

# Revenue Budget 2025/26 to 2027/28



# CONTENTS

1. INTRODUCTION	1
2. THREE YEAR PLAN	4
3. SAVINGS AND MITIGATIONS	6
4. SUMMARY REVENUE BUDGET AND COUNCIL TAX	7
5. BUDGETS BY CABINET PORTFOLIO AND DIRECTORATE	8
Adult Social Care	10
Children's Services	12
Economy and Infrastructure	15
Public Health	19
Resources	21
Corporate	25
6. QUICK REFERENCE GUIDE	27

## 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.<sup>1</sup> The MTFs is supported by more detailed publications covering the revenue budget and the capital and treasury management strategies. This revenue budget provides more information on the budget for the coming year, including breakdowns of the budget by cabinet and directorate, and details the financial pressures, savings and funding forecasts included within the revenue projections over the period from 2025/26 to 2027/28.
- 1.2. The focus of this year’s budget process has been on delivering a balanced position for 2025/26, which has been achieved through the identification of substantial savings and a successful application to the government for exceptional financial support (EFS). There remains a substantial challenge for future years, with further savings to be identified for 2026/27 and 2027/28 and some significant risks on the horizon including reforms to local government funding distribution, a reset of business rates baselines and the end to the statutory override that permits DSG deficits to be carried forward as negative reserves. Work to address the budget challenge will be overseen by the Corporate Delivery Board (CDB).
- 1.3. The budget for 2025/26 is £202.588 million, an increase of £2.684 million (1.3%) compared to the budget for 2024/25. The table below shows the annual movement in the budgeted funding requirements over the medium term and how these are planned to be met.

	2025/26 £'000	2026/27 £'000	2027/28 £'000
<b>Base budget 2024/25</b>	<b>199,904</b>	<b>199,904</b>	<b>199,904</b>
(Increase)/decrease in council tax income	8,380	15,874	24,106
(Increase)/decrease in retained business rates income	(5,696)	6,540	8,416
<b>Indicative budget</b>	<b>202,588</b>	<b>222,318</b>	<b>232,426</b>
<b>Increase/(decrease) in forecast net expenditure</b>			
Pay inflation	5,119	7,561	10,049
Non pay inflation	5,052	10,468	14,704
Other cost pressures	9,370	7,570	8,353
Pressures from previous years	14,462	13,914	17,578
New savings proposals	(12,576)	(12,230)	(14,493)
(Increase)/decrease in grants	(5,153)	1,745	1,745
Movements to/(from) reserves	7,348	3,385	3,539
Exceptional financial support	(20,938)	(6,562)	3,890
	<b>2,684</b>	<b>25,851</b>	<b>45,365</b>
<b>Funding gap to meet indicative budget</b>	<b>0</b>	<b>(3,437)</b>	<b>(12,843)</b>

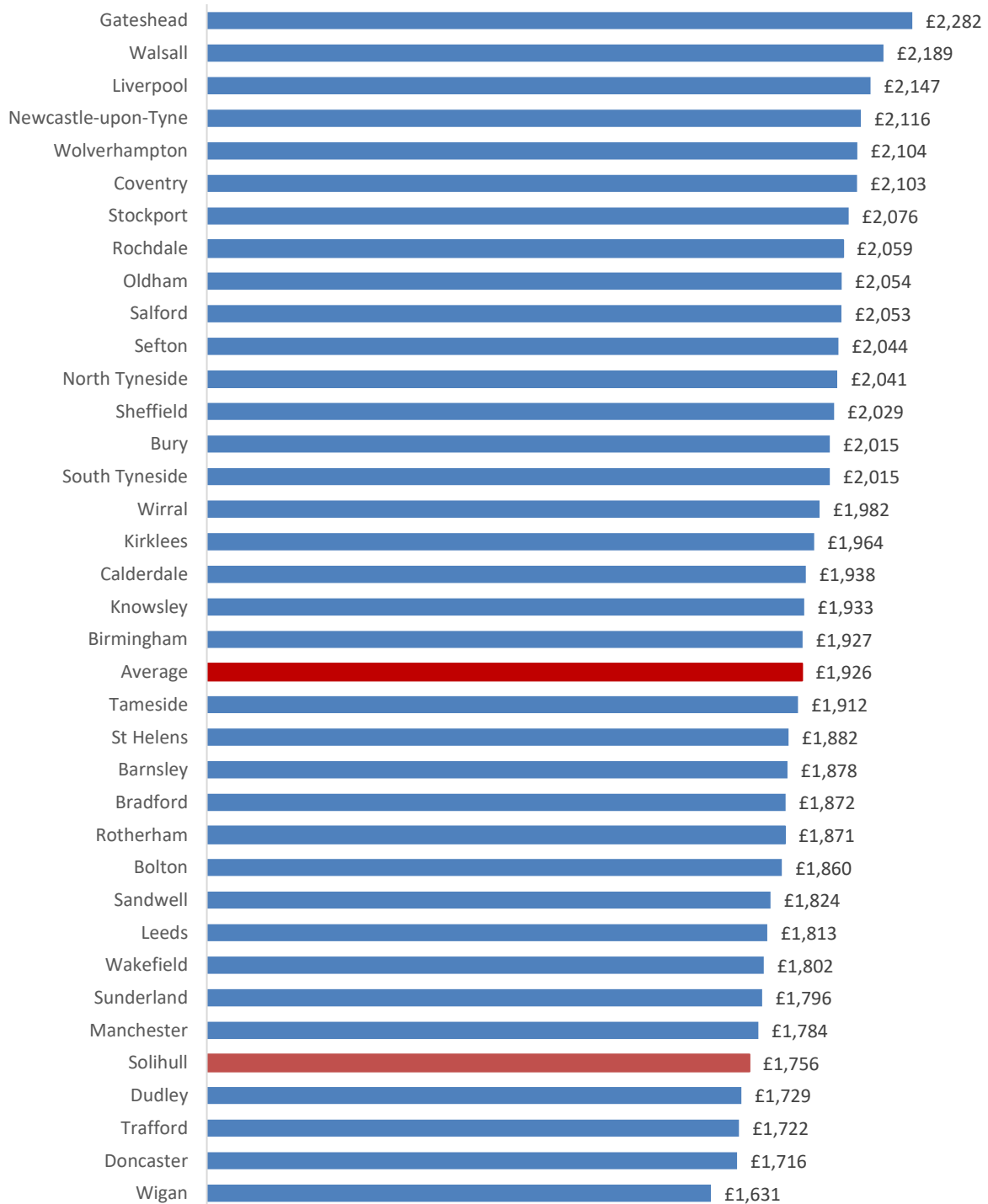
<sup>1</sup> The Council’s MTFs and other financial documents are available on the Council’s website: <https://www.solihull.gov.uk/About-the-Council/Financial-documents>

- 1.4. 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. The government has committed to a reset of business rates baselines from 2026/27, as part of a wider review of the distribution of local government funding, but until detailed proposals are published the impact cannot be assessed with any confidence.
- 1.5. The table below shows the breakdown of the net retained business rates income included in the 2025/26 budget, which is £1.450 million (2%) lower than the equivalent figure for 2024/25.

	<b>2025/26 £000</b>
Budgeted retained business rates income 2024/25	70,463
Increase in forecast rates collected - growth	651
Increase in forecast rates collected – inflation	1,797
Increase in fire share	(25)
Increase in tariff	(1,212)
Increase in payment to WMCA	(141)
Reduction in section 31 grant	(2,360)
Increase in interest	(160)
<b>Budgeted retained business rates income 2025/26</b>	<b>69,013</b>

- 1.6. In respect of council tax income, the MTFs assumes sustained growth in the tax base and further increases in council tax of 4.99% per annum in 2026/27 and 2027/28. The Council continues to set one of the lowest Band D council taxes of all metropolitan districts and was the fifth lowest out of 36 in 2025/26, well below the metropolitan district average, as shown in the chart overleaf.

## Band D council tax 2025/26



## 2. THREE YEAR PLAN

2.1. The table below shows how the budget for 2025/26 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 10 to 25.

	2025/26	2026/27	2027/28
	£'000	£'000	£'000
<b>Base Budget 2024/25</b>	<b>199,904</b>	<b>199,904</b>	<b>199,904</b>
<b>Inflation</b>			
Adult Social Care	2,954	5,338	7,484
Children's Services	3,507	6,036	8,352
Economy & Infrastructure	1,322	2,632	3,634
Public Health	461	740	1,018
Resources	1,943	3,287	4,269
Corporate	(16)	(4)	(4)
<b>Other cost pressures</b>			
Adult Social Care	5,022	2,159	4,645
Children's Services	5,104	3,551	2,186
Economy & Infrastructure	(1,429)	(1,480)	(1,485)
Public Health	0	0	0
Resources	1,979	2,462	2,616
Corporate	(1,306)	878	391
<b>Pressures from use of one-off savings in previous years</b>			
Adult Social Care	(196)	(224)	1,921
Children's Services	(1,903)	(2,730)	(2,693)
Economy & Infrastructure	3,028	2,968	2,968
Public Health	100	350	350
Resources	6,403	6,520	8,002
Corporate	7,030	7,030	7,030
<b>New savings proposals</b>			
Adult Social Care	0	0	0
Children's Services	(300)	(600)	(600)
Economy & Infrastructure	(2,009)	(3,480)	(3,703)
Public Health	(577)	(712)	(712)
Resources	(1,718)	(1,953)	(2,013)
Corporate	(7,972)	(5,485)	(7,465)
<b>(Increase)/decrease in grants</b>			
Grants within core spending power	(3,326)	3,572	3,572
Funding for employers' NI costs	(1,827)	(1,827)	(1,827)
<b>Movements to/from reserves</b>			
Contribution to/ (from) corporate risk reserve	500	0	0
Contribution to/ (from) other corporate reserves/ contingencies	3,309	(154)	0
Add back corporate reserves used in 2024/25	3,539	3,539	3,539

	2025/26	2026/27	2027/28
	£'000	£'000	£'000
Savings to be identified	0	(3,437)	(12,843)
Exceptional financial support	(20,938)	(6,562)	3,890
<b>Net Budget</b>	<b>202,588</b>	<b>222,318</b>	<b>232,426</b>
Business rates retained income	(69,013)	(72,488)	(74,210)
Council tax	(141,561)	(149,270)	(157,502)
Collection fund (surplus)/ deficit (other years)	7,986	(560)	(714)
<b>Total Funding</b>	<b>(202,588)</b>	<b>(222,318)</b>	<b>(232,426)</b>
<b>Assumed increase in council tax</b>	<b>4.99%</b>	<b>4.99%</b>	<b>4.99%</b>

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

- An annual council tax increase of 4.99% each year, 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 98.81%.
- Estimated retained business rates income based on government assumptions for inflation and anticipated business developments. A reset of the business rates baseline is anticipated to take effect from 2026/27 but at this stage the net impact is assumed to be nil.
- An increase to the pay budget of 2.8% in 2025/26 and 2.0% per annum thereafter.
- Inflationary increases relating to specific strategic contracts of 3.0% for 2025/26, 3.0% for 2026/27 and 2.9% thereafter.
- Inflationary increases relating to children's placements of 4.0% per annum.
- A 10% average reduction to budgets for gas from April 2025, followed by increases of 4.0% in 2026/27 and 3.0% per annum thereafter; and a 5% average increase for electricity from October 2025, followed by increases of 5.0% in 2026/27 and 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 assumed council tax increase 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 2026/27.

### 3. SAVINGS AND MITIGATIONS

- 3.1. The table below summarises the new savings identified as part of the 2025/26 budget process by category. More detail is provided by directorate on pages 10 to 25.

Saving category	2025/26 £'000	2026/27 £'000	2027/28 £'000
Asset masterplanning	(4,972)	(1,535)	(2,515)
Children's social care transformation programme	(250)	(500)	(500)
Communities and customer services	(550)	(1,050)	(1,550)
Economy and Infrastructure change programme	(693)	(1,211)	(1,211)
Grant, capital and other funding	(100)	0	0
Growth and public sector reform	(250)	0	(250)
Priority project – collaboration/ shared services	(250)	(250)	(500)
Priority project – transitions/ preparing for adulthood	(50)	(100)	(100)
Priority project – waste/ environmental services	(1,316)	(2,269)	(2,492)
Public Health change programme	(457)	(712)	(712)
Reserves	(89)	0	0
Resources change programme	(1,599)	(1,903)	(1,963)
Workforce efficiency and redesign	(2,000)	(2,700)	(2,700)
<b>Total</b>	<b>(12,576)</b>	<b>(12,230)</b>	<b>(14,493)</b>

- 3.2. In addition to these savings, measures were identified across service areas to mitigate forecast service pressures, building upon those identified in the 2024/25 budget process. These mitigating actions included maximising grants, reviewing income opportunities, releasing reserves and looking for efficiencies in service delivery. A breakdown by category of the mitigations built into the MTFS is shown in the table below.

Mitigations	2025/26 £'000	2026/27 £'000	2027/28 £'000
Adult social care transformation programme	(7,362)	(6,960)	(5,260)
Children's social care transformation programme	(1,458)	(2,680)	(2,680)
Education change programme	(259)	(289)	(289)
Economy & Infrastructure change programme	(208)	(344)	(349)
Public Health change programme	(51)	(586)	(1,433)
Resources change programme	(1,188)	(2,147)	(709)
Priority project – Homelessness	(143)	(190)	(190)
<b>Subtotal - savings</b>	<b>(10,669)</b>	<b>(13,196)</b>	<b>(10,910)</b>



Mitigations	2025/26 £'000	2026/27 £'000	2027/28 £'000
Grant funding	(7,589)	(13,772)	(13,658)
Capital/other funding	(491)	(951)	(2,034)
Reserves	(3,074)	(1,183)	0
<b>Subtotal – other mitigations</b>	<b>(11,154)</b>	<b>(15,906)</b>	<b>(15,692)</b>
<b>Total</b>	<b>(21,823)</b>	<b>(29,102)</b>	<b>(26,602)</b>

- 3.3. 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 commencing in March 2025. The board will also oversee the delivery of the savings and mitigations summarised in the tables above.

#### 4. SUMMARY REVENUE BUDGET AND COUNCIL TAX

- 4.1. The Council's net revenue budget for 2025/26 is £202.588 million, which is divided between cabinet portfolios as shown in the table below.

	Budget 2025/26 £000	Equivalent Band D Council Tax £
Cabinet portfolios:		
Adult Social Care and Health	87,262	1,082.23
Children and Education	74,739	926.93
Climate Change and Planning	2,600	32.25
Communities	4,605	57.11
Environment and Infrastructure	25,381	314.78
Housing	3,726	46.21
Resources	43,031	533.68
Skills, Employment and Inclusion	978	12.13
Corporate	(49,354)	(612.10)
Levies payable by the Council	9,120	113.11
Net contribution to / (from) corporate reserves	500	6.20
<b>NET SPENDING</b>	<b>202,588</b>	<b>2,512.53</b>
Net business rates income	(69,013)	(855.91)
Collection fund (surplus) / deficit	7,986	99.04
<b>COUNCIL TAX FOR SOLIHULL</b>	<b>141,561</b>	<b>1,755.66</b>

- 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 80,631 Band D equivalent properties to arrive at the Band D council tax charge for the year of £1,755.66 (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 2025/26 those precepts have been increased to the Band D equivalent of £229.50 and £80.19 respectively. This results in an overall Band D council tax for Solihull taxpayers of £2,065.35 (excluding parish precepts).

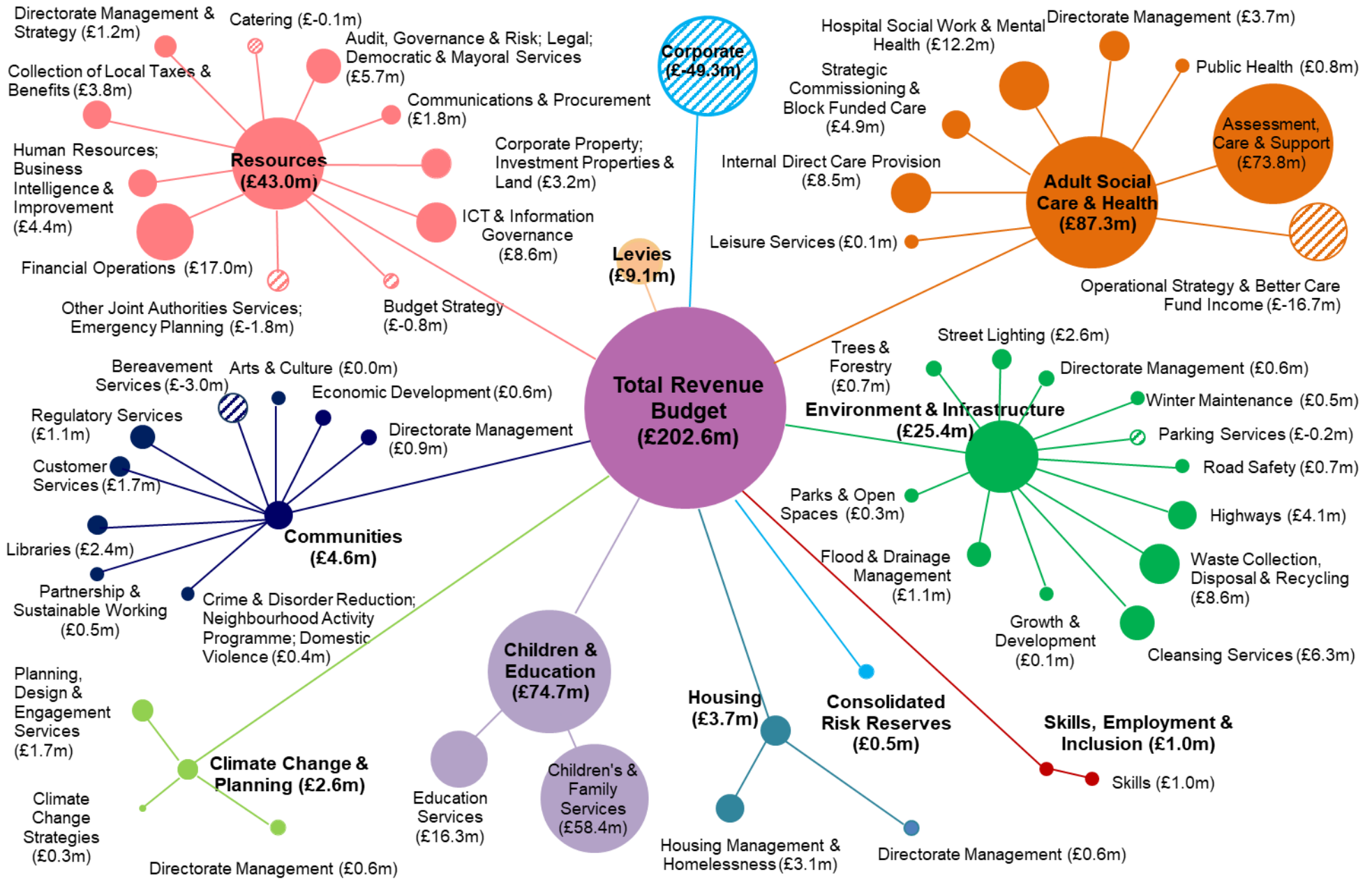
	Council tax/precept £'000	Band D Council Tax £
Council tax for Solihull Council	141,561	1,755.66
Precepts on the Council:		
West Midlands Police & Crime Commissioner	18,505	229.50
West Midlands Fire and Rescue Authority	6,466	80.19
<b>Total including Police &amp; Fire</b>	<b>166,532</b>	<b>2,065.35</b>

- 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 2025/26 is 80,631, 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	1,170.44	153.00	53.46	<b>1,376.90</b>
B	7/9	1,365.51	178.50	62.37	<b>1,606.38</b>
C	8/9	1,560.59	204.00	71.28	<b>1,835.87</b>
D	9/9	1,755.66	229.50	80.19	<b>2,065.35</b>
E	11/9	2,145.81	280.50	98.01	<b>2,524.32</b>
F	13/9	2,535.95	331.50	115.83	<b>2,983.28</b>
G	15/9	2,926.10	382.50	133.65	<b>3,442.25</b>
H	18/9	3,511.32	459.00	160.38	<b>4,130.70</b>

## 5. BUDGETS BY CABINET PORTFOLIO AND 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 10 to 25 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	2025/26 £'000
Objective analysis - division of service:	
Assessment, Care and Support	73,838
Directorate Management	3,623
Hospital Social Work and Mental Health	12,183
Internal Direct Care Provision	8,484
Operational Strategy and Better Care Fund Income	(16,770)
Strategic Commissioning and Block Funded Care	4,926
<b>Net budget</b>	<b>86,284</b>
Subjective analysis:	
Employees	23,003
Running costs	119,741
<b>Gross budget</b>	<b>142,744</b>
Income	(56,460)
<b>Net budget</b>	<b>86,284</b>

Reserves	Forecast balance 1/4/2025 £000	Forecast use/ (contribution) 2025/26 £000	Forecast balance 31/3/2026 £000	Forecast balance 31/3/2028 £000
Available reserves	(1,305)	316	(989)	(489)
Restricted reserves	0	0	0	0
<b>Total reserves</b>	<b>(1,305)</b>	<b>316</b>	<b>(989)</b>	<b>(489)</b>

Build-up of indicative budgets	2025/26 £'000	2026/27 £'000	2027/28 £'000
<b>Base budget 2024/25</b>	77,585	77,585	77,585
Pay inflation	970	1,407	1,853
Non pay inflation	1,984	3,931	5,631
Net pressures/mitigations per 25/26 budget process	5,022	2,159	4,645
Savings per 25/26 budget process	0	0	0
Pressures, mitigations and savings from prior years	(196)	(224)	1,921

<b>Build-up of indicative budgets</b>	<b>2025/26 £'000</b>	<b>2026/27 £'000</b>	<b>2027/28 £'000</b>
Grants	0	0	0
Reserves	1,548	0	0
Other	0	0	0
EFS impact	0	0	0
Adjustment for assumed pay award held centrally pending confirmation	(629)	0	0
<b>Indicative budget</b>	<b>86,284</b>	<b>84,858</b>	<b>91,635</b>

<b>Mitigations</b>	<b>2025/26 £'000</b>	<b>2026/27 £'000</b>	<b>2027/28 £'000</b>
Adult social care transformation programme	(7,362)	(6,960)	(5,260)
Grant funding	(2,430)	(8,925)	(8,925)
Capital/other funding	(351)	(951)	(951)
Reserves	(1,548)	0	0
<b>Total mitigations</b>	<b>(11,691)</b>	<b>(16,836)</b>	<b>(15,136)</b>

<b>Pressures</b>	<b>2025/26 £'000</b>	<b>2026/27 £'000</b>	<b>2027/28 £'000</b>
Demographic pressure due to increase in care needs or change in type of care needed	7,302	9,546	12,086
Impact of national budget decisions	9,307	9,345	8,191
<b>Total pressures</b>	<b>16,609</b>	<b>18,891</b>	<b>20,277</b>

## 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

This 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	2025/26 £'000
Objective analysis - division of service:	
Children's and Family Services	58,378
Education Services	16,361
<b>Total Core Authority Functions</b>	<b>74,739</b>
Schools and Related Services (funded by Dedicated Schools Grant (DSG) of £127.761m)	0
<b>Net budget</b>	<b>74,739</b>
Subjective analysis	
Employees	40,859
Running costs	37,322
<b>Gross budget</b>	<b>78,181</b>
Income	(3,442)
<b>Net budget</b>	<b>74,739</b>

Reserves	Forecast balance 1/4/2025 £000	Forecast use/ (contribution) 2025/26 £000	Forecast balance 31/3/2026 £000	Forecast balance 31/3/2028 £000
Available reserves	(470)	470	0	0
Restricted reserves	(761)	450	(311)	(14)
<b>Total reserves</b>	<b>(1,231)</b>	<b>920</b>	<b>(311)</b>	<b>(14)</b>

Build-up of indicative budgets	2025/26 £'000	2026/27 £'000	2027/28 £'000
<b>Base budget 2024/25</b>	<b>69,072</b>	<b>69,072</b>	<b>69,072</b>
Pay inflation	1,519	2,238	2,971
Non pay inflation	1,988	3,798	5,381

<b>Build-up of indicative budgets</b>	<b>2025/26 £'000</b>	<b>2026/27 £'000</b>	<b>2027/28 £'000</b>
Net pressures/mitigations per 25/26 budget process	5,032	3,479	2,114
Savings per 25/26 budget process	(300)	(600)	(600)
Pressures, mitigations and savings from prior years	(1,903)	(2,730)	(2,693)
Grants	238	238	238
Reserves	0	0	0
Other	72	72	72
EFS impact	0	0	0
Adjustment for assumed pay award held centrally pending confirmation	(979)	0	0
<b>Indicative budget</b>	<b>74,739</b>	<b>75,567</b>	<b>76,555</b>

<b>Savings</b>	<b>2025/26 £'000</b>	<b>2026/27 £'000</b>	<b>2027/28 £'000</b>
Review of Children to Adult transitions	(50)	(100)	(100)
Invest to save for Children's Services to support young people preparing for Adulthood	(250)	(500)	(500)
<b>Total savings</b>	<b>(300)</b>	<b>(600)</b>	<b>(600)</b>

<b>Mitigations</b>	<b>2025/26 £'000</b>	<b>2026/27 £'000</b>	<b>2027/28 £'000</b>
Children's social care transformation programme	(1,514)	(2,736)	(2,736)
Education change programme	(203)	(233)	(233)
Grant funding	(261)	(448)	(411)
Capital/other funding	0	0	0
Reserves	(450)	(296)	0
<b>Total mitigations</b>	<b>(2,428)</b>	<b>(3,713)</b>	<b>(3,380)</b>

<b>Pressures</b>	<b>2025/26 £'000</b>	<b>2026/27 £'000</b>	<b>2027/28 £'000</b>
Improvement Activities - part time Improvement Programme Manager, and on-going licence	10	10	10
Leadership and Business Management	153	153	153
Early Help - Minor staffing restructure, training course for parents, funding to support families.	64	64	64
Social Care Staffing: Social Work Recruitment and Retention	365	470	470
Social Care Staffing: Practice improvement, training, and development	318	319	319
Social Care Staffing: Other	1,273	1,182	1,091

Pressures	2025/26 £'000	2026/27 £'000	2027/28 £'000
Strengthening Families - Families Together model and Family Group Conferencing expansion	286	572	572
Placements: Children Looked After and those financially supported children and young people that have left care	5,147	3,576	1,581
Social Care Staffing: Fostering Spend to Save	157	182	182
Placements: Care Experienced Young Adults - Review of Policy approved and delivered	65	65	65
Adoption - Adoption Central England (ACE) Regional Adoption Agency (RAA)	131	131	131
Corporate Top Slice for Smarter Ways of Working	60	60	60
Family Hubs - funding for new service provision at 4 hub sites	758	696	720
Commissioning	48	48	48
EHCP Demand	499	570	570
Senior Education Psychologist post	75	75	75
Mediation Post	52	52	52
Caseworker capacity to support administration of EHCP annual review compliance with High Court judgement	134	56	56
Inclusion service for safeguarding tutored pupils and children and young people who are out of school	61	61	61
School Attendance - meeting DfE expectations and improving outcomes for CYP in Solihull (Education Inclusion Service)	56	56	56
Schools Safeguarding and Improvement	164	164	164
Children's Services Commissioning Restructure	93	93	93
Commissioning Supported Accommodation	13	0	0
Home to School Transport	1,796	2,054	2,460
Reduced recharges to DSG	711	708	704
CLA Education Service [Virtual School]	540	540	540
Maintained School contribution pressure	65	65	65
Maintained School contribution to School improvement team	33	33	33
Resources Postal service to maintained schools	4	3	2
<b>Total pressures</b>	<b>4,296</b>	<b>4,530</b>	<b>4,931</b>



## 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 leisure, regulatory services (such as environmental health and trading standards) and cemetery and crematoria services.

Revenue	2025/26 £'000
<b>Objective analysis - division of service:</b>	
Arts and Culture	11
Bereavement Services	(3,047)
Cleansing Services	6,282
Climate Change Strategies	288
Crime and Disorder Reduction and Neighbourhood Activity Programme	282
Customer Services	1,710
Directorate Management and Support	2,591
Economic Development	689
Flood and Drainage Management	1,110
Growth & Development	92
Highways	4,133
Housing Management and Homelessness	3,149
Libraries	2,359
Parking Services	(162)
Parks and Open Spaces	259
Partnership and Sustainable Working	515
Planning Design Engagement Services	1,735
Regulatory Services	529
Road Safety	719
Street Lighting	2,578
Trees and Forestry	731
Waste Collection, Disposal and Recycling	8,573
Winter Maintenance	490
<b>Net budget</b>	<b>35,616</b>
<b>Subjective analysis:</b>	
Employees	23,425
Running costs	38,941
<b>Gross budget</b>	<b>62,366</b>
Income	(26,750)
<b>Net budget</b>	<b>35,616</b>

Reserves	Forecast balance 1/4/2025 £000	Forecast use/ (contribution) 2025/26 £000	Forecast balance 31/3/2026 £000	Forecast balance 31/3/2028 £000
Available reserves	(3,290)	990	(2,300)	(1,909)
Restricted reserves	(4,918)	2,520	(2,398)	(2,177)
<b>Total reserves</b>	<b>(8,208)</b>	<b>3,510</b>	<b>(4,698)</b>	<b>(4,086)</b>

Build-up of indicative budgets	2025/26 £'000	2026/27 £'000	2027/28 £'000
<b>Base budget 2024/25</b>	35,347	35,347	35,347
Pay inflation	970	1,431	1,899
Non pay inflation	352	1,201	1,735
Net pressures/mitigations per 25/26 budget process	(1,448)	(1,499)	(1,504)
Savings per 25/26 budget process	(2,009)	(3,480)	(3,703)
Pressures, mitigations and savings from prior years	3,028	2,968	2,968
Grants	0	0	0
Reserves	0	0	0
Other	1	1	1
EFS impact	0	0	0
Adjustment for assumed pay award held centrally pending confirmation	(625)	0	0
<b>Indicative budget</b>	<b>35,616</b>	<b>35,969</b>	<b>36,743</b>

Savings	2025/26 £'000	2026/27 £'000	2027/28 £'000
Introduction of fortnightly collections of non-recyclable waste (per Full Cabinet October 2024)	0	(224)	(447)
Changes to garden waste collection service - subscription model (per Full Cabinet December 2024)	(1,316)	(2,045)	(2,045)
Strategic Environment Contract (SEC) saving - Increased charges for bulky waste collections	(70)	(70)	(70)
SEC saving - Remove concessionary rate for bulky waste collections	(10)	(10)	(10)
SEC saving - Reduction in collection service for small items from the kerbside (provision of textiles and WEEE (Waste from Electrical and Electronic Equipment) waste collection service).	(48)	(48)	(48)
SEC saving - Charge delivery for all replacement bins or charge for replacements for all lost/stolen bins.	(17)	(17)	(17)
Efficiency & SLA changes across the public realm and waste aspects of the SEC Contract.	(114)	(123)	(123)
SEC saving - Environmental Services: Accelerate automation and digitalisation of manual administration/back-office processes.	(15)	(15)	(15)
Review of cost of Highways following CIPFA Assurance Review	0	(250)	(250)

Savings	2025/26 £'000	2026/27 £'000	2027/28 £'000
Source external funding for arts development work, including Cultural Education Partnership	(34)	(68)	(68)
Realign work on climate change and sustainability	(43)	(43)	(43)
Cease provision of localities ward budgets (primarily funds speed visor programme so this would need to be halted or find alternative funding)	(52)	(52)	(52)
Rationalisation of highway lining	(50)	(50)	(50)
Safety-only repairs to Adopted Highways areas (Carriageways/Footways)	(100)	(100)	(100)
Rationalise school crossing patrol service to a minimum level of provision	(35)	(90)	(90)
Cease speed awareness project (Speed Visor and information signs)	(20)	(20)	(20)
Cease community-requested Traffic Regulation Orders	(25)	(25)	(25)
Install second cremator at Woodlands with abatement equipment	0	(170)	(170)
Building Control joint working opportunities	(10)	(10)	(10)
Review of Community Development work	(50)	(50)	(50)
<b>Total savings</b>	<b>(2,009)</b>	<b>(3,480)</b>	<b>(3,703)</b>

Mitigations	2025/26 £'000	2026/27 £'000	2027/28 £'000
Economy & Infrastructure change programme	(208)	(344)	(349)
Priority project – homelessness review	(143)	(190)	(190)
Grant funding	(4,245)	(4,245)	(4,245)
Capital/other funding	(140)	0	(1,083)
Reserves	(96)	0	0
<b>Total mitigations</b>	<b>(4,832)</b>	<b>(4,779)</b>	<b>(5,867)</b>

Pressures	2025/26 £'000	2026/27 £'000	2027/28 £'000
Coventry and Solihull Waste Disposal Company (CSWDC) Dividend	150	1,150	2,483
Use of CSWDC Dividend favourable update position (Nov-24) to contribute to E&I contingency reserve in order to offset pressure in 27/28	1,083	0	0
Environment Services Waste Strategy previously committed savings	535	535	535

Pressures	2025/26 £'000	2026/27 £'000	2027/28 £'000
Car parking income: further additional impact of post pandemic behaviour change	541	541	343
Car parking income: projected impact of redevelopment of Town Centre during next 3 years	50	205	207
Planting for the future - continuation of tree planting programme	140	140	140
Managing impact of ash tree die back	84	84	84
Waste Disposal Pressures	1,093	1,089	994
Reset of budget for administration of Community Infrastructure Levy (CIL)	80	80	80
Contribution to Knowle, Dorridge and Bentley Heath Neighbourhood Forum	10	10	10
Biodiversity Initiatives	20	20	20
Costs associated with preparing a new Local Plan	430	250	300
Homelessness - additional costs of service payable by General Fund to ensure HRA ringfence	1,172	1,193	1,218
Homelessness costs previously committed to be funded from reserves	75	0	0
Homelessness costs of Rough Sleeper Initiative where funding is only confirmed to 31st March 2025	193	193	193
Corporate Landlord Top Slice for Asset Centralisation and Smarter Ways of Working	51	51	17
<b>Total pressures</b>	<b>5,707</b>	<b>5,541</b>	<b>6,624</b>

## Public Health

The directorate is responsible for improving and protecting the health of the population of the borough. 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.

Revenue	2025/26 £'000
Objective analysis - division of service:	
Domestic Violence	106
Emergency Planning	227
Leisure Services	139
Public Health (net of Public Health grant of £13.519m)	839
Skills	978
<b>Net budget</b>	<b>2,289</b>
Subjective analysis:	
Employees	4,983
Running costs	13,222
<b>Gross budget</b>	<b>18,205</b>
Income	(15,916)
<b>Net budget</b>	<b>2,289</b>

Reserves	Forecast balance 1/4/2025 £000	Forecast use/ (contribution) 2025/26 £000	Forecast balance 31/3/2026 £000	Forecast balance 31/3/2028 £000
Available reserves	(3,077)	1,141	(1,936)	(506)
Restricted reserves	(1,290)	212	(1,078)	(1,026)
<b>Total reserves</b>	<b>(4,367)</b>	<b>1,353</b>	<b>(3,014)</b>	<b>(1,532)</b>

Build-up of indicative budgets	2025/26 £'000	2026/27 £'000	2027/28 £'000
<b>Base budget 2024/25</b>	2,439	2,439	2,439
Pay inflation	199	310	423
Non pay inflation	262	430	595
Net pressures/mitigations per 25/26 budget process	0	0	0
Savings per 25/26 budget process	(577)	(712)	(712)
Pressures, mitigations and savings from prior years	100	350	350

Build-up of indicative budgets	2025/26 £'000	2026/27 £'000	2027/28 £'000
Grants	0	0	0
Reserves	0	0	0
Other	0	0	0
EFS impact	0	0	0
Adjustment for assumed pay award held centrally pending confirmation	(134)	0	0
<b>Indicative budget</b>	<b>2,289</b>	<b>2,817</b>	<b>3,095</b>

Savings	2025/26 £'000	2026/27 £'000	2027/28 £'000
Equalisation of contributions across CSW Resilience partners	(26)	(26)	(26)
Leisure centres review of Fees and Charges and other operational costs	(30)	(50)	(50)
Leisure centres utility costs (reduction in cost pressure)	(350)	(350)	(350)
Leisure centres energy saving measures	0	(35)	(35)
Review and remodelling of physical activity, weight management and wider lifestyle checks	0	(200)	(200)
Public Health Grant Headroom	(100)	0	0
Release of Unity Collaborative reserve	(20)	0	0
Delete Head of Service Post (Inclusive Growth)	(51)	(51)	(51)
<b>Total savings</b>	<b>(577)</b>	<b>(712)</b>	<b>(712)</b>

Mitigations	2025/26 £'000	2026/27 £'000	2027/28 £'000
Public Health change programme	(51)	(586)	(1,433)
Grant funding	(653)	(154)	(77)
Capital/other funding	0	0	0
Reserves	(1,099)	(804)	0
<b>Total mitigations</b>	<b>(1,803)</b>	<b>(1,544)</b>	<b>(1,510)</b>

Pressures	2025/26 £'000	2026/27 £'000	2027/28 £000
Employment and Skills service - loss of external grant income	1,374	1,422	1,407
Leisure centre utilities costs	179	122	26
<b>Total pressures</b>	<b>1,553</b>	<b>1,544</b>	<b>1,433</b>

## 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	2025/26 £'000
Objective analysis - division of service:	
Audit, Governance and Risk Management	1,767
Budget Strategy	(798)
Business Intelligence and Improvement	397
Catering	(105)
Collection of Local Taxes and Benefits	3,842
Communications	891
Coroner's Court	590
Corporate Property	8,114
Democratic and Mayoral Services	2,152
Directorate Management and Strategy	1,159
Financial Operations	17,002
Human Resources	4,041
ICT and Information Governance	8,575
Investment Properties and Land	(4,908)
Legal Services	1,736
Other Joint Authorities Services	(1,988)
Procurement	927
<b>Subtotal</b>	<b>43,394</b>
Levies – West Midlands Combined Authority (for transport)	9,023
Levies – Environment Agency (for flood defence)	97
<b>Net budget</b>	<b>52,514</b>
Subjective analysis:	
Employees	39,149
Running costs	72,113
<b>Gross budget</b>	<b>111,262</b>
Income	(58,748)
<b>Net budget</b>	<b>52,514</b>

Reserves	Forecast balance 1/4/2025 £000	Forecast use/ (contribution) 2025/26 £000	Forecast balance 31/3/2026 £000	Forecast balance 31/3/2028 £000
Available reserves	(10,481)	(460)	(10,941)	(9,538)
Restricted reserves	(529)	0	(529)	(529)
<b>Total reserves</b>	<b>(11,010)</b>	<b>(460)</b>	<b>(11,470)</b>	<b>(10,067)</b>

Build-up of indicative budgets	2025/26 £'000	2026/27 £'000	2027/28 £'000
<b>Base budget 2024/25</b>	43,680	43,680	43,680
Pay inflation	1,461	2,175	2,903

<b>Build-up of indicative budgets</b>	<b>2025/26 £'000</b>	<b>2026/27 £'000</b>	<b>2027/28 £'000</b>
Non pay inflation	488	1,118	1,372
Net pressures/mitigations per 25/26 budget process	1,555	1,532	1,392
Savings per 25/26 budget process	(1,668)	(1,903)	(1,963)
Pressures, mitigations and savings from prior years	6,403	6,520	8,002
Grants	0	0	0
Reserves	0	0	0
Other	268	774	1,068
EFS impact	1,280	3,890	3,890
Adjustment for assumed pay award held centrally pending confirmation	(953)	0	0
<b>Indicative budget</b>	<b>52,514</b>	<b>57,786</b>	<b>60,344</b>

<b>Savings</b>	<b>2025/26 £'000</b>	<b>2026/27 £'000</b>	<b>2027/28 £'000</b>
Finance - impact of posts which have been removed to date plus underspends on a number of non staffing areas	(179)	(179)	(179)
Finance - release of reserve	(69)	0	0
Finance - review and redesign within a number of teams within the division	(62)	(184)	(184)
Finance - review financial support to projects and programmes and ensure full cost recovery	(20)	(20)	(20)
Income and Awards - Review the second home premium	0	0	(60)
Income and Awards - Review the Council Tax Discretionary Reductions Reserve	0	(10)	(10)
Income and Awards - Empty Homes Officer post	(41)	(41)	(41)
Audit Services - service redesign and consolidation across Audit, Health and Safety and Investigations	(189)	(189)	(189)
Audit Services - increase income generation	(40)	(50)	(50)
Corporate property services - rationalise reception points at corporate buildings	(82)	(82)	(82)
Corporate property services - review of energy efficiency service	(56)	(56)	(56)
Corporate property services - replace Capita Open Housing alongside the procurement of the Strategic Delivery contracts resulting in service redesign	(30)	(71)	(71)
ICT and Information Governance - review of client services	(70)	(70)	(70)
Corporate policy, insight and improvement - service redesign	(32)	(70)	(70)



Savings	2025/26 £'000	2026/27 £'000	2027/28 £'000
Corporate policy, insight and improvement - income generation/maximisation	(21)	(42)	(42)
Corporate policy, insight and improvement - review of the business improvement service to realign funding	(530)	(530)	(530)
Human Resources - service redesign	(110)	(110)	(110)
Procurement - service redesign	(54)	(54)	(54)
Democratic Services - review of mayoral support provided	(23)	(23)	(23)
Communications - service redesign	(60)	(122)	(122)
<b>Total savings</b>	<b>(1,668)</b>	<b>(1,903)</b>	<b>(1,963)</b>

Mitigations	2025/26 £'000	2026/27 £'000	2027/28 £'000
Resources change programme	(1,188)	(2,147)	(709)
Grant funding	0	0	0
Capital/other funding	0	0	0
Reserves	119	(83)	0
<b>Total mitigations</b>	<b>(1,069)</b>	<b>(2,230)</b>	<b>(709)</b>

Pressures	2025/26 £'000	2026/27 £'000	2027/28 £000
Previous MTFS savings and mitigations targets	623	623	623
Income and Awards - Housing Benefit subsidy shortfall relating to temporary accommodation for homelessness	1,526	1,526	1526
Income and Awards - Agency costs	60	0	0
Income and Awards - Postage costs	60	60	60
Corporate ICT pressures	323	179	0
Corporate Property Services - Establishing a base budget as reserves are exhausted	270	580	580
Corporate Property Services - Corporate Landlord Resources	330	330	330
Corporate Property Services - Internal income charges pressure	134	134	134
Corporate Property Services - Additional capital programme borrowing costs	65	130	130
Human Resources impact of additional demand less impact of service redesign.	110	110	110
Legal Service impact of additional support requirements	295	295	295
Democratic Services subscription fees	10	10	10
Directorate budget - Coroner's Court fees	66	66	66

<b>Pressures</b>	<b>2025/26 £'000</b>	<b>2026/27 £'000</b>	<b>2027/28 £000</b>
Treasury Management - Borrowing for Oracle capitalisation	73	73	73
Democratic services – Members' expenses due to increase in allowance rate and additional portfolio	87	87	87
Communications - Increased cost of dealing with complaints	47	47	47
Information governance - Cost of responding to subject access requests	47	47	47
Procurement - Social Value post following end of grant	49	49	49
Reduction in DSG funding for central services	167	167	167
<b>Total pressures</b>	<b>4,342</b>	<b>4,513</b>	<b>4,334</b>

## 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 an amount held centrally for the 2025/26 pay award, pending agreement of the final figure, non ring-fenced grants held centrally (including the social care grant and New Homes Bonus) and unallocated savings targets. It also includes items relating to exceptional financial support, with the exception of the borrowing costs which are shown under Resources.

Revenue	2025/26 £'000
Objective analysis - division of service:	
Corporate	(49,354)
Consolidated risk reserves	500
<b>Net budget</b>	<b>(48,854)</b>
Subjective analysis:	
Employees	3,277
Running costs	(28,920)
<b>Gross budget</b>	<b>(25,643)</b>
Income	(23,211)
<b>Net budget</b>	<b>(48,854)</b>

Reserves	Forecast balance 1/4/2025 £000	Forecast use/ (contribution) 2025/26 £000	Forecast balance 31/3/2026 £000	Forecast balance 31/3/2028 £000
Available reserves	(166)	(15)	(181)	(1,929)
Restricted reserves	0	0	0	0
Consolidated risk reserves	(13,000)	(500)	(13,500)	(13,500)
<b>Total reserves</b>	<b>(13,166)</b>	<b>(515)</b>	<b>(13,681)</b>	<b>(15,429)</b>

Build-up of indicative budgets	2025/26 £'000	2026/27 £'000	2027/28 £'000
<b>Base budget 2024/25</b>	(28,219)	(28,219)	(28,219)
Pay inflation	0	0	0
Non pay inflation	(22)	(10)	(10)
Net pressures/mitigations per 25/26 budget process	0	0	0
Savings per 25/26 budget process	(8,022)	(5,535)	(7,515)
Pressures, mitigations and savings from prior years	7,030	7,030	7,030
Grants	(5,391)	1,507	1,507
Reserves	5,800	1,837	1,991
Other	(1,132)	1,052	565
EFS impact	(22,218)	(10,452)	0
Funding gap	0	(3,437)	(12,843)
Adjustment for assumed pay award held centrally pending confirmation	3,320	0	0
<b>Indicative budget</b>	<b>(48,854)</b>	<b>(36,227)</b>	<b>(37,494)</b>

<b>Savings</b>	<b>2025/26 £'000</b>	<b>2026/27 £'000</b>	<b>2027/28 £'000</b>
Asset masterplanning	(4,972)	(1,535)	(2,515)
Growth and public sector reform	(250)	0	(250)
Community and Customer Services programme	(500)	(1,000)	(1,500)
Printing/Paperless	(50)	(50)	(50)
Solihull Community Housing (SCH) – future operating arrangements	(250)	(250)	(500)
Workforce efficiency review	(2,000)	(2,700)	(2,700)
<b>Total savings</b>	<b>(8,022)</b>	<b>(5,535)</b>	<b>(7,515)</b>

## 6. QUICK REFERENCE GUIDE

	2024/25	2025/26	For further details see page
1. Solihull Council's budget	£199.904m	£202.588m	7
2. Total council tax for a Band D property (excluding police, fire and parish precepts)	£1,672.22	£1,755.66	8
3. Of which, social care precept for a Band D property	£236.57	£270.01	8
4. Police and fire precepts (at Band D)			8
Police & Crime Commissioner	£215.55	£229.50	
Fire & Rescue Authority	£75.20	£80.19	
Total Police & Fire	£290.75	£309.69	
5. The council tax for a Band D property (including Police and Fire precepts)	£1,962.97	£2,065.35	8
6. The council tax base			7
Net tax base	79,642	80,631	
Overall target collection rate	98.81%	98.81%	
7. Savings and mitigations			6
Savings	(£7.030m)	(£12.576m)	
Mitigations	(£12.693m)	(£21.823m)	



Solihull Metropolitan Borough Council  
 P O Box 9, Council House, Solihull, B91 3QB  
 Tel: 0121 704 6245  
 Email: [bss@solihull.gov.uk](mailto:bss@solihull.gov.uk)  
[www.solihull.gov.uk](http://www.solihull.gov.uk)

