

Revenue Strategy

2026/27 to 2028/29

*(incorporating the budget for
2026/27)*



Solihull
METROPOLITAN
BOROUGH COUNCIL

CONTENTS

1. INTRODUCTION	1
2. THREE YEAR PLAN	5
3. SAVINGS	7
4. SUMMARY REVENUE BUDGET AND COUNCIL TAX	7
5. BUDGETS BY DIRECTORATE	9
Adult Social Care	11
Children's Services	13
Economy and Infrastructure	15
Public Health	19
Resources	21
Corporate	24
6. QUICK REFERENCE GUIDE	26

1. INTRODUCTION

- 1.1 The Medium Term Financial Strategy (“the MTFS”) describes the national and local environment within which the Council operates and highlights the key financial challenges and opportunities facing the authority over the medium term.¹ The MTFS is supported by more detailed publications covering the revenue budget and the capital and treasury management strategies. This revenue budget publication provides more information on the budget for the coming year, including a breakdown of the budget by directorate, and details the financial pressures, savings and funding forecasts included within the revenue projections over the period from 2026/27 to 2028/29.
- 1.2 The funding outlook for Solihull has been significantly affected by the conclusion of the government’s fair funding review and the introduction of a new national funding system for local authorities, alongside a reset of the business rates retention scheme. These changes have reduced the amount of funding available to Solihull, and the funding position worsens through to 2028/29 as the transitional protection built into the system is phased out.
- 1.3 Overall, the impact on Solihull’s finances is a reduction in expected funding of more than £9 million over the next three years. Several factors drive this, including the redistribution of business rates growth, the way the new national formula treats councils with lower-than-average band D council tax levels, and national decisions such as maintaining the “recovery grant”, which benefits other areas at the cost of authorities like Solihull.
- 1.4 A major issue for Solihull is the way the new system assumes that all councils can set council tax at the national average level. Because Solihull’s council tax is lower than the national average, the amount of “assumed council tax income” that the government deducts from our funding allocation is more than we actually collect. This places Solihull at a disadvantage compared to many other councils.
- 1.5 Because the new funding model effectively rewards councils with higher council tax levels, it creates pressure for low council tax authorities like Solihull to “catch up” towards the national average. This is one of the reasons the Council’s Section 151 Officer (Director of Resources) has advised that council tax increases above the usual referendum limits may be needed in 2027/28 and 2028/29 to ensure the Council’s funding keeps pace with Solihull’s assessed level of need under the new national funding formula.
- 1.6 It is important to note that no decision has been taken about council tax levels for 2027/28 and 2028/29, it is just a recognition of the seriousness of our financial position. A decision on whether to apply for government permission to increase council tax above 4.99% without a referendum would have to be taken during the course of the budget process based on circumstances at that time, and even if government approval were to be granted, the final decision on council tax levels would be a matter for members to decide at Full Council in February as usual.

¹ The Council’s MTFS and other financial documents are available on the Council’s website: <https://www.solihull.gov.uk/About-the-Council/Financial-documents>

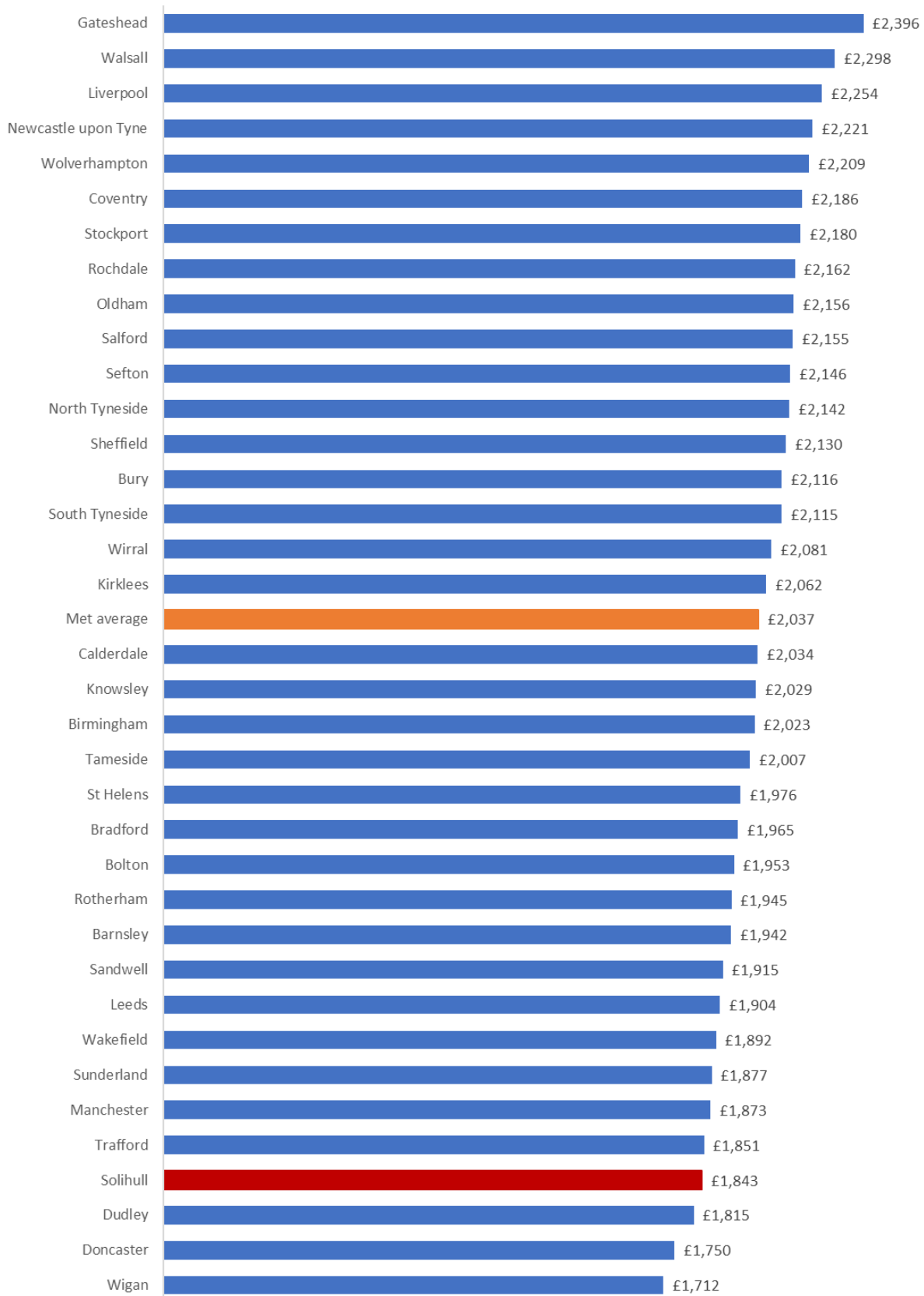
- 1.7 The focus of this year's budget process has been on delivering a balanced position for 2026/27, which has been achieved through the identification of significant savings and the use of some reserves. There remains a substantial challenge for future years, with further savings to be identified for 2027/28 and 2028/29. However, some of the significant risks that overshadowed the 2025/26 budget, such as reforms to local government funding distribution, the reset of business rates baselines and the end to the statutory override that permits DSG deficits to be carried forward as negative reserves, have now crystallised and can be addressed as known pressures. Work to address the budget challenge will be overseen by the Corporate Delivery Board (CDB).
- 1.8 The budget for 2026/27 is £244.357 million. This is significantly higher than the budget for 2025/26, largely because £28 million of previously separate grant funding streams are now included in core funding following the government's funding reforms. The table below shows the annual movement in the budgeted funding requirements each year compared to the 2025/26 base budget, and how these are planned to be met.

	2026/27 £'000	2027/28 £'000	2028/29 £'000
Base budget 2025/26	202,588	202,588	202,588
Increase in council tax income	5,568	22,723	39,918
Increase in retained business rates income	8,563	8,064	6,234
Increase in retained business rates income - rolled in grants	27,638	27,638	27,638
Indicative budget	244,357	261,013	276,378
Increase/(decrease) in forecast net expenditure			
Pay inflation	3,992	6,993	9,455
Non pay inflation	4,578	8,771	15,571
Pension contributions	(5,355)	(5,355)	(5,355)
New cost pressures	12,421	12,689	16,707
New savings proposals	(12,731)	(8,812)	(14,264)
Net pressures and savings from prior years	(2,814)	(932)	1,243
Other cost pressures	7,303	7,597	7,916
Core funding (incl. rolled in grants)	27,638	27,638	27,638
Movements to/(from) reserves	(7,639)	(3,809)	(3,809)
Exceptional financial support (EFS) – borrowing costs	2,610	2,610	2,610
EFS – use of corporate reserves	(10,452)	0	0
EFS – reversal of 2025/26 contribution to corporate reserves	(440)	(440)	(440)
EFS – reversal of 2025/26 capitalisation / transformation fund	22,658	22,658	22,658
	41,769	69,608	79,930
Funding gap to meet indicative budget	0	(11,183)	(6,140)

- 1.9 In respect of council tax income, the MTFS assumes sustained growth in the tax base. It also assumes, as outlined above, increases in council tax of 9.99% per annum in 2027/28 and 2028/29. The Council sets one of the lowest Band D council taxes of all metropolitan districts and was the fourth lowest out of 36 in 2026/27, well below the metropolitan district average, as shown in the chart overleaf. Projections suggest it is likely that Solihull's forecast Band D charge would remain below the metropolitan district average by 2028/29, even with the above-threshold increases assumed in the MTFS.
- 1.10 The business rates figure included in the MTFS represents the local share of the business rates income that the Council forecasts it will collect in the year, reduced by the tariff payable to central government and by the amount that it is estimated the Council will pay to the WMCA as part of the devolution deal, to support its investment programme. Through the WMCA's trailblazer devolution deal, the West Midlands authorities have secured the continuation of 100% business rates retention arrangements for ten years.
- 1.11 The table below shows the breakdown of the net retained business rates income included in the 2026/27 budget. This figure is not directly comparable to the figures in previous years, partly because of the national revaluation but largely because the tariff has been revised as part of the reset of the business rates system, both effective from April 2026.

	2026/27 £000
Forecast business rates collected	150,119
Fire authority share	(1,501)
Tariff payable to central government	(50,984)
Budgeted retained business rates income	97,634

Band D council tax 2026/27 - metropolitan districts



2. THREE YEAR PLAN

2.1 The table below shows how the budget for 2026/27 has been built up and outlines indicative spending plans for the two following years. A breakdown of the budget movements at directorate level is included in pages 11 to 24.

	2026/27	2027/28	2027/28
	£'000	£'000	£'000
Base Budget	202,588	202,588	202,588
Inflation			
Adult Social Care	1,368	3,644	8,359
Children's Services	1,132	3,574	5,900
Economy & Infrastructure	610	1,689	2,657
Public Health	124	398	662
Resources	(8)	1,108	2,090
Corporate	(11)	(4)	3
New pressures			
Adult Social Care	573	576	3,409
Children's Services	6,473	5,955	5,770
Economy & Infrastructure	3,338	3,967	5,324
Public Health	477	477	477
Resources	1,485	1,627	1,627
Corporate	75	87	100
New savings proposals			
Adult Social Care	(1,296)	(2,321)	(2,471)
Children's Services	(1,748)	(1,586)	(1,111)
Economy & Infrastructure	(3,465)	(2,284)	(3,469)
Public Health	(1,100)	(1,200)	(1,200)
Resources	(3,207)	(1,283)	(4,623)
Levies	(71)	(73)	(75)
Corporate	(1,844)	(65)	(1,315)
Net pressures/savings from previous years			
Adult Social Care	(2,891)	1,740	1,740
Children's Services	(2,680)	(4,008)	(4,008)
Economy & Infrastructure	(1,582)	(1,810)	(1,810)
Public Health	115	115	115
Resources	(141)	641	641
Corporate	4,365	2,390	4,565
Grants rolled into core funding	27,638	27,638	27,638
Other cost pressures	7,303	7,597	7,916
Movements to/from reserves			
Contribution to/ (from) consolidated risk reserve	(2,729)	0	0
Contribution to/ (from) other corporate reserves/ contingencies	(1,101)	0	0
Reversal of contributions to reserves in 2025/26	(3,809)	(3,809)	(3,809)

	2026/27	2027/28	2027/28
	£'000	£'000	£'000
Savings to be identified	0	(11,183)	(6,140)
Exceptional financial support (EFS) – borrowing costs	2,610	2,610	2,610
EFS – use of corporate reserves	(10,452)	0	0
EFS – reversal of 2025/26 contribution to corporate reserves	(440)	(440)	(440)
EFS – reversal of 2025/26 capitalisation / transformation fund	22,658	22,658	22,658
Net Budget	244,357	261,013	276,378
Business rates retained income	(97,634)	(96,012)	(93,969)
Council tax	(148,990)	(164,562)	(181,759)
Collection fund (surplus)/ deficit (other years)	2,267	(439)	(650)
Total Funding	(244,357)	(261,013)	(276,378)
Assumed increase in general council tax	2.99%	7.99%	7.99%
Assumed increase in adult social care precept	2.00%	2.00%	2.00%

2.2 The figures in the table above are based on the following assumptions for planning purposes:

- An indicative annual council tax increase of 9.99% in 2027/28 and 2028/29, including 2.00% for the adult social care precept.
- Annual increases in the tax base, based on housing growth forecasts and subject to the cost of the council tax reduction scheme, and a council tax collection rate of 99%.
- Estimated retained business rates income based on government assumptions for inflation and anticipated business developments.
- An increase to the pay budget of 3.0% in 2026/27, 2.5% in 2027/28 and 2.0% per annum thereafter.
- Inflationary increases relating to specific strategic contracts of 4.5% for 2026/27 and 2.8% for 2027/28 and 2028/29.
- Inflationary increases relating to children's placements of 4.0% per annum.
- A 4.7% average reduction to budgets for gas from April 2026, followed by increases of 3.0% per annum thereafter; and an 8.1% average increase for electricity in 2026/27, followed by increases of 4.0% per annum thereafter.
- In line with the Council's fees and charges policy, opportunities to optimise income are considered as part of the annual budget setting process. Forecast income inflation is linked to the council tax referendum thresholds over the period of the MTFs.
- An annual increase of 3.0% in the transport levy paid to Transport for West Midlands (TfWM).

2.3 These assumptions will be reviewed during the course of the year and revised as necessary, with any impact on the Medium Term Financial Strategy addressed through the budget process for 2027/28.

3. SAVINGS

- 3.1 The table below summarises the savings reflected in the MTFS. More detail on the new savings identified through the 2026/27 budget process is provided by directorate on pages 11 to 24.

	2026/27 £'000	2027/28 £'000	2028/29 £'000
Savings previously approved in 2025/26 budget	(12,230)	(14,493)	(12,318)
New savings approved in 2026/27 budget	(15,870)	(9,222)	(14,674)
Total	(28,100)	(23,715)	(26,992)

- 3.2 Years two and three of the MTFS include targets for the delivery of further savings in order to balance the budgets in those years. The CDB will focus on the identification of savings to achieve these targets, with work on this already underway. The board will also oversee the delivery of the savings already approved

4. SUMMARY REVENUE BUDGET AND COUNCIL TAX

- 4.1 The Council's net revenue budget for 2026/27 is £244.357 million, which is divided between directorates as shown in the table below.

	Budget 2026/27 £000	Equivalent Band D Council Tax £	Budget per head of population £
Directorates:			
Adult Social Care	93,643	1,158.53	423
Children's Services	78,610	972.55	355
Economy and Infrastructure	34,575	427.75	156
Public Health	2,030	25.11	9
Resources	44,596	551.73	202
Corporate	(15,693)	(194.15)	(71)
Levies payable by the Council	9,325	115.37	42
Net contribution to / (from) Consolidated Risk Reserve	(2,729)	(33.76)	(12)
NET SPENDING	244,357	3,023.13	1,104
Net business rates income	(97,634)	(1,207.91)	(441)
Collection fund (surplus) / deficit	2,267	28.05	10
COUNCIL TAX FOR SOLIHULL	148,990	1,843.27	673

- 4.2 The council tax requirement is calculated by deducting income from retained business rates and the surplus/deficit on the collection fund from the Council's net budget. The resulting figure is then divided by the tax base of 80,829 Band D equivalent properties to arrive at the Band D council tax charge for the year of £1,843.27 (excluding police, fire and parish precepts).

- 4.3 We also collect council tax on behalf of the West Midlands Police and Crime Commissioner and the West Midlands Fire and Rescue Authority. For 2026/27 those precepts have been increased to the Band D equivalent of £244.50 and £85.19 respectively. This results in an overall Band D council tax for Solihull taxpayers of £2,172.96 (excluding parish precepts).

	Council tax/precept £'000	Band D Council Tax £
Council tax for Solihull Council	148,990	1,843.27
Precepts on the Council:		
West Midlands Police & Crime Commissioner	19,763	244.50
West Midlands Fire and Rescue Authority	6,886	85.19
Total including Police & Fire	175,639	2,172.96

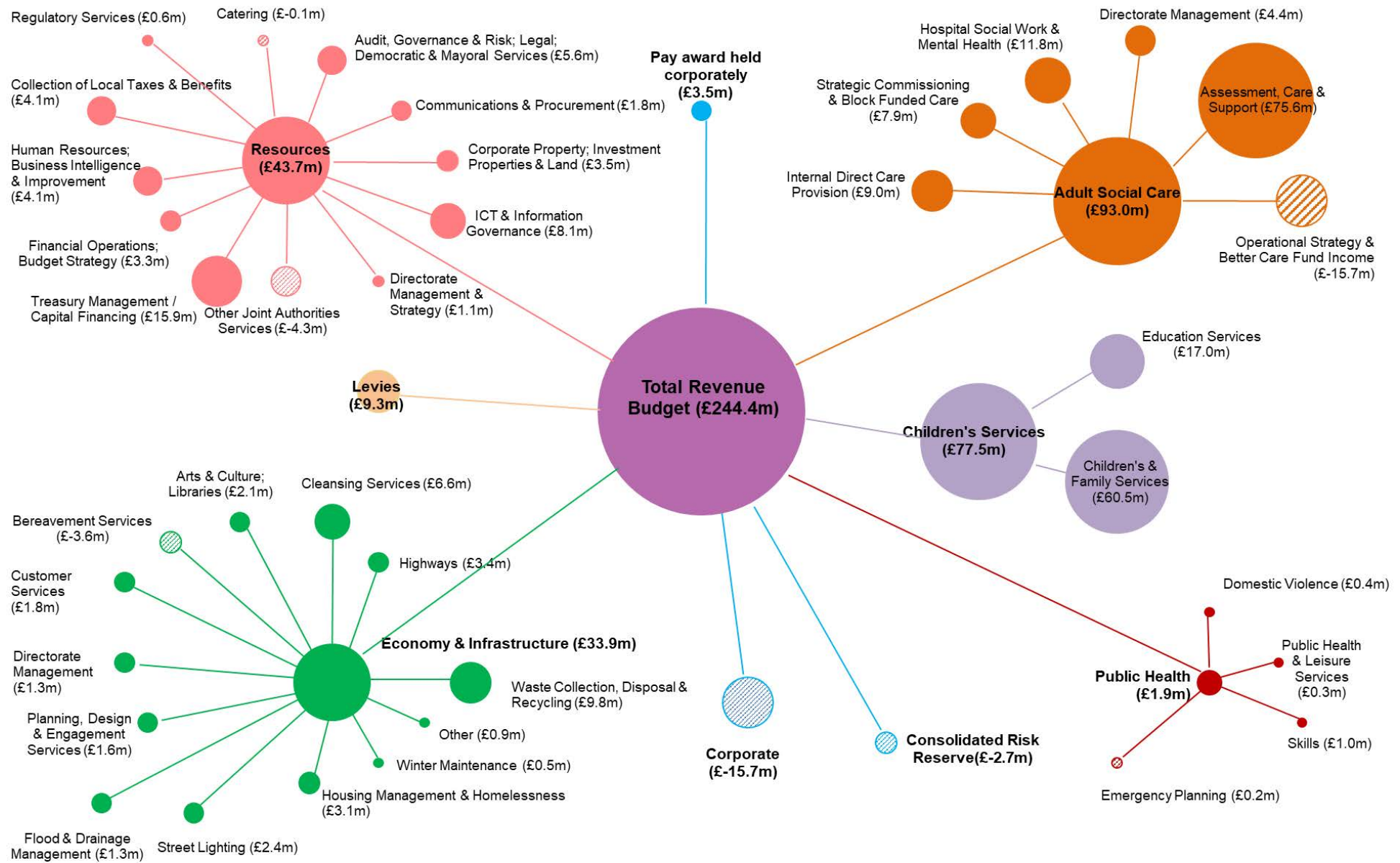
- 4.4 We also have a statutory duty to collect precepts on behalf of parish councils. The total precepts and charges at Band D for each of the parish and town councils in the borough are detailed in our council tax leaflet, available on our website: <https://www.solihull.gov.uk/About-the-Council/Financial-documents>.
- 4.5 The amount of council tax paid by residents is based on the value of the property they live in. Domestic properties fall into one of eight valuation bands, A to H. The council tax base for 2026/27 is 80,829, which represents the number of domestic properties in the borough expressed as equivalent to Band D properties. The level of council tax paid by a Band D property is converted to the amount payable by properties in other bands by applying the multiplier given in the table below.

Band	Multiplier	Council tax			Total (excl. parishes) £
		Council £	Police £	Fire £	
A	6/9	1,228.85	163.00	56.79	1,448.64
B	7/9	1,433.65	190.17	66.26	1,690.08
C	8/9	1,638.46	217.33	75.73	1,931.52
D	9/9	1,843.27	244.50	85.19	2,172.96
E	11/9	2,252.89	298.83	104.12	2,655.84
F	13/9	2,662.50	353.17	123.05	3,138.72
G	15/9	3,072.12	407.50	141.99	3,621.61
H	18/9	3,686.54	489.00	170.38	4,345.92

- 4.6 The table below shows the breakdown of the net retained business rates income included in the 2026/27 budget. This figure is not directly comparable to the figures in previous years, partly because of the national revaluation but largely because the tariff has been revised as part of the reset of the business rates system, both effective from April 2026.

5. BUDGETS BY DIRECTORATE

- 5.1 The figure overleaf illustrates how the budget will be split over the different services provided by the Council. The tables on pages 11 to 24 provide the split on a directorate basis, as well as illustrating the build-up of the indicative revenue budgets and forecast reserve balances within each directorate.



Adult Social Care

The core role of Adult Social Care is to enable people to stay as independent and well as possible, for as long as possible. When people do need long term support, this is timely, proportionate, responsive, and good quality and enables people to continue to live their lives the way they want to.

Key functions include:

- Commissioning and developing strengths-based support for people with care needs.
- Promotion of wellbeing and prevention services.
- Protecting adults with care and support needs from abuse and neglect.
- Direct provision of services for people with care needs.
- Direct provision of mental health services.
- Integrated working with health partners to deliver the Better Care Fund Plan (BCF).

Revenue	2026/27 £'000
Objective analysis - division of service:	
Assessment Care and Support	75,589
Directorate Management	4,384
Hospital Social Work and Mental Health	11,820
Internal Direct Care Provision	9,010
Operational Strategy and Better Care Fund Income	(15,730)
Strategic Commissioning and Block Funded Care	7,913
Pay Award (held corporately pending national agreement)	657
Net budget	93,643
Subjective analysis:	
Employees	22,594
Running costs	125,102
Gross budget	147,696
Income	(54,053)
Net budget	93,643

Reserves	Forecast balance 1/4/2026 £000	Forecast use/ (contribution) 2026/27 £000	Forecast balance 31/3/2027 £000	Forecast balance 31/3/2029 £000
Available reserves	(796)	250	(546)	(211)
Restricted reserves	0	0	0	0
Total reserves	(796)	250	(546)	(211)

Build-up of indicative budgets	2026/27 £'000	2027/28 £'000	2028/29 £'000
Base budget 2025/26	87,098	87,098	87,098
Pay inflation	752	1,316	1,779
Non pay inflation	615	2,327	6,579
New pressures	573	576	3,409
Pressures from prior years	1,434	6,665	6,665
New savings	(1,296)	(2,321)	(2,471)
Savings from prior years	(4,325)	(4,925)	(4,925)

Build-up of indicative budgets	2026/27 £'000	2027/28 £'000	2028/29 £'000
Other amendments	(1,548)	(1,548)	(1,548)
Grants rolled into core funding	10,340	10,340	10,340
Indicative budget	93,643	99,528	106,926

New pressures	2026/27 £'000	2027/28 £'000	2028/29 £'000
Demographic pressure due to increase in care needs or change in type of care needed	98	101	2,934
Rebasing Client Income budgets	475	475	475
Total	573	576	3,409

New savings	2026/27 £'000	2027/28 £'000	2028/29 £'000
Better Care Fund contribution towards recurrent pressures	(255)	(573)	(573)
Flexible use of capital funding (original plan not now possible)	500	500	500
Review of prevention services	(342)	(677)	(677)
Market management and contract efficiencies	(792)	(852)	(852)
Service reviews	(305)	(605)	(705)
Demand management	(102)	(114)	(164)
Total	(1,296)	(2,321)	(2,471)

Children's Services

Children's and Family Services

This covers a variety of services relating to the safeguarding, wellbeing and protection of children and young people and their families. Key aspects include the:

- Delivery of statutory functions under the Children and Families Act.
- Commissioning, including jointly with partners, of universal, targeted and specialist services including the integration of services.
- Provision of fostering, adoption and other services for children and young people both in the care system and for Care Leavers.
- Provision of services for children in need of support who are not in care and for families.
- Work with young people in trouble with the law, and to help them stay away from crime.
- Identifying and supporting young people missing from home and reducing child exploitation.

Education Services

The directorate is responsible for the delivery of statutory education functions and 0-25 Special Educational Needs and Disabilities Services and works with schools to promote high standards of education. Schools themselves are funded by government through the Dedicated Schools Grant (DSG).

Revenue	2026/27 £'000
Objective analysis - division of service:	
Children's and Family Services	60,467
Education Services *	17,013
Pay Award (held corporately pending national agreement)	1,130
Net budget	78,610
Subjective analysis	
Employees	42,775
Running costs	42,930
Gross budget	85,705
Income	(7,095)
Net budget	78,610

* Excluding schools and related services, which are funded from the Dedicated Schools Grant (DSG) (indicative value of £130.431m)

Reserves	Forecast balance 1/4/2026 £000	Forecast use/ (contribution) 2026/27 £000	Forecast balance 31/3/2027 £000	Forecast balance 31/3/2029 £000
Available reserves	(892)	560	(332)	(180)
Restricted reserves	(523)	304	(219)	(205)
Total reserves	(1,415)	864	(551)	(385)

Build-up of indicative budgets	2026/27 £'000	2027/28 £'000	2028/29 £'000
Base budget 2025/26	75,200	75,200	75,200
Pay inflation	1,283	2,254	3,051
Non pay inflation	(151)	1,320	2,849

Build-up of indicative budgets	2026/27 £'000	2027/28 £'000	2028/29 £'000
New pressures	6,473	5,955	5,770
Pressures from prior years	(2,114)	(3,738)	(3,738)
New savings	(1,748)	(1,586)	(1,111)
Savings from prior years	(566)	(270)	(270)
Total other amendments	(831)	(1,135)	(1,135)
Grants rolled into core funding	1,064	1,064	1,064
Indicative budget	78,610	79,064	81,680

New pressures	2026/27 £'000	2027/28 £'000	2028/29 £'000
Care and post care arrangements for Children Looked After (CLA) – Stable Living Homes	150	150	150
Care and post care arrangements for CLA (supporting where children live) - General	5,154	4,597	4,597
Children with Disabilities - Section 17 including Direct Payments.	100	50	0
Children's Social Care Staffing Risk Cover - Sickness and leave cover	137	7	7
Virtual Memory Box for young people in care	15	15	15
Additional reform costs associated with new Children, Families & Youth grant	444	391	0
Home to School Transport	223	495	751
Maintained School redundancies (statutory Local Authority element)	250	250	250
Total	6,473	5,955	5,770

New savings	2026/27 £'000	2027/28 £'000	2028/29 £'000
Additional Children, Families & Youth grant income	(1,329)	(1,329)	(854)
Children's Social Care Staffing Risk Cover - additional cost of agency covering vacancies	(198)	(144)	(144)
Children's Social Care Staffing Risk Cover - General	(63)	(63)	(63)
Special Educational Needs and Disability impartial Information Advice and Support Service	(50)	(50)	(50)
Education, Health and Care Plan Demand - Reserves Release	(108)	0	0
Total	(1,748)	(1,586)	(1,111)

Economy and Infrastructure

This directorate is responsible for facilitating sustainable growth and infrastructure, the delivery of quality environment, public realm and highways and supporting strong, safe and thriving communities and partnerships. It therefore encompasses a wide range of services, including waste collection and disposal, highways maintenance and street lighting, libraries, arts and culture, regulatory services (such as environmental health and trading standards) and cemetery and crematoria services.

Revenue	2026/27 £'000
Objective analysis - division of service:	
Arts and Culture	(45)
Bereavement Services	(3,604)
Cleansing Services	6,592
Climate Change Strategies *	283
Crime and Disorder Reduction and Neighbourhood Activity Programme *	284
Customer Services	1,753
Directorate Management and Support	1,341
Economic Development	612
Flood and Drainage Management	1,270
Growth and Development *	85
Highways	3,358
Housing Management and Homelessness	3,093
Investment Properties and Land *	19
Libraries	2,159
Parking Services *	(444)
Parks and Open Spaces *	269
Partnership and Sustainable Working *	410
Planning, Design and Engagement Services	1,643
Regulatory Services	682
Road Safety	634
Street Lighting	2,420
Trees and Forestry	848
UK Central *	1
Waste Collection, Disposal and Recycling	9,778
Winter Maintenance	512
Pay Award (held corporately pending national agreement)	622
Net budget	34,575
Subjective analysis:	
Employees	23,492
Running costs	42,170
Gross budget	65,662
Income	(31,087)
Net budget	34,575

* Grouped under "Other" in the chart on page 10

Reserves	Forecast balance 1/4/2026 £000	Forecast use/ (contribution) 2026/27 £000	Forecast balance 31/3/2027 £000	Forecast balance 31/3/2029 £000
Available reserves	(3,859)	1,008	(2,851)	(758)
Restricted reserves	(5,471)	635	(4,836)	(3,829)
Total reserves	(9,330)	1,643	(7,687)	(4,587)

Build-up of indicative budgets	2026/27 £'000	2027/28 £'000	2028/29 £'000
Base budget 2025/26	35,036	35,036	35,036
Pay inflation	711	1,245	1,683
Non pay inflation	(101)	444	974
New pressures	3,338	3,967	5,324
Pressures from prior years	(199)	884	884
New savings	(3,465)	(2,284)	(3,469)
Savings from prior years	(1,383)	(2,694)	(2,694)
Total other amendments	(250)	(250)	(250)
Grants rolled into core funding	888	888	888
Indicative budget	34,575	37,236	38,376

New pressures	2026/27 £'000	2027/28 £'000	2028/29 £'000
Staffing - Housing service review	165	165	165
Regulatory Services restructure to meet statutory responsibilities	114	114	114
Licensing restructure and reset of budget	34	34	34
Under-delivery forecast on existing savings programme	22	22	5
SEC contract	32	32	32
Waste & Recycling and Street Cleansing/Grounds Maintenance	54	64	74
Waste Disposal pressures (not including Emissions Trading Scheme)	153	0	83
UK Emissions Trading Scheme	0	335	1,616
Provision of additional bins for those with fair access needs	150	0	0
Additional infrastructure requirements at the Waste Transfer Stations at HWRC and Moat Lane	85	0	0
Increased annual financing costs of required replacement SEC vehicles	81	81	81
Additional temporary staffing resource to manage move to Fortnightly Waste/Introduction of Food Waste Service Change	23	0	0
Introduction of Food Waste Service from October 2026 to ensure adherence to statutory legislative requirements	1,044	1,975	1,975

New pressures	2026/27 £'000	2027/28 £'000	2028/29 £'000
Increased annual estimated costs of new Strategic Highways Contract commencing 1st May 2026	730	730	730
Public Right of Way Boardwalk replacement	100	0	0
Costs of professional advice on highways impact of major planning applications	50	50	50
Reduced overall Land Charges income	100	100	100
Undeliverable previous Customer Services savings target related to joint working with SCH	92	92	92
Change to programme for additional income from second cremator at Woodlands	170	0	0
Undeliverable Registration savings target previously covered on one-off basis requiring permanent removal	101	101	101
Expectation of reduced grant funding for Economic Development activity	38	38	38
Residual pressure from Corporate Landlord Top Slice for Asset Centralisation and Smarter Ways of Working	0	34	34
Total	3,338	3,967	5,324

New savings	2026/27 £'000	2027/28 £'000	2028/29 £'000
Additional savings as part of Homelessness Review	(430)	(430)	(430)
Savings from Homelessness review on expected cost of Youth Homelessness Services	(54)	(98)	(98)
Use of Asylum Dispersal Grant towards Homelessness costs	(47)	(48)	0
Increased income for Garden Waste collection service	(61)	(61)	(61)
Use of Strategic Community Infrastructure Levy (CIL) to fund the additional infrastructure requirements at Waste Transfer Stations at HWRC and Moat Lane	(85)	0	0
Use of Strategic CIL to part fund the cost of required replacement SEC vehicles	(81)	(81)	(81)
Further adjustments to Strategic Environment Contract services in addition to those identified for delivery in 2025/26 financial year	(20)	(20)	(20)
Additional Extender Producer Responsibility funding one-off impact assumed (26-27)	(145)	0	0

New savings	2026/27 £'000	2027/28 £'000	2028/29 £'000
Additional commercial income compared to previous MTFS forecasts	(575)	0	(1,233)
Strategic Highways Contract	(730)	(730)	(730)
Use of Strategic CIL for Highways surfacing programme	(500)	(500)	(500)
Use of Strategic CIL to fund the Public Right of Way Boardwalk replacement	(100)	0	0
Revised income target for Car Parking income to reflect projections informed from future forecasts	(100)	(50)	(50)
Staffing - 1 year further hold of vacancy	(100)	0	0
Increase income target for CIL administration income	(10)	(10)	(10)
Management review	0	(60)	(60)
Savings to be achieved from running costs/contract costs on Bereavement Services	0	(41)	(41)
Change in Widney Manor land raising project from 2026/27 to 2027/28 in line with capacity requirements, which enables the release of one-off revenue budget	(272)	0	0
Reduction in libraries resources budget	(30)	(30)	(30)
Leadership staff savings	(125)	(125)	(125)
Total	(3,465)	(2,284)	(3,469)

Public Health

The directorate is responsible for improving and protecting the health of the population of the borough. resilience (emergency planning and response), skills and employment and leisure services. Key responsibilities include:

- Providing the health improvement functions delegated to the local authority from the Secretary of State for Health and funded through the Public Health Grant, including commissioning mandated and non-mandated public health services such as the 0-19 healthy child programme (health visiting and school nursing), sexual health services and other preventative programmes.
- Statutory responsibility for ensuring that strong arrangements are in place to protect the health of the public, providing advocacy and local leadership for health protection.
- Ensuring that the wider functions of the Council are used to maximise health and well-being across the borough.
- Providing public health advice to the NHS, in accordance with the delegated functions from the Secretary of State.
- Monitoring and reporting on the health of the population of Solihull and ensuring that data and intelligence is used to improve health and care locally.
- The delivery of a joint Resilience (emergency planning, response and business continuity) service across Solihull, Coventry and Warwickshire.
- The delivery of key skills and employment programmes in Solihull.
- The commissioning and oversight of leisure services.
- The oversight of statutory local authority responsibilities relating to domestic abuse in Solihull.

Revenue	2026/27 £'000
Objective analysis - division of service:	
Domestic Violence	448
Emergency Planning	204
Leisure Services	(21)
Public Health (net of Public Health grant of £14.943m)	299
Skills	961
Pay Award (held corporately pending national agreement)	139
Net budget	2,030
Subjective analysis:	
Employees	3,512
Running costs	16,930
Gross budget	20,442
Income	(18,412)
Net budget	2,030

Reserves	Forecast balance 1/4/2026 £000	Forecast use/ (contribution) 2026/27 £000	Forecast balance 31/3/2027 £000	Forecast balance 31/3/2029 £000
Available reserves	(2,814)	623	(2,191)	(527)
Restricted reserves	(1,438)	237	(1,201)	(1,101)
Total reserves	(4,252)	860	(3,392)	(1,628)

Build-up of indicative budgets	2026/27 £'000	2027/28 £'000	2028/29 £'000
Base budget 2025/26	2,414	2,414	2,414
Pay inflation	160	279	377
Non pay inflation	(35)	120	286
New pressures	477	477	477
Pressures from prior years	438	404	404
New savings	(1,100)	(1,200)	(1,200)
Savings from prior years	(323)	(289)	(289)
Total other amendments	(1)	(1)	(1)
Indicative budget	2,030	2,204	2,468

New pressures	2026/27 £'000	2027/28 £'000	2028/29 £'000
Improving the health of working age adults	327	327	327
Kingshurst Hub - Public Health Contingency Contribution	50	50	50
0-19 Healthy Child Cost Pressure	100	100	100
Total	477	477	477

New savings	2026/27 £'000	2027/28 £'000	2028/29 £'000
Public Health core funding	(1,100)	(1,200)	(1,200)
Total	(1,100)	(1,200)	(1,200)

Resources

This directorate provides the services that support the delivery of the Council's front line activities.

The total budget shown below includes the levies we pay to the West Midlands Combined Authority and the Environment Agency.

Revenue	2026/27 £'000
Objective analysis - division of service:	
Audit, Governance and Risk Management	1,717
Budget Strategy	(598)
Business Intelligence and Improvement	274
Schools Catering	(105)
Collection of Local Taxes and Benefits	4,115
Communications	841
Corporate Property	8,513
Democratic and Mayoral Services	2,174
Directorate Management and Strategy	1,100
Financial Operations	3,939
Human Resources and Organisational Workforce Development	3,808
ICT and Information Governance	8,050
Investment Properties and Land	(5,062)
Legal Services	1,747
Other Joint Authorities Services	(4,259)
Procurement	916
Regulatory Services	603
Treasury Management / Capital Financing	15,877
Pay Award (held corporately pending national agreement)	946
Subtotal	44,596
Levies – West Midlands Combined Authority (for transport)	9,226
Levies – Environment Agency (for flood defence)	99
Net budget	53,921
Subjective analysis:	
Employees	37,861
Running costs	47,231
Gross budget	85,092
Income	(31,171)
Net budget	53,921

Reserves	Forecast balance 1/4/2026 £000	Forecast use/ (contribution) 2026/27 £000	Forecast balance 31/3/2027 £000	Forecast balance 31/3/2029 £000
Available reserves	(6,474)	938	(5,536)	(2,326)
Restricted reserves	(431)	0	(431)	(431)
Total reserves	(6,905)	938	(5,967)	(2,757)

Build-up of indicative budgets	2026/27 £'000	2027/28 £'000	2028/29 £'000
Base budget 2025/26	52,861	52,861	52,861
Pay inflation	1,083	1,894	2,559
Non pay inflation	(1,091)	(786)	(469)
New pressures	1,485	1,627	1,627
Pressures from prior years	117	1,099	1,099
New savings (excluding items reflected in the tax base)	(3,167)	(1,245)	(4,587)
Savings from prior years	(258)	(458)	(458)
Total other amendments	2,891	3,185	3,347
Indicative budget	53,921	58,177	55,979

New pressures	2026/27 £'000	2027/28 £'000	2028/29 £'000
Income and Awards - Housing Benefit	508	508	508
Income and Awards - Second Home Premium for Council Tax. Previous saving target now not achievable	0	60	60
Corporate Property Services - Cleaning contract	201	201	201
Corporate Property Services - Other building pressures - Grounds maintenance / tree surveys, IT equipment, rents	50	50	50
Legal Services - Increase in demand for legal support to ASC	69	69	69
Strategic Land - Nursery income at Meriden Primary	12	12	12
Strategic Land - projects	290	290	290
Commercial Income	0	82	82
Undelivered Savings in respect of property rationalisation	340	340	340
Loss of rental income due to asset sales	15	15	15
Total	1,485	1,627	1,627

New savings	2026/27 £'000	2027/28 £'000	2028/29 £'000
Corporate Property Services - Increased building income	(245)	0	0
Corporate Property Services - Utilities estimated underspend 25/26	(300)	(300)	(300)
Income and Awards - Council Tax Reduction Scheme *	(381)	(381)	(381)
Income and Awards - Council Tax Disregard Review *	(29)	(29)	(29)
Income and Awards - Citizen Access Revenues campaigns	(14)	(14)	(14)

New savings	2026/27 £'000	2027/28 £'000	2028/29 £'000
Income and Awards - Citizen Access Secure Integrated (CASI) platform - postage savings	(7)	(19)	(19)
Income and Awards - Appeals and Quality Officer post	(50)	(50)	(50)
Treasury Management interest	(680)	(730)	(80)
Commercial Income	(1,800)	0	(3,990)
Transport and flood defence levies	(71)	(73)	(75)
Impact on SMBC property of business rates revaluation	0	(59)	(59)
Total	(3,577)	(1,655)	(4,997)

* These budget movements are reflected in increases to the Council's tax base and so are not reflected in the indicative directorate budgets.

Corporate

This is not a directorate, but a spending category that encompasses technical and corporate budget items, including the Council's consolidated risk reserves, and which is therefore reported separately. This budget includes corporate reserves and unallocated savings targets.

Revenue	2026/27 £'000
Objective analysis - division of service:	
Corporate	(15,693)
Consolidated risk reserve	(2,729)
Net budget	(18,422)
Subjective analysis:	
Employees	273
Running costs	(3,859)
Gross budget	3,586
Income	(14,836)
Net budget	(18,422)

Reserves	Forecast balance 1/4/2026 £000	Forecast use/ (contribution) 2026/27 £000	Forecast balance 31/3/2027 £000	Forecast balance 31/3/2029 £000
Available reserves	(1,329)	1,102	(227)	(401)
Restricted reserves	0	0	0	0
Consolidated risk reserves	(17,850)	2,729	(15,121)	(15,121)
Total reserves	(19,179)	3,831	(15,348)	(15,522)

Build-up of indicative budgets	2026/27 £'000	2027/28 £'000	2028/29 £'000
Base budget 2025/26	(50,021)	(50,021)	(50,021)
Pay inflation	(17)	(15)	(14)
Non pay inflation	6	11	17
New pressures	75	80	240
Pressures from prior years	0	500	500
New savings	(4,684)	(176)	(1,426)
Savings from prior years	4,365	2,385	4,560
Other amendments	16,910	27,333	27,342
Grants rolled into core funding	14,944	15,891	15,891
Movement in in-year savings to be identified	0	(11,183)	(6,140)
Indicative budget	(18,422)	(15,195)	(9,051)

New pressures	2026/27 £'000	2027/28 £'000	2028/29 £'000
Reduction in HRA contribution to pension deficit	0	0	157
Care Leavers' Discount	75	80	83
Total	75	80	240

Savings	2026/27 £'000	2026/27 £'000	2027/28 £'000
Transformation Programme – further savings	(315)	(65)	(65)
Technical Savings – release of capital receipt and borrowing costs	(495)	0	0
Use of Consolidated Risk Reserve	(2,729)	0	0
Impact on SMBC property of business rates revaluation	(111)	(111)	(111)
Wider organisation service redesign efficiencies - Digital & AI deployment (facilitated by the digital programme)	0	0	(1,250)
Further asset sales	(1,034)	0	0
Total savings	(4,684)	(176)	(1,426)

6. QUICK REFERENCE GUIDE

	2025/26	2026/27	For further details see page
1. Solihull Council's budget	£202.588m	£244.357m	7
2. Total council tax for a Band D property (excluding police, fire and parish precepts)	£1,755.66	£1,843.27	8
3. Of which, social care precept for a Band D property	£270.01	£305.12	8
4. Police and fire precepts (at Band D)			8
Police & Crime Commissioner	£229.50	£244.50	
Fire & Rescue Authority	£80.19	£85.19	
Total Police & Fire	£309.69	£329.69	
5. The council tax for a Band D property (including Police and Fire precepts)	£2,065.35	£2,172.96	8
6. The council tax base			7
Net tax base	80,631	80,829	
Overall target collection rate	98.81%	99.00%	
7. Savings			6
New savings		(£15.870m)	
Previously approved savings		(£12.576m)	



Solihull
METROPOLITAN
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