

# FINANCIAL INFORMATION 2026/27

This leaflet contains key information about how much the Council plans to spend in 2026/27 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 does the money come from?

The local services we provide are funded through a mix of council tax, business rates, government grants and income from fees and charges. This year the way in which government funding (our share of business rates and some grants) is shared between councils has changed and Solihull will now have less funding than expected as a result, creating a shortfall of over £9 million across our Medium Term Financial Strategy.

Overall, Solihull's core spending power (the government's measure of council funding) will rise by 9.8% between 2025/26 and 2028/29, compared to an average increase nationally of 15.1%. However, for Solihull most of this increase relates to council tax income. Excluding council tax, Solihull will experience a 3% reduction in core spending power between 2025/26 and 2028/29, compared to an average increase across the other six West Midlands metropolitan districts of 26%.

Every year we update our Medium Term Financial Strategy to ensure our spending plans are affordable. Independent assessments from our external auditors and CIPFA confirm that the Council has strong governance and financial management. However, the recent national funding reforms have made our financial position more challenging. For 2026/27 we have balanced the budget through savings and use of reserves, but there remain significant funding gaps in later years.

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.

2025/26		2026/27
£671.0m	Solihull Council's planned gross spending	£676.8m
(£8.9m)	Less collection fund deficit	(£2.3m)
<b>£662.1m</b>	<b>Adjusted gross spending</b>	<b>£674.5m</b>
£2.4m	Plus/(less) net contributions to/(from) reserves	(£14.2m)
(£78.2m)	Less business rates tariff and contribution to the WMCA	(£50.9m)
(£381.9m)	Less income from specific grants, sales, rents, fees & charges *	(£363.0m)
(£1.8m)	Less parish precepts	(£2.0m)
<b>£202.6m</b>	<b>Net budget for Solihull Council *</b>	<b>(£244.4m)</b>
(£69.0m)	Less net business rates income *	(£97.6m)
£8.9m	Plus/(less) collection fund deficit/(surplus) – business rates	£1.3m
(£0.9m)	Plus/(less) collection fund deficit/(surplus) – council tax	£0.9m
<b>£141.6m</b>	<b>Council tax requirement for Solihull Council</b>	<b>£149.0m</b>
£1.8	Parish precepts	£2.0m
<b>£143.4m</b>	<b>Total council tax requirement including parish precepts</b>	<b>£151.m</b>

\* As part of the funding reforms mentioned above, from 2026/27 around £28m of funding previously received as specific grants will be part of core funding, reducing the grant income line in the table above and increasing the net business rates income line. This has the effect of increasing the Council's net budget but has no impact on the council tax requirement or the overall amount of money the Council has available to spend.

## Where does the money come from?

Our council tax requirement of £148,990,000 (excluding parish precepts) is divided by our council tax base for the year of 80,829 to give us the Band D council tax for Solihull Council of £1,843.27. This is an increase of 4.99% compared to 2025/26, 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%.

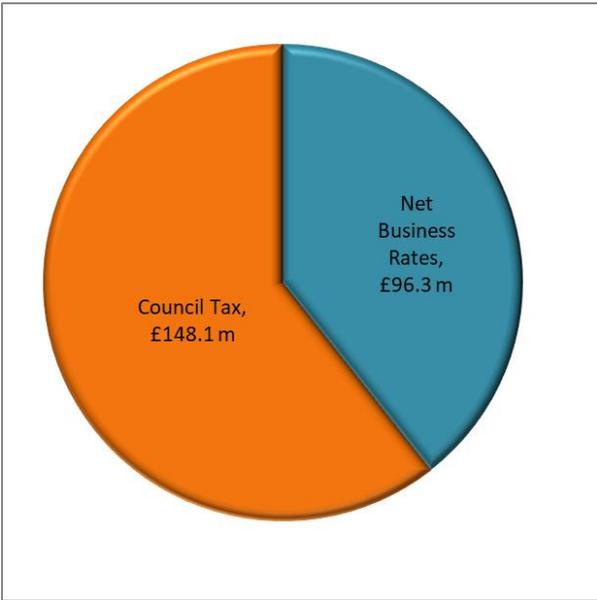
The council tax you pay also includes precepts charged by the West Midlands Police and Crime Commissioner (PCC) and the West Midlands Fire and Rescue Authority. If you live in an area with a parish or town council, you will also pay a parish precept. Further details relating to the parish precepts can be found on pages 5 and 6 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.

2025/26 Band D Council Tax		2026/27 Band D Council Tax	Percentage increase on 2025/26 total	2026/27 Council tax Requirement/ Precept
£1,755.66	Council tax for Solihull MBC	£1,843.27	4.99%	£148.990m
£229.50	West Midlands Police and Crime Commissioner precept	£244.50	6.54%	£19.763m
£80.19	West Midlands Fire and Rescue Authority precept	£85.19	6.24%	£6.886m
<b>£2,065.35</b>	<b>Council tax including Police &amp; Fire precepts</b>	<b>£2,172.96</b>	<b>5.21%</b>	<b>£175.639m</b>

Those who occupy non-domestic properties pay business rates, and their bills are based on business rates multipliers set by the government each year and rateable values set by the Valuation Office Agency (VOA). Although councils do not control the amounts businesses pay, we keep a share of the business rates income we collect to help to fund local services, with the remainder paid to government. For information about how business rates bills are calculated, please see the VOA website ([www.gov.uk/government/organisations/valuation-office-agency](http://www.gov.uk/government/organisations/valuation-office-agency)).

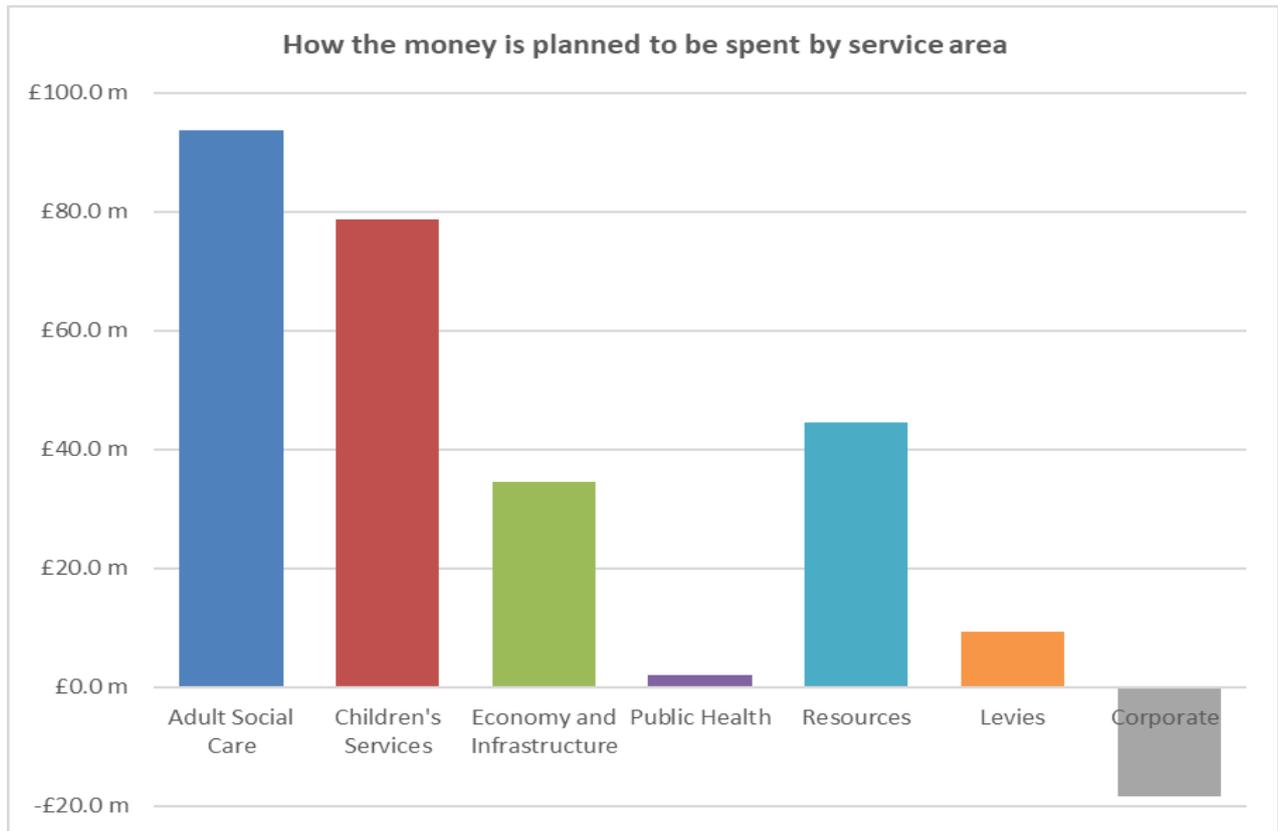
Solihull, alongside the other West Midlands metropolitan district councils, keeps 99% of its growth in business rates above a baseline set by the government, as part of a trailblazer devolution deal between the government and the West Midlands Combined Authority (WMCA). As a result, the Council keeps more business rates income than it otherwise would but 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, has been reduced by the net business rates deficit of £1.3m. The figure for the income raised from council tax has been reduced by the council tax deficit of £0.9m.



## How is the money spent?

This chart shows how the Council’s money is planned to be spent across the Council’s different service areas in 2026/27. “Corporate” includes contributions from corporate reserves.



The budgeted spend on services (excluding corporate items) shown in the chart above equates to £1,187 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 which is why the net cost is low relative to other services)	Including support services (e.g. finance, human resources, ICT), collection of taxes & administration of benefits, civic & democratic services, buildings & facilities management, capital financing	Charges for regional transport and flood defence set by the West Midlands Combined Authority (WMCA) and Environment Agency (see p.7)
£423	£355	£156	£9	£202	£42
Total service spend per resident: £1,187					

## How is the money spent?

Here are a few of the services we provided last year:

Funded social care support for approx. 5,000 adults (2024/25)	Provided social care support to approx. 4,600 children (2024/25)
Issued over 2,100 planning decisions	Made over 9 million waste and recycling collections
Maintained around 23,000 streetlights	Swept 778km and gritted 560km of roads
Funded addiction support to over 1,300 adults	Welcomed 1.2 million visitors to our leisure centres
Responded to nearly 1,300 requests under Freedom of Information/Environmental Information regulations	Handled nearly 190,000 calls to our contact centre and 3.1 million visitors to our website

### 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 £129 million on capital projects (including housing) in 2026/27, compared to planned spend of £123 million in 2025/26. The 2025/26 figure included capitalising £33m of revenue costs under the Exceptional Financial Support 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:

2025/26			2026/27	
Total Precept	Amount at band D		Total Precept	Amount at band D
£113,495.00	£39.48	Balsall	£145,000.00	£50.26
£18,000.00	£52.48	Barston	£24,000.00	£65.22
£55,815.00	£35.24	Berkswell	£58,680.00	£37.00
£219,170.88	£87.28	Bickenhill & Marston Green	£230,129.00	£92.01
£403,684.00	£102.95	Castle Bromwich	£423,868.00	£107.96
£16,744.35	£47.70	Chadwick End	£17,621.43	£48.41
£300,000.00	£99.67	Chelmsley Wood	£305,000.00	£103.32
£66,528.00	£36.00	Cheswick Green	£79,980.00	£43.00
£94,884.00	£42.47	Dickens Heath	£98,967.00	£44.60
£98,287.00	£52.22	Fordbridge	£103,201.35	£55.37
£52,011.50	£35.87	Hampton-in-Arden	£56,339.00	£37.66
£67,077.00	£81.21	Hockley Heath	£80,492.00	£96.98
£65,000.00	£32.02	Kingshurst	£70,000.00	£34.79
£70,443.36	£55.12	Meriden	£80,439.37	£63.39
£130,000.00	£56.74	Smith's Wood	£140,000.00	£62.22
£40,000.00	£43.15	Tidbury Green	£50,000.00	£53.53
<b>£1,811,140.09</b>		<b>Total Parish Precepts</b>	<b>£1,963,717.15</b>	

## Parish councils

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

	Balsall		Bickenhill & Marston Green	
	2025/26	2026/27	2025/26	2026/27
Organised Events & Community Activities	£9,000	£9,000	£8,000	£8,000
Open Spaces	£0	£0	£48,251	£27,200
Buildings/Community Facilities	£43,550	£43,450	£29,240	£131,953
Trading Activities	£0	£0	£0	£0
Finance & Administration	£116,300	£127,900	£195,669	£132,337
Contingency	£0	£0	£2,500	£0
<b>Gross Spending</b>	<b>£168,850</b>	<b>£180,350</b>	<b>£283,660</b>	<b>£299,490</b>
Less Use of Reserves	(£23,455)	(£1,750)	(£6,219)	(£6,671)
Less Income	(£31,900)	(£33,600)	(£58,270)	(£62,690)
<b>Precept Charge</b>	<b>£113,495</b>	<b>£145,000</b>	<b>£219,171</b>	<b>£230,129</b>

	Castle Bromwich		Chelmsley Wood	
	2025/26	2026/27	2025/26	2026/27
Organised Events & Community Activities	£0	£8,350	£32,900	£21,600
Open Spaces	£226,280	£221,780	£20,500	£4,550
Buildings/Community Facilities	£221,655	£281,010	£89,670	£336,746
Trading Activities	£0	£0	£164,550	£0
Finance & Administration	£203,980	£189,420	£372,636	£264,527
Contingency	£30,000	£0	£0	£0
<b>Gross Spending</b>	<b>£681,915</b>	<b>£700,560</b>	<b>£680,256</b>	<b>£627,423</b>
Less Use of Reserves	(£106,339)	(£77,903)	(£35,606)	(£23,737)
Less Income	(£171,892)	(£198,789)	(£344,650)	(£298,686)
<b>Precept Charge</b>	<b>£403,684</b>	<b>£423,868</b>	<b>£300,000</b>	<b>£305,000</b>

	Smith's Wood	
	2025/26	2026/27
Organised Events & Community Activities	£2,900	£9,000
Open Spaces	£3,600	£3,600
Buildings/Community Facilities	£140,000	£140,000
Trading Activities	£0	£0
Finance & Administration	£28,500	£30,500
Contingency	£0	£0
<b>Gross Spending</b>	<b>£175,000</b>	<b>£183,100</b>
Less Use of Reserves	(£25,000)	(£11,100)
Less Income	(£20,000)	(£32,000)
<b>Precept Charge</b>	<b>£130,000</b>	<b>£140,000</b>

## 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:

2025/26		2026/27
£9,023,156	Transport levy	<b>£9,225,590</b>

In addition, the Council will pay a fee of £543,756 (£544,678 in 2025/26) to the West Midlands Combined Authority in 2026/27 as part of its constituent membership.

### Environment Agency Charges

The Environment Agency will charge us £99,249 for providing flood defence functions in 2026/27 (£97,127 in 2025/26). 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.

2025/26	Details for the Environment Agency's Trent Region are:	2026/27
£99.241m	Planned gross spending	£70.294m
£2.360m	Total charged to local authorities	£2.431m
1,959,329	Total council tax base	1,979,802
80,035	Council tax base for Solihull	80,232
<b>£96,391</b>	<b>Charge for Solihull</b>	<b>£98,498</b>

2025/26	Details for the Environment Agency's Severn & Wye Region are:	2026/27
£32.588m	Planned gross spending	£20.748m
£1.296m	Total charged to local authorities	£1.335m
1,049,404	Total council tax base	1,061,275
596	Council tax base for Solihull	597
<b>£736</b>	<b>Charge for Solihull</b>	<b>£751</b>

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 3.0%.

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](mailto: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.