



Solihull
METROPOLITAN
BOROUGH COUNCIL

FINANCIAL INFORMATION 2025/26

This leaflet contains key information about how much the Council plans to spend in 2025/26 and where the money will come from. It explains the council tax charge, including the parish precepts for those areas of the borough which have parish councils. This leaflet also includes details of the amounts we have to pay to the West Midlands Combined Authority (WMCA) and the Environment Agency.

Where the money comes from

The local services we provide are funded from council tax, business rates, government grants and income from sales, fees and charges. Each year, Solihull Council updates its medium-term financial strategy (MTFS), which sets out how it plans to balance its forecast expenditure with its projected resources (income from council tax and business rates) for the next three years. This has been especially challenging for the 2025/26 budget process, as the funding we receive from central government is not keeping up with the pressures we are facing, particularly in service areas like adults' and children's social care. We have also seen higher than usual volatility in business rates income that has created an additional short term funding pressure.

Our external auditors and the Chartered Institute of Public Finance and Accountancy (CIPFA) have both independently judged that the Council has effective governance and good financial management, which has historically held us in good stead. However, the scale of the financial challenge over the medium term is such that we must look at doing things differently moving forward. As part of the budget process, we identified £23m of savings and spending reductions to help address our financial position, but this was not enough to balance our budget for 2025/26 and so we applied for Exceptional Financial Support (EFS) from the government. This means that over 2024/25 and 2025/26 we have permission to treat up to £48m of revenue costs as capital, which will allow us to fund these costs from borrowing or selling assets. This will enable us to balance the 2025/26 budget, to fund a forecast overspend for 2024/25 and to support a transformation programme that will begin to deliver the long-term permanent savings we need to restore our financial sustainability.

The table below shows how the Council's planned gross spending (the amount we estimate we will spend on delivering services) relates to the council tax requirement, which is the amount of money we will raise locally through council tax. Our net budget is the amount we plan to spend on delivering local services, after taking into account the income we expect to receive specifically for those services and the savings we need to make to ensure the budget is affordable. The net budget is funded from retained business rates income and council tax.

2024/25		2025/26
£651.6m	Solihull Council's planned gross spending	£671.0m
(£4.7m)	Less collection fund deficit	(£8.9m)
£646.9m	Adjusted gross spending	£662.1m
(£13.4m)	Plus/(less) net contributions to/(from) reserves	£2.4m
(£76.8m)	Less business rates tariff and contribution to the WMCA	(£78.2m)
(£355.1m)	Less income from specific grants, sales, rents, fees & charges	(£381.9m)
(£1.7m)	Less parish precepts	(£1.8m)
£199.9m	Net budget for Solihull Council	£202.6m
(£70.5m)	Less net business rates income	(£69.0m)
£4.7m	Plus collection fund deficit – business rates	£8.9m
(£0.9m)	Less collection fund surplus – council tax	(£0.9m)
£133.2m	Council tax requirement for Solihull Council	£141.6m
£1.7m	Parish precepts	£1.8
£134.9m	Total council tax requirement including parish precepts	£143.4m

Where the money comes from

Our council tax requirement of £141,560,620 (excluding parish precepts) is divided by our council tax base for the year of 80,631 to give us the Band D council tax for Solihull Council of £1,755.66. This is an increase of 4.99% compared to 2024/25, which was necessary to sustain investment in our services to ensure that we can continue to effectively support our communities and protect those who are most vulnerable. The total increase is made up of a core element of council tax, which has been increased by 2.99%, and a precept relating to adult social care, which has been increased by 2.00%. In previous years these elements were shown separately on your council tax bill but a change in the regulations means they have been combined from 2025/26.

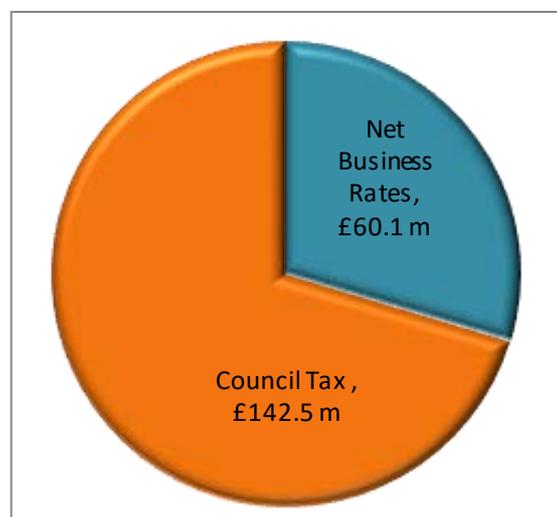
The council tax you pay also includes precepts charged by the West Midlands Police and Crime Commissioner (PCC) and the West Midlands Fire and Rescue Authority. If you live in an area with a parish or town council, you will also pay a parish precept. Further details relating to the parish precepts can be found on page 5 of this leaflet. The total Band D figure shown in the table below is converted to the amount payable by properties in other valuation bands by applying a set multiplier.

2024/25 Band D Council Tax		2025/26 Band D Council Tax	Percentage increase on 2024/25 total	2025/26 Council tax Requirement/ Precept
£1,672.22	Council tax for Solihull MBC	£1,755.66	4.99%	£141.561m
£215.55	West Midlands Police and Crime Commissioner precept	£229.50	6.47%	£18.505m
£75.20	West Midlands Fire and Rescue Authority precept	£80.19	6.64%	£6.466m
£1,962.97	Council tax including Police & Fire precepts	£2,065.35	5.22%	£166.532m

Those who occupy non-domestic properties contribute to the costs of local services through non-domestic rates, or business rates, which are also collected by local councils. Under the business rates retention arrangements, councils keep a proportion of the business rates paid locally. For information about how business rates bills are calculated, please see the Valuation Office Agency web pages at www.gov.uk/government/organisations/valuation-office-agency.

Since April 2017, Solihull has, alongside the other West Midlands metropolitan district councils, kept 99% of its growth in business rates, initially as part of a pilot but from 2024/25 as part of a new trailblazer devolution deal between the government and the West Midlands Combined Authority (WMCA). As a result, the Council keeps more business rates income than it otherwise would, but the Council no longer receives general revenue support grant funding.

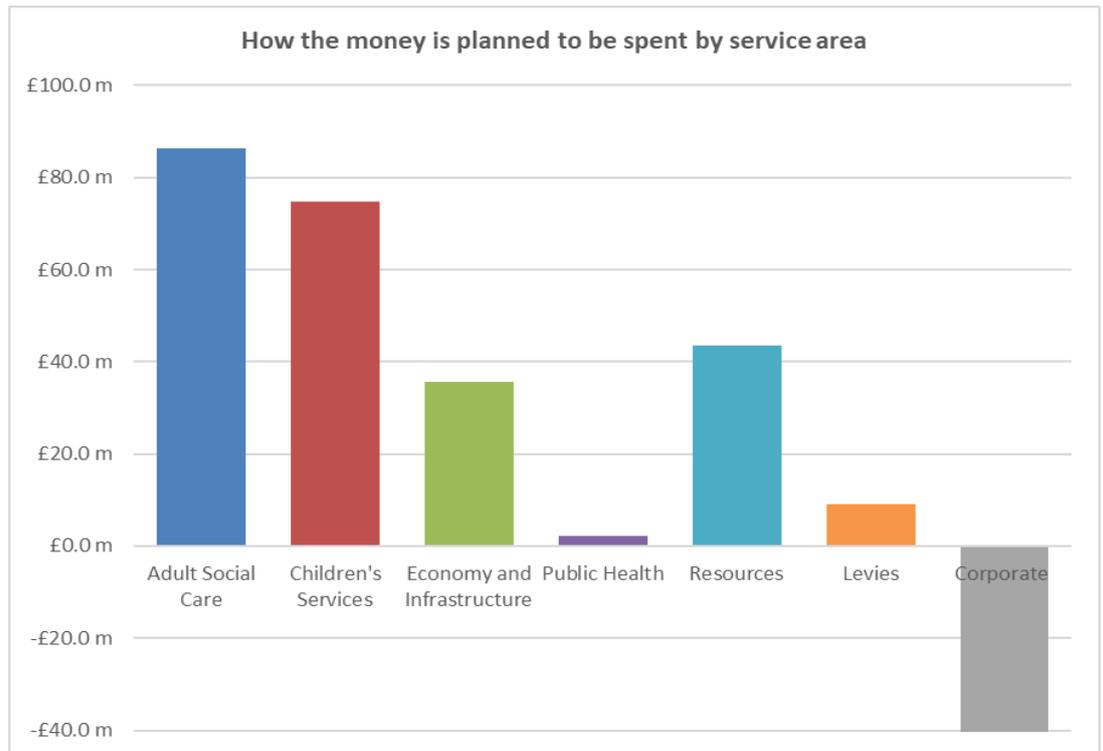
This chart shows the proportion of the Council's budget that is funded from business rates and council tax, which are jointly accounted for in the "collection fund". The business rates figure, which takes account of the tariff paid to central government and a contribution paid to the WMCA, has been reduced by the net business rates deficit of £8.9m. The figure for the income raised from council tax includes the council tax surplus of £0.9m.



How the money is planned to be spent

This chart shows how the Council's money is planned to be spent across the Council's different service areas in 2025/26. The Corporate figures include government grants, as well as EFS of £33m.

The budgeted spend on services (excluding corporate items) shown in the chart above equates to £1,149 for each person who lives in the borough.



Adult Social Care	Children's Services	Economy & Infrastructure	Public Health	Resources	Levies
Including support for adults with care needs, wellbeing & prevention services, mental health services	Including support to children & families, children's social care, education services (excluding schools), youth services	Including waste, highways, libraries, arts & culture, planning, bereavement services, parks & open spaces, homelessness & housing services	Including health visiting, school nursing, sexual health services, drug and alcohol support, leisure services, public health advice to the NHS (note most of this service is grant funded)	Including support services (e.g. finance, human resources, ICT), collection of taxes & administration of benefits, civic & democratic services, buildings & facilities management	Charges for regional transport and flood defence set by the West Midlands Combined Authority (WMCA) and Environment Agency (see p.6)
£394	£341	£163	£11	£198	£42

Total service spend per resident £1,149

Here are a few of the services we provided last year

Responded to over 1,100 requests under Freedom of Information/Environmental Information regulations	Handled 220,000 calls to our contact centre and 3.2 million visitors to our website
Maintained around 23,000 streetlights	Swept 778km and gritted 560km of roads
Funded addiction support to over 1,300 adults	Welcomed 1.3 million visitors to our leisure centres
Issued 2,100 planning decisions	Made over 9 million waste and recycling collections
Funded social care support for approx. 4,900 adults (2023/24)	Provided social care support to approx. 5,200 children (2023/24)

Capital spending

As well as spending on day-to-day services, we also provide new assets (e.g. buildings) and replace and improve existing assets. This is known as capital spending. We are planning to spend £123 million on capital projects (including housing) in 2025/26, compared to planned spend of £82 million in 2024/25. The 2025/26 figure includes capitalising £33m of revenue costs under the EFS scheme.

Parish councils

As a billing authority we collect the parish precept amounts on behalf of the parish and town councils. Each parish council is responsible for setting its own precept charge. Details of the charges for each parish council are shown below:

2024/25			2025/26	
Total Precept	Amount at band D		Total Precept	Amount at band D
£97,495.00	£34.17	Balsall	£113,495.00	£39.48
£14,750.00	£42.88	Barston	£18,000.00	£52.48
£49,850.00	£32.04	Berkswell	£55,815.00	£35.24
£199,204.95	£80.07	Bickenhill & Marston Green	£219,170.88	£87.28
£388,158.00	£99.81	Castle Bromwich	£403,684.00	£102.95
£15,947.00	£45.56	Chadwick End	£16,744.35	£47.70
£285,588.00	£97.77	Chelmsley Wood	£300,000.00	£99.67
£57,000.00	£32.04	Cheswick Green	£66,528.00	£36.00
£94,290.00	£42.47	Dickens Heath	£94,884.00	£42.47
£89,352.00	£48.27	Fordbridge	£98,287.00	£52.22
£49,273.10	£34.17	Hampton-in-Arden	£52,011.50	£35.87
£63,184.28	£77.34	Hockley Heath	£67,077.00	£81.21
£60,434.00	£30.51	Kingshurst	£65,000.00	£32.02
£63,339.00	£50.11	Meriden	£70,443.36	£55.12
£130,000.00	£58.35	Smith's Wood	£130,000.00	£56.74
£35,000.00	£38.25	Tidbury Green	£40,000.00	£43.15
£1,692,865.33		Total Parish Precepts	£1,811,140.09	

Parish councils with precept charges of over £140,000 are required to give further details of their budgets, as shown below:

	Bickenhill & Marston Green		Castle Bromwich		Chelmsley Wood	
	2024/25	2025/26	2024/25	2025/26	2024/25	2025/26
Organised Events & Community Activities	£0	£8,000	£0		£24,200	£32,900
Open Spaces	£45,501	£48,251	£333,470	£226,280	£7,600	£20,500
Buildings/Community Facilities	£30,455	£29,240	£220,725	£221,655	£113,528	£89,670
Trading Activities	£0	£0	£0		£194,018	£164,550
Finance & Administration	£193,760	£195,669	£177,144	£203,980	£357,066	£372,636
Contingency	£2,500	£2,500	£30,000	£30,000	£0	£0
Gross Spending	£272,216	£283,660	£761,339	£681,915	£696,412	£680,256
Less Use of Reserves	(£12,541)	(£6,219)	(£194,779)	(£106,339)	(£60,774)	(£35,606)
Less Income	(£60,470)	(£58,270)	(£178,402)	(£171,892)	(£350,050)	(£344,650)
Precept Charge	£199,205	£219,171	£388,158	£403,684	£285,588	£300,000

Charges for public transport and flood defence

The Council's planned gross spending includes charges that we have to pay to the West Midlands Combined Authority and the Environment Agency.

Transport Levy (West Midlands Combined Authority)

The charge we pay to Transport for West Midlands (TfWM), the transport arm of the West Midlands Combined Authority (WMCA), to fund public transport in the West Midlands is as follows:

2024/25		2025/26
£8,795,723	Transport levy	£9,023,156

In addition, the Council will pay a fee of £544,678 (£545,184 in 2024/25) to the West Midlands Combined Authority in 2025/26 as part of its constituent membership.

Environment Agency Charges

The Environment Agency will charge us £97,127 for providing flood defence functions in 2025/26 (£95,508 in 2024/25). The Council pays charges to two committees of the Environment Agency, the Trent Flood and Coastal Committee and the Severn and Wye Flood and Coastal Committee.

2024/25	Details for the Environment Agency's Trent Region are:	2025/26
£82.164m	Planned gross spending	£99.241m
£2.313m	Total charged to local authorities	£2.360m
1,929,582	Total council tax base	1,959,329
79,054	Council tax base for Solihull	80,035
£94,782	Charge for Solihull	£96,391

2024/25	Details for the Environment Agency's Severn & Wye Region are:	2025/26
£33.364m	Planned gross spending	£32.588m
£1.270m	Total charged to local authorities	£1.296m
1,028,726	Total council tax base	1,049,404
588	Council tax base for Solihull	596
£726	Charge for Solihull	£736

Changes in the planned gross spending levels between the years reflect the programme of works for both capital and revenue needed by the Regional Flood and Coastal Committees. The total of the local levies raised by these committees has increased by 2.0%.

Further details on the budgets set by the Police and Crime Commissioner, the Fire and Rescue Authority and the West Midlands Combined Authority are available through the Council's website at:

<https://www.solihull.gov.uk/About-the-Council/Financial-documents>

For more information on the Council's spending, please see our medium term financial strategy which will be available from 1 April from <https://www.solihull.gov.uk/About-the-Council/Financial-documents> or you can telephone 0121 704 6245, email bss@solihull.gov.uk or write to us at: Financial Operations Division, Solihull Council, PO Box 9, Council House, Manor Square, Solihull, West Midlands B91 3QB.