BALSALL AND BERKSWELL PARISH COUNCILS MERGER WORKING GROUP (MWG)

NARRATIVE TO 2027-28 BUDGET

Background

The attached budget has been prepared and recommended by the MWG for approval by the councils from the details of the 2026/27 budget for Balsall PC, the Budget and actuals for 2026/27 for Berkswell PC, and combined with the staffing and pay recommendations made by WALC to the MWG.

Summary

£	Balsall Budget 26/27	Berkswell Budget 26/27	Merged B&B PC 27/28
Costs	180,350	63,460	255,029
Non-precept income	33,600	4,779	37,900
To be funded by precept	**145,000**	**58,681**	**217,129**
No of Band D properties	2,885	1,586	4,471
Precept per Band D property £	**£50.26**	**£37.00**	**£48.56**
% change to 27/28	*-3.4%*	*31.3%*	

Key assumptions in 27/28 budget

The current disparity between Band D households in Balsall paying approximately £51 per annum, whilst those in Berkswell is around £37 will be levelled as a single council, and a single £ precept per household charged across the whole parish.

Staffing – reflects the current grading of the staffing structure (a combined 77 hours per week) recommended to the MWG inflated by 4%.

Councillor allowances – reflect the increase to 15% of SMBC allowances required by the increased size of the merged council, and a full council of 15 members. This is the maximum that will be incurred, but the council has discretion to accept a lower rate and may also not be fully populated.

Office Space – independent advice to the MWG indicates that no changes to staff T&Cs would take effect, and staff would transfer on existing terms – one of the staff is currently home based, and two are in the Balsall office. There is no change to existing arrangements required or costed.

Other admin costs – reflect a series of minor reductions from combined scale – for example WALC subscriptions, bank charges, stationary – after allowing for 5% inflation a 14% reduction on current budgets is still achieved. Additional website costs reflect quotes agreed by the MWG with new providers.

Specialist advice – allowances for NDP development in the 25/26 budgets have been removed. The merger council will need a new NDP following from the updated Solihull Local Plan, and this is likely to cost in the range of £30-40,000 but can be funded as a one-off costs from the excess reserves carried over to the merged council, rather than added to the precept.

Public Safety – the 26/27 budgets included c£3,500 of one-off activity in respect of periodic inspections, this will not reoccur in 27/28, and if not incurred this year can be carried over as reserved costs at 31 March 2027.

Grants and Donations – a reduced level of expenditure is entirely at the discretion of the council.

Heritage and Maintenance – an overall £4,00 reduction (6.6%) in costs reflects planned cost in Balsall in 26/27 and the elimination of charges between the existing councils that will not recur.

Non-precept income – the merged council should be able to generate the forecast interest income from investing the CIL monies received in respect of the Aldi development, as has already been agreed by Balsall PC. Cemetery income is expected to be subject to an inflationary increase.

Reserves – it is estimated that the level of reserves carried forward at 31 March 2027 across the two councils will be c£140,000. Guidance recommends a council at the scale of the merged body to hold around 3 months of expenditure – this would be c£64,000, leaving an excess of £76,000.

In the light of this there are ample funds available to cover both the one-off costs of a combined NDP (£30-40,000 as above) and an estimated £10,000 of one-off costs to cover new signage, one-off HR and legal advice and IT setup costs.

Peter Wreford

5 November 2026