Annual Review

2025-2026



Together we find
a better way

LWM Annual Report 2025 – 2026

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LWM Annual Report 2025 – 2026

Highlights of the year

Overall Company Impact

Generated over **£1.7m in income** across our services, supporting investment back into local priorities

Reached over **8.7 million people** through digital communications

Returned **£369k** to the council through fees and dividends

Supported **22** temporary accommodation properties for local families

Talent Acquisition

Successfully filled **21 roles across council and partner organisations**

Reduced **average recruitment** times from **8 weeks** to **4 weeks**

Reduced reliance on agency staffing through cost-effective recruitment solutions making a saving of over **£200K**

Attracted hundreds of quality applications, growing future talent pipelines for clients

Project Management

Successfully delivered over **£180,000 of capital projects**

Managed live projects supporting regeneration, leisure and community infrastructure

Managed and maintained over **34 commercial and 22 residential properties** throughout the year

Ensured the delivery of safe, compliant, and operational buildings through effective asset and contractor management

Planning Consultancy

30+ major developments supported through specialist planning expertise

75%+ on-time performance for major planning decisions, exceeding national requirements

£500k+ consultancy income generated through commercial planning services

3 external local authority partners supported across the UK

Leisure

Welcomed over **230,000 visits to our leisure centres**

Invested **£12m** into **new equipment and facilities**

Increased **memberships by 165%,** helping more residents stay active

Ecology

Secured **32+ hectares** of biodiversity enhancement agreements across the region

Generated **£400,000+** of environmental investment supporting nature recovery

Established partnerships with **five landowners** to deliver long-term habitat management

Supported the creation and enhancement of habitats, including **12 hectares of heathland**

Communications & Events

Delivered over **12 integrated campaigns supporting council priorities, events and regeneration projects**

Generated more than **12.5 million digital impressions** across social media

Increased newsletter subscriptions and **digital audiences by 10%**

Supported and promoted **38 major events,** helping **drive footfall** into the district

Disabled Facilities Grants (DFG)

Completed **135 home adaptations,** helping residents live safely and independently

Delivered **£1.24 million** of accessibility improvements across the district

Awarded **100% of available DFG funding** for the second consecutive year

Recognised as the **'Adaptations Service of the Year'** award winner at the National Healthy Housing Awards 2025

LWM Annual Report 2025 – 2026

Introduction

This annual report introduces **LWM's performance during 2025/26** (our fourth year of trading).

LWM Traded Services Ltd (known as LWM) is Lichfield District Council's wholly owned trading company. We started trading in 2022-23 financial year and have grown considerably since then to a circa £7m turnover today. Our mission remains the same though, to focus on short-and medium-term activities that have **an immediate positive impact for residents and businesses** in the district.

Our priorities for 2025/26, set out in our business plan and approved by both the board and shareholder representative, were to further grow existing business streams alongside expanding our traded Brokerage (Ecology BNG), Planning Consultancy and Talent Acquisition services. Now well-established services such as Property and Projects (previously Corporate Landlord) and Major Projects, Leisure, Human Resources, Communications and Disabled Facility Grants have again continued to mature as evidenced in this report.

Absolute highlights during this year of activity are the progress of our HR service – which has rapidly built much needed confidence and support within both the Council and LWM under the stewardship of Sharon Sumner, and of course, the successful launch of our new Lichfield Leisure Centre, led by our Leisure Director, Jim Faulkner.

Lichfield District Council agreed a further financial investment of £2m (in addition to the £2.1m in 2024-25) in Temporary Accommodation during the year and again asked LWM to manage the search, purchase and subsequent management of these units. During the year, 5 additional units were purchased, and this increased the Council's stock to 22, and with it the availability of social housing in the district.

In addition, five further units currently under development at Bakers Lane, are expected to be delivered during 2026/27 financial year, further increasing the Council's housing provision and supporting continued demand across the district.

The Shareholder Agreement and Scheme of Delegation, levels of authority and decision-making processes that must be followed have not changed.

The Company's Board of Directors and Managing Director remained the same during most of the financial year. In Q3, the Council introduced a cross-party Shareholder Advisory Group (SAG) to further enhance democratic accountability and transparency and improve the quality and credibility of shareholder decision-making. This resulted in our Chair, Cllr Alex Farrell, leaving the board of LWM to chair the new SAG. Cllr Farrell was replaced by Lizzie Barton, the Council's Director of Resident and Business Services on the board.

The board welcomed this new advisory group which we believe supports, but does not dilute, the authority of the Shareholder Representative. Our hope is that, if used effectively, it will act as a confidence-building mechanism, ensuring that when the Shareholder Representative approves our annual business plan and budget or subsequent proposals, they do so with informed cross-party insight, clear audit trails, and strong political backing.

1 Wholly Owned Company - where 100% of its shares are owned by the Council

Chair of the Board's Statement

It is an honour for me to introduce this, my first annual report as Chair of LWM, and to have replaced Cllr Alex Farrell who stepped down mid-way through the year. This annual report sets out the performance and progress of LWM, a company wholly owned by Lichfield District Council, in our full fourth year of trading.

Our company ethos has always been 'creative in our thinking, commercial in our approach and innovative in our delivery'. This ethos has again assisted the Council to provide high quality services to the residents and businesses of Lichfield district. In addition to this, our trading activities have created cash surpluses (a dividend), in addition to the fees already paid, being returned to the Council, our only shareholder.

Our workforce has grown again this year to 222 employees, predominantly driven by the opening of the new Lichfield Leisure Centre. The new joiners have made a significant positive impact, quickly embracing our company values and culture. Towards the end of 2024/25, the board reviewed the performance of our management team and again made some key changes to leadership roles to ensure it continued to work well together and grow in confidence.

We took the decision, early in 2025/26, to bring in a Leisure Director with strong commercial experience as a critical enabler to both successfully deliver the new leisure centre and grow LWM's wider leisure offer in a financially sustainable way. Jim Faulkner's appointment has successfully addressed delivery risk, commercial ambition, and long-term operating performance at the same time.

Helen McKenzie's promotion to Property & Project Director in June 2025 has helped stabilise a critically important function within LWM and refocused the team on the elements of the role that matter most to the shareholder, particularly compliance, control and delivery assurance. We are delighted for Helen, who has been with LWM since the beginning. She has restored clear leadership and accountability in a team characterised by high workloads and competing priorities, delivery pressure across live projects and an increased regulatory and compliance environment.

Our continued ability to identify niche opportunities and generate revenue through services that are clearly in demand to other councils and the private sector shows how our different way of providing financially sustainable services to residents works.

This report once again sets out what we did last year to deliver against our business plan and points to what we want to do in 2026/27 and future years. For statutory reporting purposes, this document provides the strategic and directors report for LWM Traded Services Ltd, including the Section 172 Companies Act requirements.

Performance

The company performed well in our latest year of trading, 2025/26. While all our services perform strongly against our core mission of offering the Council high quality services to residents, our Planning Consultancy, Ecology Brokerage and Talent Acquisition services are becoming the key trading opportunities.

Our Business Hub in District Council House continues to be popular for local businesses seeking to grow. 95% of our lettable space (22 units) were occupied during the year. This has meant that tenant income has again funded the running costs of the Council House. The second-floor refit to create more space for Council / LWM staff has proved popular with large numbers of staff choosing to locate there during office days.

The Property & Projects team's work with Streethay Parish Council on its new community centre was delayed during the year, with budget pressures being the key issue. Fortunately, this has been addressed through the award of CIL (Community Infrastructure Levy) funding in February 2026, and the project will restart in earnest shortly. The team completed their assistance of Burntwood Town Council during the year, supporting delivery of their refurbished community facility at the old methodist church in Burntwood.

Our Disabled Facilities Grants service again won significant praise for its continued exceptional work in supporting district residents waiting for these life-changing adaptations. During the year 100% of the grant award received by the Council was administered and awarded, in-year, alongside the residual backlog of funding that came to the service when it was brought in house. This amounted to £1.2m of grants being awarded, the second successive year the entire budget was spent in-year. £1.24m of adaptations were completed in-year. This exceptional performance was recognised by the team winning the Adaptations Service of the Year, a national award hosted by our national body, Foundations.

We continue to invest in our Leisure Centres, ensuring they remain vibrant and well-attended community hubs. The opening of the new Lichfield Leisure Centre marked a significant milestone for leisure services in the district and a proud moment for LWM. Delivered through sustained commitment, collaboration with the Council's excellent Major Projects Team, and resilience, the project was the culmination of years of planning and hard work. Our team navigated complex operational and mobilisation challenges, ensuring the new facility opened safely, smoothly and ready to serve the community from day one.

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The transition into the new centre was also an opportunity to refresh and strengthen our workforce. A successful programme of recruitment and induction welcomed new team members into LWM, bringing fresh skills, energy and enthusiasm, while existing staff demonstrated professionalism and adaptability in embedding new ways of working. Together, these efforts have established a strong foundation for high-quality customer service, increased participation and long-term sustainability. The opening of the new leisure centre stands as a clear example of what can be achieved through teamwork, shared purpose and a collective commitment to improving outcomes for residents. Revenue for the Leisure Services grew again in-year, by approx. 8.4% (£36k above expectations). This growth in revenue is driven by a net increase in memberships of 16% on the previous year at Burntwood Leisure Centre and the opening of Lichfield Leisure Centre.

Our specialist Talent Acquisition (TA) lead has done a superb job of growing this activity across both public and private sector clients – alongside making sure the Council continues to attract the highest quality candidates for its vacancies and the company's.

Our company revenue grew this year, achieving £7.87m in total, again demonstrating the depth and breadth of LWM activity. Overall, we delivered a positive outturn for the year, despite a more challenging cost environment, producing a small surplus after fees were paid to the Council.

Strategy and outlook

Our strategy for 2025/26 had several elements, which we set out as priorities in the business plan, and have focused on delivering. We prioritised growing existing business streams and trading activities we felt were ready to grow – our Ecology Brokerage service, our Planning Consultancy and our Talent Acquisition service. Income from trading these activities grew from £0.34m in 2024/25 to £1.29m in 2025/26.

Our Planning Consultancy has had an excellent year – surpassing its traded revenue target by 50%. This has primarily been achieved through the introduction of a PPA (Planning Performance Agreement) service, a voluntary project-management agreement between a local planning authority (LPA) and an applicant/developer which sets out how a planning proposal will be handled, particularly for large or complex schemes. National policy supports the use of the agreements, noting that PPAs can help achieve a faster and more effective application process, especially for major developments. In 2026/27, we will further diversify the Planning Consultancy offer, extending it to include capacity and expertise to other local authorities.

Capital & Landlord Services also delivered a strong year commercially, surpassing its traded income projection by 8%. This reflects the service's growing reputation for providing reliable property, landlord and project support across a range of client needs.

Our successes in these areas have given the board confidence that we are offering the right 'products' to the market and we will prioritise raising wider awareness of them in 2026/27, through the introduction of a business development lead, on a trial basis for six months.

Board and governance

As we conclude 2025/26 and start 2026/27, the board has four current directors, with a fifth pending. As I have set out above, Cllr Alex Farrell stood down from the board in Q4 this year, to take up the role as Chair of the Shareholder Advisory Group. The Council's Director of Resident and Business Services, Lizzie Barton, replaced Cllr Farrell and the board of directors have otherwise remained the same – including Andrea Felton, our previous Finance Director, who has moved on to a new role outside LWM but stayed on the board as a Non-Executive Director (NED).

We were pleased to welcome our new Finance Director, Suzanne Jones, to LWM. Suzanne brings some important commercial experience to LWM and will play a significant role in supporting achievement of our growth expectations. She will also join the board as a director in 2026/27.

As new Chair, I am excited to take on this new role and help LWM to continue its growth trajectory while maintaining a clear focus on the quality of services we provide to our shareholder and other clients.

There were 6 planned board meetings during the year, again complemented with specific meetings of the managing director and directors to focus on financial assurance, business development and informal strategic discussions. These meetings were supplemented by ad hoc board briefings from the managing director as and when required.

Kerry Dove
Chair, LWM



Managing Director's Statement

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I am pleased to present this year's Annual Report, which reflects a year of strengthening commercial focus, sharper governance and improved confidence across the business. We have once again successfully delivered the business plan agreed with our shareholder and credit for doing so must go to our talented teams across LWM for their hard work and determination.

During the year, we have prioritised building a more resilient and performance-led organisation. This has involved stabilising key functions, strengthening senior leadership capacity, and ensuring that our activities are underpinned by clear accountability, robust controls and a strong emphasis on compliance. These foundations are essential for protecting public investment while enabling LWM to operate commercially and sustainably.



Alongside this, we have continued to progress major programmes and services, with a clear focus on value for money, cost control and long-term financial viability. We have taken a disciplined approach to business planning, ensuring that investment decisions, service growth and operational performance are aligned to shareholder expectations and market realities.

Our role as the Council's arms-length trading company requires us to balance commercial ambition with public purpose. Over the year, we have strengthened that balance by focusing on doing the fundamentals well, managing risk proactively, and building management capacity that can support growth without increasing exposure to the Council.

LWM's unique position enables us to operate with commercial realism while remaining firmly rooted in public service. It is an honour to serve the residents and businesses of Lichfield district in this way, and to do so through a model that provides flexibility, expertise and assurance for the Council as shareholder.

In 2025/26, we generated a profit at year end, alongside £269K of fees to the Council and are ready to declare our second annual dividend of £100K.

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Our investment in bringing core corporate support services in-house continues to deliver clear benefits. Having successfully established our in-house Finance Service in 2024/25, which has significantly strengthened financial control, insight and business planning, this year has seen further progress across our people-focused services. We have made strong headway in the in-sourcing of our Human Resources function, establishing a more responsive and proactive service that is already supporting both the Council and LWM to build and sustain positive employee relations and organisational capability.

This work has been complemented by the commencement of payroll in-sourcing for both organisations, improving resilience, control and service continuity. Once fully embedded, this enhanced capability will provide a platform not only for high-quality internal support but also for the future opportunity to trade these services to other organisations.

Our service directors and managers are highly motivated, commercially aware and strongly focused on results. They continue to deliver efficient and effective services for residents while maintaining a clear focus on performance, value for money and continuous improvement. They have grown the proportion of income generated from external activity (to 19% this year), strengthening LWM's financial position and creating new revenue that can be reinvested or returned to the Council to help protect the provision of local services.

This performance is underpinned by our strong organisational culture. Colleagues at all levels understand and take ownership of our objectives, working collaboratively and pragmatically to deliver results. There is a shared commitment to high standards, accountability and service excellence, which gives us confidence that LWM has both the leadership capacity and the cultural foundations to continue performing strongly in a challenging and competitive environment.

As we look forward to the new financial year, I am excited by the clarity and ambition of our 2026–27 priorities. This year is about driving higher profitability, accelerating growth in our core trading services, and actively exploring investment opportunities that can increase the financial return we deliver for the Council. We are building on proven strengths, developing new commercial opportunities, and positioning LWM to grow in areas where there is clear demand and long-term value. At the same time, we remain focused on supporting the council's housing priorities and delivering real value for residents. These priorities mark a confident next phase for LWM: purposeful, commercial and focused on sustainable growth.

Finally, I would like to thank our board, colleagues and partners for their professionalism and commitment. As we look ahead, our focus will remain on delivering high-quality services, improving commercial performance, and ensuring that LWM continues to be a well-governed, financially disciplined and trusted organisation for the Council and the communities it serves.

Simon Fletcher
Managing Director, LWM





Strategic Review

Business Review

During 2025/26, we maintained delivery across our broad portfolio of Council and traded services while sharpening our focus on profitability, service quality and scalable growth. Progress this year was anchored in four core themes: increasing overall profitability for a stronger return to the council; growing our core traded services; exploring new commercially viable offers; and supporting the council's temporary accommodation and housing ambitions.

Alongside service delivery, 2025/26 also helped progress the company's longer-term growth plans. This included early development work around a dedicated building services offer and clearer positioning of our Planning Consultancy services. We also continued to try to build wider sector recognition for the Council's trading model, strengthening our platform for future partnerships and income generation.

Overall, 2025/26 demonstrated continued progress in turning strategic intent into delivery - strengthening governance at the Council's request, building a clearer performance culture, growing traded income, and delivering tangible outcomes for residents through high-volume service areas. These achievements provide a solid foundation for the 2026/27 plan, including further focus on profitability, continued scaling up of priority traded services and the development of new commercial offers aligned to Council priorities.

The service areas covered by the business plan were **Property & Project Management, Temporary Accommodation, Talent Acquisition, Leisure, Communications, Disabled Facilities Grants, Planning (Major Developments), Ecology Brokerage and Corporate Services (HR, IT, Finance).**

Property & Project Management

The company acts as the corporate landlord on behalf of the Council, managing and maintaining 200 assets (land and buildings) owned or leased by LDC. The company undertakes and oversees all hard and soft facilities management services, alongside planned, remedial and reactive maintenance activities. We are responsible for ensuring the Council's estate is effectively and efficiently managed, maintained and fully compliant in respect of Health & Safety. We also undertake all property transactions on behalf of the Council including, acquisitions, disposals, lettings, rent reviews and associated tenant management.

Across 2025/26, the Property & Projects function continued to support the council's estate management, compliance obligations and capital delivery needs, while strengthening the interface between project delivery and resident-facing services such as DFGs.

Alongside this, work continued to support the council's temporary accommodation ambitions, including strengthening the approach to acquisition, due diligence, refurbishment planning and ongoing compliance - helping to reduce reliance on costly nightly paid accommodation and improve outcomes for households in need.

During the year, the team supported ongoing estate management activity across the Council's operational and residential portfolio, including asset inspections, maintenance coordination, lease management and compliance-related works. Continued focus was placed on improving void turnaround times and ensuring Temporary Accommodation properties were mobilised efficiently to support increasing demand across the district.

During the year, 11 additional units were purchased, increasing the Council's Temporary Accommodation stock to 22 units and further supporting the availability of housing within the district.

The Project Management service manages all major building projects of a capital and revenue nature to ensure they are delivered on time, on budget and to the required standards and specifications.

This year, the team managed £2.4 million of building contracts, supporting the continued development of the District Council House 'Business Hub'. The completed space provides a mix of flexible business accommodation and collaborative workspace supporting both start-up and established businesses across the district.



Communications

Communications supports the Council's priorities by helping residents, businesses and visitors access information, engage with services and participate in community life.

Communications continued to play a central role in supporting both the council's priorities and the company's commercial ambitions during 2025/26, helping to strengthen resident engagement, promote the district and support major events and regeneration activity.

Over the past year, the service delivered a significant transformation in the way the council communicates with residents, businesses and visitors. Through a digital-first approach, channels became more accessible, responsive and engaging, resulting in:

- Over 10,000 new social media followers gained
- A 473% increase in digital engagement
- Monthly digital reach growing from approximately 100,000 to consistently exceeding one million people
- Increased resident participation and engagement across consultations, campaigns and community initiatives

The team also led the rebrand and repositioning of LWM, introducing a clearer identity for the company and strengthening how services are promoted and communicated both internally and externally. This included working more closely with service areas to better showcase delivery, impact and commercial opportunities across the business.

The team also played a leading role in delivering and promoting some of the district's highest-profile events and place campaigns, including the continued growth of the Lichfield Food Festivals and the council's flagship Proms in Beacon Park event. Through strengthened sponsorship activity and commercial partnerships, a record £24,000 in sponsorship funding was secured to support Proms in Beacon Park, helping reduce financial pressure on the council while enhancing the scale and quality of the event offer.

Alongside this, the Beacon Awards were successfully relaunched with a full rebrand and refreshed delivery model, achieving a 68% increase in nominations and a 132% increase in attendance, helping further strengthen engagement with the district's business community.

Throughout the year, communications activity continued to support wider council priorities including regeneration, leisure, community safety, housing, visitor economy growth and environmental campaigns - helping strengthen Lichfield's reputation as a vibrant, connected and ambitious district.

Talent Acquisition

The Talent Acquisition service is responsible for sourcing, attracting, hiring and onboarding new office-based employees to the Council. The recruitment of a highly skilled TA specialist to lead this service has led to significant improvements in the quality of candidates sourced for Council vacancies.

Talent Acquisition continued its growth trajectory in 2025/26 through proactive business development across both the public and private sectors. The service secured and began mobilising several strategic accounts, including a global manufacturer and one of the UK's largest planning teams within a major unitary authority, alongside ongoing delivery for Lichfield District Council and Leicestershire-based clients. This has strengthened market reputation, demonstrated the scalability of the offer beyond a single-client model, and provided a platform for further revenue diversification and resilience.

Throughout the year, we have continued to successfully support our partners with senior-level recruitment across both the private and public sectors. Key appointments have included Building, Maintenance, Procurement, Planning, Health & Safety, Policy, Facilities, Estates, HR, and Finance professionals.

These hires have contributed significantly to organisational stability, strategic growth, and the successful delivery of long-term business plans.

The service has maintained an efficient recruitment turnaround, with an average time from vacancy registration to candidate offer of just 3–4 weeks.

Leisure

Our Leisure service, which are branded 'Active Lichfield District', is responsible for the day-to-day provision, management and promotion of our two leisure centres (Burntwood Leisure Centre and Lichfield Leisure Centre). We promote local facilities to help more people be more active, more often across Lichfield district. In addition to leisure centres, we also provide wellbeing activities, activities for young people and local clubs, tennis in our parks, local park runs and Getin2it.

Leisure remained a major operational area in 2025/26, with sustained growth in usage and income following earlier investment and service transfer. The successful launch of the new Lichfield Leisure Centre in January 2026 represented a significant delivery milestone, supported by strong Quarter 4 membership growth of 165% and clear indicators of long-term viability. In addition, the Learn to Swim programme delivered a 20% uplift in income, reflecting increased participation and improved commercial performance. Alongside this, planning activity also continued for wider Beacon Park enhancements to broaden the district's leisure offer and strengthen the visitor economy, including a 9-hole adventure golf course launching in Spring 2026, an enhanced 9-hole pitch and putt, foot golf and disc golf course, and the addition of 3 padel courts all scheduled to launch in Summer 2026.



Disabled Facilities Grants

Our Disabled Facilities Grants (DFGs) service promotes, administers and facilitates grants to residents on behalf of the Council. Our grants help meet the cost of adapting a property for the needs of disabled or elderly residents across the district.

The DFG service delivered strong and resilient performance in 2025/26, completing 135 adaptations across the district at an average cost of £9,700, led by accessible bathroom works (76), lifts and hoists (37), and ramp and access works (23). This was achieved despite funding constraints in Q2–Q3 and rising demand, with the service maintaining high throughput and demonstrating resilience across the year. Service efficiency improved significantly, with application-to-approval times reduced by 76.3% to 4.2 days, and overall end-to-end delivery improving by 6% to 167 days. The service also strengthened its operating model by expanding assessment capacity, supporting partner organisations, and piloting privately funded adaptations, laying the foundations for a broader building services offer.



Planning Consultancy

LWM Planning was established to deliver planning services more flexibly and commercially while remaining fully accountable to the Council. The consultancy brings together professional planning expertise to support LDC and external clients, including other local authorities, developers and organisations.

For LDC, we provide improved the capacity, resilience and performance of the planning service - delivering the major applications service, supporting significant and more complex development proposals, and operating commercial Planning Performance Agreements that help ensure timely, high-quality decision-making for major developments within (and outside) the district.

The planning service has consistently achieved better-than-average decision-making performance as reported to government. This reflects the strong operational relationship between LWM Planning and colleagues within the LDC Development Management team. The use of Planning Performance Agreements has enabled the company to generate additional income from an increase in large-scale development proposals arising from changes to national planning policy. This has ensured adequate resourcing to offer a high-quality planning service which has been received well by the industry, including in LWM Planning winning Small Consultancy of the Year at the Royal Town Planning Institute West Midlands awards as well as being a nominated finalist at the subsequent national awards.

Alongside its work for LDC, LWM Planning Consultancy trades externally, offering planning consultancy support to other local authorities and organisations.

In 2025/26, the planning offer continued to mature, strengthening the commercial approach to delivering the ‘majors’ function on behalf of the Council and building the credibility required to expand beyond district boundaries, including through obtaining repeat business with developers who operate in the district. This period also supported the development of an agency-style offer for applicants, creating additional routes for future traded income while protecting service quality for the council.



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Biodiversity and Ecology

Our biodiversity brokerage is a traded service that helps implement the requirements of the Environment Act 2021, connecting development-led demand for biodiversity net gain with the supply of suitable land for habitat creation and enhancement. The service combines public sector insight, ecological expertise and commercial delivery to provide a practical, locally grounded biodiversity solution.

Alongside council land, the brokerage works with private landowners, offering them an opportunity to bring under-utilised land forward as habitat banks. LWM manages the process of site identification, registration and brokerage, matching approved biodiversity units with developer demand and helping unlock new funding streams for nature recovery and land management. The service is also designed to trade externally, providing biodiversity consultancy and brokerage support to other local authorities and organisations. This includes offering advice on implementing biodiversity net gain, developing habitat banks and using biodiversity as a mechanism to fund environmental improvements on land.

During 2025/26, the biodiversity brokerage service progressed from establishment into scale-up, building the council’s biodiversity net gain pipeline through the development of multiple Biodiversity Gain Sites on Council and private land. With a growing portfolio moving toward registration, the service prepared to shift emphasis toward targeted marketing and partnership development with developers and landowners, supporting longer-term revenue generation and wider environmental outcomes.
As of the end of 2025/26, the service had four fully registered habitat banks (two on council land, two with private landowners), generating an estimated 74.73 Biodiversity Units (a DEFRA measure of ecological improvement) from 32.68 hectares of enhanced habitats. At the time of writing two more sites (one council-owned and one private landowner) are nearing registration, with a further five sites also aiming for registration in 2026/27.

Corporate Services

The Corporate Services function incorporates several activities including HR, IT, Finance, Insurance, Company Secretary, DPO support and Payroll. Most of these services we provided through sub-contract until FY 24/25 and have now transitioned in-house.

During 2025/26, we further strengthened our enabling functions to improve organisational resilience, governance and readiness for growth. The HR function was stabilised and rebuilt, with a stronger team structure, improved systems and a renewed focus on workforce management, learning and development, and management capability. Finance improvement activity also continued, including the strengthening of policies, procedures and internal controls to support more robust governance and greater organisational assurance. Payroll was successfully brought in house for LWM during the year, improving resilience, control and service continuity, with LDC following shortly afterwards in April 2026. A clearer focus was also established on improving IT arrangements to support greater service efficiency, reliability and resilience.



Our employees

Our workforce continued to grow and evolve during 2025/26 to a headcount of 222. With a diverse range of professional, operational and commercial skills across the organisation, our people remain LWM's most important asset and central to our success as a council-owned trading company.

Our commitments to our employees remain clear and consistent:

- **Value them** – we aim to be a fair, supportive and competitive employer. We continue to review our pay and reward arrangements to ensure they remain appropriate and reflective of the roles we ask our staff to undertake, while recognising the challenging financial context across local government.
- **Invest them** – we are committed to developing the best public service professionals. We will support continuous learning through professional training, qualifications and structured development opportunities, helping staff to build fulfilling careers within LWM while strengthening organisational resilience and capability.
- **Hear them** – we continue to create meaningful opportunities for staff to have a voice. Building on the establishment of the staff panel, during 2025/26 we further formalised engagement arrangements, with regular, structured communications between staff and senior leaders to ensure views are heard, understood and acted upon.

Expectations of managers

As LWM continues to grow and mature, the role of our managers is critical. We expect them to:

- Lead with a clear sense of direction and purpose, translating corporate priorities into meaningful objectives for their teams.
- Demonstrate leadership by example, modelling our values and supporting staff to perform to a high standard.
- Communicate openly and clearly, helping staff understand change and how it affects them.
- Provide clarity on roles, responsibilities and acceptable standards of performance.
- Be approachable, supportive and solutions-focused, fostering a positive "can-do" culture.
- Actively support staff through challenge and change.
- Provide regular, constructive feedback and engage fully in the appraisal and development process.

Strong, inclusive and values-led leadership remains central to building trust, maintaining morale and ensuring LWM continues to deliver for the Council and its communities.



The Future

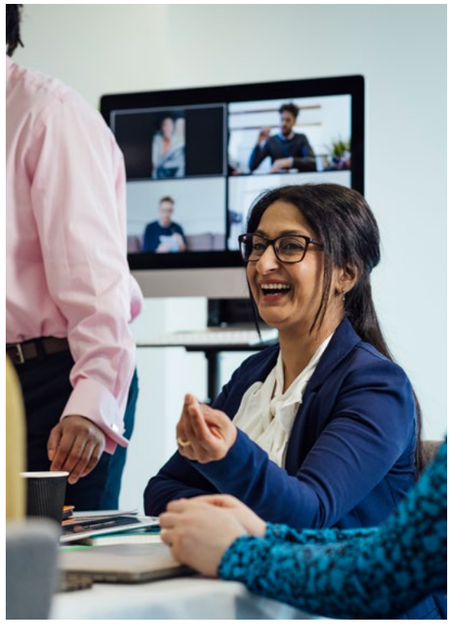
The board has carefully considered our aims for 2026/27 and discussed them with the Council's Shareholder Representative. We will focus on the following four priorities:

1 Year 5 will prioritise achieving an increase in the overall profitability of the company to create a larger financial return for the council.



2 Grow our core trading services - Brokerage (Ecology BNG) service, Planning Consultancy and Talent Acquisition will continue their growth trajectories. We believe there is an opportunity for elements of Project Management and DFG services to combine to create a new 'Building Company' offer, marketing services to the wider public. Finance and Payroll have focused on improvement in 2025/26, and this will continue for the first part of 2026/27, before they will be capable of seeking opportunities to trade.

3 Consider alternative options (investment / acquisition) of appropriate activities to enhance the overall growth of the company and (if opportunity is identified) develop a business case for consideration by the shareholder.



4 Continue to support the council in the acquisition and management of temporary accommodation and social housing.



Similarly, each business stream lead has identified priorities for their activity area, summarised here:

Property & Projects (incl. Landlord Services / Business Hub) will focus on maintaining full statutory compliance and good maintenance across the Council estate. Capital projects will be delivered on time, on budget and to spec, with the team offering capacity to our DFG team where possible. We will continue to seek external project management opportunities with parish councils and other public/private sector bodies. Finally, together with our DFG colleagues, we will develop a business case to support the creation of a dedicated building services offer.

In terms of our support to the Council's temporary accommodation and homelessness provision, we will continue to grow and strengthen the TA property portfolio (acquisition, due diligence, refurbishment planning etc) to support the Council's need to reduce reliance on nightly paid accommodation and improve outcomes for households. The team will ensure all units meet statutory compliance, safety, and landlord standards – and improve turnaround on voids/repairs to ensure they are available for new tenants. Similarly with our commercial units, we will drive a no voids / full occupancy (inc. DCH) objective, and secure commercial rental rates for the Council.

In our **Leisure Services** we will continue to grow participation and income, building on 2025/26 momentum. Continuous improvement of the leisure centres and their commercial performance, including completing the refurbishment of Burntwood wet-side changing facilities – to achieve financial break-even – is a key priority. Our objective is to have a combined membership of 3825 by March 2027.

Our staffing structure and operational arrangements will be reviewed to ensure teams can operate effectively across sites, maintain high standards and achieve an appropriate balance between permanent and casual staffing. We will seek to strengthen member retention / community engagement.

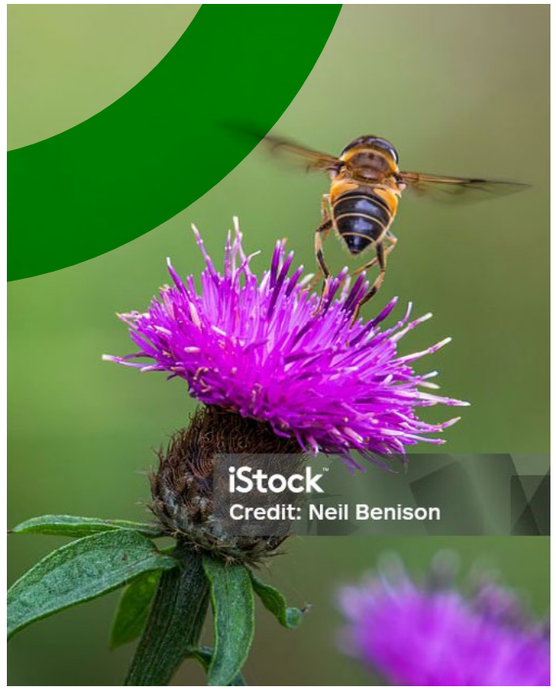
Outside our leisure centres, we will deliver and embed the approved Beacon Park enhancements (Adventure Golf, padel courts, improved 9-hole course) and implement seasonal marketing to drive participation (soft play, climbing wall, tennis).

Our **Disabled Facilities Grants (DFG)** service will maintain its strong delivery record while managing demand vs funding constraints / backlog pressures effectively. We will continue to offer in-house assessments (using our Trusted Assessor capability) to sustain throughput and income. This new year the team has an objective to generate external income by providing DFG/survey capacity to partners (e.g., neighbouring councils/RSLs) and to accelerate the development of a wider building services offer (beyond grant-eligible adaptations) in conjunction with our Property & Projects team.

Talent Acquisition (LWM Talent) services will continue to grow through proactive business development across both the public and private sectors. We believe there is an opportunity to grow newly secured strategic accounts, expanding the volume and scope of our activity. A key focus for us in 2026/27 is to increase private-sector clients and to build a "candidate-ready" database (incl. contract/interim).

The primary objective of our **Communications** services in 2026/27 will be to ensure we accurately embed the Council's communications strategy with consistent, high-quality delivery. Alongside this, we will continue the growth and professionalism of our events programme, building on the successes of 2025/26. The team will seek to strengthen the Council's digital presence (content quality, accessibility, consistency) and expand our visitor economy / destination marketing communications – albeit in a targeted way and focussing on the value add the Council can provide in this space. Finally, there is a clear need to further develop the LWM brand and communications offer – and the team is tasked with planning for and implementing this also.

Our **Planning (LWM Planning)** consultancy needs to build on the successes of 2025/26 and an incredible year of growth. We will seek to continue to improve the Council's majors planning service while seeking to open market opportunities for services beyond Lichfield – through working for/with other LPAs and being clear about the services we can offer. We are interested in developing an "agent" service offer to applicants/developers – and our service lead will focus on this in the first half of 2026/27.



The main objective for our **Biodiversity (Ecology / BNG)** service in 2026/27 is to progress our BNG pipeline to completion/registration (expanding council and private sites), with a further five sites aiming for registration in 2026/27. The board would like to see a shift in emphasis toward targeted marketing to developers and landowners to continue our revenue growth in this area. We believe there is an opportunity to explore consultancy support to other local authorities that are further behind in developing their BNG delivery/offer and we want to pursue funding discussions (e.g., Project Officer role via Natural England / Purple Horizons partnership) wherever possible.

The key task for **Human Resources** will be to continue the stabilisation and improvement of systems, policies, reporting and KPIs to our key client, the Council. We know there is a need to roll out time & attendance measurements across leisure and the Council's depot, as well as embed the "Lichfield Learning" platform – improving completion of mandatory training courses for Council staff. Our upskilling of managers (through masterclasses etc) is going well, and the focus on this activity will continue.

We know there is a need to strengthen absence management – having seen the benefits achieved in the Council's Waste Services in 2025/26. Our focus in LWM will be the improvement of engagement and communications with our 222 staff through our Staff Forum and WhatsApp tools. Finally, for both organisations – increased emphasis will be given to preparing for Local Government Reorganisation and the planned transition to a new unitary by 2028.

In terms of **LWM's Corporate Services:**

We will complete the in-house rollout of LWM and LDC Payroll by early 2026 and then seek to position the service to trade payroll bureau services (from mid 2026/27 onwards).

Finance services will continue their improvement activities (building capability and strengthening processes), then move toward identifying trading opportunities once ready.

We know there is a need to address IT quality/complexity issues that reduce efficiency (uptime, network and system access). This will be a priority for us in early 2026/27. An early discussion with the council on potential provision of IT services to LWM is needed.

Finally, the Company Secretary / Governance function will continue to support the board governance and compliance processes, fully onboarding the Shareholder Advisory Group arrangements.



Director's Report

Principal Activities

LWM was formed in 2019. Its articles of association were amended in 2021 to reflect the new activities desired of it by its owner Lichfield District Council. The articles of association were not altered in 2025/26.

The principal activity of LWM remains unchanged and is the provision of services to Lichfield District Council. The company achieves this through management contracts and service specifications and seeks to generate external revenue, in line with TECKAL rules, by providing services to local communities, organisations and businesses to generate additional income.

Financial Review

The results of LWM for the year show a profit before tax of £132k (2024/25 – £163k). Trading activity in the year was significantly greater than previous years. Gross profit was £4.3m (2024/25 - £3.6m). These results are subject to external audit approval.

Directors

Directors during this year were Simon Fletcher (from 19/08/21), Kerry Dove (from 27/01/23), Cllr Alex Farrell (until 27/11/25) and Andrea Felton (from 30/01/25). Lizzie Barton rejoined the board on 22/12/25.

Going Concern

Detailed budgets are prepared supporting the appropriateness of a going concern assumption. The directors have a reasonable expectation the company has adequate resources to continue for at least one year from the date the financial statements were signed.

Background and Company Structure

LWM Traded Services is limited by shares and is wholly owned by Lichfield District Council. LWM holds 'TECKAL' status (under s12(1) of the Public Contract Regulations 2015) and is designed to trade primarily with its parent authority through contracts under which it provides a range of the Council's services.

The Council entered into a shareholder agreement with the company in 2021, to record and formalise its requirements of LWM. The shareholder representative holds meetings with the company directors as and when required, to receive reports on performance, finances and proposals, to set/confirm the company's strategic direction and enact any matters reserved to the shareholder, including consideration / approval of the annual Business Plan, appointment of directors etc). This annual review report is subject to scrutiny by the Council's Audit Committee and Overview & Scrutiny Committee.

As sole shareholder of LWM, Lichfield District Council has established a shareholder representative who is a member of the Council's Cabinet. The Council exercises control over the company through this shareholder representative and holds the company directors to account.

Company Board

The board is comprised of three members of the Council (officer) leadership team plus one external Non-Executive Director. The new Finance Director will also join the board shortly (subject to approval of the Shareholder Representative). Recruitment for additional Non-Executive Directors to join the board continues.

Quoracy and decision-making requirements are set out in the Company's Articles and Shareholder Agreement. There have been no issues with meeting quoracy during 2025/26.

Towards the end of 2025/26, the Council introduced a Shareholder Advisory Group (SAG) - an advisory body that supports the Council's Cabinet and nominated Shareholder Representative in overseeing its interests as the sole shareholder of LWM Traded Services Ltd and other commercial arrangements. The SAG role is to provide informed advice and challenge — rather than make decisions — on the operation and performance of LWM. This includes reviewing the business plan, monitoring KPIs, scrutinising financial and risk information, and considering governance and audit matters. The LWM board welcomes this new governance arrangement and the already positive support and challenge it offers.



Committees

The Board has established a Remuneration Committee comprising the Managing Director (MD) and Finance Director (FD). The Committee provides a structured forum to consider pay and reward matters within the company, including reviewing and recommending the overall approach to remuneration, considering senior pay proposals and any changes to terms and conditions, and ensuring that arrangements are affordable, transparent and aligned to the company's objectives and the expectations of the shareholder. Other than this, there are currently no sub-committees of the Board.

Schemes of Delegation

The company Scheme of Delegation enables and facilitates the efficient day-to-day running of the company, while retaining for the board sufficient control over major strategic and operational matters.

The current Scheme of Delegation was approved by the board in early 2022. It will continue to be reviewed to ensure it meets the needs of an increasingly sophisticated management structure as the company grows alongside meeting the need to empower staff to satisfy customer needs while ensuring the board retains adequate authority over and visibility of the significant activities of the company.

Employees

The company is committed to supporting and developing its workforce, recognising that employees are central to the delivery of high-quality services and the achievement of its strategic objectives. LWM continues to invest in training, development and wellbeing initiatives to ensure staff are equipped with the skills, knowledge and support required to perform their roles effectively. The company promotes open communication and engagement with employees, encouraging feedback and involvement in service improvement. LWM also remains committed to maintaining a safe, inclusive and supportive working environment, underpinned by clear policies, fair practices and a strong organisational culture.

Summary of Accounts

Below are the Income Statement and Statement of Financial Position which have been extracted from the draft financial statements which are subject to external audit approval.

Income Statement
For the year ended 31 March 2025

	2026 £	2025 £
Turnover	7,872,474	6,925,649
Cost of sales	3,693,751	3,330,381
Gross profit	**4,178,723**	**3,595,268**
Administrative expenses	4,072,274	3,439,494
Operating profit	**106,449**	**155,774**
Interest receivable and similar income	26,385	8,255
	132,834	164,029
Interest payable and similar expenses	1,130	1,243
Profit before taxation	**131,704**	**162,786**
Tax on profit	32,943	4,579
Profit for the financial year	**98,761**	**158,207**

Statement of Financial Position
As of 31 March 2025

	2026 £	2025 £
Fixed assets		
Tangible assets	155,241	155,523
Current Assets		
Stocks	19,076	11,374
Debtors	280,293	395,027
Cash at bank	2,185,345	1,575,043
	2,484,714	**1,981,444**
Creditors: amount falling due within one year	2,234,077	1,727,695
Net current assets	**250,673**	**253,749**
Total assets less current liabilities	405,878	409,272
Creditors: amount falling after more than one year	7,072	9,227
Net Assets	**398,806**	**400,045**
Capital and reserves		
Called up share capital	225,001	225,001
Retained earnings	273,805	175,044
Dividends Paid	(100,000)	(100,00)
Shareholder's funds	**398,806**	**400,045**

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Financial Risk Management
Finance and accounting functions are undertaken by an in-house team, headed by Suzanne Jones, Finance Director who, it is intended, will also become a director of the company. The Council provides a management fee for the services the company is contracted to provide, quarterly in advance. LWM's bank balances are managed within the company, in liaison with the Council's Section 151 Officer. The company does not have or require an overdraft facility.

The company contributes fees to the Council for use of its office space and for a portion of the Managing Director's time. It leases via LDC one vehicle from a commercial supplier. During 2025/26, LWM strengthened its financial contribution to the Council by maintaining a stable base of contracted activity while continuing to grow external income from traded services. External fee income of around £1.8m demonstrated sustained progress in reducing reliance on Council management fees over time, while the company maintained a strong Teckal position, with an 81%/19% split between Teckal and non-Teckal activity, ensuring continued regulatory compliance.

Performance across the leisure portfolio remained positive, with increasing patronage, around 950 new members, and revenue growth of approximately 10% compared with the previous year, supporting longer-term financial sustainability.

In addition, the Disabled Facilities Grant service committed its full £1.37m allocation by mid-way through quarter two and remained on track to fully spend the annual plus additional budget by year end, evidencing strong delivery capacity and tangible benefits for residents.

Alongside these achievements, LWM maintained a clear focus on improving profitability and cash management, enabling surplus income to be returned to the council through agreed charges and dividends and supporting the delivery of frontline services.

LDC is the sole shareholder of the company and its main customer.

Statement of Directors' Responsibilities
The directors are responsible for preparing the Annual Review and the financial statements in accordance with applicable law and regulations and with United Kingdom Generally Accepted Accounting Practice (UK GAAP).

Company law requires the directors to prepare financial statements for each financial year. In accordance with that law, the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 (The Financial Reporting Standard applicable in the UK and Republic of Ireland). The directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the situation of the company and of the profit or loss for the period.

In preparing the financial statements, the directors are required to:

- Select suitable accounting policies and apply them consistently
- Make judgements and accounting estimates that are reasonable and prudent
- State whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and to disclose with reasonable accuracy at any time the financial position of the company, enabling them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and for taking reasonable steps to prevent and detect fraud and other irregularities.

Statement of Disclosure to Auditor
So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the Company's auditor is unaware. Additionally, the directors have individually taken all the necessary steps they ought to have taken as directors to make themselves aware of all relevant audit information and to establish that the auditor is aware of the information.

By order of the board

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Chair of Board
LWM Traded Services Ltd

Company Information

Directors Kerry Dove
Simon Fletcher
Lizzie Barton
Andrea Felton

Secretary Ian Gardner

Company Registration Number 12184635
Incorporation date 2 September 2019

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Lichfield
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WS13 6YY



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Together we find a better way

For more information in relation to LWMTS services, please email **enquiries@lwmts.co.uk**

lwmts.co.uk