



**Solihull**  
METROPOLITAN  
BOROUGH COUNCIL

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# FINANCIAL INFORMATION 2019/20

This leaflet contains key information about how much the Council plans to spend in 2019/20 and where the money will come from. It explains the council tax charge, including the adult social care precept, and includes details of the charges we have to pay each year to the West Midlands Combined Authority and the Environment Agency, together with the parish precepts for those areas of the borough which have parish councils.

## Gross spending and council tax requirement

Solihull Council's budget and council tax for 2019/20 was approved by Full Council on 28 February 2019. The effect of our planned gross spending on the level of council tax that is set is shown below:

	Restated 2018/19 £m	2019/20 £m
Solihull Council's planned gross spending	527.8	537.8
Less net contributions to reserves and contingencies	(3.4)	(3.9)
Less business rates tariff and levy	(69.3)	(71.1)
Less income from specific grants, sales, rents, fees & charges	(312.2)	(313.8)
Less parish precepts	(1.3)	(1.4)
<b>Net budget for Solihull Council</b>	<b>141.6</b>	<b>147.6</b>
Less net business rates income	(40.2)	(41.9)
Less collection fund surplus - council tax	(1.1)	(1.2)
<b>Council tax requirement for Solihull Council (including adult social care precept)</b>	<b>100.3</b>	<b>104.5</b>
Parish precepts	1.3	1.4
<b>Total council tax requirement including parish precepts</b>	<b>101.6</b>	<b>105.9</b>

Our council tax requirement of £104,495,750 (excluding parish precepts) is divided by our council tax base for the year of 76,946 to give us the band D council tax for Solihull Council of £1,358.04 (excluding police and fire precepts). This figure is converted to the amount payable by properties in other valuation bands by applying a set multiplier, to arrive at the charge you will pay for council services.

In 2019/20 the council tax requirement includes a precept relating to adult social care which is shown separately on your council tax bill. The flexibility to charge this precept in addition to the general amount of council tax was introduced by the government in 2016/17 in recognition of the financial pressures on adult social care services. The additional revenue raised from this precept, which will total £7.565 million in 2019/20, must be spent entirely on adult social care services. Further details of the statutory background to this precept are provided in the box on page 2.

The table below shows the adult social care (ASC) precept implemented by Solihull Council over each of the four years since it was introduced in 2016/17. In accordance with government regulations, the percentage increase in the adult social care precept that has to be shown on the council tax bill (column 7) represents the change from the previous year's combined total of the general council tax and the adult social care precept (column 4).`

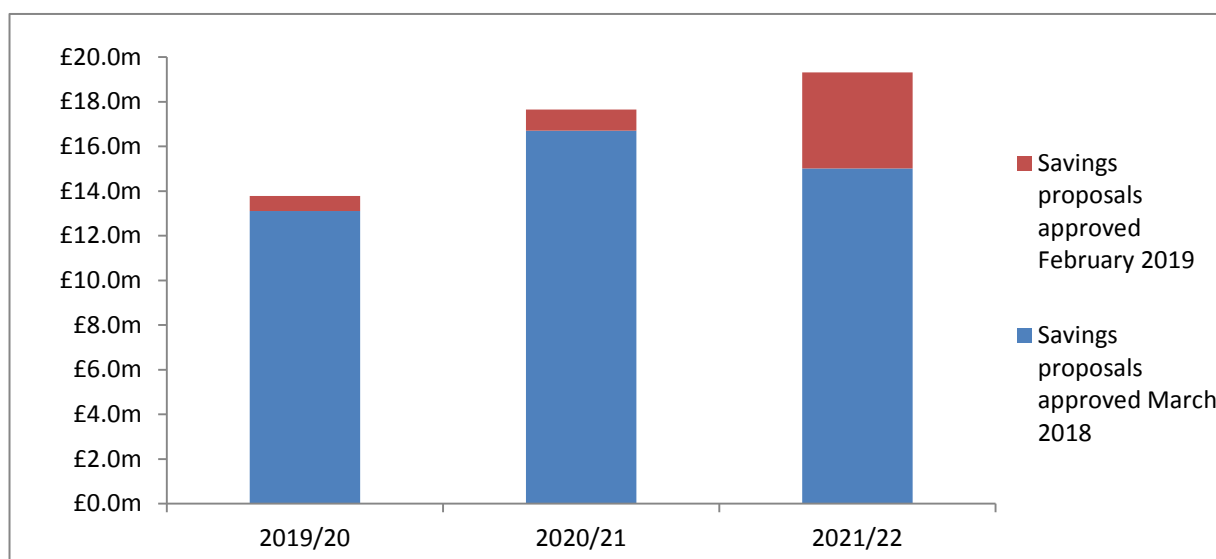
1	2	3	4	5	6	7
Year	Council tax – general charge Band D	Council tax - ASC precept Band D	Total council tax Band D	Increase in ASC precept compared to previous year		ASC precept increase as % of previous year's total charge
2016/17	£1,185.34	£23.47	£1,208.81	£23.47	-	2.00%
2017/18	£1,209.40	£59.73	£1,269.13	£36.26	154%	3.00%
2018/19	£1,234.66	£85.11	£1,319.77	£25.38	42%	2.00%
2019/20	£1,259.73	£98.31	£1,358.04	£13.20	16%	1.00%

## Gross spending and council tax requirement

The council tax you pay also includes the precept charged by the West Midlands Police and Crime Commissioner and the West Midlands Fire and Rescue Authority and by your local parish council if you live in a parished area. Further details relating to the parish precepts can be found on page 5 of this leaflet.

	2018/19 Band D Council Tax	2019/20 Band D Council Tax	Percentage increase on 2018/19 total	2019/20 Council tax Requirement / Precept
Council tax for Solihull – general charge	£1,234.66	£1,259.73	1.90%	£96.9 m
Council tax for Solihull – adult social care precept	£85.11	£98.31	1.00%	£7.6 m
<b>Council tax for Solihull – total</b>	<b>£1,319.77</b>	<b>£1,358.04</b>	<b>2.90%</b>	<b>£104.5 m</b>
West Midlands Police and Crime Commissioner precept	£128.55	£152.55	18.67%	£11.7 m
West Midlands Fire and Rescue Authority precept	£58.84	£60.60	2.99%	£4.7 m
<b>Council tax including Police &amp; Fire precepts</b>	<b>£1,507.16</b>	<b>£1,571.19</b>	<b>4.25%</b>	<b>£120.9 m</b>

The Council has a three-year budgeting approach, which means that our focus is on identifying the savings required to balance our spending plans in the third year of our medium term financial strategy. This approach is illustrated in the chart below, which shows (in blue) the cumulative savings identified as at March 2018. The process of developing the budget proposals for 2019/20 focused on the identification of further savings for 2021/22, some of which could be delivered in earlier years – these are shown as red in the chart and bring the total identified over the period to £19.3 million.



### Statement concerning adult social care funding

The Secretary of State for Communities and Local Government has made an offer to adult social care authorities. ("Adult social care authorities" are local authorities which have functions under Part 1 of the Care Act 2014, namely county councils in England, district councils for an area in England for which there is no county council, London borough councils, the Common Council of the City of London and the Council of the Isles of Scilly.)

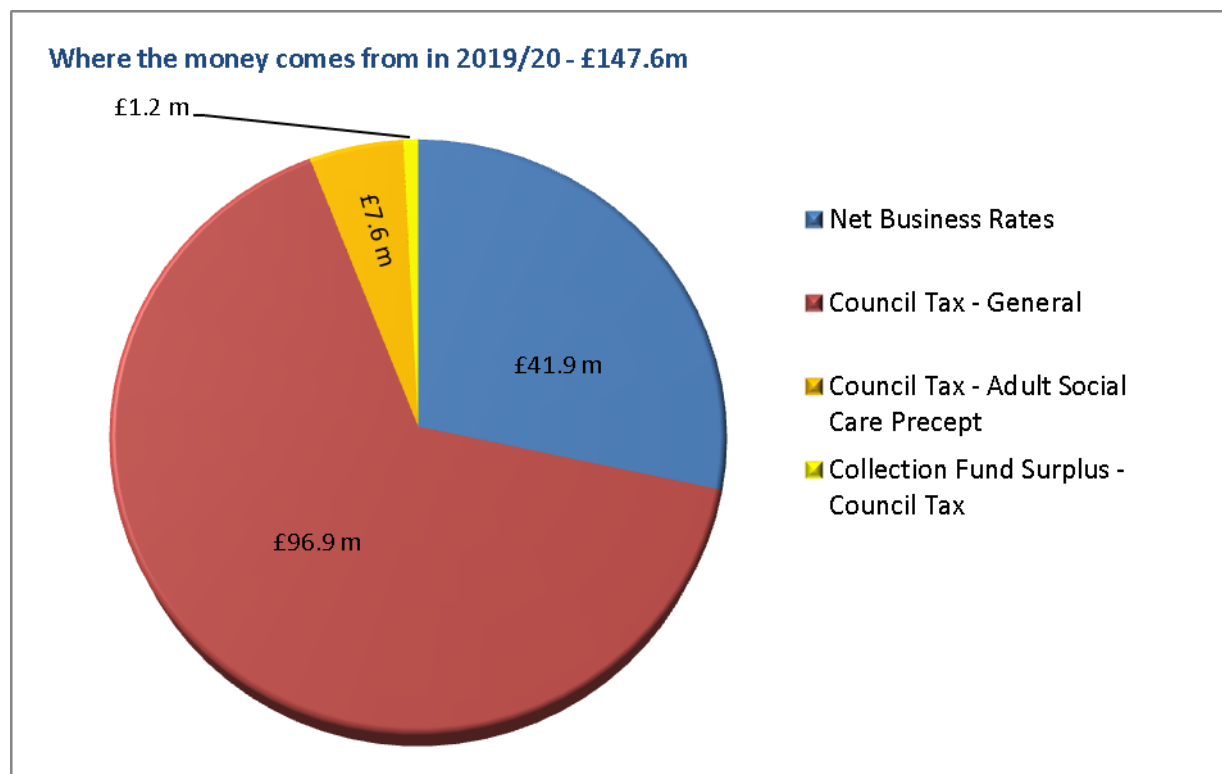
The offer is the option of an adult social care authority being able to charge an additional "precept" on its council tax for financial years from the financial year beginning in 2016 without holding a referendum, to assist the authority in meeting expenditure on adult social care. Subject to the annual approval of the House of Commons, the Secretary of State intends to offer the option of charging this "precept" at an appropriate level in relation to each financial year up to and including the financial year 2019/20.

## Where the money comes from

Those who occupy non-domestic properties contribute to the costs of local services through non-domestic rates, or business rates, which are collected by local councils. Under the business rates retention arrangements introduced on 1 April 2013, councils keep a proportion of the business rates paid locally. Business rates income is one of the main sources of funding for the Council, with the other being council tax. For more 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](http://www.gov.uk/government/organisations/valuation-office-agency).

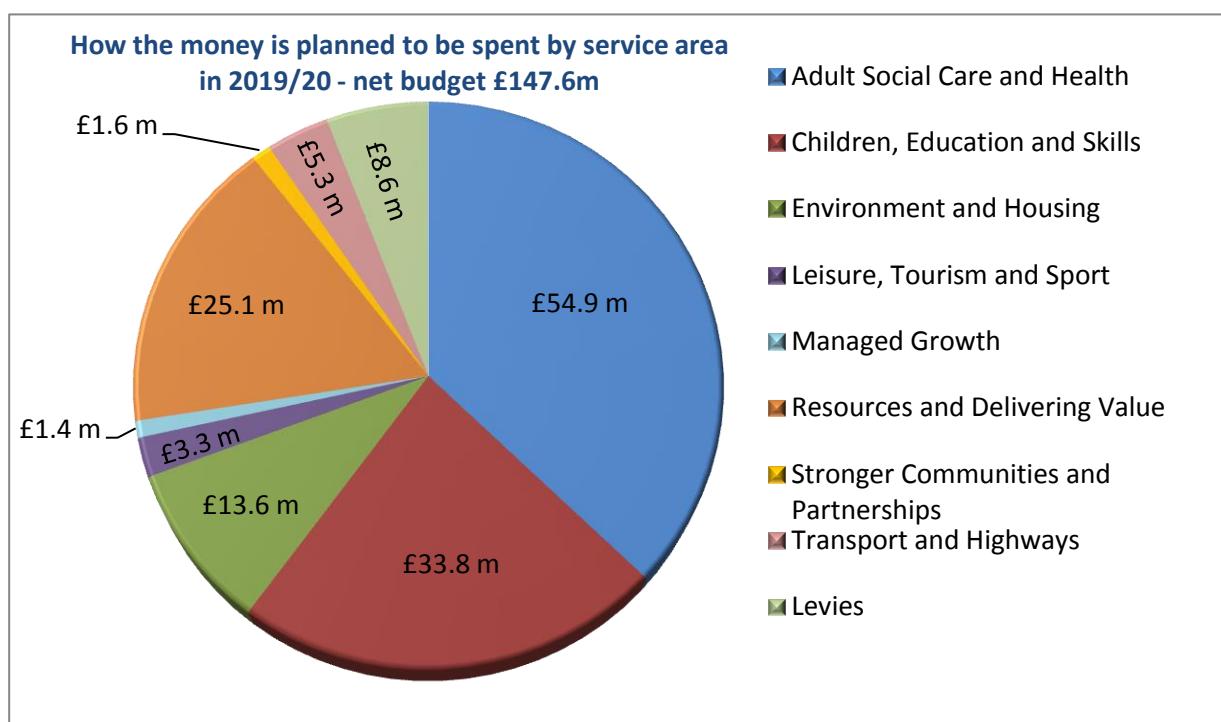
Since April 2017, Solihull has been part of a pilot with the other West Midlands metropolitan district councils, to test out 100% business rates retention. As a result, the Council keeps more business rates income than it otherwise would have, but the Council no longer receives general revenue support grant funding.

The chart below shows the proportion of the total funding retained by the Council that comes from different funding sources; namely business rates and council tax. The income generated through council tax has been split between the income generated from the adult social care precept and the income raised from the general element of council tax.



## 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 2019/20.



### Number of full-time equivalent staff employed by Solihull Council

	January 2018	January 2019
Core council	2,027	2,035
Schools *	2,190	2,176
<b>Total staff</b>	<b>4,217</b>	<b>4,211</b>

\* staff funded from the Dedicated Schools Grant.  
Figures exclude any casual staff employed during the year.

### 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 £72 million on capital projects (including housing) in 2019/20, compared to planned spend of £55 million in 2018/19.

## Parish councils

As a billing authority we have to 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:

	2018/19		2019/20	
	Total Precept	Amount at band D	Total Precept	Amount at band D
Balsall	£75,306.00	£27.24	£32,875.00	£11.70
Barston	£7,247.46	£26.07	£14,487.00	£51.37
Berkswell	£25,955.00	£16.91	£25,995.00	£16.90
Bickenhill and Marston Green	£138,944.00	£57.32	£142,410.00	£58.58
Castle Bromwich	£297,839.00	£76.25	£327,624.00	£83.79
Chadwick End	£12,087.00	£36.19	£12,450.00	£36.83
Chelmsley Wood	£224,680.00	£80.10	£238,664.00	£82.10
Cheswick Green	£69,672.00	£67.64	£69,887.00	£64.06
Dickens Heath	£86,884.00	£39.91	£84,122.00	£37.91
Fordbridge	£77,985.00	£45.00	£81,585.00	£45.00
Hampton-in-Arden	£29,198.00	£29.79	£41,998.98	£30.39
Hockley Heath	£52,140.00	£66.00	£56,479.50	£69.30
Kingshurst	£47,393.00	£25.04	£48,777.45	£25.04
Meriden	£47,173.56	£37.86	£49,527.00	£39.37
Smith's Wood	£116,267.00	£54.56	£119,701.00	£55.16
Tidbury Green	£15,954.00	£34.02	£18,984.00	£33.72
<b>Total Parish Precepts</b>	<b>£1,324,725.02</b>		<b>£1,365,566.93</b>	

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

	Castle Bromwich		Chelmsley Wood	
	2018/19	2019/20	2018/19	2019/20
Organised Events and Community Activities	£0	£0	£21,325	£18,655
Trading Activities	£0	£0	£213,236	£240,432
Buildings	£0	£0	£94,957	£92,142
Arden Hall	£150,782	£163,600	£0	£0
Contingency	£60,000	£113,250	£0	£0
Finance and Administration	£130,949	£127,750	£96,362	£96,637
Open Spaces	£85,203	£14,592	£20,400	£21,810
<b>Gross Spending</b>	<b>£426,934</b>	<b>£419,192</b>	<b>£446,280</b>	<b>£469,676</b>
Less Use of Reserves	(£8,989)	£0	£0	£0
Less Income	(£117,036)	(£90,513)	(£209,928)	(£227,000)
Less Council Tax Support Grant	(£3,070)	(£1,055)	(£11,672)	(£4,012)
<b>Precept Charge</b>	<b>£297,839</b>	<b>£327,624</b>	<b>£224,680</b>	<b>£238,664</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:

	2018/19	2019/20
Transport levy	£8,479,633	<b>£8,470,794</b>

Further details on the WMCA budget for 2019/20 are available in a separate leaflet, which can be found at: <http://www.solihull.gov.uk/About-the-Council/Performance-spending/councilspending/financialdocuments>

### Environment Agency Charges

The Environment Agency will charge us £88,573 for providing flood defence functions in 2019/20 (£87,097 in 2018/19). The Council pays charges to two committees of the Environment Agency, the Trent Region and the Severn and Wye Region.

Details for the Environment Agency's Trent Region are:	2018/19	2019/20
Planned gross spending	£47.439m	£74.586m
Total charged to local authorities ("council tax requirement")	£2.054m	£2.095m
Total council tax base	1,792,269	1,820,679
Council tax base for Solihull	75,411	76,378
<b>Charge for Solihull</b>	<b>£86,436</b>	<b>£87,902</b>

Details for the Environment Agency's Severn and Wye Region are:	2018/19	2019/20
Planned gross spending	£14.838m	£15.871m
Total charged to local authorities ("council tax requirement")	£1.128m	£1.151m
Total council tax base	957,505	974,229
Council tax base for Solihull	561	568
<b>Charge for Solihull</b>	<b>£661</b>	<b>£671</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 2.0%.

Further details on the budget for the Police and Crime Commissioner can be found at <http://www.westmidlands-pcc.gov.uk/transparency/budgetary-and-financial-information/budget,-precept,-anticipated-income-and-proposed-expenditure> and for the Fire and Rescue Authority can be found at <https://www.wmfs.net/your-fire-service/openness/documents>.

For more information on the Council's spending, please see our medium term financial strategy which is available from <http://www.solihull.gov.uk/About-the-Council/Performance-spending/councilspending/financialdocuments> 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.