	+ Other long term liabilities (peak in year)	374.000	348.500	322.100	295.500
7	<b>= peak debt in year</b>	<b>3,930.100</b>	<b>3,850.700</b>	<b>3,706.300</b>	<b>3,634.500</b>
8	does peak debt exceed year 3 CFR?	no	no	no	no
	<b>Prudential limit for debt</b>				
9	Gross loan debt	4,126.000	4,251.500	4,377.900	4,404.500
10	+ other long term liabilities	374.000	348.500	322.100	295.500
11	<b>= Total debt</b>	<b>4,500.000</b>	<b>4,600.000</b>	<b>4,700.000</b>	<b>4,700.000</b>

#### Notes

Figures in lines 1-3 are annual

Figures in lines 4-11 are cumulative

4 The Capital Financing Requirement represents the underlying level of borrowing needed to finance historic capital expenditure (after deducting debt repayment charges). This includes all elements of CFR including Transferred Debt.

5-7 These figures represent the forecast peak debt (which may not occur at the year end). The Prudential Code calls these indicators the Operational Boundary.

8 It would be a cause for concern if the Council's loan debt exceeded the CFR, but this is not the case due to positive cashflows, reserves and balances.

11 The Authorised limit for debt is the statutory debt limit. The City Council may not breach the limit it has set, so it includes allowance for uncertain cashflow movements and potential borrowing in advance for future needs.

## Appendix Q2

	<b>HOUSING REVENUE ACCOUNT</b>	<b>2022/23 Indicators £m</b>	<b>2023/24 Indicators £m</b>	<b>2024/25 Indicators £m</b>	<b>2025/26 Indicators £m</b>
	<b>Capital Finance</b>				
1	Capital expenditure	143.700	157.900	137.300	137.600
	<b>HRA Debt</b>				
2	Capital Financing Requirement (CFR)	1,129.600	1,163.200	1,180.600	1,170.600
	<b>Affordability</b>				
3	HRA financing costs	103.800	105.100	106.700	107.100
4	HRA revenues	287.700	294.700	302.700	310.300
5	HRA financing costs as % of revenues	36.1%	35.7%	35.2%	34.5%
6	HRA debt : revenues	3.900	3.900	3.900	3.800
7	Forecast Housing debt per dwelling	£19,272	£19,934	£20,321	£20,311

### Notes

Figures in line 1 and lines 3-5 are annual

Figures in line 2 and lines 6-7 are cumulative

- 3 Financing costs include interest and depreciation rather than Minimum Revenue Provision (MRP) in the HRA.
- 6 This indicator is not in the Prudential Code but is a key measure of long term sustainability.
- 7 This indicator is not in the Prudential Code but is a key measure of affordability: the HRA debt per dwelling should not rise significantly over time.

## Appendix Q3

	GENERAL FUND	2022/23 Indicators £m	2023/24 Indicators £m	2024/25 Indicators £m	2025/26 Indicators £m
	<b>Capital Finance</b>				
1	Capital expenditure (including other long term liabilities)	421.000	206.600	68.300	58.800
2	Capital Financing Requirement (CFR)	3,509.400	3,431.700	3,367.200	3,253.400
	<b>General Fund debt</b>				
3	Peak loan debt in year	2,426.500	2,339.000	2,203.600	2,168.400
4	+ Other long term liabilities (peak in year)	374.000	348.500	322.100	295.500
5	<b>= peak General Fund debt in year</b>	<b>2,800.500</b>	<b>2,687.500</b>	<b>2,525.700</b>	<b>2,463.900</b>
	<b>General Fund Affordability</b>				
6	Total General Fund financing costs	223.000	242.100	241.100	246.800
7	General Fund net revenues	759.200	879.700	919.400	940.400
8	General Fund financing costs (% of net revenues)	29.4%	27.5%	26.2%	26.2%

### Notes

Figures in line 1 and lines 6-8 are annual

Figures in Lines 2-5 are cumulative

4 Other long term liabilities include PFI, finance lease liabilities, and transferred debt liabilities.

6 Financing costs include interest and MRP (in the General Fund), for loan debt, transferred debt, PFI and finance leases.

8 This indicator includes the revenue cost of borrowing and other finance, including borrowing for the Enterprise Zone and other self-supported borrowing.

## Appendix Q4

	<b>TREASURY MANAGEMENT</b>	<b>2022/23 Indicators £m</b>	<b>2023/24 Indicators £m</b>	<b>2024/25 Indicators £m</b>	<b>2025/26 Indicators £m</b>
1	General Fund impact of an unbudgeted 1% rise in interest rates	3.100	1.900	1.900	2.000
2	Variable rate exposures vs upper limit 30%	18%	17%	17%	18%
	<b>Maturity structure of borrowing</b>	<b>Forecast</b>	<b>Forecast</b>	<b>Forecast</b>	<b>Forecast</b>
	(lower limit and upper limit)	<b>Year End</b>	<b>Year End</b>	<b>Year End</b>	<b>Year End</b>
3	under 12 months	16.0%	15.0%	16.0%	17.0%
4	12 months to within 24 months	2.0%	2.0%	2.0%	4.0%
5	24 months to within 5 years	7.0%	8.0%	10.0%	12.0%
6	5 years to within 10 years	15.0%	16.0%	15.0%	11.0%
7	10 years to within 20 years	22.0%	21.0%	22.0%	21.0%
8	20 years to within 40 years	35.0%	36.0%	35.0%	34.0%
9	40 years and above	2.0%	2.0%	1.0%	2.0%
	<b>Investments longer than 364 days</b>				
	upper limit on amounts maturing in:	<b>Forecast</b>	<b>Forecast</b>	<b>Forecast</b>	<b>Forecast</b>
10	1-2 years	0	0	0	0
11	2-3 years	0	0	0	0
12	3-5 years	0	0	0	0
13	later	0	0	0	0

### Notes

All figures are shown annually

- 1 Based on year end debt borrowing less investments, with less than one year to maturity. These indicators assume that LOBO loan options are exercised at the earliest possibility, and are calculated as a % of net loan debt.
- 2 The limit on variable rate exposures is a local indicator.



# Pay Policy Statement 2022/23

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## 1.0 Introduction and Purpose

This Pay Policy Statement sets out the Council's approach to pay policy in accordance with the requirements of Section 38 to 43 of the Localism Act 2011 and takes account of the final guidance for 'Openness and Accountability in Local Pay' as issued by the Department for Levelling Up, Housing and Communities. The purpose of the statement is to provide transparency with regard to the Council's approach to setting the pay of its employees (excluding those working in local authority schools) by identifying;

- The methods by which, salaries of all employees are determined.
- The detail and level of base remuneration of its most senior employee's i.e. 'chief officers', as defined by the relevant legislation.
- The detail and level of base remuneration of the lowest paid employees
- The relationship between the remuneration for highest and lowest paid employees
- The Committee(s)/Panel responsible for ensuring the provisions set out in this statement are applied consistently throughout the Council and recommending any amendments to the full Council.

Once approved by the Full Council Meeting, this policy statement will come into immediate effect for the 2022/23 financial year and will be subject to review again for 2023/24 in accordance with the relevant legislation prevailing at that time. If the pay policy needs to be amended during the current financial year, any amendments will be subject to approval.

## 2.0 Legislative Framework

In determining the pay and base remuneration of all its employees, the Council will comply with all relevant employment legislation. This includes; the Equality Act 2010, Part Time Employment (Prevention of Less Favourable Treatment) Regulations 2000, Fixed Term Employees (Prevention of Less Favourable Treatment) Regulations 2002, The Agency Workers Regulations 2010 and where relevant, the Transfer of Undertakings (Protection of Earnings) Regulations.

The Council pays due regard to the Equal Pay requirements contained within the Equality Act, the Council ensures there is no pay discrimination within its pay structures and that all pay differentials can be objectively justified through the use of an equality proofed job evaluation scheme that directly relates an employee's salary to the requirements, demands and responsibilities of the role.

## 3.0 Senior Management Remuneration Policy

For the purposes of this statement, senior officer means 'chief officers' as defined within S43 of the Localism Act 2011. The Chief Executive is employed under the terms and conditions of the Joint National Council for Chief Executives and all other senior officers are under the terms and conditions for Joint National Council for Chief Officers.

The Council currently determines pay levels through a job evaluation process and grading structure that has been specifically designed for senior positions that determines the pay range for senior officers as defined by the Localism Act 2011. See Annex 1 for the senior officer pay structure effective as at 1<sup>st</sup> April 2020 – please note that at time of going to press, national pay bargaining has not been agreed for 2021. Should an agreement be reached, this document will be amended to reflect such.

Those employees working in senior positions do not receive overtime payments and all other pay related allowances are the subject of either nationally or locally negotiated rates, having been determined from time to time in accordance with collective bargaining machinery and/or as determined by Council Policy.

In determining its grading structure and setting remuneration levels for all posts, the Council takes account of the need to ensure value for money in respect of the use of public expenditure, balanced against the need to recruit and retain employees who are able to meet the requirements of providing high quality services to the community, delivered effectively and efficiently and at times at which those services are required.

In particular, it is the Council's policy that no Chief Officer or Deputy Chief Officer (subject to JNC conditions of service for Chief Officers) is paid a supplement for Returning Officer duties, whether in respect of local elections or national elections (e.g. General Elections, elections for European Parliament, national referenda etc.). Fees paid in respect of these elections by Government are used to supplement the pay of non-senior officer employees who have worked on the relevant election.

### **3.1 Senior Management Positions**

#### **JNC Chief/ JNC Deputy Officers**

The senior officer positions will continue to be reviewed on a regular basis as part of the overall savings that have to be made by the Council due to the savings targets faced by local authorities in general over the next few years. See Annex 1 for full details.

### **3.2 Recruitment to Senior Management Positions**

When recruiting to all posts the Council will take full and proper account of its own equal opportunities, recruitment and redeployment policies. Appointments made to chief officer (CO) and JNC deputy chief officer (DCO) positions are all made by the Chief Officers and Deputy Chief Officers Appointments Dismissals and Service Conditions Sub-Committee. Other appointments are made by the Chief Executive or relevant delegated officer.

The determination of the remuneration to be offered to any newly appointed Chief Officer or Deputy Chief Officer will be in accordance with the local JNC (Senior) pay spine (further details can be found in Annex 1) and relevant policies in place at the time of recruitment. Where the Council is unable to recruit or retain at the designated grade, it will consider the use of temporary market forces and retention supplements in accordance with its relevant policies.

Where the Council remains unable to recruit under an employment contract, or there is a need for interim support to provide cover for a vacant substantive senior management position, the Council will, where necessary, consider and utilise engaging individuals under 'contracts for service'. These will be sourced through the relevant procurement process ensuring the Council is able to demonstrate the maximum value for money benefits from competition in securing the relevant service.

### **3.3 Additions to Salary of Chief Officers/Deputy Chief Officers**

The Council does not apply any bonus to the salary of Chief Officers/Deputy Chief Officers, however progression within the salary scales is performance related as mentioned under 3.0. There is no element of earn back for senior manager's salaries and any pay progression is currently consolidated into basic pay.

In addition to basic salary, set out below are details of other elements of 'additional pay' which are chargeable to UK Income Tax and do not solely constitute reimbursement of expenses incurred in the fulfilment of duties;

The following are applicable to all senior manager positions

- A mileage allowance is paid to all employees using their own vehicle for work purposes and the payments are linked to the approved HMRC rates (For current HMRC mileage rates please see <http://www.hmrc.gov.uk/paye/exb/a-z/m/mileage-expenses.htm>)
- There are currently no salary supplements or additional payments for undertaking additional responsibilities such as shared service provision with another local authority or in respect of joint bodies.
- Market forces supplements/recruitment allowances are paid where it is justified in order to recruit and fulfill a role or to retain an officer within a role.

### 3.4 Payments on Termination

The Council's approach to statutory and discretionary payments on termination of employment of senior managers, prior to reaching normal retirement age, is set out in accordance with Regulations 5 and 6 of the Local Government (Early Termination of Employment) (Discretionary Compensation) Regulations 2006, Regulations 12 and 13 of the Local Government Pension Scheme Regulations 2013 (as amended).

Any other payments falling outside the provisions or the relevant periods of contractual notice shall be subject to a formal decision made by the full Council or the relevant elected members, committee or panel of elected members or officer with delegated authority to approve such payments, dependent on the post.

### 3.5 Comparators Influencing Pay Levels

For the purpose of context in the local government sector, Birmingham City Council is not only the largest local authority in the UK, but also the largest unitary authority in Europe serving over one million citizens and has a revenue budget of c £3.1bn. The Council needs to maintain competitive pay levels in order to attract suitable candidates for more senior positions that can demonstrate sufficient skills, experience and capacity required at this level as would be evidenced for example by fulfilling a comparable role in a large complex local authority. There is a very small pool from which to recruit with other authorities offering very competitive salaries considering their size.

It may be necessary then, from time to time, to review senior pay scales by benchmarking Chief Executive remuneration with the Core Cities group of Councils that represents those of the largest eight economies outside London, to ensure alignment with external pay markets, both within and outside the sector, which may result in the review of JNC salaries and/or temporary additions of market supplements (as per 3.3), as appropriate.

## 4.0 Non Chief/Deputy Chief Officer Employees

Based on the application of an analytical job evaluation process, the Council uses the nationally negotiated pay spine as the basis for its local grading structure with additional spine points. This determines the salary of the large majority of the non school based workforce, together with the use of other nationally defined rates such as Soulbury and JNC/Y&C. The Council presently adheres to national pay bargaining in respect of the national pay spine with the most recent increase effective 1<sup>st</sup> April 2020.

Progression within the grading structure for 2022/23 is currently performance related and subject to having achieved objectives within the appraisal year, however, this is currently under review and any changes will be amended hereafter.

### 4.1 Recruitment

New appointments will normally be made at the minimum of the relevant grade, although this can be varied where necessary to secure the best candidate. From time to time it may be necessary to take account of the external pay market in order to attract and retain employees with particular experience, skills and capacity. Where necessary, the Council will ensure the requirement for such is objectively justified by reference to clear and transparent evidence of relevant market comparators, using appropriate data sources available from within and outside the local government sector.

## 4.2 Lowest Paid Employees

The lowest paid employees under a contract of employment with the Council are employed on full time equivalent (FTE) salary in accordance with the minimum spinal column point (SCP) currently in use within the Council's grading structure. The minimum SCP for 2020 (based on April 2020 pay rates) is £17,842 (SCP1). See Annex 2 for the BCC NJC Pay Structure, effective 1<sup>st</sup> April 2020 – please note that at the time of going to press, national pay bargaining has not been agreed. Should an offer be agreed in-year, this document will be amended to reflect such.

The Council has chosen to pay the 'Real Living Wage' equivalent of £9.50 per hour. Following the recent review by the Living Wage Foundation, it is recommended that this increases to £9.90 per hour and the implementation of which will be subject to Cabinet approval with effect from 01 April 2022. For the purpose of this pay policy statement the lowest paid employee's will be defined as those on a FTE salary of £18,080 based on the Real Living Wage hourly rate of £9.50 per hour. This supplement paid for the 'Real Living Wage' should not be confused with the 'National Living Wage'.

The statutory guidance under the Localism Act recommends the use of pay multiples as a means of measuring the relationship between pay rates across the workforce and that of senior managers, as included within the Hutton 'Review of Fair Pay in the Public Sector' (2010). The Hutton report was asked by Government to explore the case for a fixed limit on dispersion of pay through a requirement that no public sector manager can earn more than 20 times the lowest paid person in the organisation. The report concluded that the relationship to median earnings was a more relevant measure and the Government's Code of Recommended Practice on Data Transparency recommends the publication of the ratio between highest paid salary and the median average salary of the whole of the authority's workforce. Whilst the ratio between the highest and lowest paid employees within the Council does not exceed 20 times, the Council does not set a ratio ceiling within its pay policy for senior officers.

The following tables illustrate various pay differentials between the salary of the Chief Executive and the lowest paid full time equivalent employee, median employee pay and average employee pay based on base pay, and does not include any pension benefits, or any other variable elements of pay (e.g. non contractual overtime, allowances etc.).

<b>Pay Differential between Chief Executive and lowest paid full time equivalent employees</b>	CEX salary	£227,852
	Lowest FTE salary	£18,080
	Pay Multiple	<b>12.6:1</b>

<b>Pay Differential between Chief Executive and the median pay for full time equivalent employees</b>	CEX salary	£227,852
	Median salary	£24,982
	Pay Multiple	<b>9.12:1</b>

<b>Pay Differential between Chief Executive and the average pay for full time equivalent employees</b>	CEX salary	£227,852
	Average salary	£28,148
	Pay Multiple	<b>8.09:1</b>

The following tables illustrate the various pay differentials between Chief/Deputy Chief Officers and the lowest paid full time equivalent employee, median employee pay and average employee pay based on base pay, and does not include any pension benefits, or any other variable elements of pay (e.g. non contractual overtime, allowances etc.).

<b>Pay Differential between the average of Chief Officers pay and the lowest paid full time equivalent employee</b>	Average Chief Officer salary	£109,241
	Lowest FTE salary	£18,080
	Pay Multiple	<b>6.04:1</b>

<b>Pay Differential between the average of Chief Officers pay and the average pay for a full time equivalent employee</b>	Average Chief Officer salary	£109,241
	Average salary	£28,148
	Pay Multiple	<b>3.88:1</b>

<b>Pay Differential between the median of Chief Officers pay and the median pay for a full time equivalent employee</b>	Median Chief Officer salary	£95,229
	Median salary	£24,982
	Pay Multiple	<b>3.81:1</b>

### 4.3 Accountability and Decision Making

In accordance with the Constitution of the Council, the Chief Officers and Deputy Chief Officers Appointments Dismissals and Service Conditions Sub-Committee are responsible for decision making in relation to the recruitment, pay, terms and conditions and severance arrangements in relation to employees of the Council on JNC terms and conditions.

## 5 Publication

The Pay Policy 2022/23 will be submitted as a document within the Financial Planning Papers, and upon approval by the full Council, this statement will be published as part of those papers, and separately in its own right, on the Council's Website [www.birmingham.gov.uk/cosd](http://www.birmingham.gov.uk/cosd). Other formats will also be made available on request.

In addition, for employees where the full-time equivalent salary is £50,000 or more, excluding employer superannuation contributions, the Councils Annual Statement of Accounts will include the number of employees in bands of £5,000.

## Annex 1 Birmingham City Council - Senior Pay Spine (Chief/Deputy Chief Officers)

Pay structure effective as at 1<sup>st</sup> April 2020

Job Level	Grade	Minimum £	Maximum £
Chief Executive	B04	£ 186,003	£ 227,852
Corporate Director	B03	£ 139,068	£ 170,358
Service Director	B02	£ 103,975	£ 127,371
Assistant Director	B01	£ 77, 046	£ 95,230

The posts falling within the statutory definition for Chief Officers of the Local Government and Housing Act 1989, which covers the statutory officers and those others that report to the Chief Executive, are set out below:

- a) Chief Executive - The head of paid service defined under section 4(1) of that Act.  
The salary for the above post falls within a range from £186,003 rising to a maximum of £227,852. There is no additional supplement paid for returning officer duties incorporated into this role.
- b) Director Council Management (Section 151 Officer) - A statutory chief officer defined under section 2(6) of that Act.  
The salary for the above post falls within a range between £139,068 rising to a maximum of £170,358.
- c) City Solicitor & Monitoring Officer Legal and Governance – A statutory chief officer defined under section 5(1) of that Act.  
The salary for the above post falls within a range between £103,975 rising to a maximum of £127,371.
- d) Programme Director Commonwealth Games – A non-statutory chief officer defined under section 2 (7) of that Act.  
The salary for the above post falls within a range between £103,975 rising to a maximum of £127,371.
- e) Director Adult Social Care – A statutory officer defined under section 2(6) of that Act.  
The salary for the above post falls within a range between £139,068 rising to a maximum of £170,358.
- f) Director Education & Skills - A statutory officer defined under section 2(6) of that Act.  
The salary for the above post falls within a range between £139,068 rising to a maximum of £170,358.
- g) Director City Operations - A non-statutory chief officer defined under section 2(7) of that Act.  
The salary for the above post falls within a range between £139,068 rising to a maximum of £170,358.
- h) Managing Director Housing - A non-statutory chief officer defined under section 2(7) of that Act.  
The salary for the above post falls within a range between £139,068 rising to a maximum of £170,358.
- i) Director Places, Prosperity & Sustainability - A non-statutory chief officer defined under section 2(7) of that Act.

The salary for the above post falls within a range between £139,068 rising to a maximum of £170,358.

- j) Director Strategy, Equality & Partnerships – A non-statutory chief officer defined under section 2(7) of that Act.

The salary for the above post falls within a range between £103,975 rising to a maximum of £127,371.

- k) Director of Public Health – A statutory post under section 73A (7) of the NHS Act 2006.

The salary for the above post falls within a range between £103,975 rising to a maximum of £127,371. There are also two statutory payments made in relation to this role.

## Annex 2 Birmingham City Council – NJC Pay Spine

Pay structure effective as at 1<sup>st</sup> April 2020.

Grade	Spinal Column Point	Salary FTE
<b>1</b>	1	£17,842*
	2	£18,198
	3	£18,562
<b>2</b>	3	£18,562
	4	£18,933
	5	£19,312
	6	£19,698
	7	£20,092
	8	£20,493
<b>3</b>	9	£20,903
	10	£21,322
	11	£21,748
	12	£22,183
	13	£22,627
	14	£23,080
	15	£23,541
	16	£24,012
	17	£24,491
	18	£24,982
	19	£25,481
	20	£25,991
	21	£26,511
	22	£27,041
<b>4</b>	23	£27,741
	24	£28,672
	25	£29,577
	26	£30,451
	27	£31,346
	28	£32,234
	29	£32,910
	30	£33,782
	31	£34,728

Grade	Spinal Column Point	Salary FTE
<b>5</b>	32	£35,745
	33	£36,922
	34	£37,890
	35	£38,890
	36	£39,880
	37	£40,876
	38	£41,881
	39	£42,821
<b>6</b>	40	£43,857
	41	£44,863
	42	£45,859
	43	£46,845
	44	£48,356
	45	£49,878
	46	£51,397
	47	£52,930
	48	£54,444
<b>7</b>	49	£56,075
	50	£57,698
	51	£59,344
	52	£61,265
	53	£63,262
	54	£65,328
	55	£67,465
	56	£69,684
	57	£71,975
	58	£74,887

\* Real Living Wage supplement paid to colleagues on SCP1

## Annex 3 JNC Deputy Chief Officers

The positions in the table below are core establishment, JNC deputy chief officers as mentioned in section 2(8) of the Localism Act, i.e. JNC officers that report directly to any of the JNC chief officers listed in Annex 1:

Designation	Directorate	Grade	Range
Director Service Finance (& Deputy S151 Officer)	Council Management	B02	£103,975 - £127,371
Director Development & Commercial (& Deputy S151 Officer)	Council Management	B02	£103,975 - £127,371
Assistant Director Governance & Deputy MO	Council Management	B01	£77,046 - £95,230
Assistant Director Legal Services	Council Management	B01	£77,046 - £95,230
Director Human Resources	Council Management	B02	£103,975 - £127,371
Director Digital & Customer Services	Council Management	B02	£103,975 - £127,371
Assistant Director Community Safety & Resilience	Strategy, Equality & Partnerships	B01	£77,046 - £95,230
Assistant Director Communications & Marketing	Partnerships, Insight & Prevention	B01	£77,046 - £95,230
Assistant Director Public Health	Partnerships, Insight & Prevention	B01	£77,046 - £95,230
Assistant Director Public Health	Partnerships, Insight & Prevention	B01	£77,046 - £95,230
Assistant Director Housing	City Housing	B01	£77,046 - £95,230
Assistant Director Housing Services & Support	City Housing	B01	£77,046 - £95,230
Assistant Director Street Scene	City Operations	B02	£103,975 - £127,371
Assistant Director Highways & Infrastructure	City Operations	B01	£77,046 - £95,230
Assistant Director Neighbourhoods	City Operations	B01	£74,984 - £92, 681
Assistant Director Regulation & Enforcement	City Operations	B02	£103,975 - £127,371
Assistant Director Development	Inclusive Growth	B01	£77,046 - £95,230
Assistant Director Transport Connectivity	Inclusive Growth	B01	£77,046 - £95,230
Assistant Director Route to Zero	Inclusive Growth	B01	£77,046 - £95,230
Assistant Director Property Services	Inclusive Growth	B01	£77,046 - £95,230
Assistant Director Planning	Inclusive Growth	B01	£77,046 - £95,230
Assistant Director Housing Development	Inclusive Growth	B01	£77,046 - £95,230
Assistant Director Education & Early Years	Education & Skills	B01	£77,046 - £95,230
Assistant Director Inclusion & SENDS	Education & Skills	B01	£77,046 - £95,230
Assistant Director Skills	Education & Skills	B01	£77,046 - £95,230
Assistant Director Community & Operational x 2	Adult Social Care	B02	£103,975 - £127,371

Assistant Director Commissioning	Adult Social Care	B02	£103,975 - £127,371
Assistant Director Quality & Improvement	Adult Social Care	B01	£77,046 - £95,230

The positions in the table below are non-core establishment, JNC deputy chief officers as mentioned in section 2(8) of the Localism Act, i.e. JNC officers that report directly to any of the JNC chief officers listed in Annex 1:

Designation	Directorate	Grade	Range
Assistant Director Audit	Finance and Governance	B01	£77,046 - £95,230 £77,046 - £95,230
Assistant Director Public Health Consultant Park & Neighbourhoods	Partnerships, Insight & Prevention	B01	£77,046 - £95,230
Assistant Director Public Health Consultant Healthcare/Medicine	Partnerships, Insight & Prevention	B01	£77,046 - £95,230

## APPENDIX S: FEES AND CHARGES

The Council has been working to improve its commercial performance and drive innovation by increasing income and generating efficiencies across all services in order to improve its financial position.

A commercial approach has been employed across appropriate service areas, including the continued use of trading accounts to ensure that local fees and charges are market driven and move towards covering the cost of provision.

The Council's Corporate Charging Policy states that net income maximisation should be the ultimate aim of "charged for services" and recognises that price setting should seek to optimise both financial and policy objectives. The policy also states that unless there is an explicit policy objective to subsidise delivery of a specific service, fees and charges should achieve a minimum of full cost recovery in the delivery of discretionary services. Where full cost recovery is not achievable, consideration will be given to withdrawing from or reducing the delivery of discretionary services.

Revised charges will come into effect from 1 April 2022. Public consultation will be undertaken where required through BeHeard

### 2022/23 Process

Trading account analysis continues to be used to better inform the relationship between cost and income and understand the level of cost recovery being achieved. This supports services to review their fees and charges and enhance the decision-making process to add insight on the commercial and social value.

In 2020/21, COVID-19 had an unprecedented impact on the delivery of services and the ability of citizens to access services – which was reflected in the level of income generated. In 2021/22, the economy has started to recover, and it is envisaged that this recovery will continue in 2022/23.

The standard increase for fees and charges for we have discretion to determine is CPI as at September, therefore, 3.1% rounded to an appropriate pricing level. This excludes charges for statutory services which are set nationally. Exceptions to this are set out below. The full schedule of proposals is available in Annex 1.

**Bereavement Services** - a 1% increase is proposed as any additional increase may adversely affect demand, particularly where there is strong competition from neighbouring authorities. Grave Reservation fees have been increased by £100 due to the reduction in availability of plots. This is still comparable with other local authorities. The non-citizen fee remains 15% higher than the citizen fee. The cost of a concrete liner for a standard grave has also increased by £200 to reflect the increased costs to the Council from contractors for the supply of these.

**Residential Care for Adults** – Charges for short stays are based on guidance from the Department of Works and Pensions and the Department of Health. Short Term Care will be increased in line with the 2022/23 pension less statutory personal allowance (expected from DHSC in February/March 2022).

**Home Care** – Charges are to increase by 5.14% in line with the cost of external provision.

**Planning** – A review of the Council's pre application fees, direct advice to developers in order to ensure compliant planning applications, has identified additional services which are in demand and within the Council's discretion to charge for e.g. changes of use, amendments and visits. New charges introduced as a result.

**Sports & Leisure Facilities** – Commercial charges including swim instruction/lessons will be increased by 8%. Charges were frozen in 2021/22. This supports external leisure operators return to pre-Covid income levels as quickly as possible. Proposals follow review of demand levels and liaison with external providers.

**Parks (including sporting activity and commercial hire)** The proposal is to freeze charges as demand has decreased significantly. The only exception is to increase charges at Cannon Hill Car Park by 8.3%. This is in support of the clean air policy and encouraging fitness and wellbeing. Equates to 20p increase for up to 4 hours

**Car Parks** – The majority of car parking fees have increased by 3.1% (rounded to a minimum of an extra 10p per hour) but fees and charges for local car parking are remaining unchanged. This is because our car parks are still significantly underutilised and increasing may act as a deterrent. Covid testing and vaccination are using some of our car parks free of charge. There are 2 new parking bay suspension charges, £70 for setting up/dismantling and a £15 admin fee, introduced in order to ensure all the costs to action the suspension are recovered

**Changes to the Highway/New Developments (s278 and s38 Charges)** – charges have been reviewed to ensure they reflect the true cost of providing the service. Increases between £25 and £429 (25% - 40%).

**Education Safeguarding Service** - Provides bespoke, intensive support for complex safeguarding concerns, working with designated safeguarding leads to support schools with the applied practice of Right Help, Right Time, understanding of thresholds for individual cases and advice on case tracking and management. Due to the impact of COVID training was offered virtually at a reduced cost. In 2022/23 the service will be providing visits to schools and delivering physical conferences therefore the charges will return to pre-Covid levels, reflecting increases of 40%+.

**Corporate Procurement Services** – a 2% increase to cover inflation is proposed.

**Occupational Health and Safety Services** – a 6% increase in the fee for Taxi medicals reflects increased doctor's costs. Taxi medical fees had previously been unchanged since April 2019. Service efficiencies enable the fees for Taxi DBS checks to remain unchanged.

## **Legal Powers**

The legal powers that the Council has in respect of fees and charges are contained in a number of statutes, including the following pieces of legislation which are part of the Localism Act 2011: General power of competence available to local authorities to do "anything that individuals generally do"

Local Government Act 1972, s111: A local authority shall have the power to do anything (whether or not involving the expenditure, borrowing or lending of money or the acquisition or disposal of any property or rights) which is calculated to facilitate, or is conducive or incidental to, the discharge of any of their functions

Local Government Act 2003, s.93: Power to charge for discretionary services. "A relevant authority may charge a person for providing a service to him if (a) the authority is authorised, but not required, by an enactment to provide services to him, and (b) he has agreed to its provision"

Local Authorities (Goods and Services) Act 1970 re. supply of goods and services by local authorities and ability of parties to enter into an agreement to include terms as to payments

## **Approvals**

The majority of charges need to be approved by Cabinet. However, it should be noted that there are a number of fees and charges that are subject to legislative provisions and are set by Government. Further, other fees and charges are subject to stringent criteria about how they can be increased or the level and type of fees and charges that can apply.

The statutory services within Regulation and Enforcement Division fall under the scrutiny and jurisdiction of the Licensing and Public Protection Committee. Proposed fees and charges are due at the Licensing and Public Protection Committee on Wednesday 9<sup>th</sup> March 2022 for their decision.

This includes the following services:

- Environmental Health
- Pest Control
- Register Office
- Trading Standards
- Coroners
- Licensing for Hackney Carriage and Private Hire
- Licensing for Entertainment and General
- Licensing for Street Trading

## **Commercially Confidential**

For some services that operate in competitive traded environments, it is inappropriate to publish prices as part of a report, as they require flexibility to negotiate with customers, provide bespoke packages and respond to market conditions (e.g. Trade Waste, Schools Financial Services)

## **Value Added Tax**

Value Added Tax ("VAT") is a transaction-based tax. Every transaction entered by the Council is subject to VAT. Transactions are either "business" or "non-business". Non-business transactions include services that the Council provides under statute, i.e. under legislation governing service provision and/or charging, e.g. planning. Business transactions are those that the Council undertakes "actually or potentially" in competition

with the private sector, e.g. crematoria services, land transactions, supplies of staff, and catering, etc.

Non-business transactions are outside of the scope of VAT (also described as non-business) whilst business transactions are standard rated, reduced rated, zero rated or exempt. Reduced rated, zero rated and exempt transactions are defined in VAT law. Anything that is not defined in VAT law as reduced rated, zero rated or exempt, is standard rated. The current rates of VAT are:

- Standard rate – 20%;
- Temporary reduced rate – 12.5%;
- Reduced rate – 5%;
- Zero rate – 0%;
- Exempt – E;
- Non-business – NB.

Service/ Charge	Charge 2021/22	Proposed Charge 2022/23	£ change (22/23- 21/22)	% change
<b>Adult Social Care</b>				
<b>Weekly Residential Care for Adults - short stay - including External, all client groups</b>				
Residents – all age groups – Short Stay (capital savings over £23,250)	Full cost	Full Cost		
Residents Age 18 to 59 – Short Stay (capital savings under £23,250)	£112.70	£116.95	£4.25	3.77%
Residents Age over 60 – Short Stay (capital savings under £23,250)	£152.20	£157.70	£5.50	3.61%
Personal Allowance	£24.90	£24.90	£0.00	0.00%
<i>These rates are based on guidance from DOH and DWP. In order to determine the contribution, we use the age-related minimum level of income guarantee that DWP would pay less personal allowance to set the rate.</i>				
Standard Charge – Older People - Weekly	£857.00	£884.00	£27.00	3.15%
<i>Note this rate is used for in house care centres in exceptional circumstances.</i>				
<b>Care Act - New Charges in accordance with Act - charges per care package</b>				
Brokerage Fee (one off admin fee if BCC arranges care for self funders)	£316.00	£326.00	£10.00	3.16%
Deferred Payment Fee (one off admin fee if BCC agrees to secure charges against property)	£692.00	£714.00	£22.00	3.18%
Deferred charge interest rate	0.45%	0.95%		
<b>Residential Charge to Other Local Authorities</b>				
<b>Older People</b>				
<b>Day Care for Adults – Charges for Refreshments</b>				
Cup of Tea/Coffee/Cold Drink	£0.95	£0.98	£0.03	3.16%
Toast per slice	£0.75	£0.77	£0.02	2.67%
Cereal and Milk	£1.20	£1.24	£0.04	3.33%
Lunch	£4.45	£4.59	£0.14	3.15%
Sweet	£1.55	£1.60	£0.05	3.23%
Packed Lunch	£5.10	£5.26	£0.16	3.14%
Baguettes (Various Fillings)	£3.10	£3.20	£0.10	3.23%
Jacket Potato with Filling	£3.10	£3.20	£0.10	3.23%
Sandwiches	£2.05	£2.11	£0.06	2.93%
Portion of Chips	£1.95	£2.01	£0.06	3.08%
Evening Meal	£3.15	£3.25	£0.10	3.17%
Slice of Cake or Similar	£1.10	£1.13	£0.03	2.73%
Fruit	£0.60	£0.62	£0.02	3.33%
Specials / Bundles - price based on cost of production				
<b>Adult Social Care</b>				
<b>Internal Day Care for Adults – Standard Daily Charge (Exclusive of Meals)</b>				
No changes are proposed to existing internal day care charges				
<b>Home Care - Hourly Rate</b>				
Average Hourly Blended Rate for all clients	N/A	N/A		
Hourly rate all clients (external provision only)	£15.57	£16.37	£0.80	5.14%
<b>Travel</b>				
Travel Passes – Full Validity	£70.00	£70.00	£0.00	0.00%
Blue badges – (New & Renewal) - maximum allowable (Must keep at £10)	£10.00	£10.00	£0.00	0.00%

Service/ Charge	Charge 2021/22	Proposed Charge 2022/23	£ change (22/23- 21/22)	% change
<b>Room Hire – for 4 hours or part thereof</b>				
Hire of Rooms – Org “A” – large hall	£65.00	£67.00	£2.00	3.08%
Hire of Rooms – Org “A” – large room	£58.00	£60.00	£2.00	3.45%
Hire of Rooms – Org “A” – small room	£39.00	£40.00	£1.00	2.56%
Hire of Rooms – Org “C” – large hall	£109.00	£112.00	£3.00	2.75%
Hire of Rooms – Org “C” – large room	£83.00	£86.00	£3.00	3.61%
Hire of Rooms – Org “C” – small room	£58.00	£60.00	£2.00	3.45%
Other Establishments	£108.00	£111.00	£3.00	2.78%
A Type “A” organisation is one providing facilities for people with disabilities or older people. Type “B” organisations, who are not charged are “Friends of Establishments”. All other organisations are Type “C”.				
Prices subject to negotiation for long term/major bookings				
<b>Funerals and Protection of Property - Per Funeral</b>				
Funerals – Lower Band	£995.00	£1,026.00	£31.00	3.12%
Funerals – Middle Band	£1,617.00	£1,667.00	£50.00	3.09%
Funerals – Higher Band	£1,933.00	£1,993.00	£60.00	3.10%
Banking of Monies	£54.00	£56.00	£2.00	3.70%
Storage of Property	£84.00	£87.00	£3.00	3.57%
Protection of property after 1 month - monthly charge or part thereof	£316.00	£326.00	£10.00	3.16%
Asset Tracing and Recovery- based on cost	£316.00	£326.00	£10.00	3.16%
<i>Note: Vat may apply on administrative costs</i>				
<b>Meals Taken by Staff &amp; Public - Normal Vat rules apply</b>				
Breakfast – Full	£5.00	£5.16	£0.16	3.20%
Breakfast – Continental	£2.20	£2.27	£0.07	3.18%
Cup of Tea / Coffee / Cold Drink	£1.05	£1.08	£0.03	2.86%
Toast per slice	£0.80	£0.82	£0.02	2.50%
Cereal and Milk	£1.65	£1.70	£0.05	3.03%
Main Meal	£6.45	£6.65	£0.20	3.10%
Sweet	£2.10	£2.17	£0.07	3.33%
Baguettes (Various fillings)	£3.75	£3.87	£0.12	3.20%
Jacket Potato with filling	£3.75	£3.87	£0.12	3.20%
Sandwiches	£2.90	£2.99	£0.09	3.10%
Portion of Chips	£2.60	£2.68	£0.08	3.08%
Slice of Cake or Similar	£1.55	£1.60	£0.05	3.23%
Fruit	£0.60	£0.62	£0.02	3.33%
Specials / Bundles - price based on cost of production				
<b>Adult Social Care</b>				
<b>People with Disabilities</b>				
Telephones under CSDP Act – Income Support	Free			
Telephones under CSDP Act – Capital £3k or under	Free			
Telephones under CSDP Act – Capital over £3k	Free			

Service/ Charge	Charge 2021/22	Proposed Charge 2022/23	£ change (22/23- 21/22)	% change
<i>The above applies to existing users under this service. New clients supported by Telecare - will be phased out over time.</i>				
<b>Shared Lives - Management Fees to other Local authorities</b>				
Shared Lives - Service User charges for Food and utilities to be paid direct to carer	£50.00	£51.55	£1.55	3.10%
<i>Shared Lives - Service User contribution for rent</i>	£98.96	£102.03	£3.07	3.10%
<i>Shared Lives - Care costs - long term support Low Band</i>	£306.00	£313.00	£7.00	2.29%
<i>Shared Lives - Care costs - long term support Medium Band</i>	£340.00	£347.00	£7.00	2.06%
<i>Shared Lives - Care costs - long term support High Band</i>	£408.00	£417.00	£9.00	2.21%
<i>Shared Lives - Care costs - Respite Low Band</i>	£404.69	£415.03	£10.34	2.56%
<i>Shared Lives - Care costs - Respite Medium Band</i>	£438.96	£449.03	£10.07	2.29%
<i>Shared Lives - Care costs - Respite High Band</i>	£506.96	£519.03	£12.07	2.38%
<b>Transportation, Connectivity &amp; Highways</b>				
Road Safety Publicity Material - Provided to other Local Authorities / Organisations	Various charges	Various charges		
Highway Stopping Up Orders s.116	£5,795.00	£5,975.00	£180.00	3.10%
Footpath Stopping Up / Diversion Order	£5,795.00	£5,975.00	£180.00	3.10%
Public Spaces Protection Orders	£7,395.00	£7,625.00	£230.00	3.10%
Post Stopping Up Management and Site Inspection	£3,223.00	£3,323.00	£100.00	3.10%
<b>Land Charges and Street Naming</b>				
Street Naming - New streets	£285.00	£294.00	£9.00	3.20%
Numbering into New or Existing Streets - 1 to 5 Properties	£194.00	£200.00	£6.00	3.10%
Numbering into New or Existing Streets - 6 to 25 Properties	£464.00	£479.00	£15.00	3.20%
Numbering into New or Existing Streets - 26 to 75 Properties	£745.00	£768.00	£23.00	3.10%
Numbering into New or Existing Streets - 76+ Properties	£1,122.00	£1,157.00	£35.00	3.10%
Renaming of a Street - Magistrate Court Costs	£4,000 - £5,000	£4,124 - £5,155	£124.00	3.10%
Renaming of a Street - Staff Costs	£1,530.00	£1,578.00	£48.00	3.10%
Searches and Enquiries CON29 Property Search	£76.80	£80.40	£3.60	4.70%
Searches and Enquiries CON29 Additional Question	£15.00	£15.60	£0.60	4.00%
Searches and Enquiries LLC1 Property Search	£31.00	£31.00	£0.00	0.00%
Search Follow-Up - Full Enquiry Land Charges and Highway Searches per Property	£9.00 or £15.00 by post	£9.28 or £15.47 by post	£0.28	3.10%
General Enquiry Highways Information and Land Charges per Property	£9.00 or £15.00 by post	£9.28 or £15.47 by post	£0.28	3.10%
Searches and Enquiries Private Companies per Property	£9.00 or £15.00 by post	£9.28 or £15.47 by post	£0.28	3.10%
Searches and Enquiries Mapping Information for Private Companies	£227.00	£227.00	£0.00	0.00%
Definitive Map - Legal Event as a result of change to public rights of way	£1,140.00	£1,175.00	£35.00	3.10%
<b>Transportation, Connectivity &amp; Highways</b>				
<b>School Travel Plans</b>				

Service/ Charge	Charge 2021/22	Proposed Charge 2022/23	£ change (22/23-21/22)	% change
Production of School Travel Plan as condition of Planning application	£3,150.00	£3,250.00	£100.00	3.20%
Annual monitoring of School Travel Plan as condition of Planning application	£788.00	£813.00	£25.00	3.20%
Staff support for using the Modeshift STARS system to produce a School Travel Plan.	£1,575.00	£1,624.00	£49.00	3.10%
<b>Transportation and Connectivity Miscellaneous</b>				
S31(6) Deposits only (up to 5 hectares)	£579.00	£597.00	£18.00	3.10%
S31(6) Deposits only (each hectare above 5 hectares)	£40.00	£41.00	£1.00	2.50%
Village Green Deposits only (up to 5 hectares)	£525.00	£542.00	£17.00	3.20%
Village Green Deposits only (each hectare above 5 hectares)	£40.00	£41.00	£1.00	2.50%
Combined S31(6) and Village Green Deposits (up to 5 hectares)	£788.00	£813.00	£25.00	3.20%
Combined S31(6) and Village Green (each hectare above 5 hectares)	£40.00	£41.00	£1.00	2.50%
Miscellaneous Charges - Traffic Modelling Data and Model Runs - Staff Costs	At Cost	At Cost	N/A	N/A
Traffic Modelling Data Access and Processing – testing transport proposals and impact of developments and potential mitigations – private sector developers (Exclusive of VAT)	£10,000 per project	£10,000 per project	£0.00	0.00%
Transport Modelling Data Access and Processing – testing transport proposals and impact of developments and potential mitigations – public sector partners and third sector (50% discounted as potential data sharing) (Exclusive of VAT)	£5,000 per project	£5,000 per project	£0.00	0.00%
Road Safety Talks/Workshops (for pupils)	£394.00	£394.00	£0.00	0.00%
Scootability Training (for pupils)	£788.00	£788.00	£0.00	0.00%
CPD teacher training courses on Road Safety and Clean Air	£1,575.00	£1,575.00	£0.00	0.00%
Ongoing support with use of Modeshift STARS system past any initial free of charge consultation	£66.00 per hour	£66.00 per hour	£0.00	0.00%
Production of Workplace Travel Plan as condition of Planning application	£3,150.00	£3,150.00	£0.00	0.00%
Annual monitoring of Workplace Travel Plan as condition of Planning application	£1,575.00	£1,575.00	£0.00	0.00%
Staff support for using the Modeshift STARS for system to develop and produce an action plan	£66.00	£66.00	£0.00	0.00%
Delivery of workplace activities or initiatives as part of agreed action plan	£66.00	£66.00	£0.00	0.00%
Staff support for using the Modeshift STARS for system to conduct a workplace site audit	£66.00	£66.00	£0.00	0.00%
Staff support for using the Modeshift STARS for system to undertake bespoke workplace travel survey.	£66.00	£66.00	£0.00	0.00%
Ongoing support with use of Modeshift STARS for system past any initial free of charge consultation	£66.00	£66.00	£0.00	0.00%
<b>Transportation, Connectivity &amp; Highways</b>				
<b>FPNs - Offence under the New Roads and Street Works Act 1991</b>				
FPNs - An offence under section 54(5).	£120/£80 Start Rate/ Reduced Rate		N/A	N/A
FPNs - An offence under section 55(5).	£120/£80 Start Rate/ Reduced Rate		N/A	N/A
FPNs - An offence under section 55(9)(1).	£120/£80 Start Rate/ Reduced Rate		N/A	N/A
FPNs - An offence under section 57(4).	£120/£80 Start Rate/ Reduced Rate		N/A	N/A
FPNs - An offence under section 70(6) consisting of a failure to comply with subsection (3) or (4A)(2).	£120/£80 Start Rate/ Reduced Rate		N/A	N/A
FPNs - An offence created by regulations made under section 74(7B).	£120/£80 Start Rate/ Reduced Rate		N/A	N/A

Service/ Charge	Charge 2021/22	Proposed Charge 2022/23	£ change (22/23- 21/22)	% change
FPNs - An offence created by regulations made under section 74A(11).	£120/£80 Start Rate/ Reduced Rate		N/A	N/A
Property Strategy and Information				
Production of City Street Maps  each instance (i.e. cost per copy plan requested) At cost due to variable complexity of Orders and licencing			N/A	N/A
Production of transactional plans	<i>Minimum fee of initial cost £140 for the first hour (or part hour) then £88.90 per hour for each additional or part hour plus print costs as published. Amendments to existing plan originally provided by service charged at hourly rate with minimum charge of 1/2 hour</i>	Minimum fee of initial cost £144.34 for the first hour (or part hour) then £91.66 per hour for each additional or part hour plus print costs as published. Amendments to existing plan originally provided by service charged at hourly rate with minimum charge of 1/2 hour.		3.10%
At cost due to variable complexity of Orders	Media Type Paper Size Plot Cost  Normal Paper A2 (17" x 23") £18  Photo Paper A2 (17" x 23") £20  Normal Paper A1P (23" x 33") £20	Media Type Paper Size Plot Cost  Normal Paper A2 (17" x 23") £18  Photo Paper A2 (17" x 23") £20  Normal Paper A1P (23" x 33") £20		

Service/ Charge	Charge 2021/22	Proposed Charge 2022/23	£ change (22/23- 21/22)	% change
	Normal Paper A1 (23" x 33") £20	Normal Paper A1 (23" x 33") £20		
	Photo Paper A1 (23" x 33") £25	Photo Paper A1 (23" x 33") £25		
	Normal Paper A0 (39" x 47") £25	Normal Paper A0 (39" x 47") £25		
	Photo Paper A0 (39" x 47") £30	Photo Paper A0 (39" x 47") £30		
	Normal Paper 54" £30	Normal Paper 54" £30		
	Photo Paper 54" £35	Photo Paper 54" £35		
	Normal Paper 60" £30	Normal Paper 60" £30		
	Photo Paper 60" £35	Photo Paper 60" £35		

Service/ Charge	Charge 2021/22	Proposed Charge 2022/23	£ change (22/23- 21/22)	% change
Production of bespoke mapping, plans at cost due to variable complexity of Orders	<i>Minimum fee of initial cost £140 for the first hour (or part hour) then £88.90 per hour for each additional or part hour plus print costs as published. Amendments to existing plan originally provided by service charged at hourly rate with minimum charge of 1/2 hour</i>	Minimum fee of initial cost £144.34		3.10%

Service/ Charge	Charge 2021/22	Proposed Charge 2022/23	£ change (22/23- 21/22)	% change
		for the first hour (or part hour) then £91.66 per hour for each additional or part hour plus print costs as published. Amendmen ts to existing plan originally provided by service charged at hourly rate with minimum charge of 1/2 hour.		
	Media Type Paper Size Plot Cost			
	Normal Paper A2 (17" x 23") £18	Media Type Paper Size Plot Cost		
	Photo Paper A2 (17" x 23") £20	Normal Paper A2 (17" x 23") £18		
	Normal Paper A1P (23" x 33") £20	Photo Paper A2 (17" x 23") £20		
	Normal Paper A1 (23" x 33") £20	Normal Paper A1P (23" x 33") £20		
	Photo Paper A1 (23" x 33") £25	Normal Paper A1 (23" x 33") £20		
	Normal Paper A0 (39" x 47") £25	Photo Paper A1 (23" x 33") £25		

Service/ Charge	Charge 2021/22	Proposed Charge 2022/23	£ change (22/23- 21/22)	% change
	Photo Paper A0 (39" x 47") £30	Normal Paper A0 (39" x 47") £25		
	Normal Paper 54" £30	Photo Paper A0 (39" x 47") £30		
	Photo Paper 54" £35	Normal Paper 54" £30		
	Normal Paper 60" £30	Photo Paper 54" £35		
	Photo Paper 60" £35	Normal Paper 60" £30		
		Photo Paper 60" £35		
<b>Birmingham Property Services</b>				
<b>Disposals (freehold or long leasehold sales) with consideration of:</b>				
£0 - £5,000	£600.00	£600.00	£0.00	0.00%
£5,001 - £25,000	£1,200.00	£1,200.00	£0.00	0.00%
£25,001 - £50,000	£2,100.00	£2,100.00	£0.00	0.00%
£50,001 - £100,000	£2,350.00	£2,350.00	£0.00	0.00%
£100,001 plus (1% of disposal price min £2,000)	£2,400.00	£2,400.00	£0.00	0.00%
<b>Administration fee:</b>				
Auction sale £0 - £199,999	£1,250.00	£1,250.00	£0.00	0.00%
Auction sale £200,000 plus	£2,000.00	£2,000.00	£0.00	0.00%
Leasehold Reform Act Sales	£450.00	£450.00	£0.00	0.00%
Minor disposals (e.g. access land strips)	£150.00	£150.00	£0.00	0.00%
Garden land	£600.00	£600.00	£0.00	0.00%
<b>Investment Portfolio Business Area:</b>				
Ground Leases re-gearing	1.Initial fee of £1,500.00 for carrying out valuation (payable prior to carrying out valuation)	1.Initial fee of £1,515.00 for carrying out valuation (payable prior to carrying out valuation)	£15.00	1.00%

Service/ Charge	Charge 2021/22	Proposed Charge 2022/23	£ change (22/23- 21/22)	% change
	2. If the matter proceeds to legal completion, additional fee of £1,500.00 payable on completion	2. If the matter proceeds to legal completion , additional fee of £1,515.00 payable on completion		
Tenancies	£400.00	£405.00	£5.00	1.30%
Leases	2% of annual rent subject to a minimum of £375. In addition, a non-refundable deposit of £375 to be collected up front as initial contribution to the Council's legal costs	2% of annual rent subject to a minimum of £380. In addition, a non-refundable deposit of £380 to be collected up front as initial contribution to the Council's legal costs	£5.00	1.30%
Copies	£140.00	£142.00	£2.00	1.40%
Rent Review document	£145.00	£150.00	£5.00	3.40%
Licences	£400.00	£405.00	£5.00	1.30%
Administration fees for processing registration of leases, Assignments, Legal Charges and Tenancy Transfers	£200.00	£205.00	£10.00	5.30%
Landlords consent for any purposes (excluding assignments)	Simple consent for minor alterations such as replacing shop signs etc - £125	Simple consent for minor alterations such as replacing shop signs etc - £130	£5	4%

Service/ Charge	Charge 2021/22	Proposed Charge 2022/23	£ change (22/23- 21/22)	% change
	<p>For more complex matters, a standard fee of £500 to be applied (£1,000 if such is requested as an urgent turnaround).</p> <p>Any matter requiring engagement of specialist practitioners to be subject to a negotiated fee.</p> <p>Retrospective applications for any purpose will be subject to the payment of 2 x the applicable fee for such consent.</p>	<p>For more complex matters, a standard fee of £510 to be applied (£1,000 if such is requested as an urgent turnaround ).</p> <p>Any matter requiring engagement of specialist practitioners to be subject to a negotiated fee.</p> <p>Retrospective applications for any purpose will be subject to the payment of 2 x the applicable fee for such consent.</p>	£10	2%
<b>Birmingham Property Services</b>				
Service Charges	Commercial property portfolio– variable fixed fee equivalent to 7.5% of expenditure or better.	Commercial property portfolio– variable fixed fee equivalent to 7.5% of expenditure or better.	N/A	N/A

Service/ Charge	Charge 2021/22	Proposed Charge 2022/23	£ change (22/23- 21/22)	% change
	Birmingham Business Centres – variable fixed fee equivalent to 7.75% of expenditure or better.	Birmingham Business Centres – variable fixed fee equivalent to 7.75% of expenditure or better.		
<b>Central Administration Buildings (CAB)</b>				
CAB Accommodation - Room Hire				
<b>Council House Room Booking:</b>				
Facility/Resource				
<b>Council Chamber</b>				
Monday - Friday 09:00 - 17:30	£353.00	£360.00	£7.00	2.00%
Monday - Friday Up to 4 hours (am or pm)	£243.00	£245.00	£2.00	0.80%
Monday - Friday after 17:30 hours -	£333.00	£340.00	£7.00	2.10%
Weekends - At any time -	£425.00	£430.00	£5.00	1.20%
<b>Committee Rooms</b>				
1,2,3,4,6 & HMS Daring Room	£47.00	£48.00	£1.00	2.10%
Rooms 3 & 4 jointly	£63.00	£65.00	£2.00	3.20%
Saturday - up to 2 rooms	£63.00	£65.00	£2.00	3.20%
Saturday - 3 rooms & over	£152.00	£155.00	£3.00	2.00%
Sunday - up to 2 rooms per hour	£73.00	£75.00	£2.00	2.70%
Sunday - 3 rooms & over	£219.00	£225.00	£6.00	2.70%
<b>Equipment</b>				
Laptop/projector				
Up to 4 hours	£37.00	£38.00	£1.00	2.70%
Full Day	£56.00	£58.00	£2.00	3.60%
<b>Laptop &amp; Projector</b>				
Up to 4 hours	£56.00	£58.00	£2.00	3.60%
Full Day	£83.00	£85.00	£2.00	2.40%
<b>Microphones- Council Chamber</b>				
	£73.00	£75.00	£2.00	2.70%
NB: Additional charges are levied for the provision of security (Customer Support and Porter Security Officers)				
<b>Planning</b>				
<b>Planning</b>				
Category A: Pre-application discussion for 250+ residential units or 25,000 sqm non-residential (including change of use) (excluding VAT). To include 2 meetings.	£15,300.00	£15,835.00	£535.00	3.50%
Category A: follow up meetings/discussions (charge per meeting) (excluding VAT)	£500	£517	£17.00	3.40%
Category B: Pre-application discussion for 100 - 249 residential units or 10,000 - 24,999 sqm non-residential (including change of use) (excluding VAT). To include 1 meeting.	£6,000.00	£6,210.00	£210.00	3.50%
Category B: follow up meetings/discussions (charge per meeting) (excluding VAT)	£500	£517	£17.00	3.40%

Service/ Charge	Charge 2021/22	Proposed Charge 2022/23	£ change (22/23- 21/22)	% change
Category C: Pre-application discussion for 50-99 residential units or 5,000 - 9,999 sqm non-residential (including change of use) (excluding VAT). To include 1 meeting.	£3,060.00	£3,167.00	£107.00	3.50%
Category C: follow up meetings/discussions (charge per meeting) (excluding VAT)	£300	£310	£10.00	3.30%
Category D: Pre-application discussion for 25-49 residential units or 2,500-4,999 sqm non-residential (including change of use) (excluding VAT)	£2,040.00	£2,111.00	£71.00	3.50%
Category D: follow up meetings/discussions (charge per meeting) (excluding VAT)	£300	£310	£10.00	3.30%
Category E: Pre-application discussion for 10-24 residential units or 1,000 - 2,499 sqm non-residential (including change of use) (excluding VAT). To include 1 meeting.	£1,020.00	£1,056.00	£36.00	3.50%
Category E: follow up meetings (charge per meeting) (excluding VAT)	£200.00	£207.00	£7.00	3.50%
Category F: - Pre-application advice for 5- 10 residential units or 500- 1,000 sqm (including change of use) (excluding VAT) - Written advice only.	£500.00	£518.00	£18.00	3.60%
Category F: - charge if a meeting is requested (excluding VAT)	£300.00	£310.00	£10.00	3.30%
Category G: - Minor Operations: Pre-application advice for up to 5 residential units or up any other development up to 500 sqm (including change of use) (excluding VAT) - Written advice only.	£200.00	£207.00	£7.00	3.50%
Category G: - charge if a meeting is requested (excluding VAT)	£300.00	£310.00	£10.00	3.30%
Category H: - Householder: Pre-application advice to extend or alter a single domestic property, which is not a listed building and will apply to extensions / outbuildings to houses (single-family unit only or 1 flat if part of a conversion). (excluding VAT) - Written advice only.	£100.00	£104.00	£4.00	4.00%
Category H: - charge if a meeting is requested (excluding VAT)	£200.00	£209.00	£9.00	4.50%
Category I: Pre-application discussion with registered charities, educational and community organisations (excluding VAT)	As above, depending upon category of proposal	As above, depending upon category of proposal	N/A	N/A
<b>Planning</b>				
Category J: - Changes of use and other development that does not include the erection of a building or extension such as laying out car parking, playing fields etc (excluding VAT)	0	£207.00	£207.00	NEW CHARGE
Category J: - charge if a meeting is requested (excluding VAT)	0	£310.00	£310.00	NEW CHARGE
Category K: - Amendments to a previously approved scheme – (if the amendments only affect a part of the development then the fee relates only to that part) (excluding VAT)	0	as above, depending upon category of proposal (or part proposal)		NEW CHARGE
Category K: -charge if a meeting is requested – if the amendments only affect a part of the development then the fee relates only to that part) (excluding VAT)	0	as above, depending upon category of proposal (or part proposal)		NEW CHARGE
Do I Need Planning Permission Enquiries (householder)	Free	£40		NEW CHARGE
Do I Need Planning Permission Enquiries (nonhouseholder) (excluding VAT)	£100.00	£104.00	£4.00	4.00%

Service/ Charge	Charge 2021/22	Proposed Charge 2022/23	£ change (22/23- 21/22)	% change
Invalid Applications - Small Scale (excluding VAT)	£30.00	£31.00	£1.00	3.30%
Invalid Applications - Medium Scale (excluding VAT)	£50.00	£52.00	£2.00	4.00%
Invalid Applications - Large Scale (excluding VAT)	£150.00	£155.00	£5.00	3.30%
Enquiry – have (some or all) planning conditions been discharged for a particular development? Written response only (excluding VAT)	£200.00	£207.00	£7.00	3.50%
Where a site visit is required an additional charge is payable: (excluding VAT)	£0.00	£310.00	£310.00	NEW CHARGE
Enquiry – has the Enforcement Notice/BCN been complied with? (excluding VAT)	£200.00	£207.00	£7.00	3.50%
Where a site visit is required an additional charge is payable: (excluding VAT)	£0.00	£310.00	£310.00	NEW CHARGE
Request agreed to remove of Enforcement Notice from the Register - (excluding VAT)	£200.00	£400.00	£200.00	100.00%
Admin fee where request not agreed	£0.00	£104.00	£104.00	NEW CHARGE
Request for documents that are available online.	£0.00	£104.00	£104.00	NEW CHARGE
General enquiries: - Conservation Area /Listed Building checks, HMO enquiries, what is the Permitted Use, opening hours, etc. Written response only (excluding VAT)	£0.00	£104.00	£104.00	NEW CHARGE
Clean Air Zone				
Specific Legislation Impacting on Charging	Transport Act 2000 (Charging Order)			
Charges for Clean Air Zone (24 Hours, 365 Days Per Year)				
Private Cars (Non-compliant) VAT Not Applicable	£8.00	£8.00	£0.00	0.00%
Taxis (Hackney Carriage, Non-compliant) VAT Not Applicable	£8.00	£8.00	£0.00	0.00%
Taxis (Private Hire, Non-compliant) VAT Not Applicable	£8.00	£8.00	£0.00	0.00%
Light Goods Vehicles (Non-compliant) VAT Not Applicable	£8.00	£8.00	£0.00	0.00%
Heavy Goods Vehicles (Non-compliant) VAT Not Applicable	£50.00	£50.00	£0.00	0.00%
Coaches (Non-compliant) VAT Not Applicable	£50.00	£50.00	£0.00	0.00%
Buses (Non-compliant) VAT Not Applicable	£50.00	£50.00	£0.00	0.00%
Bereavement Services				
Exclusive Right of Burial - Earthen graves and walled graves/vaults have an Exclusive Right of Burial for a period of 75 years, with the option to renew such Rights on the terms then prevailing for a similar Grant. This fee also includes the right to place and maintain a memorial on the grave. Such rights to expire co-terminus with the Exclusive Right of Burial.				
1. Graves				
Adult - (aged 19 and over)				
Resident Fee - Standard grave (to accept Coffin/Casket up to 30" (76.20cm) in width)	£2,247.00	£2,270.00	£23.00	1.00%
Non-Resident Fee - Standard grave (to accept Coffin/Casket up to 30" (76.20cm) in width)	£2,584.00	£2,610.50	£26.50	1.00%
Resident Fee - Standard grave (Lawn Type) with concrete header	£2,445.00	£2,470.00	£25.00	1.00%
Non-Resident Fee - Standard grave (Lawn Type) with concrete header	£2,812.00	£2,840.50	£28.50	1.00%
Resident Fee - Grave to accept coffin casket over 30" in width, where practicable, the above fee will increase pro rata	£2,809.00	£2,837.00	£28.00	1.00%
Non-Resident Fee - Grave to accept coffin casket over 30" in width, where practicable, the above fee will increase pro rata	£3,230.00	£3,262.55	£32.55	1.00%
Resident Fee - As above with concrete header – (Lawn type graves only)	£3,059.00	£3,090.00	£31.00	1.00%

Service/ Charge	Charge 2021/22	Proposed Charge 2022/23	£ change (22/23- 21/22)	% change
Non-Resident Fee -As above with concrete header – (Lawn type graves only)	£3,518.00	£3,553.50	£35.50	1.00%
<b>Child (aged 18 years or below)</b>				
Resident Fee - An ERB where the only burial required is for a child aged 18 years or younger.	£0.00	£0.00	£0.00	0.00%
Non-Resident Fee - An ERB where the only burial required is for a child aged 18 years or younger.	£0.00	£0.00	£0.00	0.00%
<b>Cremated Remains</b>				
Resident Fee - Earthen grave for cremation ashes (for two caskets)	£661.00	£668.00	£7.00	1.10%
Non-Resident Fee - Earthen grave for cremation ashes (for two caskets)	£760.00	£768.20	£8.20	1.10%
Resident Fee - Earthen grave for cremation ashes (four caskets) with Concrete Header	£1,089.00	£1,100.00	£11.00	1.00%
Non-Resident Fee - Earthen grave for cremation ashes (four caskets) with Concrete Header	£1,252.00	£1,265.00	£13.00	1.00%
Resident Fee - Earthen grave for cremation ashes with Concrete Header to accept two caskets of remains	£874.00	£883.00	£9.00	1.00%
Non-Resident Fee - Earthen grave for cremation ashes with Concrete Header to accept two caskets of remains	£1,005.00	£1,015.45	£10.45	1.00%
<b>2. Vaults</b>				
Resident Fee - Mini cremated remains vault	£1,600.00	Price on Application		0.00%
Non-Resident Fee - Mini cremated remains vault	£1,840.00	Price on Application		0.00%
Resident Fee - Other vaulted graves	Price on Application			0.00%
Non-Resident Fee - Other vaulted graves	Price on Application			0.00%
<b>3. Woodland Burials</b>				
Resident Fee - Standard grave (to accept Coffin/Casket up to 30" (76.20cm) in width)	£1,950.00	£1,970.00	£20.00	1.00%
Non-Resident Fee - Standard grave (to accept Coffin/Casket up to 30" (76.20cm) in width)	£2,243.00	£2,265.50	£22.50	1.00%
Resident Fee - Standard grave WITH TREE (to accept Coffin/Casket up to 30" (76.20cm) in width)	£2,295.00	£2,318.00	£23.00	1.00%
Non-Resident Fee - Standard grave WITH TREE (to accept Coffin/Casket up to 30" (76.20cm) in width)	£2,639.00	£2,665.70	£26.70	1.00%
<b>4. Reservation</b>				
Resident Fee - Grave Reservation Fee to be paid in addition to the Exclusive Right of Burial Fee relevant at the time of reservation. Applies to all full-sized graves purchased in reserve.	£150.00	£250.00	£100.00	66.70%
Non-Resident Fee - Grave Reservation Fee to be paid in addition to the Exclusive Right of Burial Fee relevant at the time of reservation. Applies to all full-sized graves purchased in reserve.	£150.00	£287.50	£137.50	91.70%
<b>INTERMENTS</b> (Maximum 1 hour appointment allocation per booking - ½ hr for items 7a - 7c). N.B. Maximum coffin width in a standard grave is 30" in width including a re-opened or pre-purchased grave.				
	-	-	-	-
<b>5. Graves (including public graves)</b>				
Resident fee - Interment of a person aged 19 years or over	£1,054.00	£1,065.00	£11.00	1.00%
Non-Resident fee - Interment of a person aged 19 years or over	£1,054.00	£1,065.00	£11.00	1.00%
Resident Fee - Interment of a still born child (Includes non-viable foetal remains) or a child aged 18 years or below	£0.00	£0.00	£0.00	0.00%
Non-Resident Fee - Interment of a still born child (Includes non-viable foetal remains) or a child aged 18 years or below	£0.00	£0.00	£0.00	0.00%
Resident Fee - Organs, other body parts and tissue of a deceased person where deceased was aged 19 or above	£300.00	£303.00	£3.00	1.00%
Non-Resident Fee - Organs, other body parts and tissue of a deceased person where deceased was aged 19 or above	£300.00	£303.00	£3.00	1.00%

Service/ Charge	Charge 2021/22	Proposed Charge 2022/23	£ change (22/23- 21/22)	% change
6. Walled graves or vaults				
Resident Fee - Interment of a still born child (Includes non-viable foetal remains) or a child aged 18 years or younger	£0.00	£0.00	£0.00	0.00%
Non-Resident Fee - Interment of a still born child (Includes non-viable foetal remains) or a child aged 18 years or younger	£0.00	£0.00	£0.00	0.00%
Resident Fee - Interment of a person aged 19 years or over	£1,054.00	£1,065.00	£11.00	1.00%
Non-Resident Fee - Interment of a person aged 19 years or over (exception applies, see below)	£1,054.00	£1,065.00	£11.00	1.00%
Other interment fees will apply for non-standard graves	Price on Application			0.00%
7. Cremated Remains				
Resident Fee - Interment of Cremated Remains in a grave or vault	£300.00	£303.00	£3.00	1.00%
Non-Resident Fee - Interment of Cremated Remains in a grave or vault	£300.00	£303.00	£3.00	1.00%
Resident Fee - Interment of cremated remains of a child aged 18 years or below	£156.00	£158.00	£2.00	1.30%
Non-Resident Fee - Interment of cremated remains of a child aged 18 years or below	£156.00	£158.00	£2.00	1.30%
Resident Fee - Where two interments take place at the same time an additional registration fee will be charged in place of the second interment fee. This applies to fees 5a - 7a	£175.00	£177.00	£2.00	1.10%
Non-Resident Fee - Where two interments take place at the same time an additional registration fee will be charged in place of the second interment fee. This applies to fees 5a - 7a	£175.00	£177.00	£2.00	1.10%
8. Other				
Interment of the Qu'ran pages by appointment at Handsworth Cemetery only	Price on Application		0.00%	
9. Scattering of cremated remains				
Resident Fee - Scattering of cremated remains on a grave when cremation did not take place at a Birmingham City Council Crematorium. The fee to witness scattering of cremated remains included	£104.00	£105.00	£1.00	1.00%
Non-Resident Fee - Scattering of cremated remains on a grave when cremation did not take place at a Birmingham City Council Crematorium. The fee to witness scattering of cremated remains included	£104.00	£105.00	£1.00	1.00%
Resident Fee -Witness scattering of cremated remains on a grave when cremation took place at a Birmingham City Council Crematorium. Where multiple scatterings take place on the same grave at the same time, this fee will only be applied once.	£47.00	£48.00	£1.00	2.10%
Resident Fee -Witness scattering of cremated remains on a grave when cremation took place at a Birmingham City Council Crematorium. Where multiple scatterings take place on the same grave at the same time, this fee will only be applied once.	£47.00	£48.00	£1.00	2.10%
10. Walled graves				
Resident fee - Cost of construction of walled grave, where available.	Price on application		0.00%	
Non-Resident fee - Cost of construction of walled grave, where available.	Price on application		0.00%	
11. Concrete liners (Supply in additional to ERB and interment fee.)				
Cost of a concrete liner for a standard sized grave	£1,100.00	£1,300.00	£200.00	18.20%
Cost of a concrete liner for a child's sized grave	£620.00	£626.00	£6.00	1.00%
Memorials and Inscriptions (As defined within the Rules and Regulations in Respect of the Municipal Cemeteries).				
-				
12. Inscription				
Resident Fee - Application for an additional inscription on grave memorial (N.B. The first name on memorial is FOC). Up to two names may be included on one application for this fee.	£67.00	£68.00	£1.00	1.50%
Non-Resident Fee - Application for an additional inscription on grave memorial (N.B. The first name on memorial is FOC). Up to two names may be included on one application for this fee.	£67.00	£68.00	£1.00	1.50%
Resident Fee - Additional inscriptions on various other memorials	Prices on application		0.00%	

Service/ Charge	Charge 2021/22	Proposed Charge 2022/23	£ change (22/23- 21/22)	% change
Non-Resident Fee - Additional inscriptions on various other memorials	Prices on application		0.00%	
13. Transfer Fee				
Resident Fee - Transfer of ownership and subsequent registering of an existing Exclusive Right of Burial where the owner of the Exclusive Right of Burial is deceased and a burial is to take place, also transfer of ownership and subsequent registering of an Exclusive Right of Burial where transfer to a resident of Birmingham.	£70.00	£71.00	£1.00	1.40%
Non-Resident - WHERE THE TRANSFER OF A RESERVED GRAVE IS TO A NON-RESIDENT THEN AN ADDITIONAL 15% OF THE ORIGINAL EXCLUSIVE RIGHT OF BURIAL FEE WILL BE APPLIED TO THE TRANSFER FEE	£70.00	Price on application		0.00%
14. Declaration (loss of deed) or Repurchase of burial rights				
Resident Fee - Preparation of indemnity upon notification of loss of an Exclusive Right of Burial.	£70.00	£71.00	£1.00	1.40%
Preparation of Repurchase of Exclusive Right of Burial Agreement.				
ADDITIONAL CHARGES				
	-	-	-	-
15. Service				
Resident Fee - Where a burial service takes longer than 1.15 hours from the appointed service time an additional fee will be applied – Charge will be applied for each half hour over and above the 1.15 hours.	£260.00	£263.00	£3.00	1.20%
Non-Resident Fee - Where a burial service takes longer than 1.15 hours from the appointed service time an additional fee will be applied – Charge will be applied for each half hour over and above the 1.15 hours.	£260.00	£263.00	£3.00	1.20%
Resident Fee - Where the service for an interment of cremated remains or an interment of a child aged 16 or below takes longer than 30 minutes from the appointed service time an additional fee will be applied.	£75.00	£76.00	£1.00	1.30%
Non-Resident Fee - Where the service for an interment of cremated remains or an interment of a child aged 16 or below takes longer than 30 minutes from the appointed service time an additional fee will be applied.	£75.00	£76.00	£1.00	1.30%
16. Cancellation				
Resident Fee - Late cancellation of funeral booking (after 10.00 hours on the working day prior to the funeral)	£255.00	£258.00	£3.00	1.20%
Non-Resident Fee - Late cancellation of funeral booking (after 10.00 hours on the working day prior to the funeral)	£255.00	£258.00	£3.00	1.20%
Resident Fee - Late cancellation / Non-attendance for booking of cremated remains interment (after 10.00 hours on the working day prior to the funeral)	£52.00	£53.00	£1.00	1.90%
Non-Resident Fee - Late cancellation / Nonattendance for booking of cremated remains interment (after 10.00 hours on the working day prior to the funeral)	£52.00	£53.00	£1.00	1.90%
Resident Fee - Late cancellation / Nonattendance for booking of scattering of cremated remains.	£20.00	£21.00	£1.00	5.00%
Non-Resident Fee - Late cancellation / Nonattendance for booking of scattering of cremated remains.	£20.00	£21.00	£1.00	5.00%
17. Chapel				
Resident Fee - Use of Handsworth cemetery chapel including use of organ and, if required, provision of recorded music.	£300.00	£303.00	£3.00	1.00%
Non-Resident Fee - Use of Handsworth cemetery chapel including use of organ and, if required, provision of recorded music.	£300.00	£303.00	£3.00	1.00%
18. Other				

Service/ Charge	Charge 2021/22	Proposed Charge 2022/23	£ change (22/23- 21/22)	% change
Resident Fee - Additional work required on a grave where incorrect information was supplied on the notice of interment.	£120.00	£121.00	£0.00	0.00%
Non-Resident Fee - Additional work required on a grave where incorrect information was supplied on the notice of interment.	£120.00	£121.00	£0.00	0.00%
Resident Fee - Reprint of Deed due to incorrect information being supplied on the notice of interment and amendment of Statutory Registers.	£70.00	£71.00	£0.00	0.00%
Non-Resident Fee - Reprint of Deed due to incorrect information being supplied on the notice of interment and amendment of Statutory Registers.	£70.00	£71.00	£1.00	1.40%
Resident Fee - Postage of Deed by Recorded Delivery	£10.00	£11.00	£1.00	10.00%
Non-Resident Fee - Postage of Deed by Recorded Delivery	£10.00	£11.00	£1.00	10.00%
<b>CREMATION FEES - The fees detailed below include the use of the chapel, scattering of cremated remains in the Garden of Remembrance, Medical Referee's and (if required) use of organ and/or provision of recorded/Wesley music. Webcasting, personal tributes and recordings of services available at additional cost – POA</b>				
<b>1. Cremation</b>				
Person aged 19 years or above. The cremation fee includes an environmental charge of £56.00	£825.00	£833.00	£8.00	1.00%
Direct Cremation (08:30 appointment) Person aged 19 years or above. The cremation fee includes an environmental charge.	£575.00	£580.00	£5.00	0.90%
Where a cremation service takes place for two adults. The cremation fee includes an environmental charge of £56.00	£1,250.00	£1,263.00	£13.00	1.00%
Stillborn child, including non-viable foetal remains, or a child aged 18 years or below.	£0.00	£0.00	£0.00	0.00%
Organs, other body parts and tissue of a deceased person where the deceased was aged 19 or above.	£143.00	£145.00	£2.00	1.40%
Duplicate of Certificate of Cremation		£15.00		0.00%
<b>2. Chapel</b>				
Additional use of the crematorium chapel by appointment – Annexed to a cremation appointment only.	£300.00	£303.00	£3.00	1.00%
Use of crematorium chapel for memorial service	£400.00	£404.00	£4.00	1.00%
<b>3. Late</b>				
Where the funeral exceeds the allotted service time slot, the additional fee will be applied.	£420.00	£424.00	£0.00	0.00%
For funerals that arrive/commence more than 1 hour late, in addition to previous fees.	£500.00	£505.00	£0.00	0.00%
Late cancellation of a funeral booking (after 10.00 hours on the working day prior to the funeral).	£298.00	£300.00	£2.00	0.70%
<b>4. Cremated remains</b>				
Temporary deposit of cremated remains pending arrangements for disposal, per month. (Charge applied after the first month)	£71.00	£72.00	£1.00	1.40%
Witness scattering of cremated remains in the garden of remembrance where cremation takes place at a Birmingham City Council Crematorium	£53.00	£54.00	£1.00	1.90%
Scattering of cremated remains in the Garden of Remembrance when cremation took place at any other crematorium	£107.00	£108.00	£1.00	0.90%
<b>Parks</b>				
<b>Individual Use of Facilities</b>				
<b>Bowls</b>				

Service/ Charge	Charge 2021/22	Proposed Charge 2022/23	£ change (22/23- 21/22)	% change
Adult	£7.00	£7.00	£0.00	0.00%
Juniors/Concessions	£4.00	£4.00	£0.00	0.00%
Season Ticket (Standard).	£95.00	£95.00	£0.00	0.00%
Team Match	£75.00	£75.00	£0.00	0.00%
<b>Fishing</b>				
Day Ticket - Adult	£14.00	£14.00	£0.00	0.00%
Juniors/Concessions	£6.50	£6.50	£0.00	0.00%
<b>Fishing Season Ticket: -</b>				
All park sites	£105.00	£105.00	£0.00	0.00%
Redgra Pitches (Inclusive of lights)				
<b>Without changing facilities:</b>				
Adult	£70.00	£70.00	£0.00	0.00%
Junior	£35.00	£35.00	£0.00	0.00%
<b>With changing facilities:</b>				
Adult	£110.00	£110.00	£0.00	0.00%
Junior	£65.00	£65.00	£0.00	0.00%
<b>Birmingham Wildlife Conservation Park Admission Charges</b>				
Adults	£7.25	£7.50	£0.25	3.40%
Adults accompanying a child under 3 years	£7.25	£7.50	£0.25	3.40%
Senior Citizens, Students	£5.55	£5.70	£0.15	2.70%
Child aged 3 to 15 years inclusive	£3.65	£3.75	£0.10	2.70%
Children under 3			£0.00	0.00%
Family Day Ticket:	£23.75	£24.50	£0.75	3.20%
(2 adults plus maximum of 3 children aged 3 - 15 years)			£0.00	0.00%
Family Day Ticket:	£17.00	£17.50	£0.50	2.90%
(1 adult + 3 child aged 3 - 15 years)			£0.00	0.00%
Family Season Ticket:	£86.00	£88.50	£2.50	2.90%
(2 adults plus maximum number of 3 children aged 3 - 15 years)			£0.00	0.00%
Single Adult Season Ticket:	£61.00	£63.00	£2.00	3.30%
(1 adult plus maximum number of 3 children aged 3 - 15 years)			£0.00	0.00%
Concessionary Season Ticket:	£52.50	£54.00	£1.50	2.90%
(Senior Citizens)			£0.00	0.00%
Family Season Ticket Incl. Car Parking	£125.50	£129.00	£3.50	2.80%
(2 adults plus maximum number of 3 children aged 3 - 15 years)			£0.00	0.00%
Single Adult Season Ticket Incl. Car Parking	£88.50	£91.00	£2.50	2.80%
(1 adult plus maximum number of 3 children aged 3 - 15 years)			£0.00	0.00%
Concessionary Season Ticket Incl. Car Parking	£76.75	£79.00	£2.25	2.90%
(Senior Citizens)			£0.00	0.00%
<b>Parks - Events</b>				
<b>Use of Parks (Events)</b>				

Service/ Charge	Charge 2021/22	Proposed Charge 2022/23	£ change (22/23- 21/22)	% change
Community use including friends' groups and volunteers = subject to negotiation	Subject to negotiation	Subject to negotiation		
<b>Cannon Hill &amp; Sutton Park</b>				
<b>Small Events (attendance up to 499)</b>				
Commercial - operational days	Subject to negotiation	Subject to negotiation		
Commercial - set-up/dismantling days	Subject to negotiation	Subject to negotiation		
Non-commercial (incl. charities) - operational days	Subject to negotiation	Subject to negotiation		
Non-commercial (inc charities) - set-up/dismantling days	Subject to negotiation	Subject to negotiation		
<b>Major Events (attendance 500 or more)</b>				
Commercial - operational days	Subject to negotiation	Subject to negotiation		
Commercial - set-up/dismantling days	Subject to negotiation	Subject to negotiation		
Non-commercial (incl. charities) - operational days	Subject to negotiation	Subject to negotiation		
Non-commercial (inc charities) - set-up/dismantling days	Subject to negotiation	Subject to negotiation		
<b>Eastside Park, Handsworth Park, Kings Heath Park, Lickey Hills (including Cofton and Perry Parks for major concerts &amp; events with attendances above 20,000)</b>				
<b>Small Events (attendance up to 499)</b>				
Commercial - operational days	£2,160.00	£2,160.00	£0.00	0.00%
Commercial - set-up/dismantling days	£1,080.00	£1,080.00	£0.00	0.00%
Non-commercial (incl. charities) - operational days	£595.00	£595.00	£0.00	0.00%
Non-commercial (incl. charities) - set-up/dismantling days	£297.50	£297.50	£0.00	0.00%
<b>Major Events (attendance 500 or more)</b>				
Commercial - operational days	£4,310.00	£4,310.00	£0.00	0.00%
Commercial - set-up/dismantling days	£2,155.00	£2,155.00	£0.00	0.00%
Non-commercial (incl. charities) - operational days	£1,185.00	£1,185.00	£0.00	0.00%
Non-commercial (incl. charities) - set-up/dismantling days	£592.50	£592.50	£0.00	0.00%
<b>All Other Sites (all sites)</b>				
<b>Small Events (attendance up to 499)</b>				
Commercial - operational days	£570.00	£570.00	£0.00	0.00%
Commercial - set-up/dismantling days	£285.00	£285.00	£0.00	0.00%
Non-commercial (incl. charities) - operational days	£178.50	£178.50	£0.00	0.00%
Non-commercial (incl. charities) - set-up/dismantling days	£89.25	£89.25	£0.00	0.00%
<b>Major Events (attendance 500 or more)</b>				
Commercial - operational days	£1,135.00	£1,135.00	£0.00	0.00%
Commercial - set-up/dismantling days	£567.50	£567.50	£0.00	0.00%
Non-commercial (incl. charities) - operational days	£355.00	£355.00	£0.00	0.00%
Non-commercial (incl. charities) - set-up/dismantling days	£177.50	£177.50	£0.00	0.00%
<b>Wedding photographs and recordings</b>				
Commercial	£395.00	£395.00	£0.00	0.00%
Non commercial	£90.00	£90.00	£0.00	0.00%

Service/ Charge	Charge 2021/22	Proposed Charge 2022/23	£ change (22/23- 21/22)	% change
Organised Group Activities E.g. Boot Camp, Forest Schools etc. = a minimum of 12% of gross income	£35.00	£35.00	£0.00	0.00%
<b>Filming in Parks</b>				
<b>Cannon Hill, Handsworth Park, Kings Heath Park, Lickey Hills &amp; Sutton Park</b>				
Up to 1 hour & Students	£120.00	£120.00	£0.00	0.00%
Filming with minimal equipment (hand held)	£305.00	£305.00	£0.00	0.00%
Filming with minimal equipment (hand held)	£490.00	£490.00	£0.00	0.00%
Filming with vehicles and crew	£490.00	£490.00	£0.00	0.00%
Filming with vehicles and crew	£980.00	£980.00	£0.00	0.00%
<b>All Other Sites</b>				
Up to 1 hour & Students	£89.00	£89.00	£0.00	0.00%
Filming with minimal equipment (hand held)	£178.50	£178.50	£0.00	0.00%
Filming with minimal equipment (hand held)	£360.00	£360.00	£0.00	0.00%
Filming with vehicles and crew	£360.00	£360.00	£0.00	0.00%
Filming with vehicles and crew	£860.00	£860.00	£0.00	0.00%
Season Ticket	£3,930.00	£3,930.00	£0.00	0.00%
Season Ticket	£7,855.00	£7,855.00	£0.00	0.00%
<b>Car Parking</b>				
Cannon Hill Park, up to 4 hours	£2.60	£2.80	£0.20	7.70%
Cannon Hill Park, 4 - 16 ½ hours	£3.90	£4.20	£0.30	7.70%
Cannon Hill Park	£19.50	£21.00	£1.50	7.70%
Sutton Park - subject to further consultation regarding the rollout of the Parks Car Parking Scheme	£2.00	£2.00	£0.00	0.00%
<b>Parks room hire facilities</b>				
Community Room (30 people)	£35.00	£35.00	£0.00	0.00%
Annual charge - minimum fee subject to hire agreement	£2,940.00	£2,940.00	£0.00	0.00%
Charge per teaching area per games session	£72.00	£72.00	£0.00	0.00%
(Senior Citizens)			£0.00	0.00%
<b>Parks ranger service - educational sessions (including schools)</b>				
Group - max 30	£190.00	£190.00	£0.00	0.00%
Group - max 30	£310.00	£310.00	£0.00	0.00%
Community Group talks or guided walks	£78.75	£78.75	£0.00	0.00%
Equipment hire	£36.75	£36.75	£0.00	0.00%
<b>Funfairs in Parks</b>				
<b>Cannon Hill, Handsworth Park, Kings Heath Park, Lickey Hills &amp; Sutton Park</b>				
Up to 5 Adult Rides	£735.00	£735.00	£0.00	0.00%
6 Adult Rides	£810.00	£810.00	£0.00	0.00%
7 Adult Rides	£920.00	£920.00	£0.00	0.00%
8 Adult Rides	£1,060.00	£1,060.00	£0.00	0.00%
Up to 9 Adult Rides	£1,185.00	£1,185.00	£0.00	0.00%
<b>All Other Sites</b>				
Up to 5 Adult Rides	£450.00	£450.00	£0.00	0.00%

Service/ Charge	Charge 2021/22	Proposed Charge 2022/23	£ change (22/23-21/22)	% change
6 Adult Rides	£480.00	£480.00	£0.00	0.00%
7 Adult Rides	£565.00	£565.00	£0.00	0.00%
8 Adult Rides	£650.00	£650.00	£0.00	0.00%
Up to 9 Adult Rides	£725.00	£725.00	£0.00	0.00%
<b>Football</b>				
<b>FOOTBALL - Saturday</b>				
<b>Charge per match</b>				
Senior Match & changing facilities	£92.00	£92.00	£0.00	0.00%
Junior Match & changing facilities	£40.00	£40.00	£0.00	0.00%
Small Sided Match & changing facilities	£22.00	£22.00	£0.00	0.00%
Senior Match no changing facilities	£46.00	£46.00	£0.00	0.00%
Junior Match no changing facilities	£29.25	£29.25	£0.00	0.00%
Small Sided Match & no changing facilities	£16.25	£16.25	£0.00	0.00%
<b>Seasonal Licence* with facilities</b>				
Senior	£2,050.00	£2,050.00	£0.00	0.00%
Junior	£890.00	£890.00	£0.00	0.00%
Small Sided Match & changing facilities	£505.00	£505.00	£0.00	0.00%
<b>Seasonal Licence* without facilities</b>				
Senior	£875.00	£875.00	£0.00	0.00%
Junior	£425.50	£425.50	£0.00	0.00%
Small Sided Match & no changing facilities	£208.50	£208.50	£0.00	0.00%
<b>FOOTBALL - Sunday (AM = game finishes up to &amp; including 11.59am; PM = game starts from 12 noon onwards)</b>				
<b>Charge per match</b>				
Senior Match & changing facilities - PM	£115.00	£115.00	£0.00	0.00%
Senior Match and changing Facilities - AM	£133.50	£133.50	£0.00	0.00%
Junior Match & changing facilities	£52.00	£52.00	£0.00	0.00%
Small Sided Match & changing facilities	£27.50	£27.50	£0.00	0.00%
Senior Match no changing facilities - PM	£58.00	£58.00	£0.00	0.00%
Senior Match no changing facilities - AM	£72.75	£72.75	£0.00	0.00%
Junior Match no changing facilities	£28.75	£28.75	£0.00	0.00%
Small Sided Match & no changing facilities	£16.50	£16.50	£0.00	0.00%
<b>Seasonal Licences*</b>				
Senior Match & changing facilities - PM	£2,284.00	£2,284.00	£0.00	0.00%
Senior Match and changing Facilities - AM	£2,725.00	£2,725.00	£0.00	0.00%
Junior Match & changing facilities	£1,320.00	£1,320.00	£0.00	0.00%
Small Sided Match & changing facilities	£645.00	£645.00	£0.00	0.00%
Senior Match no changing facilities - PM	£1,330.00	£1,330.00	£0.00	0.00%
Senior Match no changing facilities - AM	£1,595.00	£1,595.00	£0.00	0.00%
Junior Match no changing facilities	£805.00	£805.00	£0.00	0.00%
Small Sided Match & no changing facilities	£400.00	£400.00	£0.00	0.00%

Service/ Charge	Charge 2021/22	Proposed Charge 2022/23	£ change (22/23- 21/22)	% change
<b>Rugby</b>				
<b>RUGBY - Saturday - charge per match</b>				
Senior Match & changing facilities	£85.00	£85.00	£0.00	0.00%
Junior Match & changing facilities	£41.50	£41.50	£0.00	0.00%
Senior Match no changing facilities	£35.25	£35.25	£0.00	0.00%
Junior Match no changing facilities	£29.50	£29.50	£0.00	0.00%
<b>Seasonal Licence* with facilities</b>				
Senior	£1,985.00	£1,985.00	£0.00	0.00%
Junior	£990.00	£990.00	£0.00	0.00%
<b>Seasonal Licence* without facilities</b>				
Senior	£920.00	£920.00	£0.00	0.00%
Junior	£460.00	£460.00	£0.00	0.00%
<b>TRAINING SESSIONS WITH FLOODLIGHTS - charge per session</b>				
Midweek with facilities per session	£92.50	£92.50	£0.00	0.00%
Midweek without facilities per session	£60.00	£60.00	£0.00	0.00%
<b>RUGBY - Sunday - charge per match</b>				
Senior Match & changing facilities	£101.00	£101.00	£0.00	0.00%
Junior Match & changing facilities	£50.25	£50.25	£0.00	0.00%
Senior Match no changing facilities	£49.25	£49.25	£0.00	0.00%
Junior Match no changing facilities	£29.50	£29.50	£0.00	0.00%
<b>Seasonal Licence* with facilities</b>				
Senior	£2,577.00	£2,577.00	£0.00	0.00%
Junior	£1,281.50	£1,281.50	£0.00	0.00%
<b>Seasonal Licence* without facilities</b>				
Senior	£1,457.00	£1,457.00	£0.00	0.00%
Junior	£707.50	£707.50	£0.00	0.00%
<b>Cricket</b>				
<b>CRICKET - Evening &amp; Sat</b>				
<b>charging per match</b>				
Senior Match & changing facilities	£65.50	£65.50	£0.00	0.00%
Junior Match & changing facilities	£35.50	£35.50	£0.00	0.00%
Senior Match no changing facilities	£39.00	£39.00	£0.00	0.00%
Junior Match no changing facilities	£24.00	£24.00	£0.00	0.00%
Practice Nets - Per session (Half Day)	£25.00	£25.00	£0.00	0.00%
Seasonal License Grade 1 Facilities (Handsworth Park only)	£1,276.00	£1,276.00	£0.00	0.00%
<b>Seasonal Licence* with facilities</b>				
Senior	£808.50	£808.50	£0.00	0.00%
Junior	£438.50	£438.50	£0.00	0.00%
<b>Seasonal Licence* without facilities</b>				
Senior	£488.50	£488.50	£0.00	0.00%
Junior	£258.50	£258.50	£0.00	0.00%

Service/ Charge	Charge 2021/22	Proposed Charge 2022/23	£ change (22/23- 21/22)	% change
<b>CRICKET - Sunday</b>				
<b>Charging per match</b>				
Senior Match changing facilities	£84.00	£84.00	£0.00	0.00%
Junior Match & changing facilities	£47.00	£47.00	£0.00	0.00%
Senior Match no changing facilities	£52.50	£52.50	£0.00	0.00%
Junior Match no changing facilities	£28.50	£28.50	£0.00	0.00%
Practice Nets - Per session (Half Day)	£26.50	£26.50	£0.00	0.00%
Seasonal License Grade 1 Facilities (Handsworth Park only)	£1,691.00	£1,691.00	£0.00	0.00%
<b>Seasonal Licence* with facilities</b>				
Senior	£1,067.00	£1,067.00	£0.00	0.00%
Junior	£567.00	£567.00	£0.00	0.00%
<b>Seasonal Licence* without facilities</b>				
Senior	£693.00	£693.00	£0.00	0.00%
Junior	£360.00	£360.00	£0.00	0.00%
Artificial Wicket Hire (no changing facilities) - Seasonal Licence	£105.00	£105.00	£0.00	0.00%
Artificial Wicket Hire (no changing facilities) - per match	£39.00	£39.00	£0.00	0.00%
<b>Garden and Bulky Waste</b>				
Garden Waste (Annual)	£50.00	£50.00	£0.00	0.00%
Garden Online Payment Discount (Annual)	£50.00	£50.00	£0.00	0.00%
Bulky Waste (Per collection)	£35.00	£35.00	£0.00	0.00%
Bulky Online Payment Discount	£33.00	£33.00	£0.00	0.00%
Online payment discount for Garden Waste online payment discount for Garden Waste	£2.00	£2.00	£0.00	0.00%
Promotional discounts (e.g. Early Bird)	£45.00	£45.00	£0.00	0.00%
<b>Trade Waste Collection</b>				
Sacks (Annual Contract)	Price on Request	Price on Request		0.00%
Sacks (Quarterly Contract)	Price on Request	Price on Request		0.00%
Sacks Prepaid	Price on Request	Price on Request		0.00%
Sacks City Centre	Price on Request	Price on Request		0.00%
Wheeled Bins (240 litres)	Price on Request	Price on Request		0.00%
Wheeled Bins (360 litres)	Price on Request	Price on Request		0.00%
Wheeled Bins (660 litres – 50kg net)	Price on Request	Price on Request		0.00%
Wheeled Bins (660 litres – 80kg net)	Price on Request	Price on Request		0.00%
Continental Containers (1100 litres – 150kg net)	Price on Request	Price on Request		0.00%
Continental Containers (1100 litres – 180kg net)	Price on Request	Price on Request		0.00%
Continental Containers (1280 litres)	Price on Request	Price on Request		0.00%
Paladins (0.96m³ containers)	Price on Request	Price on Request		0.00%

Service/ Charge	Charge 2021/22	Proposed Charge 2022/23	£ change (22/23- 21/22)	% change
Powell Duffryn	Price on Request	Price on Request		0.00%
<b>Skips/Mechanical Sweeper</b>				
Skips by Individual Load (6.12 m³)	Price on Request	Price on Request		0.00%
Skips by Individual Load (10.70 m³)	Price on Request	Price on Request		0.00%
Front Loading (9.18 m³)	Price on Request	Price on Request		0.00%
Skips using Rear End Loading Vehicle (6.12 m³)	Price on Request	Price on Request		0.00%
Skips using Rear End Loading Vehicle (10.70 m³)	Price on Request	Price on Request		0.00%
Rolonof (Price will be dependent on type of material collected/disposed)	Price on Request	Price on Request		0.00%
Minimum charge for one hour	Price on Request	Price on Request		0.00%
Minimum charge for half hour	Price on Request	Price on Request		0.00%
Issue of Duty of Care Certificate (Annual Season Ticket)	Price on Request	Price on Request		0.00%
<a href="#">Reconnection charge[1]</a>	Price on Request	Price on Request		0.00%
<a href="#">Reconnection charge[1]</a>	Price on Request	Price on Request		0.00%
<a href="#">[1] The reconnection fee is to cover costs relating to non-payment of invoices which result in cancellation and subsequent reconnection of services.</a>				
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<b>Hire of Mechanical Sweeping Vehicle and Driver</b>				
Minimum charge for one hour	Price on Request	Price on Request		0.00%
Emptying of cesspools (per visit)	Price on Request	Price on Request		0.00%
Commercial clinical waste collection: Sacks	Price on Request	Price on Request		0.00%
Commercial Clinical waste box (4 litres)	Price on Request	Price on Request		0.00%
Commercial Clinical waste box (30 litres)	Price on Request	Price on Request		0.00%
Clinical Waste Three Part Consignment Note	Price on Request	Price on Request		0.00%
<b>Trade Recycling Collections</b>				
Trade recycling services fulfil a demand from businesses to recycle more of their waste. The provision of such services also assists BCC to further reduce landfill and responds to the national Waste Strategy 2007 and associated national and local carbon reduction agenda.				
<b>Trade Waste Collection</b>				
<b>The following table shows the charges previously agreed for 2017/18 and the charges proposed for 2018/19.</b>	Price on Request	Price on Request		0.00%
Prepaid Cardboard Recycling Tape - 50m Roll	Price on Request	Price on Request		0.00%
240 litre Recycling Container Paper & Cardboard	Price on Request	Price on Request		0.00%
240 litre Recycling Container Mixed Multi	Price on Request	Price on Request		0.00%
360 litre Recycling Container Paper & Cardboard	Price on Request	Price on Request		0.00%

Service/ Charge	Charge 2021/22	Proposed Charge 2022/23	£ change (22/23- 21/22)	% change
360 litre Recycling Container Mixed Multi	Price on Request	Price on Request		0.00%
660 litre Recycling Container Paper and Cardboard	Price on Request	Price on Request		0.00%
660 litre Recycling Container Mixed Multi	Price on Request	Price on Request		0.00%
Consideration will be given to free paper & card recycling services to use as a competitive edge for significant contracts i.e. worth more than £7,000 per annum.	Price on Request	Price on Request		0.00%
1100 Glass Recycling	Price on Request	Price on Request		0.00%
[2] This new service is underutilised and as part of a marketing strategy it is proposed to keep it at its current rate.	Price on Request	Price on Request		0.00%
<b>Trade Waste Street Cleaning Events Rates</b>				
Beat Sweepers/Litter Pickers (per hour)	Price on Request	Price on Request		0.00%
Driver (per hour)	Price on Request	Price on Request		0.00%
Class 2 Driver (per hour)	Price on Request	Price on Request		0.00%
Small Mechanical Sweeper (per hour)	Price on Request	Price on Request		0.00%
Large Mechanical Sweeper (per hour)	Price on Request	Price on Request		0.00%
Sideloader - 3 Crew (per hour)	Price on Request	Price on Request		0.00%
Alley Cat - 3 Crew (per hour)	Price on Request	Price on Request		0.00%
<b>Sport &amp; Leisure</b>				
Prices in Sport and Leisure are for reference by Cabinet and Full Council only. The prices below were agreed via a Cabinet Member Decision and implemented from 1 January				
<b>Birmingham Alexander Stadium</b>				
<b>ATHLETICS</b>				
Senior Athletics Events - 1 day	£1,318.00	£1,423.40	£105.40	8.00%
Junior Athletics Events - 1 day	£891.50	£962.80	£71.30	8.00%
<b>OTHER FACILITIES</b>				
Additional Staff (e.g. Stewards)	£26.00	£28.05	£2.05	7.90%
Additional outside throwing cage	£179.50	£193.85	£14.35	8.00%
Additional pole vault runway	£179.50	£193.85	£14.35	8.00%
Additional high jump bed (max = 3)	£179.50	£193.85	£14.35	8.00%
Additional Stand	£252.00	£272.15	£20.15	8.00%
Floodlighting	£78.50	£84.75	£6.25	8.00%
Prices are for Commercial use and may be reduced at the Managers discretion for Community use, to include the use of:	£2,097.00	£2,264.75	£167.75	8.00%
Accommodation				
Commentary Box and Public Address System				
One Throwing Cage				

Service/ Charge	Charge 2021/22	Proposed Charge 2022/23	£ change (22/23- 21/22)	% change
One Pole Vault Runway/Bed				
One High Jump Bed				
Physio Block				
Two Members of Staff on Trackside				
Track and Field Equipment				
All the above is subject to availability				
<b>Sport &amp; Leisure</b>				
<b>OTHER FACILITIES/ACTIVITIES</b>				
Holding Deposit	£656.00	£708.45	£52.45	8.00%
<b>Indoor Hall</b>				
Indoor Hall Exclusive use max 10 per area	£35.50	£38.30	£2.80	7.90%
Indoor Hall Exclusive use per area 13.00-15.30hrs	£77.00	£83.15	£6.15	8.00%
Indoor Hall Exclusive use all areas	£280.50	£302.90	£22.40	8.00%
Indoor Hall per session Adult	£6.00	£6.45	£0.45	7.50%
Indoor Hall per session Junior	£3.10	£3.30	£0.20	6.50%
Indoor Hall per session PTL	£4.80	£5.15	£0.35	7.30%
<b>GMAC</b>				
Kitchen	£33.50	£36.15	£2.65	7.90%
Viewing Gallery	£33.50	£36.15	£2.65	7.90%
Meeting Room	£33.50	£36.15	£2.65	7.90%
Martial Arts Room 1	£83.00	£89.60	£6.60	8.00%
Martial Arts Room 2	£65.00	£70.20	£5.20	8.00%
Martial Arts Room 3	£65.00	£70.20	£5.20	8.00%
<b>GMAC activities</b>				
Aikido Adult	£7.00	£7.55	£0.55	7.90%
Aikido Junior	£5.30	£5.70	£0.40	7.50%
Judo Adult	£7.20	£7.75	£0.55	7.60%
Judo Junior	£3.80	£4.10	£0.30	7.90%
Karate Adult	£7.00	£7.55	£0.55	7.90%
Karate Junior	£5.30	£5.70	£0.40	7.50%
Karate Family	£15.00	£16.20	£1.20	8.00%
The above room hire prices are guide prices for non-profit making organisations. Commercial rates are an additional 60% extra. Consumables and set-up and de-rig times are not included in prices listed.				
For all Sport and Leisure fees and charges Adults are classified as people aged 16years and over				
<b>Community Leisure Centres</b>				
Fees are inclusive of VAT where applicable				
<b>Sport &amp; Leisure</b>				
<b>FACILITIES</b>				
<b>Sports Hall</b>				
Sports Hall - whole - Shard End Adult	£50.00	£54.00	£4.00	8.00%
Sports Hall - whole - Bartley Green Adult	£0.00	£0.00	£0.00	0.00%

Service/ Charge	Charge 2021/22	Proposed Charge 2022/23	£ change (22/23- 21/22)	% change
Sports Hall - whole - Shard End Junior	£32.00	£34.55	£2.55	8.00%
Tarmac/Hard Surface	£20.50	£22.10	£1.60	7.80%
Social Events	£0.00	£0.00	£0.00	0.00%
Commercial Room Hire	£0.00	£0.00	£0.00	0.00%
<b>ACTIVITIES</b>				
<b>Badminton</b>				
Kingstanding	£9.50	£9.75	£0.25	2.60%
Bartley Green	£0.00	£0.00	£0.00	0.00%
Saltley	£9.50	£9.75	£0.25	2.60%
<b>Netball</b>				
Netball Court - indoor - Saltley	£52.50	£54.05	£1.55	3.00%
Netball Court - indoor - Kingstanding	£36.00	£37.05	£1.05	2.90%
<b>Cricket</b>				
Cricket Nets - Saltley	£34.00	£35.00	£1.00	2.90%
<b>Fitness session - Adult</b>				
Bartley Green	£0.00	£0.00	£0.00	0.00%
<b>Fitness session - Junior</b>				
Shard End	£4.20	£4.30	£0.10	2.40%
Bartley Green	£0.00	£0.00	£0.00	0.00%
<b>Group Fitness (Exercise classes)</b>				
Shard End	£5.60	£5.75	£0.15	2.70%
<b>MISCELLANEOUS CHARGES</b>				
Equipment Hire	£2.50	£2.55	£0.05	2.00%
<b>PASSPORT TO LEISURE</b>				
<b>Registration Fee</b>				
Birmingham Residents	£6.00	£6.00	£0.00	0.00%
Birmingham Residents Over 70	£0.00	£0.00	£0.00	0.00%
PTL discounts up to 20% on a range of activities	£0.00	£0.00	£0.00	0.00%
<b>Sports Development</b>				
<b>Tennis / Gymnastics / Swimming</b>				
<i>Fees are inclusive of VAT where applicable</i>				
<b>Sport &amp; Leisure</b>				
<b>TENNIS DEVELOPMENT 12 Weeks unless Stated</b>				
<b>JUNIOR</b>				
Mini Tots	£64.00	£69.10	£5.10	8.00%
Mini Tots - PTL	£51.20	£55.25	£4.05	7.90%
Mini Tennis - Red 45 min	£85.50	£92.30	£6.80	8.00%
Mini Tennis - Red 45 min - PTL	£68.50	£73.95	£5.45	8.00%
Mini Tennis - Orange 45 min	£85.50	£92.30	£6.80	8.00%
Mini Tennis - Orange 45 min - PTL	£68.50	£73.95	£5.45	8.00%
Mini Tennis - Green - 1 hour	£112.50	£121.50	£9.00	8.00%

Service/ Charge	Charge 2021/22	Proposed Charge 2022/23	£ change (22/23- 21/22)	% change
Mini Tennis - Green - 1 hour - PTL	£90.00	£97.20	£7.20	8.00%
Junior Tennis 1 & 2	£132.50	£143.10	£10.60	8.00%
Junior Tennis 1 & 2 - PTL	£106.00	£114.45	£8.45	8.00%
Teen Tennis 1, 2 & 3	£132.50	£143.10	£10.60	8.00%
Teen Tennis 1, 2 & 3 - PTL	£106.00	£114.45	£8.45	8.00%
Teen Tennis 1, 2 & 3 - Outdoors	£98.00	£105.80	£7.80	8.00%
Teen Tennis 1, 2 & 3 - Outdoors - PTL	£78.50	£84.75	£6.25	8.00%
<b>ADULT</b>				
Adult - 60 mins - beginner	£132.50	£143.10	£10.60	8.00%
Adult - 60 mins - beginner - PTL	£106.00	£114.45	£8.45	8.00%
Adult - 90 mins	£152.00	£164.15	£12.15	8.00%
Adult - 90 mins - PTL	£121.50	£131.20	£9.70	8.00%
Adult - drill & tactics	£111.50	£120.40	£8.90	8.00%
Adult - drill & tactics - PTL	£89.00	£96.10	£7.10	8.00%
Adult - rusty rackets (6 weeks)	£54.00	£58.30	£4.30	8.00%
Adult - rusty rackets (6 weeks) - PTL	£43.50	£46.95	£3.45	7.90%
Course less than 12 weeks will be pro-rata.				
<b>GYMNASTICS DEVELOPMENT</b>				
<b>JUNIOR GYMNASTS</b>				
Elite Gymnastics - 4+ Sessions per week	£76.50	£82.60	£6.10	8.00%
2nd Child - 4 Sessions	£58.00	£62.60	£4.60	7.90%
3rd Child - 4 Sessions	£50.00	£54.00	£4.00	8.00%
Elite Gymnastics - 4+ Sessions PTL	£61.00	£65.85	£4.85	8.00%
Elite Gymnastics - 3 Sessions per week	£60.50	£65.30	£4.80	7.90%
2nd Child - 3 Sessions	£45.00	£48.60	£3.60	8.00%
3rd Child - 3 Sessions	£39.50	£42.65	£3.15	8.00%
Elite Gymnastics - 3 Sessions PTL	£48.50	£52.35	£3.85	7.90%
Elite Gymnastics - 1- 2 Sessions per week	£44.00	£47.50	£3.50	8.00%
2nd Child - 1 - 2 Sessions	£33.00	£35.60	£2.60	7.90%
3rd Child - 1 -2 Sessions	£29.50	£31.85	£2.35	8.00%
Elite Gymnastics - 1- 2 Sessions PTL	£35.00	£37.80	£2.80	8.00%
Recreational Classes	£71.00	£76.65	£5.65	8.00%
Recreational Classes - 2nd Child	£52.50	£56.70	£4.20	8.00%
Recreational Classes - 3rd Child	£45.00	£48.60	£3.60	8.00%
Recreational Classes PTL	£57.00	£61.55	£4.55	8.00%
Advanced Recreational Class	£104.50	£112.85	£8.35	8.00%
Recreational Classes - 2nd Child	£79.00	£85.30	£6.30	8.00%
Recreational Classes - 3rd Child	£69.00	£74.50	£5.50	8.00%
Recreational Classes PTL	£83.50	£90.15	£6.65	8.00%
4th Child FREE for all groups				
<b>ADULT</b>				

Service/ Charge	Charge 2021/22	Proposed Charge 2022/23	£ change (22/23- 21/22)	% change
Floor Gymnastics	£7.00	£7.55	£0.55	7.90%
PTL	£5.50	£5.90	£0.40	7.30%
<b>SWIMMING DEVELOPMENT</b>				
Open National Group - City Resident	£94.00	£101.50	£7.50	8.00%
Open National Group - City Non-resident	£105.00	£113.40	£8.40	8.00%
Open National Group - Passport-to-Leisure	£75.00	£81.00	£6.00	8.00%
Open National Group - 2nd Child in Same Group	£70.00	£75.60	£5.60	8.00%
National Development Group - City Resident	£88.00	£95.00	£7.00	8.00%
National Development Group - City Non-resident	£99.00	£106.90	£7.90	8.00%
National Development Group - Passport-to-Leisure	£70.50	£76.10	£5.60	7.90%
National Development Group - 2nd Child in Same Group	£62.00	£66.95	£4.95	8.00%
National Synchronised Group - City Resident	£75.00	£81.00	£6.00	8.00%
National Synchronised Group - City Non-resident	£88.00	£95.00	£7.00	8.00%
National Synchronised Group - Passport-to-Leisure	£60.00	£64.80	£4.80	8.00%
National Synchronised Group - 2nd Child in Same Group	£56.00	£60.45	£4.45	7.90%
Youth Synchronised Group - City Resident	£66.00	£71.25	£5.25	8.00%
Youth Synchronised Group - City Non-resident	£76.00	£82.05	£6.05	8.00%
Youth Synchronised Group - Passport-to-Leisure	£53.00	£57.20	£4.20	7.90%
Youth Synchronised Group - 2nd Child in Same Group	£50.00	£54.00	£4.00	8.00%
Junior Synchronised Group - City Resident	£58.00	£62.60	£4.60	7.90%
Junior Synchronised Group - City Non-resident	£70.50	£76.10	£5.60	7.90%
Junior Synchronised Group - Passport-to-Leisure	£46.50	£50.20	£3.70	8.00%
Junior Synchronised Group - 2nd Child in Same Group	£43.00	£46.40	£3.40	7.90%
Learn to Synchro Swim - City Resident	£26.00	£28.05	£2.05	7.90%
Learn to Synchro Swim -City Non-resident	£30.50	£32.90	£2.40	7.90%
Learn to Synchro Swim - Passport-to-Leisure	£21.00	£22.65	£1.65	7.90%
<b>Sport &amp; Leisure</b>				
Learn to Synchro Swim - 2nd Child in Same Group	£18.00	£19.40	£1.40	7.80%
For all Sport and Leisure fees and charges Adults are classified as people aged 16 years and over				
<b>Leisure Centres - Facility Hire &amp; Miscellaneous</b>				
<b>Fees are inclusive of VAT where applicable</b>				
<b>INDOOR SPORTS</b>				
<b>8-day Advance Booking Leisure Card membership</b>			£0.00	0.00%
(+ £1.00 per court for 8-day advance booking)			£0.00	0.00%
<b>Sports Hall</b>				
Nechells (8 badminton court hall)	£117.00	£126.35	£9.35	8.00%
Cocks Moors Woods (8 courts)	£121.00	£130.65	£9.65	8.00%
Wyndley (5 courts)	£73.00	£78.80	£5.80	7.90%
Fox Hollies (4 court)	£73.00	£78.80	£5.80	7.90%
Handsworth (4 court)	£66.00	£71.25	£5.25	8.00%

Service/ Charge	Charge 2021/22	Proposed Charge 2022/23	£ change (22/23- 21/22)	% change
Small Heath (4 court)	£55.00	£59.40	£4.40	8.00%
New Stechford (4 court)	£73.50	£79.35	£5.85	8.00%
<b>Badminton</b>				
Fox Hollies	£9.50	£9.75	£0.25	2.60%
Wyndley	£9.50	£9.75	£0.25	2.60%
Cocks Moors Woods	£9.50	£9.75	£0.25	2.60%
Handsworth	£9.50	£9.75	£0.25	2.60%
Small Heath	£9.50	£9.75	£0.25	2.60%
Great Barr	£9.50	£9.75	£0.25	2.60%
Nechells	£9.50	£9.75	£0.25	2.60%
New Stechford	£9.50	£9.75	£0.25	2.60%
<b>Squash</b>				
Fox Hollies	£9.50	£9.75	£0.25	2.60%
Small Heath	£9.50	£9.75	£0.25	2.60%
Wyndley	£9.50	£9.75	£0.25	2.60%
<b>OUTDOOR SPORTS</b>				
<b>Wyndley Artificial Pitch</b>				
Adult	£153.00	£165.20	£12.20	8.00%
Junior	£77.00	£83.15	£6.15	8.00%
1/3 rd Pitch	£52.50	£56.70	£4.20	8.00%
1/3 rd Pitch Junior	£28.00	£30.20	£2.20	7.90%
Wyndley Practice Area	£61.00	£65.85	£4.85	8.00%
Wyndley Practice Area Junior	£30.50	£32.90	£2.40	7.90%
<b>Sport &amp; Leisure</b>				
<b>Small Heath - Artificial Pitch</b>				
Adult	£110.00	£118.80	£8.80	8.00%
1/3 rd Pitch	£37.00	£39.95	£2.95	8.00%
<b>Fox Hollies - Artificial Pitch</b>				
Adult	£145.00	£156.60	£11.60	8.00%
Junior	£73.50	£79.35	£5.85	8.00%
1/3 rd Pitch	£48.00	£51.80	£3.80	7.90%
<b>Artificial Pitch - Saltley</b>				
Adult	£133.00	£143.60	£10.60	8.00%
Adult 1/3 Pitch	£53.50	£57.75	£4.25	7.90%
<b>Artificial Pitch - Colmers</b>				
Adult 1/3 Pitch	£46.00	£49.65	£3.65	7.90%
Adult Full Pitch	£136.50	£147.40	£10.90	8.00%
Junior 1/3 Pitch	£35.00	£37.80	£2.80	8.00%
Junior Full Pitch	£103.50	£111.75	£8.25	8.00%
<b>Wyndley Sports Meetings</b>				
Adult - Midweek	£274.50	£296.45	£21.95	8.00%

Service/ Charge	Charge 2021/22	Proposed Charge 2022/23	£ change (22/23- 21/22)	% change
Adult - Weekend	£335.00	£361.80	£26.80	8.00%
Junior - Midweek	£189.00	£204.10	£15.10	8.00%
Junior - Weekend	£203.00	£219.20	£16.20	8.00%
Netball	£24.00	£24.70	£0.70	2.90%
Nechells - Multi Use Area	£22.00	£22.65	£0.65	3.00%
Cricket: Outdoor Practice Nets	£24.00	£24.70	£0.70	2.90%
<b>BILLESLEY INDOOR TENNIS CENTRE</b>				
<b>Indoor Court Hire</b>				
Peak Times - Adult	£26.00	£26.75	£0.75	2.90%
Peak Times - Junior	£12.50	£12.85	£0.35	2.80%
Off Peak	£11.00	£11.30	£0.30	2.70%
Weekends	£21.00	£21.60	£0.60	2.90%
School Use	£12.00	£12.35	£0.35	2.90%
<b>Outdoor Court Hire</b>				
Peak times - Adult	£12.50	£12.85	£0.35	2.80%
Peak times - Junior	£6.90	£7.10	£0.20	2.90%
Off peak - Adult	£10.00	£10.30	£0.30	3.00%
Off Peak - Junior	£5.30	£5.45	£0.15	2.80%
<b>TABLE TENNIS</b>				
Cocks Moors Woods	£8.20	£8.40	£0.20	2.40%
Fox Hollies	£8.20	£8.40	£0.20	2.40%
<b>Sport &amp; Leisure</b>				
Nechells	£8.20	£8.40	£0.20	2.40%
Wyndley	£8.20	£8.40	£0.20	2.40%
<b>NON-COMMERCIAL ROOM HIRE</b>				
<b>Room Hire</b>				
Calthorpe Play Centre	£29.00	£29.85	£0.85	2.90%
Stanhope Wellbeing Hub	£29.00	£29.85	£0.85	2.90%
<b>Firs &amp; Bromford Wellbeing Hub</b>				
Aston Pavilion	£42.50	£43.75	£1.25	2.90%
<b>Conference Suite</b>				
Cocks Moors Woods LC - Conference Suite	£68.00	£70.00	£2.00	2.90%
Cocks Moors Woods LC - Conference Suite	£206.50	£212.65	£6.15	3.00%
Cocks Moors Woods LC - Conference Suite	£344.00	£354.30	£10.30	3.00%
<b>Dance Studio</b>				
Cocks Moors Woods LC - Dance Studio 2	£34.50	£35.50	£1.00	2.90%
Cocks Moors Woods LC - Dance Studio 1	£113.50	£116.90	£3.40	3.00%
Wyndley LC	£34.50	£35.50	£1.00	2.90%
Fox Hollies LC	£33.50	£34.50	£1.00	3.00%
Handsworth	£33.50	£34.50	£1.00	3.00%
Handsworth VAT	£41.00	£42.20	£1.20	2.90%

Service/ Charge	Charge 2021/22	Proposed Charge 2022/23	£ change (22/23- 21/22)	% change
Harborne	£58.50	£60.25	£1.75	3.00%
New Erdington	£58.50	£60.25	£1.75	3.00%
New Northfield	£58.50	£60.25	£1.75	3.00%
New Stechford	£58.50	£60.25	£1.75	3.00%
New Sparkhill	£58.50	£60.25	£1.75	3.00%
Ladywood	£58.50	£60.25	£1.75	3.00%
<b>Indoor/Outdoor Sports</b>				
Short Mat Bowls	£4.20	£4.30	£0.10	2.40%
Running Track	£4.20	£4.30	£0.10	2.40%
For all Sport and Leisure fees and charges Adults are classified as people aged 16 years and over				
<b>Fitness Gym</b>				
Billesley Tennis Centre	£7.60	£7.80	£0.20	2.60%
Cocks Moors Woods	£7.60	£7.80	£0.20	2.60%
Fox Hollies	£7.60	£7.80	£0.20	2.60%
Alexander Stadium	£7.60	£7.80	£0.20	2.60%
<b>Sport &amp; Leisure</b>				
Nechells	£7.00	£7.20	£0.20	2.90%
Saltley	£7.60	£7.80	£0.20	2.60%
Wyndley	£7.60	£7.80	£0.20	2.60%
Kingstanding	£7.60	£7.80	£0.20	2.60%
Shard End	£7.30	£7.50	£0.20	2.70%
Small Heath LC and Nechells	£7.30	£7.50	£0.20	2.70%
Beeches Pool	£7.60	£7.80	£0.20	2.60%
Harborne	£7.60	£7.80	£0.20	2.60%
New Erdington	£7.60	£7.80	£0.20	2.60%
New Northfield	£7.60	£7.80	£0.20	2.60%
New Stechford	£7.60	£7.80	£0.20	2.60%
New Sparkhill	£7.60	£7.80	£0.20	2.60%
Ladywood	£7.60	£7.80	£0.20	2.60%
Individual PTL - discount 20% off-peak & 10% peak				
Reduced price for juniors				
<b>Programmes</b>				
Induction - Starter Programme	£16.50	£16.95	£0.45	2.70%
Induction - Starter Programme (PTL)	£13.20	£13.55	£0.35	2.70%
Induction - Starter Programme Junior	£7.70	£7.90	£0.20	2.60%
Induction - Personal Programme	£30.50	£31.40	£0.90	3.00%
Induction - Personal Programme (PTL)	£24.40	£25.10	£0.70	2.90%
Programme Review	£3.20	£3.25	£0.05	1.60%
Personal Fitness Trainer 1 to 1	£47.50	£48.90	£1.40	2.90%
<b>Fitness Gym + Sauna combined ticket</b>				

Service/ Charge	Charge 2021/22	Proposed Charge 2022/23	£ change (22/23- 21/22)	% change
Beeches	£12.00	£12.35	£0.35	2.90%
Gym & Sauna combined ticket PTL price reductions 30% off-peak and 10% peak				
Pulse Point users must be aged over 16, unless under instruction from a suitably qualified coach / instructor				
Handsworth Wellbeing Centre	£9.90	£10.15	£0.25	2.50%
New Erdington	£9.90	£10.15	£0.25	2.50%
New Sparkhill	£9.90	£10.15	£0.25	2.50%
Ladywood	£9.90	£10.15	£0.25	2.50%
<b>Sport &amp; Leisure</b>				
<b>Free Weight Gym Small Heath only</b>				
Individual Session Small Heath LC	£7.30	£7.50	£0.20	2.70%
Induction Small Heath	£8.70	£8.95	£0.25	2.90%
Induction (PTL)	£7.00	£7.20	£0.20	2.90%
PowerPoint users must be aged over 16, unless under instruction from a suitably qualified coach / instructor.				
<b>EXERCISE TO MUSIC GROUP CLASSES</b>				
<b>Instructed Classes</b>				
Aerobics (all group fitness classes)	£7.50	£7.70	£0.20	2.70%
AquaTone	£7.50	£7.70	£0.20	2.70%
AquaFit	£7.50	£7.70	£0.20	2.70%
Yoga	£8.30	£8.50	£0.20	2.40%
Body training systems	£7.50	£7.70	£0.20	2.70%
Studio Cycling	£7.50	£7.70	£0.20	2.70%
<b>TONING TABLES @ Kingstanding LC</b>				
Toning Tables	£7.40	£7.60	£0.20	2.70%
Toning Tables (PTL)	£5.90	£6.05	£0.15	2.50%
Toning Tables (Course)	£66.00	£67.95	£1.95	3.00%
<b>HEALTH SUITES</b>				
<b>Sauna, Steam, Turkish</b>				
Steam Room/Sauna	£11.00	£11.30	£0.30	2.70%
Steam/Sauna Cabinet	£4.90	£5.00	£0.10	2.00%
Turkish	£11.50	£11.80	£0.30	2.60%
Turkish PTL	£9.20	£9.45	£0.25	2.70%
<b>Showers</b>				
Adult/Junior	£3.10	£3.15	£0.05	1.60%
<b>MONTHLY MEMBERSHIPS SCHEMES</b>				
<b>Your Choice Memberships paid by Direct Debit</b>				
Premier Choice (Cross service)	£35.50	£35.50	£0.00	0.00%
Fitness Choice (Gym Only Multi site Wellbeing)	£31.00	£31.00	£0.00	0.00%
Fitness Choice (Classes Only Multi Site Wellbeing)	£23.00	£23.00	£0.00	0.00%
Aqua Choice (Swimming Only Multi site Wellbeing)	£25.00	£25.00	£0.00	0.00%

Service/ Charge	Charge 2021/22	Proposed Charge 2022/23	£ change (22/23- 21/22)	% change
Premier Choice Student Tiverton	£34.50	£34.50	£0.00	0.00%
<b>Sport &amp; Leisure</b>				
<b>Site specific health &amp; fitness monthly memberships not paid by Direct Debit</b>				
Gym & swim combined	£49.00	£49.00	£0.00	0.00%
Swim only	£37.00	£37.00	£0.00	0.00%
Leisure Centre Booking Card	£17.00	£17.00	£0.00	0.00%
For all Sport and Leisure fees and charges Adults are classified as people aged 16 years and over				
<b>SWIMMING POOL REGULAR HIRE</b>				
<b>Main Pool - Peak</b>				
Wyndley	£158.00	£170.60	£12.60	8.00%
Kingstanding	£160.00	£172.80	£12.80	8.00%
Fox Hollies	£116.00	£125.25	£9.25	8.00%
Beeches	£102.00	£110.15	£8.15	8.00%
Small Heath	£101.00	£109.05	£8.05	8.00%
Handsworth	£89.00	£96.10	£7.10	8.00%
Newtown	£89.00	£96.10	£7.10	8.00%
Moseley Road	£87.00	£93.95	£6.95	8.00%
Harborne	£158.00	£170.60	£12.60	8.00%
New Erdington	£158.00	£170.60	£12.60	8.00%
New Northfield	£158.00	£170.60	£12.60	8.00%
New Stechford	£158.00	£170.60	£12.60	8.00%
New Sparkhill	£158.00	£170.60	£12.60	8.00%
Ladywood	£211.00	£227.85	£16.85	8.00%
<b>Main Pool - Off Peak</b>				
Kingstanding	£115.00	£124.20	£9.20	8.00%
Wyndley	£104.00	£112.30	£8.30	8.00%
Fox Hollies	£87.00	£93.95	£6.95	8.00%
Beeches	£74.00	£79.90	£5.90	8.00%
Newtown	£74.00	£79.90	£5.90	8.00%
Small Heath	£72.00	£77.75	£5.75	8.00%
Handsworth	£67.00	£72.35	£5.35	8.00%
Moseley Road	£74.00	£79.90	£5.90	8.00%
Harborne	£115.00	£124.20	£9.20	8.00%
New Erdington	£115.00	£124.20	£9.20	8.00%
New Northfield	£115.00	£124.20	£9.20	8.00%
New Stechford	£115.00	£124.20	£9.20	8.00%
New Sparkhill	£115.00	£124.20	£9.20	8.00%
<b>Sport &amp; Leisure</b>				
Ladywood	£153.00	£165.20	£12.20	8.00%
<b>Teaching Pool - Peak</b>				

Service/ Charge	Charge 2021/22	Proposed Charge 2022/23	£ change (22/23- 21/22)	% change
Wyndley	£93.00	£100.40	£7.40	8.00%
Handsworth	£89.00	£96.10	£7.10	8.00%
Linden Road	£82.00	£88.55	£6.55	8.00%
Newtown	£63.00	£68.00	£5.00	7.90%
Moseley Road	£63.00	£68.00	£5.00	7.90%
Harborne	£93.00	£100.40	£7.40	8.00%
New Erdington	£93.00	£100.40	£7.40	8.00%
New Northfield	£93.00	£100.40	£7.40	8.00%
New Stechford	£93.00	£100.40	£7.40	8.00%
New Sparkhill	£93.00	£100.40	£7.40	8.00%
Ladywood	£93.00	£100.40	£7.40	8.00%
<b>Teaching Pool - Off Peak</b>				
Wyndley	£63.00	£68.00	£5.00	7.90%
Handsworth	£59.00	£63.70	£4.70	8.00%
Linden Road	£59.00	£63.70	£4.70	8.00%
Newtown	£50.00	£54.00	£4.00	8.00%
Moseley Road	£50.00	£54.00	£4.00	8.00%
Harborne	£63.00	£68.00	£5.00	7.90%
New Erdington	£63.00	£68.00	£5.00	7.90%
New Northfield	£63.00	£68.00	£5.00	7.90%
New Stechford	£63.00	£68.00	£5.00	7.90%
New Sparkhill	£63.00	£68.00	£5.00	7.90%
Ladywood	£63.00	£68.00	£5.00	7.90%
<b>OCCASIONAL POOL HIRE - GALA ETC</b>				
Main Pools				
Cocks Moors Woods (Leisure pool)	£352.00	£380.15	£28.15	8.00%
Wyndley	£352.00	£380.15	£28.15	8.00%
Kingstanding (Leisure Pool)	£352.00	£380.15	£28.15	8.00%
Fox Hollies	£203.00	£219.20	£16.20	8.00%
<b>Sport &amp; Leisure</b>				
Handsworth	£149.00	£160.90	£11.90	8.00%
Beeches	£149.00	£160.90	£11.90	8.00%
Small Heath	£149.00	£160.90	£11.90	8.00%
Newtown	£149.00	£160.90	£11.90	8.00%
Harborne	£203.00	£219.20	£16.20	8.00%
New Erdington	£203.00	£219.20	£16.20	8.00%
New Northfield	£203.00	£219.20	£16.20	8.00%
New Stechford	£203.00	£219.20	£16.20	8.00%
New Sparkhill	£203.00	£219.20	£16.20	8.00%
Ladywood	£469.00	£506.50	£37.50	8.00%
School galas/events in normal schools' hours	£90.00	£97.20	£7.20	8.00%

Service/ Charge	Charge 2021/22	Proposed Charge 2022/23	£ change (22/23- 21/22)	% change
Timing Equipment	£76.00	£82.05	£6.05	8.00%
<b>Teaching Pools</b>				
Wyndley	£124.00	£133.90	£9.90	8.00%
Linden Road	£100.00	£108.00	£8.00	8.00%
Handsworth	£91.00	£98.25	£7.25	8.00%
Newtown	£79.00	£85.30	£6.30	8.00%
Stechford	£78.00	£84.20	£6.20	7.90%
Moseley Road	£59.00	£63.70	£4.70	8.00%
Harborne	£124.00	£133.90	£9.90	8.00%
New Erdington	£124.00	£133.90	£9.90	8.00%
New Northfield	£124.00	£133.90	£9.90	8.00%
New Stechford	£124.00	£133.90	£9.90	8.00%
New Sparkhill	£124.00	£133.90	£9.90	8.00%
Ladywood	£124.00	£133.90	£9.90	8.00%
Charge for first 100 people. Add £1.00 per head over 100 people. The occasional hire rates take into account the need for staff safety cover.				
Galas and special events scheduled to extend into daytime public use shall be subject to a special application and a negotiated rate.				
<b>Sport &amp; Leisure</b>				
Bookings by organisations based outside the city should be subject to a negotiated hire charge, Based on a minimum of the occasional hire charge.				
<b>OTHER CHARGES</b>				
<b>Hire charge for staff lifeguard</b>				
One Leisure Assistant	£31.00	£33.45	£2.45	7.90%
<b>Schools Instruction Programme</b>				
Schools Swimming (including instructor)	£47.00	£50.75	£3.75	8.00%
Schools Swimming (including instructor)	£70.00	£75.60	£5.60	8.00%
Additional Swimming Instructor	£26.50	£28.60	£2.10	7.90%
Swimming Badges	£0.00	£0.00	£0.00	0.00%
Distance	£3.30	£3.55	£0.25	7.60%
Skills	£3.30	£3.55	£0.25	7.60%
Badge Sessions award	£3.50	£3.75	£0.25	7.10%
Old Strokes Badges	£2.30	£2.45	£0.15	6.50%
<b>NOTES</b>				
1) If a club whose headquarters are at one of the City Council's Swimming Pools or Leisure Centres has at least eight of its members participating in the junior group of the Advanced Coaching Scheme, then that club is entitled to pay the off-peak hire charge for one club session per week, up to a maximum of 3 hours, at the pool serving as its headquarters.				
2) 25% reduction on hire fee is given to designated lifesaving clubs/groups who (a) are affiliated to the RLSS Warwickshire Branch and b) offer courses and examinations leading to the RLSS UK/ISRM National Pool Lifeguard Qualification, or the RLSS UK rescue Test for Teachers and Coaches of swimming.				
3) School Use-				
Birmingham LEA schools - not applicable / internal charge				
Non-LEA Birmingham schools - Exempt if for educational purposes				

Service/ Charge	Charge 2021/22	Proposed Charge 2022/23	£ change (22/23- 21/22)	% change
For all Sport and Leisure fees and charges Adults are classified as people aged 16years and over				
<b>Swimming, Strokes Instruction and Strikes Instruction</b>				
<i>Fees are inclusive of VAT where applicable</i>				
<b>Sport &amp; Leisure</b>				
<b>GENERAL SWIMMING</b>				
<b>Cocks Moors Woods / Fox Hollies / Kingstanding /</b>				
<b>Stechford / Wyndley / Erdington / Sparkhill /</b>				
<b>Harborne / Northfield</b>				
Adult	£5.60	£5.75	£0.15	2.70%
Adult (PTL)	£4.50	£4.60	£0.10	2.20%
Junior under 16	£3.60	£3.70	£0.10	2.80%
Spectator	£1.00	£1.00	£0.00	0.00%
Group swim	£3.30	£3.35	£0.05	1.50%
Family Swim**	£15.00	£15.45	£0.45	3.00%
Family Swim (PTL)	£12.00	£12.35	£0.35	2.90%
<b>All other swimming pools</b>				
Adult	£5.40	£5.55	£0.15	2.80%
Adult (PTL)	£4.30	£4.40	£0.10	2.30%
Junior	£3.50	£3.60	£0.10	2.90%
Junior (PTL)	£2.80	£2.85	£0.05	1.80%
Spectator	£1.00	£1.00	£0.00	0.00%
Group swim	£3.30	£3.35	£0.05	1.50%
Family Swim **	£14.30	£14.70	£0.40	2.80%
Family Swim (PTL)	£11.40	£11.70	£0.30	2.60%
Under 8's - only 2 under 8s allowed in with one adult at all times, both in and out of the water.				
<b>STROKES - SWIMMING INSTRUCTION</b>				
<b>Strokes for Life Course</b>				
Junior	£65.00	£70.20	£5.20	8.00%
Junior PTL	£52.00	£56.15	£4.15	8.00%
Junior Coaching	£72.00	£77.75	£5.75	8.00%
Adult	£76.00	£82.05	£6.05	8.00%
Adult PTL	£61.00	£65.85	£4.85	8.00%
Adult - Sixty Plus	£47.50	£51.30	£3.80	8.00%
Adult - Individual lesson	£9.20	£9.90	£0.70	7.60%
<b>Sport &amp; Leisure</b>				
<b>Strokes for Life Adult &amp; Child</b>				
Course Registration Fee	£24.30	£26.20	£1.90	7.80%
Course Individual Lesson Fee (each week)	£3.90	£4.20	£0.30	7.70%
Individual Lesson	£6.60	£7.10	£0.50	7.60%
Mini Splash Session for Parent & Child	£5.50	£5.90	£0.40	7.30%

Service/ Charge	Charge 2021/22	Proposed Charge 2022/23	£ change (22/23- 21/22)	% change
<b>Strokes for Life Junior Ducklings</b>				
First Strokes course 12 weeks max of 8 children	£71.60	£77.30	£5.70	8.00%
First Strokes course 12 weeks max of 4 children	£124.50	£134.45	£9.95	8.00%
<b>Strokes for Life Stage 10</b>				
Canoeing	£71.60	£77.30	£5.70	8.00%
Water polo	£71.60	£77.30	£5.70	8.00%
Synchronised swimming	£71.60	£77.30	£5.70	8.00%
Rookie lifeguard	£71.60	£77.30	£5.70	8.00%
Swim Fit	£71.60	£77.30	£5.70	8.00%
<b>Strokes for Life - Challenge awards - 12-week course</b>				
Bronze / Silver / Gold	£65.00	£70.20	£5.20	8.00%
<b>Holiday Crash Courses</b>				
Junior (5-Day)	£31.50	£34.00	£2.50	7.90%
Junior (4-Day)	£28.40	£30.65	£2.25	7.90%
Junior (5-Day)	£43.00	£46.40	£3.40	7.90%
Junior (4-Day)	£37.00	£39.95	£2.95	8.00%
Adult (5-Day)	£42.00	£45.35	£3.35	8.00%
Adult (4-Day)	£31.50	£34.00	£2.50	7.90%
<b>Strokes for Life Premier Strokes Junior</b>				
Junior - individual lesson - one-to-one	£28.40	£30.65	£2.25	7.90%
Junior - Individual less two juniors / one instructor	£24.70	£26.65	£1.95	7.90%
Junior course group of 4	£123.40	£133.25	£9.85	8.00%
Junior - course - group of six	£115.50	£124.70	£9.20	8.00%
<b>Strokes for Life Premier Strokes Adult</b>				
Adult - individual lesson 1 - 1	£27.30	£29.45	£2.15	7.90%
<b>Sport &amp; Leisure</b>				
Adult - 12 week	£243.60	£263.05	£19.45	8.00%
Adult - individual lesson 2 - 1	£24.70	£26.65	£1.95	7.90%
Adult - 12 week 1 - 6	£115.50	£124.70	£9.20	8.00%
Adult - 12 week 1 - 4	£135.50	£146.30	£10.80	8.00%
Revised pricing incorrect corporate prices stated				
No PTL price reduction on Premier Strokes individual lessons				
20% PTL price reduction on all other Strokes courses				
<b>STRIKES - GROUP FOOTBALL INSTRUCTION</b>				
<b>12-week courses</b>				
Junior	£65.00	£70.20	£5.20	8.00%
Junior PTL	£52.00	£56.15	£4.15	8.00%
First Kicks 12 week	£47.50	£51.30	£3.80	8.00%
PTL discount is 20% off the standard price				
<b>DRY INSTRUCTION</b>				
<b>12-week courses</b>				

Service/ Charge	Charge 2021/22	Proposed Charge 2022/23	£ change (22/23- 21/22)	% change
Gymfants - 12 week	£65.00	£70.20	£5.20	8.00%
Gymbounce - 12 week	£65.00	£70.20	£5.20	8.00%
Gymfants P&P	£7.30	£7.85	£0.55	7.50%
<b>Cultural Development - Film Birmingham</b>				
<b>Street Filming (non-refundable)</b>				
Small crew – up to 10 people	£58.14	£60.00	£1.86	3.20%
Medium crew – 11-24 people	£136.63	£141.00	£4.37	3.20%
Large crew -25 + people	£262.11	£270.50	£8.39	3.20%
Very large crew – 75 + people	£421.52	£435.00	£13.49	3.20%
Charity / Students / Travelogues	£0.00	£0.00	£0.00	0.00%
Drone Permits	£167.64	£173.00	£5.36	3.20%
<b>Parking</b>				
Parking Suspensions (per bay)	£38.76	£40.00	£1.24	3.20%
Parking dispensation (per vehicle)	£17.44	£18.00	£0.56	3.20%
Location Fees per hour	£50.00- £200.00	£50.00- £200.00		3.20%
<b>Cultural Development - Film Birmingham</b>				
Facilitation/Staffing per hour	£50.00- £75.00	£50.00- £75.00		3.20%
<b>Temporary Traffic Restrictions</b>				
Road Traffic Notice	£560.00- £2700.00	£560.00- £2700.00		3.20%
Cherry Picker/Scaffold Permits	£43.61	£45.00	£1.40	3.20%
Library of Birmingham (per hour)	£145.35	£150.00	£4.65	3.20%
Library of Birmingham (Student/Charity per hour)	£24.23	£25.00	£0.77	3.20%
<b>GMAC</b>				
1 quarter of Hire of Gymnastics Hall per hour	£127.91	£132.00	£4.09	3.20%
Half Gymnastics Hall per hour	£255.82	£264.00	£8.18	3.20%
Whole Gymnastics Hall per hour	£511.63	£528.00	£16.37	3.20%
<b>Parks Fees</b>				
<b>Premiere Parks Cannon Hill, Handsworth Park, Kings Heath Park, Lickey Hills &amp; Sutton Park</b>				
Up to 1 hour & Students	£116.28	£120.00	£3.72	3.20%
Filming with minimal equipment (handheld) max 4 hours	£295.55	£305.00	£9.45	3.20%
Filming with minimal equipment (handheld) per day	£474.81	£490.00	£15.19	3.20%
Filming with vehicles and crew max 4 hours	£474.81	£490.00	£15.19	3.20%
Filming with vehicles and crew per day	£949.62	£980.00	£30.38	3.20%
<b>All other Parks</b>				
Up to 1 hour & Students	£86.24	£89.00	£2.76	3.20%
Filming with minimal equipment (handheld) max 4 hours	£172.97	£178.50	£5.53	3.20%
Filming with minimal equipment (handheld) per day	£349.42	£360.60	£11.18	3.20%
Filming with vehicles and crew max 4 hours	£349.42	£360.60	£11.18	3.20%
Filming with vehicles and crew per day	£833.34	£860.00	£26.66	3.20%
<b>Car Parking</b>				

Service/ Charge	Charge 2021/22	Proposed Charge 2022/23	£ change (22/23- 21/22)	% change
Specific Legislation Impacting on Service Area	<ul style="list-style-type: none"> <li>• Road Traffic Regulation Act 1984</li> <li>• Local Authorities Traffic Orders (Procedure) (England and Wales) Regulations 1996</li> </ul>			
Rationale for change in pricing/pricing policy	<ul style="list-style-type: none"> <li>• To ensure free movement and flow of Traffic within Birmingham</li> <li>• To support the delivery of the policy objectives within 'Birmingham Connected'</li> </ul>			
Link to Budget 2019+	EC106c 19+			
<b>ON-STREET PARKING CHARGES</b>				
<b>Outer Zone, Jewellery Quarter Zone and Gun Quarter Zone</b>				
<b>Monday to Saturday 8am - 6pm</b>				
Up to 1 hour	£1.50	£1.60	£0.10	6.70%
Up to 2 hours	£2.20	£2.30	£0.10	4.50%
Up to 3 hours	£3.50	£3.70	£0.20	5.70%
Up to 4 hours	£4.50	£4.70	£0.20	4.40%
<b>Overnight 5pm - 9am and all-day Sunday</b>				
Annual	£100.00	£105.00	£5.00	5.00%
<b>Overnight 5pm - 9am and all-day Saturday &amp; Sunday</b>				
Annual	£200.00	£210.00	£10.00	5.00%
<b>Jewellery Quarter and Gun Zone Season Tickets</b>				
Annual (residents)	£263.00	£273.00	£10.00	3.80%
Annual (local employees)	£336.00	£346.00	£10.00	3.00%
<b>Eastside Zone (Cashless Payment Only)</b>				
<b>Monday to Saturday 8am - 7.30pm</b>				
Up to 1 hour	£1.50	£1.60	£0.10	6.70%
Up to 2 hours	£2.20	£2.30	£0.10	4.50%
Up to 3 hours	£3.50	£3.70	£0.20	5.70%
Up to 4 hours	£4.50	£4.70	£0.20	4.40%
<b>Dale Road (Cashless Payments Only)</b>				
<b>Monday to Saturday 8am - 7pm</b>				
Up to 1 hour	£0.70	£0.80	£0.10	14.30%
Up to 2 hours	£1.30	£1.40	£0.10	7.70%
Up to 3 hours	£1.80	£1.90	£0.10	5.60%

Service/ Charge	Charge 2021/22	Proposed Charge 2022/23	£ change (22/23- 21/22)	% change
Up to 4 hours	£2.00	£2.10	£0.10	5.00%
<b>RESIDENT PARKING SCHEMES</b>				
<b>Resident Permit</b>				
First Permit	£19.00	£19.00	£0.00	0.00%
Second and Subsequent Permits	£38.00	£38.00	£0.00	0.00%
<b>Resident Visitor Permit</b>				
<b>The permits are available in pads of five permits</b>				
Change per permit	£0.75	£0.75	£0.00	0.00%
<b>Business Permit</b>				
Suburban areas	£142.00	£142.00	£0.00	0.00%
<b>OFF - STREET PARKING CHARGES</b>				
<b>Great Charles Street and Ludgate Hill Car Parks</b>				
<b>Monday - Friday</b>				
Up to 2 hours	£3.00	£3.10	£0.10	3.30%
Up to 4 hours	£5.00	£5.20	£0.20	4.00%
<b>Car Parking</b>				
Up to 6 hours	£6.50	£6.70	£0.20	3.10%
Up to 12 hours	£7.50	£7.70	£0.20	2.70%
Up to 24 hours	£8.50	£8.70	£0.20	2.40%
<b>Saturday and Sunday</b>				
All day until midnight	£4.00	£4.20	£0.20	5.00%
<b>PARADISE CIRCUS MULTI - STOREY CAR PARK</b>				
<b>Everyday</b>				
Up to 2 hours	£3.00	£3.10	£0.10	3.30%
Up to 4 hours	£5.00	£5.20	£0.20	4.00%
Up to 6 hours	£7.00	£7.20	£0.20	2.90%
Up to 12 hours	£10.50	£10.80	£0.30	2.90%
Up to 24 hours	£13.00	£13.50	£0.50	3.80%
<b>Season Tickets</b>				
<b>Monday - Friday 7:00 am to 7:00pm</b>				
Three Calendar Months	£575.00	£600.00	£25.00	4.30%
Six Calendar Months	£1,050.00	£1,075.00	£25.00	2.40%
Annually	£1,900.00	£1,950.00	£50.00	2.60%
<b>Everyday 7:00 to Midnight</b>				
Three Calendar Months	£650.00	£670.00	£20.00	3.10%
Six Calendar Months	£1,150.00	£1,180.00	£30.00	2.60%
Annually	£2,100.00	£2,200.00	£100.00	4.80%
<b>All day every day</b>				
Three Calendar Months	£675.00	£695.00	£20.00	3.00%
Six Calendar Months	£1,250.00	£1,270.00	£20.00	1.60%
Annually	£2,250.00	£2,300.00	£50.00	2.20%

Service/ Charge	Charge 2021/22	Proposed Charge 2022/23	£ change (22/23- 21/22)	% change
<b>SNOW HILL MULTI - STOREY CAR PARK</b>				
<b>Everyday</b>				
Up to 2 hours	£4.00	£4.10	£0.10	2.50%
Up to 4 hours	£6.00	£6.20	£0.20	3.30%
Up to 6 hours	£9.20	£9.50	£0.30	3.30%
Up to 12 hours	£12.80	£13.20	£0.40	3.10%
Up to 24 hours	£15.80	£16.30	£0.50	3.20%
It is proposed to retain the all - day flat rate charge of £1.00 for the parking of motorcycles in the motorcycle bays at this car park				
<b>Season Tickets</b>				
<b>Monday - Friday 7:00 am to 7:00pm</b>				
Three Calendar Months	£650.00	£670.00	£20.00	3.10%
Six Calendar Months	£1,275.00	£1,300.00	£25.00	2.00%
Annually	£2,500.00	£2,550.00	£50.00	2.00%
<b>Everyday 7:00 to Midnight</b>				
Three Calendar Months	£775.00	£800.00	£25.00	3.20%
Six Calendar Months	£1,500.00	£1,550.00	£50.00	3.30%
Annually	£2,750.00	£2,850.00	£100.00	3.60%
<b>Car Parking</b>				
<b>All day every day</b>				
Three Calendar Months	£920.00	£940.00	£20.00	2.20%
Six Calendar Months	£1,800.00	£1,850.00	£50.00	2.80%
Annually	£3,400.00	£3,500.00	£100.00	2.90%
<b>TOWN HALL MULTI - STOREY CAR PARK</b>				
<b>Everyday</b>				
Up to 2 hours	£4.00	£4.10	£0.10	2.50%
Up to 4 hours	£6.00	£6.20	£0.20	3.30%
Up to 6 hours	£9.20	£9.50	£0.30	3.30%
Up to 12 hours	£12.80	£13.20	£0.40	3.10%
Up to 24 hours	£15.80	£16.30	£0.50	3.20%
<b>Season Tickets</b>				
<b>Monday - Friday 7:00 am to 7:00pm</b>				
Three Calendar Months	£650.00	£670.00	£20.00	3.10%
Six Calendar Months	£1,275.00	£1,300.00	£25.00	2.00%
Annually	£2,500.00	£2,550.00	£50.00	2.00%
<b>Monday - Friday 7:00pm to Midnight</b>				
Three Calendar Months	£700.00	£720.00	£20.00	2.90%
Six Calendar Months	£1,380.00	£1,420.00	£40.00	2.90%
Annually	£2,700.00	£2,800.00	£100.00	3.70%
<b>All day every day</b>				
Three Calendar Months	£900.00	£930.00	£30.00	3.30%

Service/ Charge	Charge 2021/22	Proposed Charge 2022/23	£ change (22/23- 21/22)	% change
Six Calendar Months	£1,650.00	£1,700.00	£50.00	3.00%
Annually	£2,900.00	£3,000.00	£100.00	3.40%
<b>DUDLEY STREET &amp; NAVIGATION STREET CAR PARK</b>				
<b>Everyday</b>				
All day (motorcycles only)	£1.00	£1.00	£0.00	0.00%
Up to 2 hours	£3.50	£3.60	£0.10	2.90%
Up to 4 hours	£6.00	£6.20	£0.20	3.30%
Up to 6 hours	£9.00	£9.30	£0.30	3.30%
Up to 12 hours	£12.00	£12.40	£0.40	3.30%
Up to 24 hours	£14.00	£14.50	£0.50	3.60%
It is proposed to retain the all-day flat rate charge of £1.00 for the parking of motorcycles in the motorcycle bays at Dudley Street car park				
<b>MILLENNIUM POINT MULTI-STOREY CAR PARK</b>				
<b>Everyday</b>				
Up to 2 hours	£3.00	£3.10	£0.10	3.30%
Up to 4 hours	£5.00	£5.10	£0.10	2.00%
Up to 6 hours	£5.70	£5.90	£0.20	3.50%
Up to 12 hours	£6.70	£6.90	£0.20	3.00%
Up to 24 hours	£9.50	£9.80	£0.30	3.20%
<b>Season Tickets</b>				
<b>Monday - Friday 7:00am - 7:00pm</b>				
Three Calendar Months	£295.00	£305.00	£10.00	3.40%
Six Calendar Months	£500.00	£515.00	£15.00	3.00%
Annually	£940.00	£970.00	£30.00	3.20%
<b>All Day Every Day</b>				
Three Calendar Months	£400.00	£420.00	£20.00	5.00%
Six Calendar Months	£735.00	£760.00	£25.00	3.40%
Annually	£1,245.00	£1,295.00	£50.00	4.00%
<b>Car Parking</b>				
<b>JEWELLERY QUARTER MULTI-STOREY CAR PARK</b>				
<b>Everyday</b>				
Up to 2 hours	£2.00	£2.10	£0.10	5.00%
Up to 4 hours	£3.00	£3.10	£0.10	3.30%
Up to 6 hours	£4.70	£4.90	£0.20	4.30%
Up to 10 hours	£6.70	£6.90	£0.20	3.00%
<b>Season Tickets</b>				
<b>All day Every Day</b>				
Three Calendar Months	£245.00	£255.00	£10.00	4.10%
Six Calendar Months	£460.00	£475.00	£15.00	3.30%
Annually	£845.00	£895.00	£50.00	5.90%
Levels 4, 5 and 6 Local employees only)				

Service/ Charge	Charge 2021/22	Proposed Charge 2022/23	£ change (22/23- 21/22)	% change
Annually	£400.00	£415.00	£15.00	3.80%
<b>BREWERY STREET MULTI-STOREY CAR PARK</b>				
Up to 6 hours	£10.00	£10.30	£0.30	3.00%
Up to 24 hours	£20.00	£20.80	£0.80	4.00%
<b>VICTORIA ROAD CAR PARK</b>				
Up to 2 hours	£0.90	£0.90	£0.00	0.00%
Up to 4 hours	£1.80	£1.80	£0.00	0.00%
All Day	£3.00	£3.00	£0.00	0.00%
Season Tickets all day every day:				
3 Calendar Months	£180.00	£180.00	£0.00	0.00%
6 Calendar Months	£330.00	£330.00	£0.00	0.00%
Annual	£600.00	£600.00	£0.00	0.00%
<b>DUCHESS ROAD CAR PARK</b>				
Up to 2 hours	£1.00	£1.10	£0.10	10.00%
Up to 4 hours	£2.00	£2.20	£0.20	10.00%
Up to 24 hours	£3.20	£3.40	£0.20	6.20%
Season Tickets all day every day:				
3 Calendar Months	£185.00	£190.00	£5.00	2.70%
6 Calendar Months	£360.00	£370.00	£10.00	2.80%
Annual	£660.00	£680.00	£20.00	3.00%
<b>ALL LOCAL CAR PARKS</b>				
<b>Monday to Saturday</b>				
Up to 2 hours	£1.10	£1.10	£0.00	0.00%
Up to 4 hours	£2.30	£2.30	£0.00	0.00%
Up to 24 hours	£4.50	£4.50	£0.00	0.00%
<b>Sunday</b>				
Up to 2 hours	£1.00	£1.00	£0.00	0.00%
Up to 10 hours	£2.00	£2.00	£0.00	0.00%
<b>NORTHFIELD TOWN CENTRE</b>				
<b>Monday to Saturday</b>				
Up to 2 hours	£1.10	£1.10	£0.00	0.00%
Up to 4 hours	£2.30	£2.30	£0.00	0.00%
Up to 24 hours	£4.00	£4.00	£0.00	0.00%
<b>Sunday</b>				
Up to 2 hours	£1.30	£1.30	£0.00	0.00%
Up to 10 hours	£2.30	£2.30	£0.00	0.00%
<b>Car Parking</b>				
<b>SUTTON COLDFIELD TOWN CENTRE</b>				
<b>Monday to Saturday</b>				
Up to 2 hours	£1.40	£1.40	£0.00	0.00%
Up to 4 hours	£2.40	£2.40	£0.00	0.00%

Service/ Charge	Charge 2021/22	Proposed Charge 2022/23	£ change (22/23-21/22)	% change
Up to 24 hours	£4.50	£4.50	£0.00	0.00%
<b>Sunday</b>				
Up to 2 hours	£1.30	£1.30	£0.00	0.00%
Up to 10 hours	£2.30	£2.30	£0.00	0.00%
<b>ON-STREET PARKING CHARGES</b>				
<b>Inner Zone</b>				
<b>Monday to Sunday 8am to 7.30pm</b>				
Up to 1 hour	£3.50	£3.60	£0.10	2.90%
Up to 90 minutes (after 6pm)	£3.70	£3.80	£0.10	2.70%
Up to 2 hours	£6.00	£6.20	£0.20	3.30%
Up to 3 hours	£7.50	£7.70	£0.20	2.70%
Up to 4 hours	£9.50	£9.70	£0.20	2.10%
<b>Season Tickets and Residents Permits</b>				
<b>Replacements</b>				
Vehicle Change	£12.00	£12.00	£0.00	0.00%
Lost/Stolen/Damaged Season Ticket or Permit	£22.00	£22.00	£0.00	0.00%
<b>Refunds</b>				
Charge per Season Ticket or Permit	£16.00	£16.00	£0.00	0.00%
<b>Parking Dispensations and Suspensions</b>				
Dispensation to park on double yellow lines or contravene parking restrictions in exceptional and essential circumstances	£18.00	£19.00	£1.00	5.60%
Daily Charge Per Bay (Bays 1-3)	£40.00	£15.00	£-25.00	-62.50%
Daily Charge for Additional Bays (multiples of 3, or part thereof)	£40.00	£15.00	£-25.00	-62.50%
Charge for set up/take down	£0.00	£70.00	£70.00	NEW CHARGE
Admin Charge	£0.00	£15.00	£15.00	NEW CHARGE
Any additional costs associated with temporary suspension			N/A	N/A
<b>Permanent Loss of on-street parking bays due to development or change of use</b>				
Charge to developers for loss of on street bay, where displaced bay cannot be located in near vicinity			N/A	N/A
Any additional costs associated with loss of bay (i.e. amending Traffic Regulation Order, relocating ticket machines)	Full Cost	Full Cost	N/A	N/A
<b>Transportation, Connectivity &amp; Highways</b>				
Rationale for change in pricing/pricing policy	<ul style="list-style-type: none"> <li>• To account for inflationary increases in the cost of service delivery</li> <li>• To move towards full cost recovery in service delivery</li> <li>• To comply with legislation</li> </ul>			

Service/ Charge	Charge 2021/22	Proposed Charge 2022/23	£ change (22/23- 21/22)	% change
governing the setting of prices				
<b>Changes to the Highway</b>				
Section 278 Pre-Application advice (covers 1 pre-application review and 1 number 1 hour meeting)	£500.00	£520.00	£20.00	4.00%
Section 278 Pre-Application advice (covers 1 pre-application review and 1 number 1 hour meeting)	£300.00	£310.00	£10.00	3.30%
Section 278 Additional Pre-Application advice meetings if required (1 hour meeting) Charge Per Hour	£100.00	£125.00	£25.00	25.00%
Section 278 Application Pack Check Fee (covers 1 pre-application pack check for completeness and a second review only – subsequent submissions attract an additional repeat charge. Technical Reviews are not included at this stage)	Quoted on individual basis	Quoted on individual basis	N/A	N/A
Section 278 Combined Minimum Technical Approval / Inspection Fee For Schemes up to £15,000 construction cost. Note: Will include for 3 iterations of technical review. Thereafter further checks are charged at cost (£65/hour). Technical approval valid for 1 year, thereafter a new submission is required.	£12,510	£12,900	£390.00	3.10%
Section 278 Combined Minimum Technical Approval / Inspection Fee for Schemes over £15,000. Note: Includes for 3 iterations of technical review. Thereafter further checks are charged at cost (£65/hour). Technical approval valid for 1 year, thereafter a new submission is required.	3.75%	3.75%	£0.00	0.00%
Section 278 Technical Approval % Fee based on construction value, to be used where minimum value is exceeded. Note Includes for 3 iterations of technical review. Thereafter further checks are charged at cost (£65/hour). Technical approval valid for 1 year thereafter a new submission is required.	6.75%	6.75%	£0.00	0.00%
Section 278 Site Inspection Fee % Fee based on construction value for Technical Approval, to be used where minimum value is exceeded. Allows for 3 months on site thereafter charged at cost (£65/hour)	£1,071.00	£1,500.00	£429.00	40.10%
Drainage (beyond standard highway minor drainage) Technical Approval Fees	Quoted on individual basis where required	Quoted on individual basis where required	N/A	N/A
Section 278 Abortive Costs	Charged at £65/hour time booked to project code. Minimum Charge £1,020	Charged at £67/hour time booked to project code. Minimum Charge £1,052	£2.00	3.10%
Section 278 Legal Fee	£1,020.00	£1,055.00	£35.00	3.40%
<b>Transportation, Connectivity &amp; Highways</b>				
Section 278 Wayleave (Deed of Grant)	£525.00	£530.00	£5.00	1.00%
Section 278/Section 38 - Stage 4 Road Safety Audit	£1,423.00	£1,437.00	£14.00	1.00%
<b>New Developments</b>				
Section 38 Application Pack Check Fee (covers 1 pre-application pack check for completeness and a second review only – subsequent submissions attract an additional repeat charge. Technical Reviews are not included at this stage)	£100.00	£125.00	£25.00	25.00%

Service/ Charge	Charge 2021/22	Proposed Charge 2022/23	£ change (22/23-21/22)	% change
Section 38 Combined Minimum Technical Approval / Inspection Fee for Schemes up to £15,000 construction cost. Note: Will include for 3 iterations of technical review. Thereafter further checks are charged at cost (£65/hour). Technical approval valid for 1 year, thereafter a new submission is required. Construction costs to be calculated by BCC - typically based on £1,291/linear m of 5.5m wide carriageway and £180/linear m of 2m wide footway/path. Other widths calculated pro-rata.	Quoted on individual basis	Quoted on individual basis	N/A	N/A
Section 38 Combined Minimum Technical Approval / Inspection Fee for Schemes over £15,000. Note: Includes for 3 iterations of technical review. Thereafter further checks are charged at cost (£65/hour). Technical approval valid for 1 year, thereafter a new submission is required. Construction costs to be calculated by BCC - typically based on £1,291/linear m of 5.5m wide carriageway and £180/linear m of 2m wide footway/path. Other widths calculated pro-rata.	£12,633	£13,050	£417.00	3.30%
Section 38 Technical Approval % Fee based on construction value, to be used where minimum value is exceeded. Note: Includes for 3 iterations of technical review. Thereafter further checks are charged at cost (£65/hour). Technical approval valid for 1 year, thereafter a new submission is required. Construction costs to be calculated by BCC - typically based on £1,291/linear m of 5.5m wide carriageway and £180/linear m of 2m wide footway/path. Other widths calculated pro-rata.	3.75%	3.75%	£0.00	0.00%
Section 38 Site Inspection Fee % Fee based on construction value for Technical Approval, to be used where minimum value is exceeded. Allows for 12 months on site, thereafter, charged at cost (£65/hour). Construction costs to be calculated by BCC - typically based on £1,291/linear m of 5.5m wide carriageway and £180/linear m of 2m wide footway/path. Other widths calculated pro-rata.	6.75%	6.75%	£0.00	0.00%
Lighting Technical Approval Fees	£1,071.00	£1,500.00	£429.00	40.10%
Drainage (beyond standard highway minor drainage) Technical Approval Fees	Quoted on individual basis where required	Quoted on individual basis where required	N/A	N/A
Section 38 Legal Agreement Administration	£1,250.00	£1,300.00	£50.00	4.00%
Section 38 Agreement Deed of Variation	£502.00	£525.00	£23.00	4.60%
Section 220 Non-Adopted Developments Combined Design Check / Supervision Fee (min)	£12,510.00	£12,635.00	£125.00	1.00%
Section 220 Non-Adopted Technical Approval % Fee based on construction value, to be used where minimum value is exceeded	3.75%	3.75%	£0.00	0.00%
<b>Transportation, Connectivity &amp; Highways</b>				
Section 220 Non-Adopted Site Inspection Fee % Fee based on construction value for Technical Approval, to be used where minimum value is exceeded	6.75%	6.75%	£0.00	0.00%
<b>Highways - Dropped Kerbs</b>				
Dropped Kerb Site Inspection Fee	£95.00	97.95	£2.94	3.10%
Dropped Kerb Administration Fee	£273.00	281.46	£8.46	3.10%
Dropped Kerb Construction Cost	At Cost	At Cost	N/A	N/A
Dropped Kerb Construction during planned Footway maintenance - Footway depth < 3m (standard 2.75m dropped kerb width) (during full footway, verge, and kerb reconstruction) inclusive of administration	£220.00	226.82	£6.82	3.10%
Dropped Kerb Construction during planned Footway maintenance Footway depth < 3m (standard 2.75m dropped kerb width) (during full footway and verge resurfacing) inclusive of administration	£471.00	485.6	£14.60	3.10%

Service/ Charge	Charge 2021/22	Proposed Charge 2022/23	£ change (22/23- 21/22)	% change
Dropped Kerb Construction during planned Footway maintenance - Footway depth 3m to 6m across hard verge (standard 2.75m dropped kerb width) (during full footway, verge, and kerb reconstruction) inclusive of administration	£300.00	309.3	£9.30	3.10%
Dropped Kerb Construction during planned Footway maintenance - Footway depth 3m to 6m across hard verge (standard 2.75m dropped kerb width) (during full footway and verge resurfacing) inclusive of administration	£605.00	623.76	£18.76	3.10%
Dropped Kerb Construction during planned Footway maintenance - Footway depth 3m to 6m across grass verge (standard 2.75m dropped kerb width) (during full footway resurfacing) inclusive of administration	£926.00	954.71	£28.71	3.10%
Dropped Kerb Construction during planned Footway maintenance (Individually charged) - Footway depth > 6m (during full footway and verge resurfacing) inclusive of administration	At cost	At Cost	N/A	N/A
Dropped Kerb Construction Subsidy	50%			0.00%
Inspection of Illegally Constructed Dropped Kerb	£375.00	386.63	£11.62	3.10%
Inspection of Dropped Kerb / Site as requested by potential property buyer	£120.00	123.72	£3.72	3.10%
Confirmation of status of Dropped Kerb constructed > 6 years ago	£120.00	123.72	£3.72	3.10%
Highways - Local Engineers				
Dropped Kerb Protection Marking (H marking)	£142.00	£142.00	£0.00	0.00%
Dropped Kerb Protection Marking to Figure 1026.1 Single Access up to 5m	£138.00	£138.00	£0.00	0.00%
Per additional metre over 5m	£26.00	£26.00	£0.00	0.00%
Authorisation for the installation of temporary Traffic Signals at multiple junctions	£252.00	£252.00	£0.00	0.00%
Traffic Regulation Order (permanent) Administration Fee	£2,100.00	£2,100.00	£0.00	0.00%
Temporary Traffic Regulation Order Notice - Admin fee by Districts	£1,113.00	£1,113.00	£0.00	0.00%
Bellmouth Agreement/Heavy duty crossover	£1,103.00	£1,103.00	£0.00	0.00%
Temporary Direction Signs	£229.00	£229.00	£0.00	0.00%
Traffic Regulation Order Processing Charges - Document prep, re-design, consultation, legal costs, audit, advertisement & data management (for more than 5 days)	At Cost	At Cost	N/A	N/A
Transportation, Connectivity & Highways				
Traffic Regulation Notice Processing Charges - Document prep, re-design, consultation, advertisement & data management	At Cost	At Cost	N/A	N/A
Temporary Traffic Regulation Order Processing Charges - approvals and data management (up to 5 days)	£1,169.00	£1,170.00	£1.00	0.10%
Temporary Road Closures (for Events)				
Temporary Road Closures (for Events) under the Towns Police Clauses Act 1847 - Officer time to process applications, carry out site investigations, produce plans, design signs, attend meetings, liaise with various stakeholders as necessary, carry out consultation, produce closure Notices, undertake any other actions as deemed appropriate and implement closure on site.	At Cost	At cost	N/A	N/A
Review of Proposals affecting Structural and Electrical Assets				
Structures - Approval in Principle Process				
Review and Approval of proposals on Electrical Assets	Price Quoted Individually			
Review and Approval of proposals affecting Structural Assets	Price Quoted Individually			
Direction Signs				
Tourist Direction Signs - Application	£168.00	£174.00	£6.00	3.60%

Service/ Charge	Charge 2021/22	Proposed Charge 2022/23	£ change (22/23- 21/22)	% change
Tourist Direction Signs - Sign determination, design, implementation, and maintenance	At Cost	At Cost	N/A	N/A
Temporary Direction Signs - Application and initial period of licence up to 6 months	£336.00	£347.00	£11.00	3.30%
Temporary Direction Signs - Further 6-month extension of the licence period	£168.00	£173.00	£5.00	3.00%
<b>Drainage Related Charges</b>				
River Modelling - %cost of existing model	5.00%	5.00%		0.00%
River Modelling - Minimum Charge	£174.00	183	£9.00	5.20%
River Modelling - Maximum Charge	£2,404.00	2,524.00	£120.00	5.00%
Other Drainage Services (Records, Assessments, etc.)	At cost	At cost	N/A	N/A
Ordinary Water Course Consents	£50.00	£50.00	£0.00	0.00%
Pre-Application Advice for Developers	At cost	At cost	N/A	N/A
<b>Streetworks Charges</b>				
Charges Under the New Roads and Street Works Act (s72) - Sample Inspections	£50.00	£50.00	£0.00	0.00%
Charges Under the New Roads and Street Works Act (s72) - Defective Reinstatement Inspection Fee	£47.50	£47.50	£0.00	0.00%
Charges Under the New Roads and Street Works Act (s72) - Third Party Inspection Fee	£68.00	£68.00	£0.00	0.00%
Street Works Regulations - Occupancy of Traffic-sensitive street or protected street not in road category 2, 3 or 4 beyond notified period. (Each day for first 3 days)	£5,000.00	£5,000.00	£0.00	0.00%
Street Works Regulations - Occupancy of Another street not in road category 2, 3 or 4 beyond notified period. (Each day for first 3 days)	£2,500.00	£2,500.00	£0.00	0.00%
<b>Transportation, Connectivity &amp; Highways</b>				
Street Works Regulations - Occupancy of Traffic-sensitive Traffic-sensitive street or protected street in road category 2. Beyond notified period (Each day for first 3 days)	£3,000.00	£3,000.00	£0.00	0.00%
Street Works Regulations - Occupancy of Other street in road category 2. Beyond notified period (Each day for first 3 days)				
Street Works Regulations - Occupancy of Traffic-sensitive street or protected street in road category 3 or 4 beyond notified period (Each day after 3 days)	£750.00	£750.00	£0.00	0.00%
Street Works Regulations - Occupancy of Other street in road category 3 or 4 beyond notified period (Each day after 3 days)	£250.00	£250.00	£0.00	0.00%
Street Works Regulations - Occupancy of Traffic-sensitive street or protected street not in road category 2, 3 or 4. (Each day for first 3 days)	£10,000.00	£10,000.00	£0.00	0.00%
Street Works Regulations - Occupancy of Other street not in road category 2, 3 or 4. (Each day for first 3 days)				
Street Works Regulations - Occupancy of Traffic-sensitive street or protected street in road category 2. (Each day after 3 days)	£8,000.00	£8,000.00	£0.00	0.00%
Street Works Regulations - Occupancy of Other street in road category 2. (Each day after 3 days)	£2,000.00	£2,000.00	£0.00	0.00%
Street Works Regulations - Occupancy of Traffic-sensitive street or protected street in road category 3 or 4 (Each day after 3 days)	£750.00	£750.00	£0.00	0.00%
Street Works Regulations - Occupancy of Other street in road category 3 or 4 (Each day after 3 days)	£250.00	£250.00	£0.00	0.00%
Street Works Regulations - Occupancy of Street not in road category 2, 3 or 4. Beyond notified period. (Each Day)	£2,500.00	£2,500.00	£0.00	0.00%

Service/ Charge	Charge 2021/22	Proposed Charge 2022/23	£ change (22/23- 21/22)	% change
Street Works Regulations - Occupancy of Street in road category 2. Beyond notified period (Each Day)	£2,000.00	£2,000.00	£0.00	0.00%
Street Works Regulations - Occupancy of Street in road category 3 or 4. beyond notified period. (Each Day)	£250.00	£250.00	£0.00	0.00%
Street Works Regulations - Occupancy of any Street beyond notified period (Each Street)	£100.00	£100.00	£0.00	0.00%
Specific Legislation Impacting on Charging	• Highways Act 1980 • New Roads and Streetworks Act (1991)			
Rationale for change in pricing/pricing policy	• To account for inflationary increases in the cost of service delivery • To comply with legislation governing the setting of prices			
Link to Budget 2019+	CC104 19+			
Highway Licences				
New licence for private services in highway	£906.00	£935.00	£29.00	3.20%
Additional inspection fee for over 200 metres	£215.00	£220.00	£5.00	2.30%
New licence for overhanging canopies etc. on public highway	£877.00	£904.00	£27.00	3.10%
Amendment to existing canopy etc. licence	£483.00	£498.00	£15.00	3.10%
Street Café Specified Licences				
Up to 5 tables	£899.00	£927.00	£28.00	3.10%
5 tables or more	£1,318.00	£1,359.00	£41.00	3.10%
Transportation, Connectivity & Highways				
Specified Licence to plant trees, shrubs, etc., in a highway.				
New licence to plant and maintain vegetation in highway.	At Cost	At Cost		
Individual Specified Licence Fee				
Application Fee (non-refundable)	£100.00	£105.00	£5.00	5.00%
Specified Licences for Developments with a Value up to £1million:				
Scaffolding (up to 28 days)	£180.00	£185.00	£5.00	2.80%
Hoarding (up to 28 days)	£180.00	£185.00	£5.00	2.80%
Carting Over (Temporary Access) (up to 28 days)	£180.00	£185.00	£5.00	2.80%
Deposit of Materials (up to 28 days)	£180.00	£185.00	£5.00	2.80%
Crane - for one day only	£90.00	£95.00	£5.00	5.60%
Crane up to 2-28 days	£180.00	£185.00	£5.00	2.80%
Excavation (up to 28 days)	£180.00	£185.00	£5.00	2.80%
Licences for Developments with a Value up to £1million:				
Scaffolding (from 29 days over)	£430.00	£440.00	£10.00	2.30%

Service/ Charge	Charge 2021/22	Proposed Charge 2022/23	£ change (22/23- 21/22)	% change
Hoarding (from 29 days over)	£430.00	£440.00	£10.00	2.30%
Carting Over (Temporary Access) (from 29 days over)	£430.00	£440.00	£10.00	2.30%
Crane (from 29 days over)	£430.00	£440.00	£10.00	2.30%
Excavation (from 29 days over)	£430.00	£440.00	£10.00	2.30%
Deposit of Materials (from 29 days over)	£430.00	£440.00	£10.00	2.30%
<b>Additional Street Frontages</b>				
Administration Fee per additional street frontage	£100.00	£105.00	£5.00	5.00%
<b>Extension or Amendment to Specified Licence</b>				
Administration Fee - up to & including a 4-week extension from date of original start	£100.00	£105.00	£5.00	5.00%
<b>Large Development Highways Specified Licence</b>				
Project Value ≥£1million and over 4 weeks	0.15%	0.15%	£0.00	0.00%
Administrative Fee for processing Development Bond	£55.00	£55.00	£0.00	0.00%
<b>Retrospective Specified Highway Licence issued</b>				
Retrospective Highway Licence	2 x equivalent preapproved total permit value	2 x equivalent preapprove d total permit value		
<b>Skip Placements on the Highway</b>				
Registration Fee	No charge	No charge	N/A	n/A
Permit Fee	£22.00	£23.00	£1.00	4.50%
Retrospective Permit Fee	£205.00	£210.00	£5.00	2.40%
Removal of non-permitted skips	£236.00	£243.00	£7.00	3.00%
<b>Community Centres Room Hire</b>				
<b>Kings Heath</b>				
Offices 1, 2, and 3 (each)	£15.00	£15.50	£0.50	3.30%
Small Lounge	£20.00	£20.50	£0.50	2.50%
Function Room	£25.00	£26.00	£1.00	4.00%
Kitchen	£20.00	£20.50	£0.50	2.50%
Main Hall	£30.00	£31.00	£1.00	3.30%
<b>Friends Institute</b>				
Offices 1 - 6 (each)	£15.00	£15.50	£0.50	3.30%
Café Hall	£17.50	£18.00	£0.50	2.90%
Small Hall	£15.00	£15.50	£0.50	3.30%
Music Room	£15.00	£15.50	£0.50	3.30%
Main Hall	£20.00	£20.50	£0.50	2.50%
<b>Community Centres Room Hire</b>				
<b>Sheldon</b>				
Offices 1 and 2 (each)	£15.00	£15.50	£0.50	3.30%
Main Hall	£23.00	£23.50	£0.50	2.20%
Training Room/Meeting Room	£17.50	£18.00	£0.50	2.90%

Service/ Charge	Charge 2021/22	Proposed Charge 2022/23	£ change (22/23- 21/22)	% change
<b>Ladywood</b>				
Sports Hall	£19.10	£19.50	£0.40	2.10%
Lounge	£13.40	£13.80	£0.40	3.00%
Kitchen (Ground Floor)	£20.00	£20.50	£0.50	2.50%
Canteen	£23.30	£24.00	£0.70	3.00%
Boughton Hall	£27.30	£28.00	£0.70	2.60%
Digital Den	£15.60	£16.00	£0.40	2.60%
Workshop	£15.70	£16.00	£0.30	1.90%
Sitting Room	£17.90	£18.20	£0.30	1.70%
Meeting Rooms 1 - 4 (each)	£17.90	£18.50	£0.60	3.40%
Meeting Room 5	£23.30	£24.00	£0.70	3.00%
Computer Room (1st Floor)	£13.40	£13.80	£0.40	3.00%
Kitchen (First Floor)	£23.30	£24.00	£0.70	3.00%
<b>Mere Green</b>				
Room 1	£18.00	£18.50	£0.50	2.80%
Room 2 and 4 (each)	£14.50	£15.00	£0.50	3.40%
Room 3	£23.00	£23.50	£0.50	2.20%
Room 5	£19.00	£19.50	£0.50	2.60%
Bowls Room	£23.00	£23.50	£0.50	2.20%
Main Hall (depending on event)	£28.00	£29.00	£1.00	3.60%
Main Hall (depending on event)	£33.00	£34.00	£1.00	3.00%
Main Hall (depending on event)	£50.00	£51.00	£1.00	2.00%
Hub	£20.00	£20.50	£0.50	2.50%
<b>Wyndley</b>				
Hall	£16.00	£16.50	£0.50	3.10%
<b>Sparkbrook</b>				
Rooms A, B and C (each)	£31.50	£32.50	£1.00	3.20%
Training Room	£26.50	£27.00	£0.50	1.90%
Meeting Room	£12.50	£13.00	£0.50	4.00%
<b>Oddingley</b>				
Kitchen & Seating Area	£20.00	£20.50	£0.50	2.50%
Office	£15.00	£15.50	£0.50	3.30%
Meeting Room	£15.00	£15.50	£0.50	3.30%
Main Hall	£25.00	£26.00	£1.00	4.00%
Garden	£12.50	£13.00	£0.50	4.00%
<b>Summerfield</b>				
Martial Arts	£10.50	£11.00	£0.50	4.80%
Dance Studio	£10.50	£11.00	£0.50	4.80%
Office	£17.10	£17.60	£0.50	2.90%
Main Hall	£34.00	£35.00	£1.00	2.90%
Sports Hall	£18.00	£18.50	£0.50	2.80%

Service/ Charge	Charge 2021/22	Proposed Charge 2022/23	£ change (22/23- 21/22)	% change
Classrooms 1 - 3 (each)	£17.10	£17.50	£0.40	2.30%
<b>Summerfield, Ladywood, Kings Heath, Sheldon Heath</b>				
Summerfield MUGA	£10.00	£10.30	£0.30	3.00%
Badminton	£6.90	£7.10	£0.20	2.90%
<b>Community Centres Room Hire</b>				
Volleyball	£10.00	£10.30	£0.30	3.00%
Football	£10.00	£10.30	£0.30	3.00%
The above room hire rates may be discounted for charitable and not-for-profit organisations offering services to the community. Premiums may be chargeable for out of hours bookings				
<b>Corporate Procurement Services</b>				
<i>Discounted option available for schools who purchase subscription as per below:</i>				
<b>1 Year Package -</b>				
Primary School or Special School - 1 or 2 form entry	£840.00	£857.00	£17.00	2%
<b>Occupational Health and Safety Services</b>				
Taxi Medicals	£72.00	£76.00	£4.00	6%
Taxi DBS Check	£78.00	£78.00	£0.00	0%
<b>Education and Skills</b>				
<b>Educational Psychology Service</b>				
<b>SUBSCRIPTIONS</b>				
Subscriptions (36 Hours)	£5,009.00	£5,009.00	£0.00	0.00%
Subscriptions (27 Hours)	£3,846.00	£3,846.00	£0.00	0.00%
Subscriptions (18 hours)	£2,630.00	£2,630.00	£0.00	0.00%
<b>Promotional discounts (e.g. Early Bird)</b>				
Subscriptions (36 Hours) - Promotional Discount	£4,897.00	£4,897.00	£0.00	0.00%
Subscriptions (27 Hours) - Promotional Discount	£3,734.00	£3,734.00	£0.00	0.00%
Subscriptions (18 hours) - Promotional Discount	£2,517.00	£2,517.00	£0.00	0.00%
<b>BESPOKE PACKAGES</b>				
Bespoke Packages - Hourly Charge Rate	£153.00	£153.00	£0.00	0.00%
<b>TRAINING</b>				
Training in 1 school (Full Day)	£850.00	£850.00	£0.00	0.00%
Training in a group of schools (Full Day) per delegate	£110.00	£110.00	£0.00	0.00%
Centrally held training (Full Day)	£250.00	£250.00	£0.00	0.00%
Training in 1 school (Half Day)	£450.00	£450.00	£0.00	0.00%
Training in a group of schools (Half Day) per delegate	£60.00	£60.00	£0.00	0.00%
Centrally held training (Half Day) per delegate	£140.00	£140.00	£0.00	0.00%
Training in 1 school (Twilight)	£320.00	£320.00	£0.00	0.00%
Training in a group of schools (Twilight) per delegate	£45.00	£45.00	£0.00	0.00%
<b>Education Safeguarding</b>				
<b>New Charging arrangements for safeguarding support package</b>				
Safeguarding Support packages - 0-40 pupils	£140.00	£200.00	£60.00	42.86%
Safeguarding Support packages - 41-70 pupils	£200.00	£300.00	£100.00	50.00%

Service/ Charge	Charge 2021/22	Proposed Charge 2022/23	£ change (22/23- 21/22)	% change
Safeguarding Support packages - 71- 250 pupils	£340.00	£500.00	£160.00	47.06%
Safeguarding Support packages - 251-999 pupils	£460.00	£700.00	£240.00	52.17%
Safeguarding Support packages - 1000+ pupils	£600.00	£900.00	£300.00	50.00%
<b>School &amp; Governors</b>				
Annual SERVICE Offer Subscription (25% discount for federated maintained schools and 5% for schools committing to subscribe for 3 years) (provisional)	£2,100.00	£2,100.00	£0.00	0.00%
Annual TRAINING offer subscription (£150 discount for service offer subscribers) (provisional charge to schools)	£550.00	£550.00	£0.00	0.00%
Governor Training Course Delegate Fee - most courses (£25 discount for service offer subscribers and free for training offer subscribers) (provisional charge to schools)	£85.00	£85.00	£0.00	0.00%
Governor Induction Training Course Delegate Fee (£30 discount for service offer subscribers and free for training offer subscribers) (provisional charge to schools)	£150.00	£150.00	£0.00	0.00%
Bespoke on demand consultancy - per session (pro-rata for shorter sessions & 20% discount to subscribing schools) (provisional charge to schools)	£705.00	£705.00	£0.00	0.00%
<b>Access to Education</b>				
<b>Rates for Training for Birmingham Schools</b>				
Training for Birmingham Schools - Full Day	£804.00	£804.00	£0.00	0.00%
Training for Birmingham Schools - Half Day	£395.00	£395.00	£0.00	0.00%
Training for Birmingham Schools - Twilight	£295.00	£295.00	£0.00	0.00%
<b>Rates for Training provided to schools &amp; settings outside of the authority</b>				
Training provided to schools & settings outside of the authority - Full Day	£825.00	£825.00	£0.00	0.00%
Training provided to schools & settings outside of the authority - Half Day	£455.00	£455.00	£0.00	0.00%
Training provided to schools & settings outside of the authority - Twilight	£335.00	£335.00	£0.00	0.00%
<b>Centre based Courses</b>				
Centre based Courses - Full Day	£215.00	£215.00	£0.00	0.00%
Centre based Courses - Half Day	£120.00	£120.00	£0.00	0.00%
Centre based Seminars by session	£42.00	£42.00	£0.00	0.00%
Centre based Seminars - Hourly Rate	£145.00	£145.00	£0.00	0.00%
PSS Consultancy	£650.00	£650.00	£0.00	0.00%
SEN Review - one day review	£1,103.00	£1,103.00	£0.00	0.00%
SEN Review - 2 full days (all through schools and schools over number of sites)	£2,100.00	£2,100.00	£0.00	0.00%
SEN Peer review -	£378.00	£378.00	£0.00	0.00%
Training shared across settings	£378.00	£378.00	£0.00	0.00%
Training at individual settings	£788.00	£788.00	£0.00	0.00%
Identification of Dyslexia (for pupil on the B'ham Pathway) including detailed report and appropriate recommendations to support provision	£147.00	£147.00	£0.00	0.00%
<b>Access to Education</b>				
<b>Dyslexia Specialist Teaching programme for schools</b>				
6 week	£1,100.00	£1,100.00	£0.00	0.00%
12 week	£2,000.00	£2,000.00	£0.00	0.00%
<b>Specialist teaching as identified on EHCP funded by SENAR</b>				
Per hour	£105.00	£105.00	£0.00	0.00%

Service/ Charge	Charge 2021/22	Proposed Charge 2022/23	£ change (22/23- 21/22)	% change
Provision of SENCo support (one day a week in the absence of school SENCo)	£300.00	£300.00	£0.00	0.00%
<b>Toolkits purchased outside of Birmingham (available to B'ham schools as DSG funded service)</b>				
Language & Literacy Toolkit or Maths Toolkit	£500.00	£500.00	£0.00	0.00%
Language & Literacy Toolkit or Maths Toolkit	£900.00	£900.00	£0.00	0.00%
<b>Toolkit Progress Tracker (TPT) for schools in and out of area – Language &amp; Literacy</b>				
<b>Toolkit Progress Tracker (TPT) combined L&amp;L and Maths</b>				
Toolkit Progress Tracker (TPT) combined L&L and Maths - With training	£470.00	£470.00	£0.00	0.00%
Toolkit Progress Tracker (TPT) combined L&L and Maths - Without training	£350.00	£350.00	£0.00	0.00%
<b>L&amp;L and maths Toolkit criteria hosted on third party providers e.g. Classroom Monitor, FROG, OTrack, Educater</b>				
L&L and maths Toolkit criteria hosted on third party providers e.g. Classroom Monitor, FROG, OTrack, Educater - Without training	£125.00	£125.00	£0.00	0.00%
EAL Toolkit - per activation	£200.00	£200.00	£0.00	0.00%
<b>Toolkit Renewals:</b>				
Toolkit Renewals - EAL	£80.00	£80.00	£0.00	0.00%
Toolkit Renewals - L&L or maths	£100.00	£100.00	£0.00	0.00%
Toolkit Renewals - L&L maths combined	£150.00	£150.00	£0.00	0.00%
Toolkit Renewals - TPT (L&L only)	£185.00	£185.00	£0.00	0.00%
Toolkit Renewals - L&L and maths	£230.00	£230.00	£0.00	0.00%
Toolkit Renewals - Train the Trainer	£1,050.00	£1,050.00	£0.00	0.00%
<b>Intervention Show Cases (Costs to marketplace and not participants)</b>				
Intervention Show Cases - Market stand	£125.00	£125.00	£0.00	0.00%
Intervention Show Cases - Market stand + presentation	£175.00	£175.00	£0.00	0.00%
Intervention Show Cases - ALSA accredited course with Newman University - per participant	£560.00	£560.00	£0.00	0.00%
Intervention Show Cases - National SENCo Award - 40% of course cost per participant;	£972.00	£972.00	£0.00	0.00%
<b>On-Line courses via Moodle: sold in multiples of 10</b>				
<b>In Birmingham</b>				
Per licence	£27.00	£27.00	£0.00	0.00%
Setup fee	£105.00	£105.00	£0.00	0.00%
<b>OOA</b>				
Per licence	£37.00	£37.00	£0.00	0.00%
Setup fee	£105.00	£105.00	£0.00	0.00%
<b>Access to Education</b>				
<b>PCR training (two-day course)</b>				
In Birmingham	£415.00	£415.00	£0.00	0.00%
Refresher	£250.00	£250.00	£0.00	0.00%
OOA - 2days	£450.00	£450.00	£0.00	0.00%
<b>Maximising Impact of Teaching Assistants (MITA accredited)</b>				
Under 15 participants	£1,150.00	£1,150.00	£0.00	0.00%
15 – 30 participant s	£2,000.00	£2,000.00	£0.00	0.00%

Service/ Charge	Charge 2021/22	Proposed Charge 2022/23	£ change (22/23- 21/22)	% change
Over 30 per participant	£53.00	£53.00	£0.00	0.00%
<b>Educational Audiology</b>				
Annual	£1,050.00	£1,050.00	£0.00	0.00%
Hourly	£105.00	£105.00	£0.00	0.00%
<b>RA provision – equipment hires</b>				
Annually - includes technician support & maintenance	£473.00	£473.00	£0.00	0.00%
<b>The SLAs with RBs – Small Heath and Plantsbrook.</b>				
Full cost of staff plus management fee	£137.00	£137.00	£0.00	0.00%
Specialist teaching for CHOOS	£105.00	£105.00	£0.00	0.00%
Sign language tuition - 6 sessions	£263.00	£263.00	£0.00	0.00%
University teaching - per hour	£132.00	£132.00	£0.00	0.00%
<b>Specialist support for work-based learning providers (FE work)</b>				
Mild / Moderate Hearing Loss - Assessment, report, recommendations, follow-up visit	£420.00	£420.00	£0.00	0.00%
Severe/Profound Hearing loss - Assessment, report, recommendations, email, and telephone Help desk support, staff training session, 3 annual visits.	£998.00	£998.00	£0.00	0.00%
Additional visits (each) e.g. Monitoring, support, review with student, staff training	£210.00	£210.00	£0.00	0.00%
Radio aid - Radio aid set up, fitting, loan, call out and servicing	£473.00	£473.00	£0.00	0.00%
Additional report e.g. Report to support request for special arrangement for exams	£105.00	£105.00	£0.00	0.00%
Reviews (each) Liaison with and feedback from student, tutors, support workers	£368.00	£368.00	£0.00	0.00%
<b>Specific Charges for Communication &amp; Autism Team (CAT) - (prices set in line with AET recommendations – Max 25 on course)</b>				
CAT AET (Autism Education Trust)- Centre Based Training (per delegate) - Early Years - Independent nursery	£110.00	£110.00	£0.00	0.00%
CAT AET (Autism Education Trust)- Centre Based Training (per delegate) - Early Years - Community & Voluntary nursery	£45.00	£45.00	£0.00	0.00%
CAT AET (Autism Education Trust) - Centre Based Training (per delegate) - Early Years - School Age	£215.00	£215.00	£0.00	0.00%
CAT AET (Autism Education Trust)- Centre Based Training (per delegate) - Early Years - Post 16	£215.00	£215.00	£0.00	0.00%
<b>Access to Education</b>				
CAT AET Training – Setting Based - Autism awareness for out of authority schools	£250.00	£250.00	£0.00	0.00%
CAT AET Training – Setting Based - Tier 2 & 3 for training + £5.50 delegate pack	£1,500.00	£1,500.00	£0.00	0.00%
<b>CAT TOP UP</b>				
CAT TOP UP (2019- 2020 costings) - 5hrs	£735.00	£735.00	£0.00	0.00%
CAT TOP UP (2019- 2020 costings) - 10hrs	£1,470.00	£1,470.00	£0.00	0.00%
CAT TOP UP (2019- 2020 costings) - 15hrs	£2,205.00	£2,205.00	£0.00	0.00%
CAT SLA's - per half day - Bought back in half day blocks	£284.00	£284.00	£0.00	0.00%
All about me Toolkit	£21.00	£21.00	£0.00	0.00%
<b>Education Asset Management</b>				
<b>Academy conversion</b>				

Service/ Charge	Charge 2021/22	Proposed Charge 2022/23	£ change (22/23- 21/22)	% change
Academy conversion process - lease / Commercial Transfer Agreement (CTA) - Community School	£7,875.00	£7,875.00	£0.00	0.00%
Academy conversion process - lease / CTA - Community School - PFI	£15,750.00	£15,750.00	£0.00	0.00%
Academy conversion process - lease of playing field - Voluntary Aided / Foundation	£5,250.00	£5,250.00	£0.00	0.00%
Academy conversion process - CTA - Voluntary Controlled	£4,725.00	£4,725.00	£0.00	0.00%
Academy conversion process - lease of playing field - Voluntary Controlled	£7,875.00	£7,875.00	£0.00	0.00%
<b>Non-Subscription Charge</b>				
Property Audit Visit	£167.00	£167.00	£0.00	0.00%
Property Planning Visit	£310.00	£310.00	£0.00	0.00%
<b>Subscription Charge - Community &amp; Voluntary Controlled, Academies, Foundation, Voluntary Aided</b>				
Subscription Option 1	£730.00	£730.00	£0.00	0.00%
Subscription Option 1 - Additional Charge item - Property Planning Visit (per visit)	£310.00	£310.00	£0.00	0.00%
Subscription Option 1 - Additional Charge item - Landlord Approval Process (per application)	£310.00	£310.00	£0.00	0.00%
Subscription Option 1 - Additional Charge item - Duty Holder Training (per delegate)	£167.00	£167.00	£0.00	0.00%
Subscription Option 1 - Additional Charge item - Asbestos Management Training (per delegate)	£167.00	£167.00	£0.00	0.00%
Subscription Option 1 - Additional Charge item - Dual / Match Funding (per application)	£310.00	£310.00	£0.00	0.00%
Subscription Option 1 - Additional Charge item - Advice and guidance on lease and tenancy agreements (minimum charge)	£310.00	£310.00	£0.00	0.00%
Subscription Option 2	£995.00	£995.00	£0.00	0.00%
<b>Birmingham Translation &amp; Interpreting Services</b>				
Translations (French, German, Italian & Spanish) - per hour	Commercial prices negotiated with customer			
Translations most other languages (rarer languages may incur a surcharge) - per hour				
Translation certificate				
Statement of Truth certificate for translations				
Notarisation				
Transcription - priced per project				
Urgent translations - additional fee				
Admin fee for processing translations				
Copies of translations requested at time of booking				
Copies of translations previously provided				
Proofreading (per Hour)				
Formatting translations (priced per project)				
Interpreting - 1 hour including travel expenses (office hours within Birmingham)				
Interpreting (office hours within Birmingham) per Hour				
Interpreting (office hours within Birmingham) - Travel charge (per visit~)				
Same day interpreter bookings				
Amendments to interpreter bookings (per amendment)				
Cancellations - 50% - 100% of booking fee				

Service/ Charge	Charge 2021/22	Proposed Charge 2022/23	£ change (22/23- 21/22)	% change
Telephone interpreting (per minute)				
British Sign Language (BSL) interpreting (per Hour)				
British Sign Language (BSL) interpreting - Travel (per visit)				
BSL interpreting cancellations - 50% to 100% of Booking Fee				
BSL interpreting cancellations - Admin Fee (per cancellation)				
Birmingham Translation & Interpreting Services				
Same day BSL interpreter bookings	Commercial prices negotiated with customer			
Amendments to BSL interpreter bookings - per amendment				
Braille - per side of braille paper				
Audio recording - per hour				
Admin fee for processing large print & audio				
Admin fee for processing BSL interpreter requests				
Admin fee for urgent interpreter bookings				
Minimum travel expense fee (within Birmingham)				
Interpreter CPD sessions - per session				
Education and Skills				
Overdue Charges				
Overdue Charges - Books and Sound Recordings - Per Day	£0.25	£0.25	£0.00	0.00%
Overdue Charges - Maximum Charge	£6.15	£6.15	£0.00	0.00%
Overdue Charges - Books and Sound Recordings - Concessionary Per Day	£0.13	£0.13	£0.00	0.00%
Overdue Charges - Concessionary Maximum Charge	£3.10	£3.10	£0.00	0.00%
Overdue Charges - DVDs Per Day	£0.80	£0.80	£0.00	0.00%
Overdue Charges - DVDs Maximum Charge	£7.15	£7.15	£0.00	0.00%
Book/periodical article/music score sourced outside of the City Council	£11.00	£11.00	£0.00	0.00%
Renewal of externally sourced ILL	£6.00	£6.00	£0.00	0.00%
Loss of British Library book	£147.00	£147.00	£0.00	0.00%
Libraries				
Talking Books Hire				
Talking Books Hire - Standard	£1.35	£1.35	£0.00	0.00%
Talking Books Hire - Concessionary	£0.80	£0.80	£0.00	0.00%
Music Library Services				
Compact discs (and LPs) hire - per 2-week loan	£1.55	£1.55	£0.00	0.00%
Concessions and Under 18's - per 2-week loan	£0.80	£0.80	£0.00	0.00%
Music Practice Room Hire				
Music Practice Room - 30 min	£3.10	£3.10	£0.00	0.00%
Music Practice Room - 1 hr	£5.10	£5.10	£0.00	0.00%
Loan of orchestral and choral sets from the Library of Birmingham				
Standard charge (Concession for Birmingham Societies)				
Orchestral Set - Premium	£41.00	£41.00	£0.00	0.00%
Orchestral Set - Premium (Concessionary rate)	£31.00	£31.00	£0.00	0.00%
Orchestral Set - Long	£31.00	£31.00	£0.00	0.00%

Service/ Charge	Charge 2021/22	Proposed Charge 2022/23	£ change (22/23- 21/22)	% change
Orchestral Set - Long (Concessionary rate)	£21.00	£21.00	£0.00	0.00%
Orchestral Set - Short	£21.00	£21.00	£0.00	0.00%
Orchestral Set - Short (Concessionary rate)	£10.50	£10.50	£0.00	0.00%
Band Set - Per set	£10.50	£10.50	£0.00	0.00%
Band Set - Per set (Concessionary rate)	£7.50	£7.50	£0.00	0.00%
Vocal Set - Long - per bloc of up to 30 copies	£1.10	£1.10	£0.00	0.00%
Vocal Set - Long - per bloc of up to 30 copies - (Concessionary rate)	£0.70	£0.70	£0.00	0.00%
Vocal Set - Compilation	£0.65	£0.65	£0.00	0.00%
Vocal Set - Compilation (Concessionary rate)	£0.40	£0.40	£0.00	0.00%
Vocal Set - Short - per bloc of up to 30 copies	£0.45	£0.45	£0.00	0.00%
Vocal Set - Short - per bloc of up to 30 copies - (Concessionary rate)	£0.25	£0.25	£0.00	0.00%
Overdue charge - for late or incomplete return of music sets (including sets of choral sets)	£6.25	£6.25	£0.00	0.00%
<b>Libraries</b>				
Maximum overdue charge per music set	£24.50	£24.50	£0.00	0.00%
<b>Multimedia</b>				
Top 50 Videos and DVDs - 2-night hire	£2.55	£2.55	£0.00	0.00%
All other videos and DVDs - 7-night hire	£1.55	£1.55	£0.00	0.00%
<b>Charges for lost or damaged material</b>				
Out of print or non-commercially available items	£21.00	£21.00	£0.00	0.00%
Children under 5 and children or adults in exempt borrower categories are exempt from such charges in relation to damaged or lost material. Looked After Children are also exempt from charges relating to both loss and damage to material.				
Lost Library Cards	£2.55	£2.55	£0.00	0.00%
Lost Library Cards - Under 18 years old	£1.30	£1.30	£0.00	0.00%
<b>Photocopies, Printouts and Photographs</b>				
Photocopies (staff supplied) A3	£0.30	£0.40	£0.10	33.33%
Photocopies (staff supplied) A4	£0.30	£0.80	£0.50	166.67%
Photocopies (coin operated) A4 B&W	£0.20	£0.20	£0.00	0.00%
A4 Colour	£1.00	£1.00	£0.00	0.00%
A3 B&W	£0.40	£0.40	£0.00	0.00%
A3 Colour	£1.60	£1.60	£0.00	0.00%
Printout from public access terminal (per side) A4 B&W	£0.20	£0.20	£0.00	0.00%
A4 Colour	£1.00	£1.00	£0.00	0.00%
A3 B&W	£0.40	£0.40	£0.00	0.00%
A3 Colour	£1.60	£1.60	£0.00	0.00%
Camera permit - Wolfson Centre	£3.50	£3.50	£0.00	0.00%
<b>Personal Scanning</b>				
A4	£0.20	£0.20	£0.00	0.00%
A4 Colour	£0.70	£0.70	£0.00	0.00%
A3	£0.30	£0.30	£0.00	0.00%
A3 Colour	£1.50	£1.50	£0.00	0.00%

Service/ Charge	Charge 2021/22	Proposed Charge 2022/23	£ change (22/23- 21/22)	% change
<b>Digital copying service</b>				
<b>Personal use</b>				
CD/DVD/email with one scanned file/image (Standard rated)	£10.00	£10.00	£0.00	0.00%
per additional image on CD/DVD/email (Standard rated)	£8.00	£8.00	£0.00	0.00%
A5 Print (inc scanning/retrieval charge) (Standard rated)	£12.00	£12.00	£0.00	0.00%
A4 Print (inc scanning/retrieval charge) (Standard rated)	£14.00	£14.00	£0.00	0.00%
A3 Print (inc scanning/retrieval charge) (Standard rated)	£18.00	£18.00	£0.00	0.00%
<b>Libraries</b>				
A2 Print (inc scanning/retrieval charge) (Standard rated)	£40.00	£40.00	£0.00	0.00%
A1 Print (inc scanning/retrieval charge) (Standard rated)	£50.00	£50.00	£0.00	0.00%
P&P for discs and prints (only up to A3 size, UK only) (Standard rated)	£3.00	£3.00	£0.00	0.00%
<b>Commercial and media usage</b>				
Research (where appropriate) per hour	£37.00	£37.00	£0.00	0.00%
Fast track service (minimum charge £35.00) per hour	£74.00	£74.00	£0.00	0.00%
<b>Business Support Charges</b>				
All other databases (Standard rated) per page	£0.20	£0.20	£0.00	0.00%
Mailing Lists (Standard rated) per company	£0.30	£0.30	£0.00	0.00%
Company Financial Reports (Standard rated) per report	£20.50	£20.50	£0.00	0.00%
Market Information & Desk Research (Standard rated) per hour	£76.50	£76.50	£0.00	0.00%
Market research (Standard rated) per report	£25.50	£25.50	£0.00	0.00%
Fax UK per page	£1.60	£1.60	£0.00	0.00%
Fax International per page	£2.70	£2.70	£0.00	0.00%
<b>Genealogy &amp; Research services - Genealogy Research service withdrawn 2011</b>				
Diocesan Records copy certificates service - standard rated	£13.70	£13.70	£0.00	0.00%
Rental of space for records storage - per year per standard shelf	£31.50	£31.50	£0.00	0.00%
Retrieval of stored items- per box	£3.70	£3.70	£0.00	0.00%
Archives Card Replacement	£1.50	£1.50	£0.00	0.00%
Research fees (closed records)	£33.60	£33.60	£0.00	0.00%
Skills Workshops - delivered by archives staff	£367.50	£367.50	£0.00	0.00%
Facilitated workshops/events - per hour- delivered by third parties	£23.10	£23.10	£0.00	0.00%
Conservation repair - Per 15 Minutes	£22.00	£22.00	£0.00	0.00%
Archive Census Vouchers	£5.00	£5.00	£0.00	0.00%
<b>Sales</b>				
Memory sticks - per memory stick (standard rated)	£6.50	£6.50	£0.00	0.00%
Disposable headphones - per set (standard rated)	£1.55	£1.55	£0.00	0.00%
Sale of Goods in Retail Outlet	Priced Per Item	Priced Per Item	N/A	N/A
Used Book Sales	Price Per Item	Price Per Item	N/A	N/A
<b>Children's Library (LoB) lunch area</b>				
45 minutes per group	£20.00	£20.00	£0.00	0.00%
1 hour 45 minutes per group	£35.00	£35.00	£0.00	0.00%

Service/ Charge	Charge 2021/22	Proposed Charge 2022/23	£ change (22/23- 21/22)	% change
<b>Other</b>				
Research Services (FOI)	£17.00	£17.00	£0.00	0.00%
Research Services	£102.00	£102.00	£0.00	0.00%
1 to 1 IT training* (30 minutes)	£10.00	£10.00	£0.00	0.00%
<b>Libraries</b>				
<b>Laminating</b>				
A4	£1.00	£1.00	£0.00	0.00%
A3	£1.50	£1.50	£0.00	0.00%
<b>Filming/Photography</b>				
Per hour/part hour	£105.00	£105.00	£0.00	0.00%
<b>Reproduction of material held in Birmingham Archives &amp; Collections — for commercial use</b>				
Non-academic/independent printed books/magazines	£140.00	£140.00	£0.00	0.00%
eBook, electronic report	£140.00	£140.00	£0.00	0.00%
Exhibition	£150.00	£150.00	£0.00	0.00%
Educational/not for profit fil or transmission	£60.00	£60.00	£0.00	0.00%
Commercial film or transmission exhibition	£220.00	£220.00	£0.00	0.00%
Material used in talk or presentation only	£300.00	£300.00	£0.00	0.00%