

# Financial information

## Introducing the 2025/26 budget

Walsall Council's council tax requirement for 2025/26 will be £162.776 million. This is the amount which is raised locally through council tax.

## Where does the council's income come from?

Walsall Council has budgeted to spend £849.006 million on council services for 2025/26. This expenditure will be funded from Central Government funding of £22.562 million, retention of locally collected business rates income £84.253 million and other grants, fees and charges of £572.188 million, one off collection fund surplus/use of reserves £7.227 million with the balance of £162.776 million funded from council tax. This is also known as the council tax requirement and equates to 19.17% of the council's gross expenditure with further details shown in the table below:

	2024/25		2025/26	
	TOTAL £M	PER HEAD £	TOTAL £M	PER HEAD £
Walsall Council's gross budget	777.288	2,716.79	849.006	2,940.42
Less income (specific grants/fees and charges etc.)	(513.330)	(1,794.20)	(572.188)	(1,981.69)
Add: Collection fund deficit / (surplus)	(0.349)	(1.22)	(0.472)	(1.63)
Less: Business rates income (local share)	(74.232)	(259.46)	(84.253)	(291.80)
Less: "Top Up" Government funding	(22.331)	(78.05)	(22.562)	(78.14)
<b>Sub Total</b>	<b>167.046</b>	<b>583.86</b>	<b>169.531</b>	<b>587.16</b>
Contribution to / (from) reserves	(15.014)	(52.47)	(6.755)	(23.40)
<b>Council tax requirement</b>	<b>152.032</b>	<b>531.39</b>	<b>162.776</b>	<b>563.76</b>
Add: WM Police and Crime Commissioner Precept	15.721	54.94	17.069	59.12
Add: WM Fire & Rescue Precept	5.485	19.17	5.964	20.66
<b>Total Demand on the Collection Fund</b>	<b>173.238</b>	<b>605.50</b>	<b>185.809</b>	<b>643.54</b>
Tax Base (expressed in terms of Band D properties)	72,932.78		74,375.36	
Council Tax (Band D)	<b>£2,375.31</b>		<b>£2,498.27</b>	
<b>Broken down as follows:</b>	<b>£</b>		<b>£</b>	
Walsall Council spending	2,084.56		2,188.58	
WM Police and Crime Commissioners spending	215.55		229.50	
WM Fire & Rescue spending	75.20		80.19	
<b>TOTAL COUNCIL TAX FOR A BAND D PROPERTY</b>	<b>2,375.31</b>		<b>2,498.27</b>	

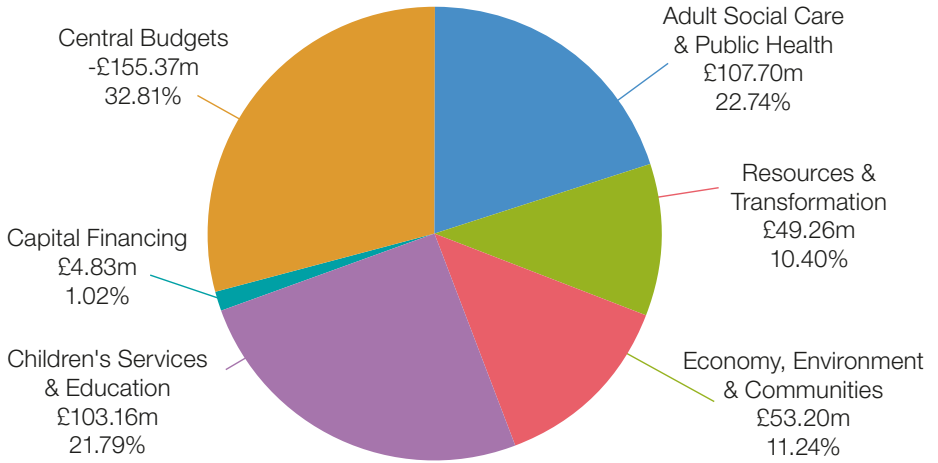
The council collects council tax on behalf of the West Midlands Fire and Rescue Authority and West Midlands Police and Crime Commissioner. These are both separate organisations over which the council has no control. West Midlands Fire and Rescue Authority have increased the average band D for 2025/26 by £4.99, which equates to 6.64%. West Midlands Police and Crime Commissioner have increased the average band D for 2025/26 by £13.95, which equates to 6.47%.



Walsall Council

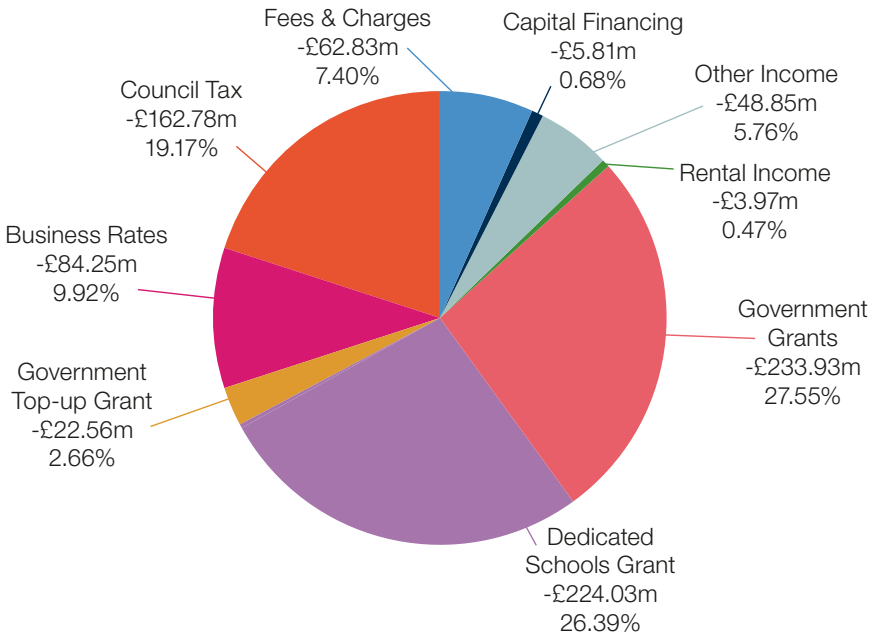
# How the council spends its budget?

The pie chart below shows planned net spend (council tax requirement) on services for 2025/26.



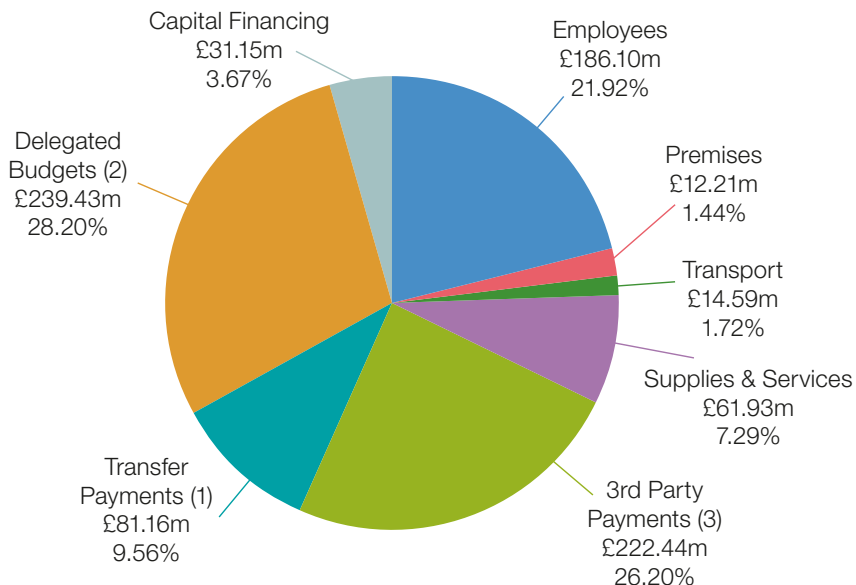
Central budgets – this includes borrowing and leasing costs for the authority, central government funding and our local share of business rates income. It includes £11.997m Levies (these are charges levied on the authority from the Environment Agency and West Midlands Combined Authority (transport levy)). The reason the central budget is showing as a minus is because most of it relates to central government income and business rates.

# Sources of income the council receives



The pie chart opposite shows the various income sources the council receives and the percentage which each of them represents of the overall income received. It can be seen from the above that c29% of income is collected locally via council tax and business rates and c57% comes from Government of which c26% is passported directly to schools.

## How the council spends its gross expenditure?



1. *Transfer payments include expenditure such as housing benefits, rent allowances and social services direct payments.*
2. *Delegated budgets include budgets for schools.*
3. *Third party payments include payments to external contractors.*

# What is council tax and the effects it has on council spending?

Council funding is complex and comes from several sources. The main sources are government grants, business rates, fees, charges and council tax.

Government grant funding forms part of the council's gross income. This, alongside other grant income, locally retained business rates and fees and charges fund the majority (c81%) of the authority's gross expenditure. Any remaining unfunded expenditure has to be sourced via council tax income.

For 2025/26 Walsall has increased its council tax by 4.99% (inclusive of 2% Adult Social Care precept) in line with the referendum principles and will therefore not require a referendum to be held.

Changes in spend are caused by many different factors, including inflation, contract payments, pay awards, changes in demand for services from users, population shifts, new legislation or regulations, service improvements, service redesigns and service efficiencies.

## Capital expenditure

The council's capital programme will provide investment of £102.59 million in 2025/26. Of this £48.63 million will be funded from council resources and £53.96 million from external grants and contributions.

This will fund the maintenance and enhancements to council assets, infrastructure improvements, regeneration projects and adaptations to vulnerable and older resident's properties to enable them to promote independence.

## West Midlands Combined Authority

The transport levy for 2025/26 will be £11.908m, an increase of £347k (3%) compared to last year. Details of this budget are shown on a separate leaflet.

## The Environment Agency

The 2025/26 gross expenditure for the Environment Agency is £99.241million. £2.360 million of this is funded by levies on the relevant district councils proportionate to their tax base. For Walsall this will be £89,575.

## Number of employees

The council employs 5,464 full time equivalent employees (including those in schools and community associations).

**For further details on the council's budget, please contact Ross Hutchinson, Head of Finance and Deputy Section 151 officer on 01922 658411 or via email at [Ross.Hutchinson@walsall.gov.uk](mailto:Ross.Hutchinson@walsall.gov.uk)**

**For further details in relation to Council Tax, please contact 0300 5552851 or via email at [counciltax@walsall.gov.uk](mailto:counciltax@walsall.gov.uk)**