







#### **BUDGET FOR BIRMINGHAM 2024-25**

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#### A message from the Leader

Birmingham City Council is facing a number of financial challenges and I want to apologise unreservedly for both the significant spending reductions and this year's substantial Council Tax increase. As the council's new Leader, my job is to tackle the problems at the council that have contributed to the current financial challenges and put us on track to recovery.



We have no alternative than to face these challenges head on. And we will do whatever is necessary to put the council back on a sound financial footing. Why? Because if we do not, our city cannot respond fully to the big issues that we face: ensuring citizens can access all the new jobs being created in our city, building more affordable homes, tackling the shocking levels of child poverty and the challenge of climate change.

Sadly, our situation has been made much worse by a national crisis in the funding of local government. A combination of austerity and underfunding – Birmingham has lost over £1 billion in funding since 2011 – added to a rising demand for services and inflation mean that, across the country local authorities are facing unprecedented budget challenges.

In the midst of the current recession and national cost-of-living crisis, with people across the UK facing the highest overall tax burden for over 70 years, I appreciate that a significant Council Tax increase is the very last thing you wanted to see, but I want to assure you that we will continue to do everything we can to protect the most vulnerable across our city.

There are 461,000 households in Birmingham and around 115,000 are eligible for Council Tax support. Of those, around 75,000 households pay no Council Tax at all. This support will continue.

To find out if you are eligible, go to: **birmingham.gov.uk/CTS** 

I've lived in Birmingham all my life and I know that far too many people in our city face poverty and inequality. Since taking over as Council Leader, I have been clear that we must tackle the big challenges facing the council and the city. You deserve a great local authority, and it is my mission to give Birmingham the council that it deserves.

Cllr John Cotton Leader, Birmingham City Council







#### The council's priorities

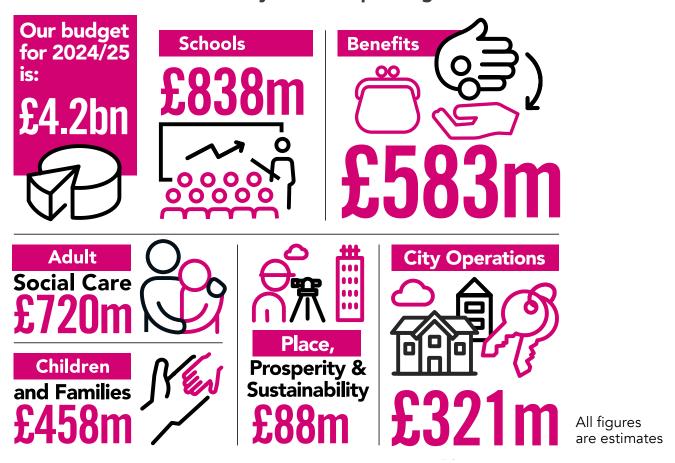
Birmingham City Council faces exceptional financial, governance, and cultural challenges that must be addressed to deliver the services that our citizens need, expect, and deserve. An Improvement and Recovery Plan (IRP) will describe the actions necessary to bring about change and restore public trust across the authority's functions. The IRP will be focussed

on three key themes: Financial sustainability; a well-run council; and delivering good services.

Read the council's budget report here:

birmingham.cmis.uk.com/birmingham/ Meetings/tabid/70/ctl/ViewMeetingPublic/ mid/397/Meeting/13400/Committee/39/ Default.aspx

Illustrated below are the key areas of spending for 2024/25.



#### Council Tax for 2024/25

The Birmingham City Council element of the Council Tax charge will increase by 9.99% for the 2024/25 year. This increase includes a general Council Tax increase of 7.99% and a 2.00% increase in the Adult Social Care Precept, in recognition of pressure on adult social care services, for an overall increase of 9.99%. Money raised from the Adult Social Care Precept will be invested in adult social care services. The council will aim to provide support where possible to mitigate the impact on those least able to pay.

The Birmingham City Council element of the Council Tax charge will be added to the additional precepts for:

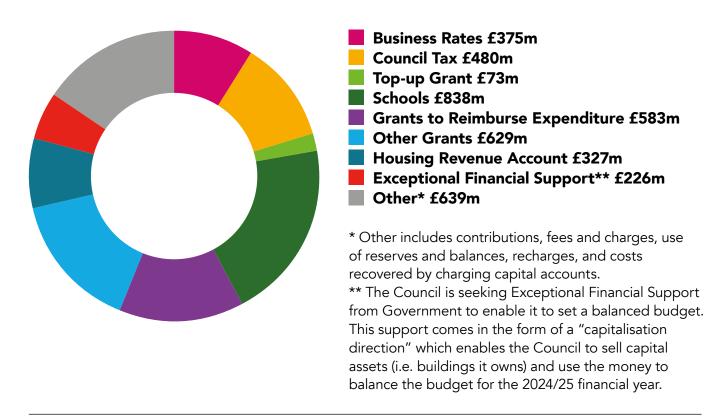
- The West Midlands Fire and Rescue Authority
- The West Midlands Police and Crime Commissioner
- Parish council charges for New Frankley and Royal Sutton Coldfield (for residents in those areas)

For more details see the chart on [see page 7b].

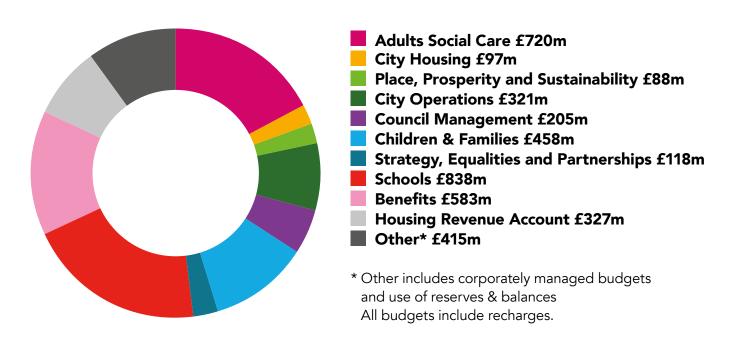
#### How budgets are put together

Revenue expenditure for city council services involves spending on the day-to-day running costs of the council, e.g. employees, premises, supplies and services.

#### Where the money comes from 2024/25 - Total £4,170m



#### Where the money is spent 2024/25 - Total £4,170m





#### **Spending**

Spending on City Council Services and Band D Council Tax	2023/24 £m	2024/25 £m	% change
Gross Expenditure	3,818.371	4,169.792	9.20
Less Other Income	(2,862.641)	(3,018.922)	5.46
Less Exceptional Financial Support	0.000	(225.879)	
Council Resource Requirement	955.730	924.991	-3.22
Top-up Grant	(69.303)	(73.323)	5.80
Less Business Rates	(443.236)	(375.471)	-15.29
Less Council Tax Collection Fund brought forward	(14.032)	4.221	-130.08
In-year charge to Council Taxpayers	429.159	480.419	11.94
Divided by the taxbase			
(Band D property equivalents)	263,262	267,940	1.78
Council Tax for Council services (Band D)*	1,630.16	1,793.01	9.99
Fire and Rescue Authority Precept	73.02	75.20	2.99
West Midlands PCC	202.55	215.55	6.42
Gives a total Council Tax (Band D)	1,905.73	2,083.76	9.34

For each £1m change in gross spend, Band D Council Tax for Council services would be affected by +/- £3.73 (£3.80 in 2023/24)

<sup>\*</sup> This amount includes an increase relating to the additional adult social care precept. For 2024/25 this increase is 2% (2% increase in 2023/24)

Total Council Tax (Band D)	1,905.73	2,083.76	9.34
New Frankley in Birmingham Parish Precept	43.52	43.20	-0.74
Gives a total Council Tax (Band D) including New Frankley in Birmingham Parish Council	1,949.25	2,126.96	9.12

New Frankley in Birmingham Parish Council: gross expenditure in 2024/25 will be £100,757 (£100,757 in 2023/24). Net expenditure will be £59,308 (£59,755 in 2023/24) which is equivalent to £43.20 per Band D property (£43.52 for 2023/24). Its charge will be made only to Council Taxpayers in the parish. For each £1,000 change in gross spend, 2024/25 Band D Council Tax

Total Council Tax (Band D)	1,905.73	2,083.76	9.34
Sutton Coldfield Town Precept	49.96	49.96	0.00
Gives a total Council Tax (Band D) including Sutton Coldfield Town Council	1,955.69	2,133.72	9.10

Sutton Coldfield Town Council: gross expenditure in 2024/25 will be £1,981,702 (£1,896,411 in 2023/24). Net expenditure will be £1,870,702 (£1,859,411 in 2023/24) which is equivalent to £49.96 per Band D property (£49.96 for 2023/24). Its charge will be made only to Council Taxpayers in the parish. For each £1,000 change in gross spend, 2024/25 Band D Council Tax would be affected by +£0.03 (£0.03 in 2023/24).

How spending on City Council Services has changed from 2023/24	Gross Expenditure £m	Gross Income £m	Net £m	
			LIII	
2023/24 budget	3,818	(2,863)	955	
Inflation	93	0	93	
Demand-Led Pressures	165	(2)	163	
2024/25 Savings Programme	(130)	(15)	(145)	
Movement in contributions/				
use of corporate reserves	(3)	9	6	
Changes in corporate grants	0	(33)	(33)	
Schools expenditure and funding	2	(2)	0	
Housing Revenue Account	23	(23)	0	
Other budget changes	202	(90)	112	
2024/25 budget	4,170	(3,019)	1,151	

### **Detailed Council Tax figures** 2024/25

				New Frankley in Birmingham		Roy	val Sutton Coldfield	
Band	City Council*	Fire & Rescue Authority	West Midlands PCC	Total excl. Parish Precept	Parish Precept	Parish Total	Town Precept	Town Total
	£	£	£	£	£	£	£	£
Α	1,195.34	50.13	143.70	1,389.17	28.80	1,417.97	33.31	1,422.48
В	1,394.56	58.49	167.65	1,620.70	33.60	1,654.30	38.86	1,659.56
C	1,593.79	66.84	191.60	1,852.23	38.40	1,890.63	44.41	1,896.64
D	1,793.01	75.20	215.55	2,083.76	43.20	2,126.96	49.96	2,133.72
Е	2,191.46	91.91	263.45	2,546.82	52.80	2,599.62	61.06	2,607.88
F	2,589.90	108.62	311.35	3,009.87	62.40	3,072.27	72.17	3,082.04
G	2,988.35	125.33	359.25	3,472.93	72.00	3,544.93	83.27	3,556.20
Н	3,586.02	150.40	431.10	4,167.52	86.40	4,253.92	99.92	4,267.44

<sup>\*</sup> This amount includes the adult social care precept which is shown separately on your bill.







#### **Environment Agency Midlands Region**

# The Council Tax (Demand Notices) (England) Regulations 2011

The Environment Agency is a levying body for its Flood and Coastal Erosion Risk Management Functions under the Flood and Water Management Act 2010 and the Environment Agency (Levies) (England and Wales) Regulations 2011. The Environment Agency has powers in respect of flood and coastal erosion risk management for 4,855 kilometres of main river and along tidal and sea defences in the areas of the Severn & Wye and the Trent Regional Flood and Coastal Committees (2,486 and 2,369 respectively). Money is spent on the construction of new flood defence schemes, the maintenance of the river system and existing flood defences together with the operation of a flood warning system and management of the risk of coastal erosion. The financial details are:

Severn & Wye Regional Flood and Coastal Committee					
	2023/24	2024/25			
	`000s	`000s			
Gross expenditure	£31,427	£33,364			
Levies raised	£1,245	£1,270			
Total Council Tax Base (Band D property equivalents)	1,017	1,029			
Trent Regional Flood and Coastal Committee					
	2023/24	2024/25			
	`000s	`000s			
Gross expenditure	£62,261	£82,164			
Levies raised	£2,268	£2,313			
Total Council Tax Base (Band D property equivalents)	1,904	1,930			
Total Levy Raised	£3,513	£3,583			

The majority of funding for flood defence comes directly from the Department for the Environment, Food and Rural Affairs (Defra). However, under the new Partnership Funding rule not all schemes will attract full central funding. To provide local funding for local priorities and contributions for partnership funding the Regional Flood and Coastal Committees recommend through the Environment Agency a local levy.

A change in the gross budgeted expenditure between years reflects the programme of

works for both capital and revenue needed by the Regional Flood and Coastal Committees to which you contribute. The total Local Levy raised has increased by 2.0% for the Severn & Wye Committee and 2.0% for the Trent Committee.

The total Local Levy raised has increased from £3,513,533 in 2023/24 to £3,583,804 for 2024/25 (£1,270,332 for Severn & Wye and £2,313,472 for Trent Committee). Birmingham's share of this total Local Levy in 2024/25 is £321,293.

#### **General explanatory notes – 2024/25**

#### **Non-Domestic Rates**

Non-Domestic Rates or Business Rates is a tax on property recorded in the local rating list.

The revenue collected is spent on provision of local services. Further information may be obtained at: https:\\gov.uk/introduction-to-business-rates. The legislation relating to non-domestic rates can be found in the Local Government Finance Act 1988 and the Collection and Enforcement Regulations 1989 as amended.

#### Rateable Value

The rateable value is the estimated annual rental value of a commercial property which is calculated by the Valuation Office Agency, who are responsible for maintenance and compilation of the Non-Domestic Rating List. The rateable value broadly represents the yearly rent a property could have been let for on the open market on a particular date specified in legislation. For the current rating list, this date was set as 1 April 2021.

All properties apart from those that are exempt have a rateable value.

The Valuation Office Agency may alter the valuation if circumstances change.

The ratepayer (and certain others who have an interest in the property) can also check and challenge the valuation shown in the list if they believe it is inaccurate. Further information on matters which can be appealed or challenged, including the process for doing so can be found on the **VOA website:** 

gov.uk/guidance/how-to-check-yourrateable-value-is-correct

#### Revaluations

The Valuation Office Agency (VOA) regularly updates the rateable values of all business and other non-domestic properties – properties that are not just private homes – in England and Wales. This is called a revaluation. Rateable values are the amount of rent a property could have been let for on a set valuation date. For the 2023 valuation that's 1 April 2021. We use these rateable values to calculate business rates bills.

Revaluations are done to reflect changes in the property market, which means that business rates bills are based on more up-to-date information. The last revaluation came into effect on 1 April 2023 and the next one will be 1 April 2026.

#### **Multipliers**

The Billing Authority calculates the amount due on each bill by multiplying the rateable value by the relevant multiplier. There are two multipliers: the standard non-domestic rating multiplier and the small business non-domestic rating multiplier. The Government sets the multipliers each financial year, except in the City of London where special arrangements apply.

The standard multiplier will apply to all properties with a rateable value exceeding £50,999. The small multiplier will apply to occupied properties with a rateable value of £50,999 or lower. Properties which are unoccupied will be calculated using the standard multiplier.

The Government has confirmed the **small business multiplier** will be frozen at 49.9p and the **standard multiplier** will be uprated by September's CPI figure (6.7%), increasing the multiplier to 54.6p.





#### **Transitional Rate Relief**

At a revaluation, the rateable value of a property may increase. Transitional relief schemes are introduced at each revaluation to assist those facing a rise in their bills.

This is funded by limiting the reduction in bills to those who have benefitted from the revaluation. The Billing Authority applies transitional relief to bills automatically.

Further information about transitional arrangements can be found on the Billing Authority website or at https:\\gov.uk/introduction-to-business-rates.

#### **Unoccupied Property**

In 2007, the Government announced reforms to empty property rates with a view to encourage owners to bring previously empty properties back into effective and efficient use. With effect from 1 April 2008, a three- month exemption can be applied to a property that becomes empty, or in the case of industrial properties, a term of six months exemption can apply. Once the exemption period has expired, 100% of the Business Rate becomes payable.

#### **Rates Mitigation**

In recent months the Supreme Court reiterated the purposive background to the reforms in empty rates legislation. The revenue collected in non-domestic rates is utilised and intended to support the City of Birmingham.

Birmingham suffers from high levels of deprivation in comparison to many other UK core cities. This highlights the importance of revenue collection. Any suspected avoidance or evasion of tax will be scrutinised and challenged where appropriate.

#### **Partially Occupied Property**

Where there are short term difficulties with occupation of an entire premise, the Local Authority has the power to exercise discretion and award a part occupied relief. The Council must be satisfied that the condition causing difficulty with occupation is short term.

The Council can treat occupation of part as occupation of the whole and the power to reduce is entirely discretionary and not mandatory. Full details can be obtained from the Local Authority website.

#### Small Business Rates Relief

Small Business Rate Relief is a mandatory relief. This was introduced by the Government to ease the burden on small businesses.

The amount awarded can be variable and is set by the government. It is normally available for businesses that occupy one property only and whose rateable value falls under a certain threshold. The relevant thresholds for relief are set out in regulation and can be found at **gov.uk/introduction-to-business-rates**.

#### **Supporting Small Business**

The new Supporting Small Business (SSB) relief scheme ensures no small business faces a bill increase greater than £50 per month for 2024-25 because of losing eligibility for Small Business Rate Relief or Rural Rate Relief due to the Revaluation which took place 1 April 2023.

#### **Charitable and Discretionary Relief**

Charities who occupy a property for wholly and mainly charitable purposes can avail of Charitable Relief at 80%. The Local Authority can exercise discretion to award a further reduction in certain circumstances. Charitable Relief is a mandatory relief. The power to reduce a bill further in respect of wholly charitable purposes is discretionary and dependant on the individual circumstances in a particular case. With effect from 1 April 2024 mandatory relief for charities will be calculated using the small multiplier for those occupying properties with a rateable value of less than £51,000.

# **Charity and Community Amateur Sports Club Relief**

Charities and registered Community Amateur Sports Clubs are entitled to 80% relief where the property is occupied by the charity or the club and is wholly or mainly used for the charitable purposes.

#### **Hardship Relief**

Hardship Relief is a discretionary relief.
Applications may be considered where awarding such relief is in the interest of the local community and where a similar service or amenity can't be found elsewhere within the city. Hardship may be applicable where to lose an amenity or service would cause adversity to the community.

#### **Other Reductions**

For 2024/25 Retail relief will provide eligible occupied properties with a 75% relief, up to a cash cap limit of £110,000 per business.

Further information on this relief type can be found on Business rates relief: Retail, hospitality and leisure relief – GOV.UK (www.gov.uk).

Further information about temporary reliefs can be found on our website.

#### **Discretionary Reliefs general**

Application of most discretionary reliefs must be considered alongside the interests of the taxpayer within the city. Additionally, funding for most discretionary reliefs is borne by the Local Authority. The Local Authority is also required to consider budgetary matters when deciding to award a discretionary relief.

#### **Rating Advisers**

Ratepayers do not have to be represented in discussions about their rateable value or their rates bill. However, ratepayers who do wish to be represented should be aware that members of the Royal Institution of Chartered Surveyors (RICS – website rics.org) and the Institute of Revenues, Rating and Valuation (IRRV – website irrv.org.uk) are qualified and are regulated by rules of professional conduct designed to protect the public from misconduct. Before you engage a rating adviser or company you should check that they have the necessary knowledge and expertise, in addition to appropriate indemnity insurance.





#### **UK Subsidy Control**

The award of discretionary relief is considered financial support and the rules concerning Subsidy Control must be taken into account when applying for any discretionary relief. Further details surrounding this can be found at **UK subsidy control statutory guidance – GOV.UK** 

## Information Supplied with Demand Notices

Information relating to the relevant and previous financial years regarding the gross expenditure of the local authority is available at **www.birmingham.gov.uk/businessrates**.

A hard copy is available on request by writing to the council or by calling **0121 303 5509**.

#### **Heat Network Relief**

You can get heat networks relief if your property is only used or mainly used as a 'heat network'.

A heat network supplies heating or cooling to other properties from a central source. To be eligible, the heat network must:

- take its energy from a low carbon source
- supply heating and cooling to other properties - for example, homes, shops, public buildings, hospitals and offices

The heat network must not supply heat or cooling for industrial use - for example, to create products in factories. Contact the Valuation Office Agency (VOA) to check if your property is eligible for heat networks relief.

#### Improvement Relief

A new relief has been introduced by the Government from 1 April 2024. For further information, visit **Gov.UK Improvement Relief**.

#### **Business Rates Online**

Our on-line service is simple to use, will save you time and gives you greater control of your bills and payments. Once you have registered and signed into your Brum account, you can go to Business Rates online to set up and manage your direct debit payments. Once you have verified your account, you can check your balance, payments, bills, recovery notices, apply for paperless billing and update your contact details at birmingham.gov.uk/businessrates.

#### Payment and payment methods

All ratepayers will pay their annual bill in ten monthly instalments on the first of each month from April to January, unless they opt to pay:

- in twelve monthly instalments, on the first of each month from April to March;
- in full by 1 April;
- half the year's charge by 1 April and the balance by 1 October.



#### **Direct Debit**

Direct Debit is the easiest way to pay, and you are protected by the Direct Debit Guarantee. You can choose to pay monthly, yearly or half-yearly.

If you have a bank or building society account, Direct Debit is a simple, inexpensive and convenient method of making payments.

You can make an application online by visiting birmingham.gov.uk/brdirectdebit.

#### **Online**

Visit **birmingham.gov.uk/business-rates** where you can make payment by debit or credit card.

If you pay by any of the following methods, you must allow five days for your payment to reach us.





#### PayPoint/Payzone/Post Office

Towards the top right-hand side of the Business Rates bill there is a barcode which can be used to make payment. You should present this, along with your payment, at any Post Office, or any shop displaying the PayPoint or Payzone logo. Please note that only cash is accepted at PayPoint and Payzone outlets.

You can pay by cheque at the Post Office. Cheques need to be made payable to 'Post Office Counters Ltd'. There is no charge for using these services.

The barcode cannot be used at banks. The cashier will process your payment and give you back your bill.

It is recommended that you request a receipt for your payments. Please keep your bill in a safe place as you will need it to pay your instalments throughout the year.

For a list of PayPoint and Payzone outlets, please visit **paypoint.com** and **payzone.co.uk**.

Failure to pay on or before the due dates may result in losing the right to pay by instalments and the whole of the charge becoming payable in one instalment.

You should not withhold payment of your Business Rates whilst an appeal is being dealt with by the Valuation Office Agency or whilst we are processing your application for any form of relief.

#### Service

Our commitment is to:

- Send out accurate and timely rate bills
- Collect rates promptly and efficiently
- Deal with your enquiries quickly and correctly first time

- Give clear and up-to-date information and advice
- Help you to understand your rights and obligations
- Continually improve our performance
- Give value-for-money to our customers
- Offer a formal procedure for complaints

#### Performance standards

Our aim is to deal with all written correspondence within ten working days of receipt.

Please note that, at certain times, particularly immediately after we have issued our annual bills in March, we may take a little longer than ten working days to deal with your enquiry.

# Comments, compliments or complaints – your views

We are committed to providing our customers with an excellent level of service and support the city council's 'Your Views' policy. If you would like to raise anything about the service you have received, whether it is a comment, compliment or complaint, please let us know by visiting **birmingham.gov.uk/yourviews** or contact us using the details available in the enquiries and other information section of this booklet.

#### **Enquiries and Other Information**

Any enquiries relating to Business Rates should be addressed to:

# Birmingham City Council Revenues P.O. Box 5 Birmingham B4 7AB

Email business\_rates@birmingham.gov.uk, visit birmingham.gov.uk/business-rates or telephone 0121 303 5509.

#### **Fair Processing Statement**

We, Birmingham City Council, process your personal data in order to comply with our legal obligation to assess and collect Council Tax or Business Rates bills. All personal data will be processed in accordance with the Data Protection Act 2018 and the Data Protection Regulation (GDPR). The legal basis that allows us to use your information is 'public task'.

Your personal data may also be shared with other organisations, the details of which can be found on our website **birmingham.gov.uk/fairprocessing** where you can also find details of our Data Protection Officer and information on your rights and how to exercise them. In accordance with our retention schedule, we shall keep your personal data for a period of six years from date of account closure.

# Help and information for visually impaired people

Please call **0121 303 1113** to register for our large print services. We can provide you with information relating to your Business Rates bill in large print, on audiotape or in Braille.





# SIRMINGHAM'S STOP SMOKING SERVICE



#### **Quit with Confidence**

- You're three times more likely to succeed with our expert support.
- Birmingham's 12-week program offers personalised advice, craving management, and free treatments like Nicotine replacement therapy or e-cigarettes.



#### Where to Find Us

- 100s of GPs and pharmacies across Birmingham are ready to help.
- Find your nearest stop smoking service provider at
  - https://bit.ly/BCC-stop-smoking



#### Meet 'Quit with Bella'

- Your Al-Powered Personal Stop Smoking Robo-Coach.
- Enter Bella Community! Join a community of people supporting each other to be smoke free for life!
- Download the free app at **www.quitwithbella.com** and take the first step towards a healthier, smoke-free life.

#### Start your quit journey today!







# COMMERCIAL WASTE SERVICE

Birmingham City Council deliver waste collection services to over 8,000 businesses city wide



We provide cost effective and environmentally responsible waste management to a wide range of businesses, large and small. For a no obligation free audit, or a competitive quote:

Telephone: 0121 303 2894

Email: commercialwaste@birmingham.gov.uk
To find out more, visit Birmingham.gov.uk/commercialwaste















Get involved by scanning the QR code or visiting

www.birmingham.gov.uk/budgetinfo









You can now get your Business Rates bill online. Go to the link below to register.

For more information about how to manage your account online please visit: birmingham.gov.uk/businessrates









