



Solihull
METROPOLITAN
BOROUGH COUNCIL

FINANCIAL INFORMATION 2023/24

This leaflet contains key information about how much the Council plans to spend in 2023/24 and where the money will come from. It explains the council tax charge, including the adult social care precept and 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 and the Environment Agency.

Where the money comes from

The Council has a three-year budgeting approach, which means that our focus is on balancing our planned expenditure with our forecast income in each of the three years of our medium term financial strategy (MTFS). Through the MTFS the Council has sought to invest in the services we provide to our most vulnerable residents, with significant resources allocated to children's services in particular. Solihull Council's budget and council tax for 2023/24 was approved by Full Council on 23 February 2023. The effect of our planned gross spending on the level of council tax that is set is shown below:

2022/23		2023/24
£619.2m	Solihull Council's planned gross spending	£615.6m
(£30.0m)	Less collection fund deficit (gross)	£0.0m
£589.2m	Adjusted gross spending	£615.6m
(£16.3m)	Plus/(less) net contributions to/(from) reserves and contingencies	(£9.0m)
(£72.6m)	Less business rates tariff	(£73.5m)
(£334.8m)	Less income from specific grants, sales, rents, fees & charges	(£332.2m)
(£1.5m)	Less parish precepts	(£1.6m)
£164.0m	Net budget for Solihull Council	£199.3m
(£45.9m)	Less net business rates income	(£64.8m)
£30.0m	Plus collection fund deficit – business rates	£0.0m
(£28.3m)	Less government funding for business rates deficit	£0.0m
£0.0m	Less collection fund surplus – business rates	(£7.2m)
(£1.1m)	Less collection fund surplus – council tax	(£1.2m)
£118.7m	Council tax requirement for Solihull Council (including adult social care precept)	£126.1m
£1.5m	Parish precepts	£1.6m
£120.2m	Total council tax requirement including parish precepts	£127.7m

Our council tax requirement of £126,094,000 (excluding parish precepts) is divided by our council tax base for the year of 79,168 to give us the band D council tax for Solihull Council of £1,592.74. The council tax you pay also includes the precept charged by the West Midlands Police and Crime Commissioner (PCC) and the West Midlands Fire and Rescue Authority. The total Band D 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. 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.

2022/23 Band D Council Tax		2023/24 Band D Council Tax	Percentage increase on 2022/23 total	2023/24 Council tax Requirement/ Precept
£1,342.66	Council tax for Solihull – general charge	£1,388.02	2.99%	£109,886,727
£174.38	Council tax for Solihull – adult social care precept	£204.72	2.00%	£16,207,273
£1,517.04	Council tax for Solihull – total	£1,592.74	4.99%	£126,094,000
£187.55	West Midlands PCC precept	£202.55	8.00%	£16,035,478
£68.03	West Midlands Fire and Rescue Authority precept	£73.02	7.33%	£5,780,475
£1,772.62	Council tax including Police & Fire precepts	£1,868.31	5.40%	£147,909,953

Where the money comes from

Whilst acknowledging the cost-of-living pressures faced by many of our residents, the Council must maintain investment in our services in order that we can continue to effectively support our communities and protect those who are most vulnerable and has therefore increased its element of the council tax charge by 4.99%. 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% and which is shown separately on your council tax bill.

The statutory background to the adult social care precept is outlined in the box at the bottom of this page. The table below shows the adult social care (ASC) precept implemented by Solihull Council each year since it was introduced and how the percentage increase shown on your bill is calculated.

In accordance with government regulations, the percentage increase in the ASC 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 social care precept (column 4). The increase shown on the ASC precept line of the council tax bill (at Band D level) is therefore calculated for 2023/24 as follows: increase in ASC precept of £30.34 divided by previous year's total council tax of £1,517.04 = 2.00%.

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%
2020/21	£1,285.53	£125.47	£1,411.00	£27.16	28%	2.00%
2021/22	£1,313.60	£146.64	£1,460.24	£21.17	17%	1.50%
2022/23	£1,342.66	£174.38	£1,517.04	£27.74	19%	1.90%
2023/24	£1,388.02	£204.72	£1,592.74	£30.34	17%	2.00%

Statement concerning adult social care funding

The Secretary of State 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.)

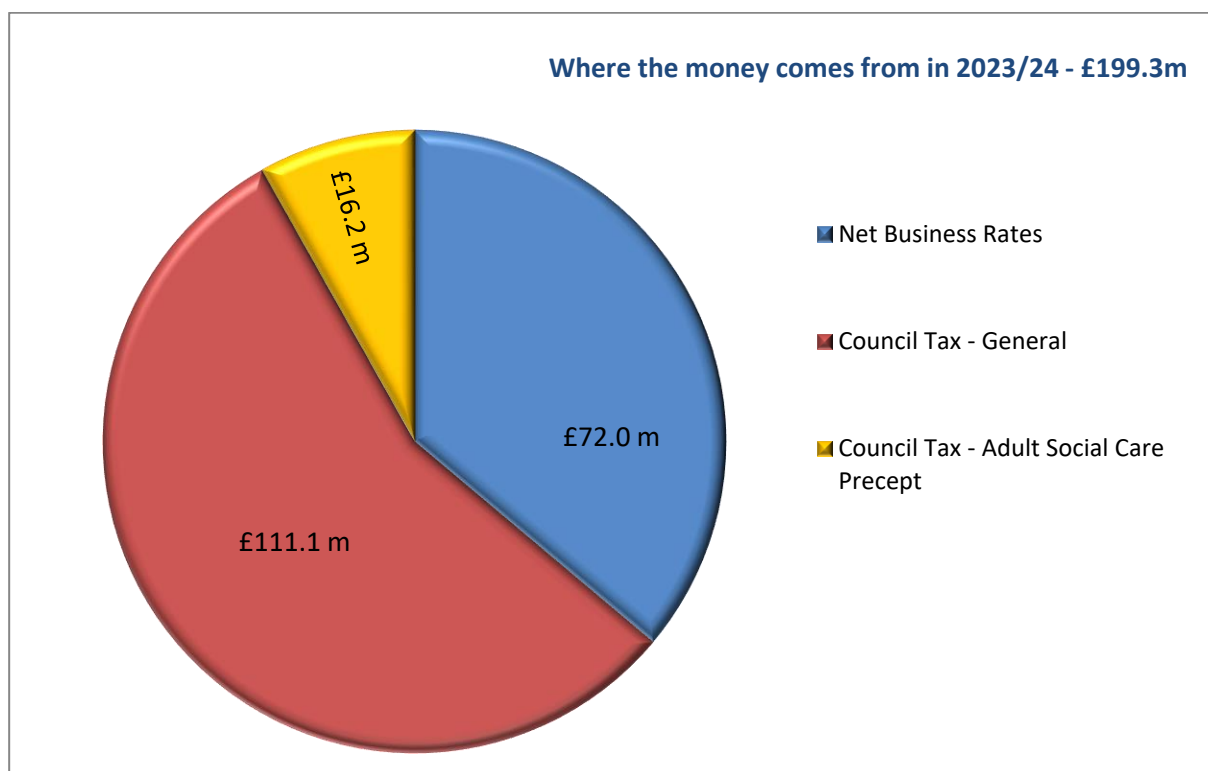
The offer was the option of an adult social care authority being able to charge an additional "precept" on its council tax without holding a referendum, to assist the authority in meeting its expenditure on adult social care from the financial year 2016/17. It was originally made in respect of the financial years up to and including 2019/20. If the Secretary of State chooses to renew this offer in respect of a particular financial year, this is subject to the approval of the House of Commons. The flexibility has since been extended to each of the years between 2020/21 and 2023/24.

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, 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.

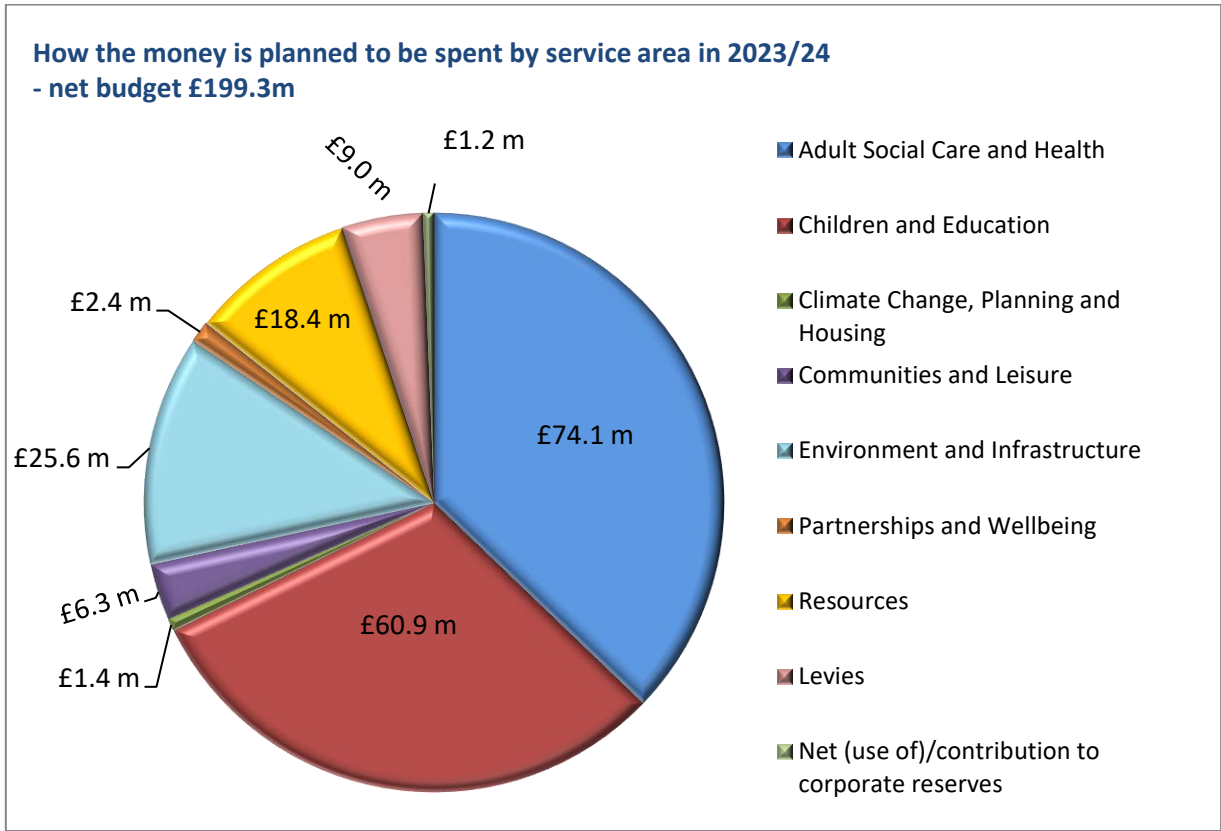
Since April 2017, Solihull has been part of a pilot with the other West Midlands metropolitan district councils, to test out 100% business rates retention. As a result, the Council keeps more business rates income than it otherwise would, but the Council no longer receives general revenue support grant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

The chart below 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 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. The business rates figure has been increased by the net business rates surplus of £7.2m and the income raised from the general element of council tax has been increased by the council tax surplus of £1.2m.



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 2023/24. Below the chart are some of the activities the Council undertakes each year.



2.5 million visitors to our website	280,000 calls to our contact centre
23,000 streetlights maintained	776km of roads swept and 560km of roads gritted
Over 1,300 residents supported by addiction services	1.2 million visitors to our leisure centres
Over 1,500 litter and dog bins emptied	Nearly 12 million waste and recycling collections
2,000 planning applications determined	Approx. 3,800 children supported by social care in 2021/22

January 2022	Number of full-time equivalent staff employed by Solihull Council (excludes casual staff)	January 2023
2,079	Core council	2,111
1,776	Schools/staff funded from the Dedicated Schools Grant	1,789
3,855		3,900

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 £140 million on capital projects (including housing) in 2023/24, compared to planned spend of £83 million in 2022/23.

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:

2022/23			2023/24	
Total Precept	Amount at band D		Total Precept	Amount at band D
£97,495.00	£34.23	Balsall	£97,495.00	£34.02
£14,487.00	£48.45	Barston	£10,500.00	£30.61
£43,282.00	£27.71	Berkswell	£46,650.00	£30.00
£152,806.41	£61.89	Bickenhill & Marston Green	£176,786.28	£71.17
£359,219.00	£92.46	Castle Bromwich	£373,229.00	£96.00
£14,465.00	£41.81	Chadwick End	£15,188.25	£43.64
£250,299.00	£87.18	Chelmsley Wood	£257,808.00	£88.17
£52,000.00	£35.11	Cheswick Green	£52,000.00	£31.92
£81,488.00	£36.77	Dickens Heath	£85,601.00	£38.61
£82,803.60	£45.90	Fordbridge	£85,915.00	£46.82
£43,834.00	£31.00	Hampton-in-Arden	£46,481.00	£32.55
£59,591.98	£72.94	Hockley Heath	£63,184.28	£76.59
£49,310.00	£24.83	Kingshurst	£54,940.00	£27.12
£61,206.00	£48.65	Meriden	£63,339.00	£50.11
£124,000.00	£56.54	Smith's Wood	£124,000.00	£55.46
£31,000.00	£37.62	Tidbury Green	£33,000.00	£37.00
£1,517,286.99		Total Parish Precepts	£1,586,116.81	

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	
	2022/23	2023/24	2022/23	2023/24	2022/23	2023/24
Organised Events & Community Activities	£0	£0	£0	£0	£12,200	£24,000
Trading Activities	£0	£0	£0	£0	£117,800	£101,810
Buildings	£15,050	£42,170	£0	£0	£93,300	£114,521
Arden Hall	£0	£0	£212,550	£225,875	£0	£0
Contingency	£10,000	£2,500	£17,000	£20,000	£0	£0
Finance & Administration	£163,029	£195,213	£145,150	£191,728	£182,585	£354,292
Open Spaces	£53,505	£35,476	£157,750	£290,788	£15,500	£24,550
Gross Spending	£241,584	£275,359	£532,450	£728,391	£421,385	£619,173
Less Use of Reserves	(£38,845)	(£34,055)	(£65,486)	(£193,660)	£0	(£143,727)
Less Income	(£49,933)	(£64,518)	(£107,745)	(£161,502)	(£171,086)	(£217,638)
Precept Charge	£152,806	£176,786	£359,219	£373,229	£250,299	£257,808

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:

2022/23		2023/24
£8,656,397	Transport levy	£8,838,382

In addition, the Council pays an annual fee of £545,668 to the West Midlands Combined Authority as part of its constituent membership.

Environment Agency Charges

The Environment Agency will charge us £94,339 for providing flood defence functions in 2023/24 (£92,851 in 2022/23). 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.

2022/23	Details for the Environment Agency's Trent Region are:	2023/24
£72.872m	Planned gross spending	£78.822m
£2.224m	Total charged to local authorities	£2.268m
1,874,476	Total council tax base	1,903,750
77,678	Council tax base for Solihull	78,583
£92,147	Charge for Solihull	£93,623

2022/23	Details for the Environment Agency's Severn & Wye Region are:	2023/24
£33.822m	Planned gross spending	£33.606m
£1.221m	Total charged to local authorities	£1.245m
1,003,037	Total council tax base	1,017,375
578	Council tax base for Solihull	585
£704	Charge for Solihull	£716

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 is available 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.