



Shropshire Council
Legal and Democratic Services
Shirehall
Abbey Foregate
Shrewsbury
SY2 6ND

Date: Tuesday, 9 March 2021

Committee:
Performance Management Scrutiny Committee

Date: Wednesday, 17 March 2021
Time: 2.00 pm
Venue: THIS IS A VIRTUAL MEETING

Members of the public will be able to listen to this meeting by clicking on this link:

<https://www.shropshire.gov.uk/performance-managementscrutinycommittee20january2021/>

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You are requested to attend the above meeting.
The Agenda is attached

Claire Porter
Director of Legal and Democratic Services

Members of Performance Management Scrutiny Committee

Claire Wild (Chair)
Joyce Barrow
Karen Calder
Roger Evans
Hannah Fraser

Alan Mosley
Cecilia Motley
Peggy Mullock
Dave Tremellen
Leslie Winwood

Your Committee Officer is: amanda.holyoak@shropshire.gov.uk 01743 257714

AGENDA

1 Apologies for Absence and Substitutions

2 Disclosable Pecuniary Interests

Members are reminded that they must not participate in the discussion or voting on any matter in which they have a Disclosable Pecuniary Interest and should leave the room prior to the commencement of the debate.

3 Minutes of Previous Meetings (Pages 1 - 12)

To consider the Minutes of the Performance Management Scrutiny Committee meeting held on 16 September 2020 (attached) 15 December 2020 (to follow) and 20 January 2021 (to follow)

4 Public Question Time

To receive any questions or petitions from the public of which members of the public have given notice. Deadline for notification of questions for this meeting is 2.00pm on Monday 15th March 2021.

5 Member Question Time

To receive any questions of which members of the Council have given notice. Deadline for notification for this meeting is 4.30pm on Friday 12th March 2021.

6 Quarter 3 Finance Monitoring Report (Pages 13 - 58)

Report attached

Contact James Walton Tel 01743 255011

7 Quarter 3 Performance Report (Pages 59 - 72)

Report attached

Contact Steve Taylor Tel 01743 258525

Public Document Pack Agenda Item 3

SHOPSHIRE COUNCIL

PERFORMANCE MANAGEMENT SCRUTINY COMMITTEE

Minutes of the meeting held on 16 September 2020
2.00 - 4.52 pm

Responsible Officer: Julie Fildes
Email: julie.fildes@shropshire.gov.uk Tel: 01743 257714

Present

Councillor Claire Wild (Chair)
Councillors Joyce Barrow, Roger Evans, Hannah Fraser, Peggy Mullock, Dave Tremellen and Leslie Winwood

96 **Apologies for Absence and Substitutions**

Apologies were received from Councillors Karen Calder and Alan Mosley.

97 **Disclosable Pecuniary Interests**

None were declared.

98 **Minutes of the meetings held on 10th June, 8th July and 29th July 2020**

Minutes of 10 June 2020 - Paragraph 73 Schools Operation during the Covid-19 Pandemic

In relation to the penultimate paragraph, the Director of Adult Services confirmed that he would request that feedback from the Director of Children's Services on referrals from the NSPCC which had not been received by the Council to be circulated to Members of the Committee.

Minutes of 8 July 2020 – Paragraph 82 Highways Improvement Plan Update

The Chairman requested that the Director of Adult Services ensure that the forward plans for WSP and Kier were made available to Members of the Committee.

In response to comments made by Councillors about the content of Minutes, the Chairman agreed to discuss this at the end of the meeting.

RESOLVED: that the minutes of the Performance Management Scrutiny Committee meetings held on 10th June, 8th July and 29th July 2020 be approved as a correct record and signed by the Chair.

99 **Public Question Time**

There were no public questions.

A petition bearing over 200 signatures to remove the Clive of India Statue from Shrewsbury town centre from Mr David Parton, was considered. Mr Parton submitted

a written submission supporting the petition which was read out to Members [copy attached to the signed minutes].

The Portfolio Holder for Assets, Economic Growth and Regeneration reminded Members that this had been considered by Council at its meeting on 16th July 2020 and had resolved to take no action.

In response to a query, the Solicitor, confirmed that the reason this petition was before the Scrutiny Committee and not Full Council was because it did not have enough qualifying signatures to be referred to Full Council for debate. It had over 200 qualifying signatures and hence had been referred to this Scrutiny Committee instead. He went on to confirm that there was another petition going to the next meeting of the Full Council looking to retain the Clive of India Statue and he understood that the Minutes from the previous meeting of Full Council held on 16 July 2020 with details of the debate that took place on the previous Petition were attached to the Agenda by way of background. Members would therefore have another opportunity to debate the issue at the next Full Council meeting.

RESOLVED: that the petition be noted.

Councillors Roger Evans and Hannah Fraser asked for it to be noted that they had voted against the resolution.

100 **Member Question Time**

There were no questions from Members.

101 **Report of the Marches Local Enterprise Partnership [LEP]**

The Chair welcomed Mandy Thorn and Gill Hamer, Chair and Chief Executive Officer, respectively, of the Marches Local Enterprise Partnership [LEP] to the meeting. Members congratulated the Marches LEP on the work they were undertaking to support the economy in Shropshire.

Ms Hamer explained that the Marches LEP had concerns about a possible increase in unemployment levels once the Government's furlough scheme ended in October 2020 and were pursuing a number of projects to improve the economic environment in the county. These included promoting work placements, developing peer to peer network and other initiatives to assist employers, new programmes to use the remaining European funding received from the European Regional Development Fund and providing investment to colleges and training providers. She continued that work was ongoing with the Shropshire Growth Hub to support new businesses.

In response to a Member's question regarding Broadband provision, Ms Hamer commented that the Council's Officers had invested funds received to improve internet connectivity over the whole of the county. She added that the Marches LEP were expecting a report on internet coverage and were working on a new digital strategy.

Ms Thorn, in response to a Member's question regarding the challenges facing the Marches LEP, explained that despite the competitive nature of the way the LEP was structured, the three member Councils had a good working relationship and ensured that the voice of the rural sector was heard equally to that of the larger urban populations. She continued that the funding required to deliver infrastructure which in turn would drive economic and business growth was often unforthcoming. Although there had been growth in available capital funding, revenue funding was problematic. She continued that there were always more projects than funds and they relied on the private sector to become involved.

Acknowledging a Member's comments about lack of funding for South Shropshire, Ms Thorn agreed that that valuable work had been done through the LEADER project. Ms Hamer added that the Marches LEP were waiting to hear from Government about successor funding for European Structural and Investment Funds [ESIF]. She continued that an announcement on the UK Shared Prosperity Fund was expected in November. The Marches LEP were part of a national group with a couple of LEPs, a lot of smaller Local Authority's and District Councils along with a couple of the larger County Councils that had really been making the case for future funding for rural areas and tourism, so they had been lobbying on that and looking at that successor programme.

It was reported that the LEP Board had made £1.58m available in July to the three councils and that Shropshire Council had benefitted from a larger share of that of £737k that went in to help with both flood and Covid recovery initiatives. Some of that money was currently being delivered through some of the market towns and tourism initiatives and again more detail could be provided by the team that were delivering that.

The Committee were informed that the Marches LEP were being asked to reposition their Local Industrial Strategies to be more recovery strategies and conversations about how to go about that had taken place and the information being evolved through Shropshire Council's Recovery Planning Group that Ms Thorn and Ms Hamer were members of, to really start building a recovery case for what was needed for the very vulnerable businesses and sectors.

Concerns were raised by Members in relation to Broadband and the number of not spots in Shrewsbury as well as in rural areas. Also, it was felt that very few small and medium enterprises interacted with either the Growth Hub, the Marches LEP or any other funding bodies so any kind of support around growing a Hub appeared to be difficult to latch on to including finding flexible low-cost office space and the availability of relevant training courses. Support appeared to be missing for any kind of growth in the service sector and issues around upskilling was becoming a stumbling block.

In response to the comments around Broadband, the Director of Place and Enterprise clarified that since 2013 £32m had been invested in the Broadband infrastructure with those households having access to superfast Broadband increasing from 24% to 94%. He informed the Committee that the Council's programme, with the support of the Marches LEP, had touched 65k premises. There were 3935 premises planned to be completed by 2023 which left 1433 premises that had not yet been planned. He confirmed that the Council were working with DCMS

and the utilities on how to get to 100% and get that last 1400 over the line. The gigabit voucher scheme also improved that connection for a lot of people.

Further to a query, the Director of Place confirmed that the information referred to above had been taken from a market intelligence review that was launched by Connecting Shropshire but that it gathered information from all suppliers on their latest commercial commitments for Shropshire up until June 2023.

A question was asked about the sort of carbon accounting the Marches LEP did around the projects that they funded and whether it was an important metric for them in terms of where they put their money. Ms Hamer confirmed that it had been a requirement for some years in their actual criteria for bidding for applications to demonstrate the impact on the economy and environment. However, in the last year, for the first time, they had actively had a bidding where the applications had to demonstrate clearly the impact on the environment and show that projects would not have an impact on the environment in any way. There were now a number of initiatives that were addressing net zero carbon initiatives and indeed, they had just recently secured funding of £5m for the Pride Hill Centre and all of those projects had to have an ambition to impact on net zero.

Ms Hamer went on to inform the Committee that they also now as a LEP had a colleague that worked full time with them and with colleagues at the Council in relation to an Energy Strategy which looked at all of the issues around carbon reduction/elimination and looked to ensure that housing was better supported in relation to its energy usage and reducing its energy costs etc.

Following Members' concerns that more Growth Deal funding had been spent in Telford than Shropshire, Ms Hamer explained that Telford & Wrekin Council had been more successful in bidding for funding in comparison to Shropshire Council but had benefitted more recently with the reallocation of Growth Deal funding that had not been spent in Herefordshire, so more money had come back into the Shropshire area. She informed Members that New College in Telford was being demolished and replaced with a housing development so actually, only £500k had gone into colleges in Telford whereas money had gone into SBC Training, Shrewsbury Colleges (on more than one occasion), the training centre in Bridgnorth, North Shropshire College and the Derwin College so actually, colleges in Shropshire had benefitted far better than in Telford and Wrekin.

In response to a query, Ms Hamer confirmed that details of the Integrated Transport Package was set out in the paper but that more detail could be provided upon request.

Ms Thorn clarified that all projects funded by the Marches LEP went through an independent evaluation process and were evaluated on their merits to ensure Government funded the best possible schemes to give the best outputs and was not done on a fair shares basis, however, it was actually fairly even when you looked at the overall picture.

Concerns were raised about the apparent imbalance in the spread of money in relation to the South of the County which was felt to be of vital importance to Shropshire itself and had a significant population. Ms Thorn and Ms Hamer, who

were themselves residents of Shropshire and as such were very aware of the importance of rural communities and would do whatever they could with whatever funds they were able to use (and were very dependent on central government for that) would do what they could to support their rural communities.

RESOLVED: To thank the Chair and Chief Executive of the Marches LEP for their update on the key projects supported by the Marches LEP in Shropshire and to acknowledge the purpose and impact of those initiatives.

102 Financial Monitoring Report Quarter 1 2020/21

The Director of Finance, Governance and Assurance introduced the Financial Monitoring Report Quarter 1 2020/21 which had previously been considered by the Cabinet at its meeting on 7th September 2020. He asked Members to note that the recommendations contained within the report were recommendations for approval by the Cabinet. Members were asked to note and consider the contents of the report.

The Director of Finance, Governance and Assurance outlined the main points of the report and responded to Members' questions.

The Director of Finance, Governance and Assurance explained that additional pressures had been caused by the Covid-19 crisis particularly in relation to spending on adult social care and a significant impact on income generation. Government had provided funding through the Covid-19 Grant to assist in the offsetting of these unexpected costs and a complicated mechanism to compensate for loss of income. He continued that the usual pressures unrelated to Covid-19 were still evident, although the Council's financial position was in a better state than previously anticipated.

In response to a Member's question regarding the Corporate Budget set out in Table 1 of the report, the Director of Finance, Governance and Assurance confirmed that the table showed an underspend due to the way the expenditure and income was shown, the Covid-19 Grant was shown against the Corporate Budgets as it was unringfenced and expenditure had been incurred across a range of corporate services.

The Director of Finance, Governance and Assurance confirmed that the estimated Government Covid-19 grant funding would cover much of the expenditure and loss of income due to Covid-19. He continued that this would be kept under consideration throughout the remainder of the financial year.

In response to a Member's question, referring Members to the General Fund Balance in paragraph 1.7, the Director of Finance, Governance and Assurance explained that the risk assessed level approved by Council for the General Fund Balance was £19.2m, which was the balance at the start of the financial year. By applying the projected overspend that gave the figure of £17.3m shown in the report which was a normal position to be in at the end of the first quarter of the financial year. This shows the overspend and how it would be dealt with.

The Director of Finance, Governance and Assurance confirmed that there were a number of debts across different service areas to be written off. This was only done

once the debt had been judged to be irrecoverable based on action taken to recover it. He added that due to the Covid-19 crisis the Council was seeing higher levels of arrears with lower levels of both Council Tax and Business Tax collection. These debts would not be written off until they were judged to be irrecoverable.

The Director of Place advised in answer to a Members question, that the brief for parking enforcement was to keep highways clear and it was not about unfairly penalising motorists. In relation to workplace charging set out in the report, changes in working practices meant that this saving had been recognised as being no longer possible and the saving would be achieved in a different way.

The Chief Executive responded to a Member's question on the outcomes of the Digital Transformation Programme. He observed that the investment in the IT infrastructure and changes to working practices embedded before the start of the crisis had enabled the continued provision of services during the crisis. Essential new ways of working had been quickly adopted, and decisions about how the Council would go forward informed by the new working practices. These were reflected in the current financial position of the Council. He continued that the context had gone beyond a reduction in headcount, with best use of resources being central to future policies.

A member requested clarification of the £1.9m overspend on the net budget and whether an £8m overspend on Safeguarding in Children's Services Budget was a realistic projection. He also requested further information on the loss of income from the Pride Hill Shopping centre and whether this would be recovered from Government Covid-19 grants.

The Director of Finance, Governance and Assurance responded that the Gross budget contained elements which the Council had no control over and needed to be shown. The Children's Services projected overspend was not all within safeguarding but was a reasonable representation of where costs would go over the remainder of the financial year but was still a projection. In relation to Pride Hill Income the shopping centres saw a reduction in income which was mirrored by shopping centres across the country, loss of commercial income was not eligible for government grants but it was at the Council's discretion to decide how the un-ringfenced Covid-19 funding received from government was spent.

In response to a Member question, the Director of Finance, Governance and Assurance explained that the majority of savings categorised as amber rated were situated within the Adult Services area. It was believed that these savings were being actively progressed across the Council and would be rated as green once delivered. It was anticipated that red rated savings would not be delivered unless there was a change in the external environment which enabled their delivery, although work was still undertaken to progress them.

Referring to the Budget approved by Council in February 2020, a Member asked if any additional savings had been identified, and if so if details could be circulated. The Director of Finance, Governance and Assurance referred Members to table 4 within the report which gave a summary of the position. He agreed to circulate the September return to Government with the caveat that it was not a user-friendly form.

The Director of Finance, Governance and Assurance was unable to comment on the funds received from furloughing staff and the Draft Settlement as information had not yet been provided by Government.

RESOLVED:

That the report be noted.

103 Quarter 1 Performance Report 2020/21

The Intelligence and Insight Manager introduced the report and outlined the points of interest. He drew attention to the key consideration for quarter one which was the impact of Covid-19 and the lockdown on the services that the Council provided. There had been a direct impact on services such as Theatre Severn, the Old Market Hall, Libraries and Leisure Centres, all of which have had to either close or change the way that they deliver their services and included in the report were some examples of how Libraries had changed the way they were engaging and reaching out to their communities, including virtual Lego clubs, libraries at home and the creation a new set of web pages giving people access to different resources. There had also been a big increase in the loan of ebooks.

The Intelligence and Insight Manager went on to say that there was good evidence to demonstrate how services had evolved and that there were also a number of essential services that had been maintained throughout the period including curbside collections, schooling for vulnerable children and children of key workers and social care, to name but a few.

One of the things that had been seen throughout was the role of support services contributing to keeping the Council going through the period. Certainly, if you took a view of the Council's IT staff and IT services who very quickly moved to enable 2500 plus members of staff to work differently/from home, which did evidence the value of the Council's investment into the infrastructure and the digital technology which had helped that take place.

The Intelligence and Insight Manager felt that, bearing in mind the impact of Covid-19, there was a value of this Committee and all of the other Overview and Scrutiny Committees maintaining a view of the medium and longer term impacts of the virus and the lockdown, whether that was changes in demand for services or how services were provided, changes in the way the Council was going to provide services and also changes maybe in the way the Council's role would evolve as it went forward.

The other point that the Intelligence and Insight Manager wished to highlight was that tracking alongside the way the Council was changing and alongside some of the different focuses, the Council would be looking at measures over the coming months and quarters which maybe look more directly towards some of the directional changes that the council was travelling in, for example, we would expect to see some measures emerging around digital working.

A member commented that some of the data on the portal did not seem very up to date, for example, 'the number of affordable homes built in communities of less than 3,000 people', showed one figure in it which was 74 in March 2019, 'the latest figures for the number of apprentices to start in a good place to do business' referred to the update to March 2018, and, perhaps the one that was most worrying, was 'the number of people with a suitable home', so, the number of people on the housing waiting list, those numbers just weren't there at all. So there was some data that was quite important that was missing. Also there was no indication as to whether the figures were good or bad, what the target was or even whether they were going up or down. For example, 'the prevalence of overweight children' shows 23.1, however as there were no units against this figure, it was meaningless and did not show whether it had gone up, gone down or what the target was.

A query was raised about whether the Council's carbon budget could be included in the Performance Report under the Council section where Members were given the gross budget and also when might Members be able to view the Council's carbon budget on the portal along with the Council's performance against it.

In response, the Intelligence and Insight Manager agreed to follow up on the comments around the out of date figures on the portal and see whether there was anything more up to date which should be included. He would also follow up on the inclusion of more environmental measures within the portal as that was certainly a direction of travel for the Council along with the development of its Carbon Reduction Strategy and the climate change work which was taking place. He felt that measures around that should be incorporated as a priority as well.

Another area that Members felt could be looked at was satisfaction with highways and transport.

A query was raised in terms of a claimant count, especially for young people, for which the portal showed an almost threefold increase for claimants aged 18-24 year old in the last few months and whether that had increased since June. In response, the Intelligence and Insight Manager confirmed that although still high, the numbers seemed to have plateaued since June. The Director of Place clarified that the numbers had dropped back a little bit, following a peak in June. However, the Chamber of Commerce felt that as furlough finally tapered out, they would expect more Shropshire businesses to be making more people redundant and although the full extent of that was not yet know, that was something that the Council were alive to and focussing on.

The Director of Place set this in context in terms of job seekers and people looking for work, whereas in January there were 3,288 and then by July it was just shy of 8,000 at 7,913 universal credit claimants. He reported that the year had started off with 4,666 claimants and there were 11,432 to date which was a very sharp rise that reflected broadly the make-up of Shropshire's economy and its rurality. He confirmed that there was a lot of focus going on around this issue including the Economic and Social Task Forces who were working with partners to try to understand this. The level of apprenticeships had also been impacted and it had proved to be very difficult for new apprenticeships to kick off this year although there was a range of initiatives that Ministers were working on at the moment to try to mitigate that impact on young people.

Further to the comments around the data contained on the portal, a Member commented that they would like to see the Council moving away from Members having to aggregate information, bring it all together and manually present it through a portal, to the Council moving increasingly to the dashboard approach using some of the technology that was available to it as a result of investment in eg Power BI and opportunities through Dashboard. It was hoped to see the Council increasingly using joining up data across the Local Authority and bringing that through so that it was visible and so that it was continually updating and was not reliant on a particular organisation releasing figures at a particular time or the figures only coming out annually, or quarterly in arrears in order that Councillors could concentrate much more on those figures that actually made a difference to people's lives and that allowed Members to demonstrate not just the areas that the Local Authority was working on but also those areas where the Council were having the best effect which would be increasingly important in order to understand how best to deploy resources to the best effect.

RESOLVED: That the report be noted.

104 Future Work Programme

The Overview and Scrutiny Officer introduced the Performance Management Scrutiny Committee's proposed work programme up until May 2021. He reminded the Committee that the Council had now fully reopened its scrutiny functions so all five Scrutiny Committees were meeting regularly including the Joint Health Overview and Scrutiny Committee. The upshot therefore, as forewarned at the previous meeting, was that all the topics that this Committee had been looking at in recent months had returned to their thematic Committees so the workplan for Performance Management Scrutiny Committee was looking a bit bare for the months ahead apart from its regular work such as the financial reporting and the performance reporting.

The Overview and Scrutiny Officer referred to a previously suggested item of planning enforcement and building control and wondered whether that was an item that the Committee wished to discuss in a bit more detail and give a bit more direction to. He also suggested that if the Committee wished to look at more routine documents that it might wish to consider, it could always look at the Council's risk register and its forward plan of future meetings on a semi-regular basis, which might provide a different perspective to the Committee's remit.

Other suggestions included a regular update on digital transformation, the very immediate situation of joblessness and what Shropshire Council and their partners and other agencies were doing to really try and help people back into employment or creating employment and the latest situation with regards to the Shirehall.

In response to a concern raised that the quarter two financial report was not due before the Committee until January although it was looking at the finances for the second quarter which ended in September. It was felt that this should be taken to the November meeting whether or not it had been presented to Cabinet. In response the Director of Finance, Governance and Assurance stated that, from a practical

point of view, his understanding had always been that there was a reduced benefit in Scrutiny looking at a report that Cabinet had not even approved at that point in time. Cabinet would normally approve a report and then Scrutiny could scrutinise that decision effectively and consider whether there were any issues. Clearly, if Scrutiny looked at it first then Cabinet could consider what Scrutiny had said and make a different decision, which could potentially undermine the basis of Scrutiny looking at it. The Director of Finance, Governance and Assurance thought that the report would be going to Cabinet towards the end of November or early December and he agreed to confirm that date and circulate it round to Committee members.

In response to a request that the Quarter two financial report should be taken to the November meeting whether or not it had been presented to Cabinet, it was agreed for the Overview and Scrutiny Officer to discuss this with the Director of Finance, Governance and Assurance.

A brief discussion ensued around whether to include Highways Performance in the future work programme however it was agreed instead to include a section in the Performance report focussing on Highways Performance to include more detail and a bit more narrative to some of the emerging themes.

In response to a query about when the Task and Finish Groups would start up again, the Overview and Scrutiny Officer reported that it was down to capacity at the moment as the Council was in quite a state of flux with regards to staffing but that he had it in mind to bring a number of these to some sort of conclusion. The first one that he wished to turn his attention to was the Road Safety Task and Finish Group and would set aside some time in early October to take a report to that Group. It was requested that the Brexit Task and Finish Group also be looked at.

RESOLVED:

1. to agree the proposed committee work programme attached at appendix 1;
2. to note the current task and finish groups attached at appendix 2.
3. to note the suggested topics for the committee work programme.

105 Date/Time of Next Meeting of the Committee

Members noted that the next meeting of the Committee would be held at 2.00pm on Wednesday 18th November 2020.

NB. This meeting was subsequently postponed until 10.00am on Tuesday 15 December 2020.

In response to concerns about the content of the Minutes, it was agreed for the Solicitor to discuss this with the Director of Legal and Democratic Services and to report back to Members.

Signed (Chairman)

Date:

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<u>Committee and Date</u>	<u>Item</u>
Cabinet 8 th March 2021	Public
Performance Management Scrutiny Committee 17 March 2021	

FINANCIAL MONITORING REPORT – QUARTER 3 2020/21

Responsible Officer James Walton

Email: james.walton@shropshire.gov.uk

Tel: (01743) 255011

1. Summary

- 1.1 The report sets out the projected revenue expenditure for the whole of 2020/21 as at Quarter 3, and for capital sets out the expenditure up to the end of Quarter 3. For capital, any budget increases and decreases and any re-profiling of budgets between 2020/21 and future years are also set out for decision making.
- 1.2 The revenue monitoring within this report is based on financial information held for the first nine months of the year, extrapolated to year end to produce an estimated outturn position. As the year progresses and further financial information becomes available, the quality of the estimates used within this report are expected to increase.
- 1.3 Variances in the overall projected position for the Council do not yet reflect all management action that can be taken. Management action instigated as a result of the Q3 monitoring projections identified in this report will be reflected in the outturn position for the Council.
- 1.4 The report identifies the current projections on delivery of revenue savings included within the forecast. To aid reporting of savings delivery the Council uses a RAG (Red, Amber, Green) rating to identify a rating for the delivery of savings proposals (more detail is provided in the report below). As at Quarter 3, evidence suggests that of the £18.725m of proposals to be delivered in 2020/21, £10.223m are rated as green – with a high degree of certainty of being delivered.
- 1.5 The Quarter 3 monitoring position suggests that £6.925m of the £18.725m savings planned are categorised as red. Within the Medium Term Financial Strategy presented to Cabinet on 25th February 2021 there is a commitment to deliver £6.022m of undelivered 20/21 red savings in 21/22 on an ongoing basis. Furthermore, additional ongoing service pressures totalling a net value of £6.898m are being highlighted, which service areas will need to address alongside delivering their savings.
- 1.6 £22.410m non-ringfenced grant has been received from MHCLG to enable the Council to respond to coronavirus (Covid-19) pressures across all services. In

addition to this, it is estimated that the Council may be able to claim approximately £5.066m additional un-ringfenced support from MHCLG to recompense the Council for a proportion of lost sales, fees and charges income that has not been received by the Council due to the pandemic. The current estimate of additional cost pressures and loss of income to the Council as a result of Covid-19 is currently estimated at £24.913m. However, it is also estimated that there will be a further £2.750m of collection fund losses (council tax and business rate losses) in future years.

- 1.7 The key issues highlighted by this report are that:
- The projected revenue outturn position is an overspend of £0.838m.
 - At this level, the projected General Fund balance as at 31 March 2021 would be £12.672m, which is below the recommended level.
 - There is currently no budget pressure arising in year as a result of Covid-19 but we are monitoring the position closely.
 - Management action across all areas of the Council has delivered a reduction in overspend from Q2, but more action is needed to bring the budget back into balance, as far as possible.
 - Without management action, there is a risk that savings proposals currently rated as “Amber” may be undelivered, which would have the effect of increasing any underlying overspend by £1.577m.
 - The projected capital outturn is £73.378m, in line with the current budget. This follows a net budget decrease of £26.405m in Quarter 3.
 - Current capital expenditure of £35.001m, representing 48% of the budget at Quarter 3, with 75% of the year elapsed.
 - One scheme is currently forecast to outturn in excess of the approved budget and delivery is significantly behind schedule.
 - In 2021/22 and 2022/23 capital receipts are currently projected to be lower than those required for the programme to a value of £8.959m and £13.959m respectively. Therefore, urgent action is required to progress further disposals identified in both the current and future years.

2. Recommendations

It is recommended that Members:

- A. Note that at the end of Quarter 3 (31st December 2020), the full year revenue forecast is a potential overspend of £0.838m;
- B. Consider the impact of this on the Council’s General Fund balance.
- C. Approve that Shropshire Council acts as accountable body for the Leisure Recovery Fund.

REPORT

3. Background

- 3.1 Budget monitoring reports are produced monthly for Directors, and quarterly for

Cabinet, reporting on the period from June (period 2) to February (period 11) of each financial year, highlighting the anticipated year end projection.

3.2 The monitoring reports track progress against agreed budget decisions, consider any budget changes (including re-profiling on Capital), forecast any significant variances to the budget, and enable corrective action to be taken to attempt to ensure a balanced budget at year end.

3.3 Revenue variances are reported on an exception basis depending on the total variance from budget, and the percentage change in projection in any one period.

Green Variance +/- 1% (or £0.05m if budget less than £5m)

Amber Overspend between 1%-2% (or £0.05m-£0.1m if budget less than £5m)

Red Variance over 2% (or £0.1m if budget less than £5m)

Yellow Underspend more than 1% (or £0.05m if budget less than £5m)

3.4 In addition, given the level of savings proposals identified for delivery in 2020/21, this report also includes a second RAG rating, specifically relating to the delivery of savings. The ratings are as follows:

Green – Saving identified, quantified and confirmed

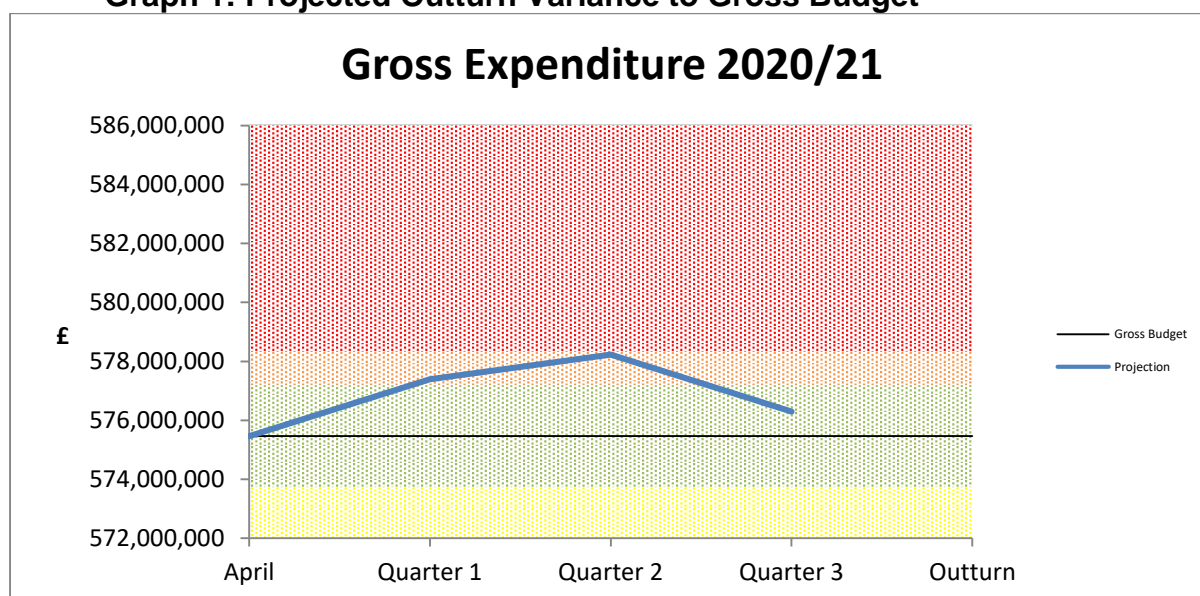
Amber – Saving identified but not yet confirmed

Red – Saving not achieved or unachievable

3.5 Capital schemes are also reported on an exception basis, based on being delivered within budget and the expectation of being delivered within scheme timeframe.

4. Revenue Monitoring 2020/21 Budget - Overall Position

4.1 The projected revenue forecast for the year at Quarter 3, shows a potential overspend of £0.838m (0.15%) on a gross budget of £575.462m (net £225.522m). The forecast year end position for the Council is revised each Quarter (monthly for Directors) and reported using the graph below. The area of the graph banded green shows the extent of variance from the budget that can be seen as reasonable given the size and complexity of the Council's budget. At Quarter 3, the projected year end overspend of £0.838m is falling within the green banding as shown in Graph 1 below.

Graph 1: Projected Outturn Variance to Gross Budget

4.2 The projected overspend of £0.838m for 2020/21 is presented below and analysed in more detail within Appendix 1.

Table 1: 2020/21 Projected Budget Variations Analysed by Service Area

Service Area	Revised Budget £'000	Forecast Outturn £'000	(Under) / Overspend £'000	RAGY Classification
Adult Services	118,579	117,240	(1,338)	Y
Central DSG	-	-	-	G
Children's Services	53,015	60,291	7,276	R
Corporate Budgets	(6,358)	(16,910)	(10,552)	Y
Finance, Governance & Assurance	2,240	2,958	718	R
Legal & Democratic Services	453	499	46	G
Place	57,835	61,114	3,279	R
Strategic Management Board	4	353	349	R
Workforce & Transformation	(246)	814	1,060	R
Total	225,522	226,359	838	G

4.3 The forecast impact of Covid-19 in 2020/21 is included within the monitoring position. The most recent estimate of additional costs for Covid-19 (including unachieved savings) is forecast to be £13.667m, with a further £11.247m net loss of income forecast, resulting in a total cost to the Council of £24.913m in 2020/21. Additional costs and loss of income are shown in the tables below within section 4.5.

4.4 £22.410m non-ringfenced Covid-19 grant has been received by the Council, and the majority of this grant income is included in the monitoring position within Corporate Budgets, along with additional one-off costs incurred, such as additional payments to adult social care providers, the purchasing of PPE, delivery of food parcels and the costs of temporary accommodation for rough

sleepers. Lost income is shown within the appropriate service areas, to show the impact of Covid-19 on the running of ongoing Council services.

- 4.5 It is estimated that the Council may be able to claim approximately £5.066m additional un-ringfenced support from MHCLG to recompense the Council for a proportion of lost sales, fees and charges income that has not been received by the Council due to the pandemic. This further income support is also forecast within the appropriate service areas, along with the value of the non-ringfenced grant required to be applied to those service areas in order to reduce the net loss of income to nil.

Covid-19 Additional Expenditure Area (Included within Corporate Budgets within Monitoring Position)	Expenditure as at 31st December 2020 (£m)	Forecast Expenditure to 31st March 2021 (£m)	Confidence in Forecast Outturn Expenditure
Adult Social Care	3.478	3.943	G
Housing Services	1.838	1.063	G
Public Health	0.125	0.191	G
Regulatory Services	0.004	0.012	G
Children's Social Care	0.377	2.998	A
Learning and Skills	0.048	0.254	A
Risk Management and Insurance	0.000	0.002	R
Elections	0.000	0.002	R
Highways and Transport	0.077	0.056	G
Arts	0.000	0.020	A
Leisure	0.239	1.098	A
Health and Safety	0.002	0.002	G
Communications	0.006	0.009	G
ICT Services	0.009	0.300	R
PPE	0.499	0.735	A
Delivery of Food Parcels and Essential Supplies, and Grants to Community Groups	0.129	0.150	G
Lockdown Compliance and Reopening Costs	0.105	0.116	G
Contribution to WMCA Covid-19 Hub	0.020	0.020	G
Unachieved Savings*	2.299	2.694	G
Total	9.254	13.667	A

*included within directorate monitoring positions

Covid-19 Loss of Income		2020/21 Forecast Net Loss of Income Due to Covid-19 (£) (Net forecast includes savings on expenditure as a result of service reduction, including Job Retention Scheme income)			
Service Area	Job Retention Scheme Income Expected from HMRC (£)		Estimated Loss of Sales Fees and Charges Income to be Claimed from MHCLG (£)	Contribution from Unringfenced Covid-19 Grant to Fund Remaining Loss (£)	2020/21 Forecast Net Loss of Income Due to Covid-19, After Central Government Compensation (£)
Adult Services Business Support and Development	(30,111)	0			0
Adult Social Care Provider Services		69,605	(48,560)	(21,045)	0
Housing Services		118,100	(82,663)	(35,437)	0
Registrars		321,840	(206,436)	(115,404)	0
Regulatory Services		14,767	(4,363)	(10,404)	0
Trading Standards and Licensing		363,531	(222,466)	(141,065)	0
Children's Social Care and Safeguarding	(4,267)	0			
Learning and Skills		325,533	(195,799)	(129,734)	0
Revenues and Benefits		1,150,000		(1,150,000)	0
Corporate Landlord	(255)	391,010		(391,010)	0
Shire Services	(426,826)	840,777	(337,839)	(502,938)	0
Planning Services		436,000	(169,448)	(266,552)	0
Shrewsbury Shopping Centres		915,199		(915,199)	0
Environment and Transport - Parking		3,074,571	(2,090,628)	(983,943)	0
Waste Management		414,912		(414,912)	0
Leisure	(50,574)	476,331	(329,065)	(147,266)	0
Libraries		41,686	(28,440)	(13,246)	0
Museums and Archives	(16,472)	276,953	(189,216)	(87,737)	0
Outdoor Partnerships		75,487	(44,718)	(30,769)	0
Theatre Services	(100,898)	1,940,326	(1,116,613)	(823,713)	0
Total	(629,403)	11,246,628	(5,066,254)	(6,180,373)	0

- 4.6 In addition to the non-ringfenced grant of £22.410m, the Council has also been provided with several ringfenced grants in order to respond to the pandemic in various targeted ways. Grants awarded to date are as shown in the table below. Expenditure and grant income are included within service area income and expenditure projections. Some of the grants (e.g. business grants) will be passported through to third parties so do not count towards supporting local authority expenditure/activities. No net financial impact of the activities funded by the grants below is forecast within the Quarter 3 monitoring position.

	Value / Assumed Value to be Received (£)
Covid-19 Ringfenced Grants and Support	
Small Business Grants and Retail Hospitality & Leisure Grants	91,670,000
Business Rate Reliefs: Expanded Retail Discount	44,878,454
Closed Business Lockdown Payment	20,250,000
Local Restrictions Support Grants	18,294,545
Additional Restrictions Support Grant (Discretionary)	9,333,154
Infection Control Fund	8,631,037
Discretionary Business Grants	4,583,500
Contain Outbreak Management Fund	3,231,360
Test and Trace Support Grant	1,126,797
Rapid Testing Fund	1,119,966
Covid-19 Bus Service Support Grant	1,007,021
Covid-19 Winter Grant Scheme	841,634
Home to School Transport Grant	350,000
Emergency Assistance Grant	311,900
Reopening High Streets Safely Fund	288,194
Christmas Support Grant for Wet-Led Pubs	275,200
Business Rate Reliefs: Nursery Discount	249,244
Support for the Clinically Extremely Vulnerable	157,388
Compliance and Enforcement Grant	145,151
Next Steps Accommodation Programme	123,500
Active Travel Grant	86,000
Transport Demand Management Grant	50,000
Homelessness and Rough Sleeping Contingency Fund	12,000
Workforce Capacity Fund	TBC
Self Isolation Grant (Test and Trace Support Payments)	TBC
Total	207,016,045

5. Update on Savings Delivery

- 5.1 The savings projections for 2020/21 have been RAG rated in order to establish the deliverability of the savings and any potential impact on the outturn

projection for the 2020/21 financial year. RAG ratings have been categorised as follows:

- Red – Savings are not solved on an ongoing basis, nor have they been achieved in the current financial year. These are reflected as unachieved within this monitoring report.
- Amber – Savings have been identified on an ongoing basis in the current financial year, however there is no clear evidence to support the delivery as yet. The projected outturn within this report assumes these savings will be delivered.
- Green – Savings have been identified on an ongoing basis in the current financial year, with evidence of delivery.

The RAG ratings are updated monthly to determine progress on delivery.

Table 2: Update on Delivery of 2020/21 Savings Proposals

Service Area	Red £'000	Amber £'000	Green £'000	Total Savings £'000
Adult Services	1,672	551	4,823	7,046
Central DSG	-	-	-	-
Children's Services	2,136	4	266	2,407
Corporate Budgets	51	38	524	613
Finance, Governance and Assurance	-	71	487	558
Legal and Democratic Services	127	-	273	400
Place	1,268	430	3,366	5,064
Strategic Management Board	-	-	-	-
Workforce and Transformation	1,671	482	484	2,637
Council	6,925	1,577	10,223	18,725

- 5.2 The figures presented above show that 55% of the 2020/21 savings required have been rated as green with a further 8% with plans in place to be delivered (rated amber). Paragraph 6.2 below provides further detail on the red savings.
- 5.3 Managers have provided assurance that plans are in place to deliver the savings that have been categorised as amber, however as evidence of the delivery has not yet been identified, there is still a risk that these savings could impact on the outturn position for 2020/21. As the year progresses, these amber savings should gradually turn to green as the evidence becomes available. However, if the amber rated savings are not delivered as planned, the effect on the outturn position is shown in Table 3 below.
- 5.4 Non-delivery of the amber rated savings would result in a projected outturn of £577.878m, and a total overspend of £2.415m which would leave the General Fund balance at an unsustainable level.

Table 3: Effect of Non-Delivery of Amber Savings in 2020/21

	Quarter 3 Projected Variance £'000	Amber Savings £'000	Potential Outturn if Amber Savings not Achieved £'000
Adult Services	(1,338)	551	(787)
Central DSG	-	-	-
Children's Services	7,276	4	7,281
Corporate Budgets	(10,552)	38	(10,514)
Finance, Governance & Assurance	718	71	789
Legal & Democratic Services	46	-	46
Place	3,279	430	3,709
Strategic Management Board	349	-	349
Workforce & Transformation	1,060	482	1,543
Total	838	1,577	2,415

6. Analysis of Outturn Projections including Delivery of Savings

6.1 The monitoring position detailed in Table 1 includes the current position on delivery of savings proposals for 2020/21 in addition to new monitoring pressures identified and one-off solutions to reduce the projected overspend. Table 4 provides further analysis of the projected overspends for each service area.

Table 4: Reconciliation of Monitoring Projections to Savings Delivery

	Quarter 3 Projection £000	Savings Pressure in 2020/21 £000	Ongoing Monitoring Pressures Identified £000	Ongoing Monitoring Savings Identified £000	One Off Monitoring Pressures Identified £000	One Off Monitoring Savings Identified £000
Adult Services Business Support & Development	(106)				98	(204)
Adult Services Management	122	200				(78)
Provider Services	(57)				225	(282)
Housing Services	670	752	396		42	(521)
Social Care Operations	(1,704)				138	(1,842)
Bereavement Services	(1)					(1)
Regulatory Services	(153)	175			15	(343)
Trading Standards and Licensing	(54)	325			214	(592)
Registrars and Coroners	(4)	30			292	(326)
Non Ring Fenced Public Health Services	(52)	0			27	(79)
Ring Fenced Public Health Services	(0)	190	25		714	(928)
Adult Services	(1,338)	1,672	421	0	1,764	(5,196)
Central DSG	0				863	(863)
Central DSG	0	0	0	0	863	(863)
Children's Social Care & Safeguarding	7,034	2,094	368	0	6,067	(1,495)
Early Help, Partnerships and Commissioning	(211)	0	0	0	45	(257)
Children's Services Management	6	7	0	0	22	(23)
Learning and Skills	447	36	24	0	400	(13)
Children's Services	7,276	2,136	392	0	6,534	(1,787)

	Quarter 3 Projection	Savings Pressure in 2020/21	Ongoing Monitoring Pressures Identified	Ongoing Monitoring Savings Identified	One Off Monitoring Pressures Identified	One Off Monitoring Savings Identified
	£000	£000	£000	£000	£000	£000
Corporate Budgets	(5,295)	51			749	(6,095)
Business Continuity – Covid-19	(5,257)				10,972	(16,229)
Corporate Budgets	(10,552)	51	0	0	11,721	(22,324)
Audit Services	(99)					(99)
Finance	22				132	(110)
Pension Administration Services	0					
Revenues and Benefits	832		2,141		150	(1,459)
Treasury Services	(0)					
Commissioning Development and Procurement	(10)					(10)
Risk Management and Insurance	(27)				12	(39)
Finance, Governance and Assurance	718	0	2,141	0	294	(1,717)
Democratic Services	(108)				4	(112)
Elections	64	77			8	(21)
Legal & Democratic Services	89	50			141	(102)
Legal and Democratic Services	46	127	0	0	153	(235)
Director of Place	152	92	64			(4)
Head of Commercial Services	64	96			21	(53)
Corporate Landlord	142				533	(391)
Facilities Management	(1)					(1)
Property Services	(127)					(127)
Strategic Asset Management	293		100		193	
Commercial Investment Team	(1,061)				4	(1,065)
Climate Change	0					
Shire Services	558		401		998	(841)
Head of Economic Growth	(29)				20	(49)
Planning Services	206				206	
Economic Growth	(7)				774	(781)
Broadband	0				66	(66)
Planning Policy	10				216	(207)
Shrewsbury Shopping Centres – Development Sites	263	320			113	(170)
Shrewsbury Shopping Centres – Commercial Sites	199		199		915	(915)
Head of Infrastructure	(6)					(6)
Highways	(166)	200			398	(764)
Environment and Transport	916	200	1,316		2,475	(3,075)
Waste Management	(49)				415	(464)
Head of Homes and Communities	389	350			39	
Housing Development and HRA	1,025				1,025	
Head of Culture, Leisure and Tourism	113		111		2	
Arts	(0)					
Shropshire Hills AONB	19				19	
Outdoor Partnerships	86		50		228	(192)
Leisure	248				476	(228)
Libraries	59	9	98		42	(91)
Museums and Archives	(16)				277	(293)
Theatre Services	0				1,940	(1,940)
Place	3,279	1,268	2,339	0	11,395	(11,724)
Strategic Management Board	349				488	(139)
Strategic Management Board	349	0	0	0	488	(139)
Customer Services	(268)					(268)
ICT Digital Transformation Project	2,787	1,181	1,606			
ICT Services	(1,329)	435			279	(2,043)

	Quarter 3 Projection	Savings Pressure in 2020/21	Ongoing Monitoring Pressures Identified	Ongoing Monitoring Savings Identified	One Off Monitoring Pressures Identified	One Off Monitoring Savings Identified
	£000	£000	£000	£000	£000	£000
Communications	38				45	(7)
Information, Intelligence and Insight	(101)				10	(111)
Human Resources & Organisational Development	(67)	55			110	(232)
Workforce and Transformation	1,060	1,671	1,606	0	444	(2,661)
TOTAL	838	6,925	6,898	0	33,656	(46,645)

6.2 The 2020/21 savings projected not to be delivered within the Quarter 3 position are as follows:

Reference	Directorate	Service Area	Description	2020/21 Saving Required (£)	Value Rated Red (£)	Forecast Impact of Covid-19 on Red Savings
2A37R	Adult Services	Housing Services	Increased Housing Income	150,000	100,000	100,000
2A38R	Adult Services	Housing Services	Utilisation of HRA monies to fund temp accommodation properties	172,200	172,200	0
2A46R	Adult Services	Regulatory Services	Regulatory Services, Trading Standards and Licensing review leading to redesign of delivery model, structures and an increased focus on income generation. Opportunities include; increased alignment to the CSC and an increased digital presence.	200,000	175,000	175,000

2A46R	Adult Services	Trading Standards and Licensing	Regulatory Services, Trading Standards and Licensing review leading to redesign of delivery model, structures and an increased focus on income generation. Opportunities include; increased alignment to the CSC and an increased digital presence.	200,000	175,000	175,000
H16	Adult Services	Trading Standards and Licensing	Increase parking enforcement functions in line with the parking strategy	100,000	100,000	100,000
H24	Adult Services	Ring Fenced Public Health Services	Reclaim of funds from out of area for sexual health services (Wales)	50,000	50,000	0
2A03	Adult Services	Housing Services	External income generation	100,000	50,000	0
2A17	Adult Services	Housing Services	DFG Fees interest	100,000	100,000	100,000
2A18	Adult Services	Housing Services	Reclaim of HRA monies	80,000	80,000	0
2A20	Adult Services	Ring Fenced Public Health Services	Redesign of integrated sexual health services	100,000	100,000	0
2A27	Adult Services	Registrars and Coroners	Registrars and Coroners income and reserve savings	30,000	30,000	30,000
2A28	Adult Services	Ring Fenced Public Health Services	Public Health services training income	10,000	10,000	10,000
2A29	Adult Services	Ring Fenced Public Health Services	Review of NHS Healthchecks, Preventive Health and Health TV.	30,000	30,000	30,000

2A30	Adult Services	Trading Standards and Licensing	Increase parking enforcement functions in line with the parking strategy	50,000	50,000	50,000
2P02	Adult Services	Housing Services	New model for temporary housing	250,000	250,000	0
2A15	Adult Services	Adult Services Management	PFI Contract Savings	200,000	200,000	0
P41	Children's Services	Children's Services Management	Negotiate contract savings upon renewal, through better contract management	6,880	6,880	0
2C03	Children's Services	Children's Social Care and Safeguarding	North Yorks - No children in residential care model	2,000,000	2,000,000	1,000,000
2C09	Children's Services	Children's Social Care and Safeguarding	New Residential Homes	100,000	50,000	50,000
2C10	Children's Services	Children's Social Care and Safeguarding	Reduction in use of agency workers	150,000	43,960	0
2C06	Children's Services	Learning and Skills	Reduction to Council Central Schools Block of Dedicated Schools Grant	100,000	35,600	0
2F01	Corporate Budgets	Corporate Budgets	Insurance premiums and recharges	163,000	51,000	0
2LD04	Legal and Democratic Services	Legal Services	New Children's Lawyer	50,000	50,000	0
2LD07	Legal and Democratic Services	Elections	JLB Bid Funding	76,690	76,690	0
P11	Place	Libraries	Review of library provision	73,950	9,420	9,420
P41	Place	Director of Place	Negotiate contract savings upon renewal, through better contract management	92,320	92,320	0
P65	Place	Shrewsbury Shopping Centres -	Income generation from	320,000	320,000	320,000

		Development Sites	investment in assets			
P05	Place	Head of Commercial Services	Review of car parking at administrative sites	96,000	96,000	96,000
2P03	Place	Environment and Transport	Support package for Operation of Park and Ride	200,000	200,000	200,000
2P05	Place	Head of Homes and Communities	HRA cost recovery	100,000	100,000	0
2P02	Place	Head of Homes and Communities	New model for temporary housing	250,000	250,000	0
2P210	Place	Highways	LED Street Lighting	200,000	200,000	0
2WT06	Workforce and Transformation	ICT Services	PCI, SIP trunking and Telephony	200,000	8,830	8,830
2WT12	Workforce and Transformation	Human Resources and Organisational Development	Review of First Line HR Contacts	25,000	25,000	0
2WT13	Workforce and Transformation	ICT Services	Mobile Phone Contract Reduction	40,000	40,000	20,000
2WT14	Workforce and Transformation	Human Resources and Organisational Development	Re-working ICT approvals process	30,000	30,000	0
2WT20	Workforce and Transformation	ICT Services	Contract reductions from IT infrastructure replacement	283,000	283,000	0
2WT21	Workforce and Transformation	ICT Services	WAN contract reductions	103,000	103,000	103,000
2WT23	Workforce and Transformation	ICT Digital Transformation Project	Lean review of Shropshire Council structures and processes linked to transformation, single front door and digital enabling technologies	1,181,000	1,181,000	0
TOTAL				7,663,040	6,924,900	2,577,250

More detail on these is provided within the relevant service sections of Appendix 1.

6.3 A number of ongoing pressures have been identified within service areas, some of which relate to savings unachieved in previous financial years. Ongoing pressures identified at Quarter 3 are as follows:

Directorate	Service / Description	Nature of Ongoing Monitoring Pressure	Value (£)
Adult Services	Housing - Temporary Accommodation	Demography	396,319
Adult Services	Public Health - Out of Hours Call Service	Historic unachieved saving	24,800
Children's Services	Shrewsbury Training and Development Centre	Reduced income	23,730
Children's Services	Children's Social Care Placements	Demography and staff budget	47,950
Children's Services	Social Work Teams	Staff budget	184,700
Children's Services	Children's Social Care Agency Costs	Staff budget	135,140
Finance, Governance and Assurance	Housing Benefits	Housing Benefit Subsidy loss	2,141,000
Place	Shire Services	Historic unachieved saving	401,100
Place	Strategic Asset Management	Historic unachieved saving	100,000
Place	Director of Place	Historic unachieved saving	63,970
Place	Environment and Transport	Historic unachieved saving	1,316,000
Place	Outdoor Partnerships	Historic unachieved saving	50,000
Place	Libraries	Historic unachieved saving	98,000
Place	Head of Culture, Leisure and Tourism	Staff budget	111,064
Place	Shrewsbury Shopping Centres	Reduced rental income and increased costs	198,591
Workforce and Transformation	DTP - Transformation Savings	Historic unachieved saving	1,116,000
Workforce and Transformation	DTP - Single Front Door / Face to Face Review	Historic unachieved saving	490,000
TOTAL			6,898,364

Significant further work is required within service areas to find an ongoing basis for managing and funding these pressures so that further growth is not required within the Financial Strategy, leading to an increase in the funding gap.

7. General Fund Balance

7.1. The effect on the Council's reserves of the outturn forecast is detailed below. The Council's policy on reserve balances is to have a General Fund balance

(excluding schools balances) of between 0.5% and 2% of the gross revenue budget. For 2020/21 the minimum balance required would therefore be £2.877m, although this is no longer considered to be an acceptable guide.

- 7.2. The more appropriate risk-based target balance for the General Fund, as calculated in the General Fund Balance section of the Medium Term Financial Strategy 2020-25, reported to Council on 27th February 2020, is £19.242m. The 2021/22 value will be reassessed ahead of the next Financial Year and planning adjusted accordingly.
- 7.3. Based on the current monitoring position, the General Fund balance will reduce significantly at year-end, as shown in table 5 below. The projected balance will be significantly below the required risk assessed target.

Table 5: Projected General Fund Balance as at 31 March 2021

	£'000
General Fund Balance as at 31 March 2020	13,510
This Report – Projected Outturn Under/(Over)spend	(838)
Projected Balance at 31 March 2021	12,672

8. Movement in Capital Programme for 2020/21

- 8.1 The capital budget for 2020/21 is subject to a review of the position of all projects during Quarter 3 and reprofiling where required into future years. In Quarter 3 there has been a net budget decrease of £30.363m for 2020/21, compared to the position reported at Quarter 2 2020/21. Table 6 summarises the overall movement, between that already approved, changes for Quarter 3 and the programme financing.

Table 6: Revised Capital Programme Quarter 3 2020/21

Detail	Agreed Capital Programme - Council 27/02/20	Slippage & Budget Changes Approved To Q2 2020/21	Quarter 3 Budget Changes to be Approved	Revised 2020/21 Capital Programme Quarter 3
	£		£	
General Fund				
Adult Services	72,225,091	(1,007,196)	(2,876,088)	68,341,807
Childrens Services	7,537,407	(5,240,764)	(3,459,784)	(1,163,141)
Place & Enterprise	15,611,241	(3,037,800)	(13,705,196)	(1,131,755)
Workforce & Transformation	1,400,000	994,901	(1,000,000)	1,394,901
Total General Fund	96,773,739	(8,290,859)	(21,041,068)	67,441,812
Housing Revenue Account	22,255,610	(10,954,931)	(5,364,233)	5,936,446
Total Approved Budget	119,029,349	(19,245,790)	(26,405,301)	73,378,258
Financing				
Self Financed Prudential Borrowing *	43,635,000	(32,369,642)	(6,691,954)	4,573,404
Government Grants	43,722,715	7,867,036	(4,275,922)	47,313,829
Other Grants	-	271,742	189,216	460,958
Other Contributions	14,043,449	(2,537,506)	(3,652,658)	7,853,285
Revenue Contributions to Capital	4,179,610	227,332	(3,007,699)	1,399,243
Major Repairs Allowance	5,026,000	1,543,444	(3,117,672)	3,451,772
Corporate Resources (expectation - Capital Receipts only)	8,422,575	5,751,805	(5,848,612)	8,325,768
Total Confirmed Funding	119,029,349	(19,245,790)	(26,405,301)	73,378,258

8.2 Within the financing of the Capital Programme £1.399m is funded from revenue contributions. The major areas of revenue contributions to capital are £0.253m approved towards essential repairs in relation to the Corporate Landlord estate and £1.165m in ringfenced HRA monies to new build schemes (£0.700m) and the major repairs programme (£0.465m).

8.3 Full details of all budget changes are provided in Appendix 2 to the report. Significant budget changes across the life of the programme in Quarter 3 are:

Budget Increases

- Increase of £1.517m CIL contributions to Highways projects.
- Increase of £1.500m Prudential Borrowing requirement in relation to The Tannery project.
- Increase of £0.789m funding from capital receipts fir HRA acquisitions.
- Increase of £0.315m in relation to SEPUBu Phase 2 projects; £0.189m ERDF funding and £0.126m revenue contributions to capital match funding.
- Grant award from DfE of £0.119m for Schools Full Fibre Broadband projects.
- Increase of £0.089m in relation to newly approved S106 Parish Council Outdoor Recreation projects.
- Grant award from DEFRA of £0.050m for Flood & Water Management schemes.
- Increase of £0.013m in school revenue contribution to DFC projects.
- Increase of £0.002m in S106 contributions in relation to ITP scheme in Shifnal to cover planned expenditure.

Budget Decreases

- Reduction of £2.716m of HRA revenue contributions to the HRA New Build Phase 5 scheme a budget requirement reduction for delivery of the 2020/21 programme.

- Reduction of £1.989m of Major Repairs Allowance contributions to the HRA Major Repairs Programme due to a budget requirement reduction for delivery of the 2020/21 programme.
- Removal of £1.215m of SALIX funding in relation to Street Lighting LED Conversion project now on hold pending review of scheme.
- Removal of £0.416m Environment Agency grant funding in relation to Flood & Water Management schemes that are no longer progressing.
- Reduction of £0.101m capital receipts funding as a result of agreed transfer to revenue in relation to Shropshire Empty Property Grants (£0.100m) and completion of Snailbeach Lead Mine scheme (£0.001m).
- Reduction of £0.065m S106 and £0.076m CIL contributions in relation to completed school schemes.
- Reduction of £0.017m S106 contributions in relation to completed and legacy schemes,
- Reduction of £0.004m private sector contributions.

Budget Re-profiling

- **Adult Services**
 Reprofiling of £1.115m Department of Health (DoH) Disabled Facilities grant in relation to the future programme and to reflect the anticipated expenditure profile.
 Reprofiling of £0.900m DoH HOLD grant to reflect the anticipated expenditure profile.
 Reprofiling of £0.150m capital receipts to reflect the anticipated expenditure profile in relation to Shropshire Empty Property grants.
 Reprofiling of £0.611m capital receipts in line with programme delivery and anticipated expenditure profile and to meet the future programme.
- **Children's Services**
 Reprofiling of £2.000m Community Infrastructure Levy (CIL) funding in relation to New Primary Provision - Bowbrook (£1.500m) and Whitchurch Junior Extension (£0.500m) to reflect anticipated expenditure profiles.
 Reprofiling of £0.296m Prudential Borrowing requirements to reflect the expected expenditure profile of Children's Residential Care projects.
 Reprofiling of £0.250m CIL and £0.057m S106 contributions to reflect delivery of the Schools Future Place Planning programme.
 Reprofiling of £0.200m DfE Devolved Formula Capital grant to reflect the expected expenditure profile of various school schemes.
 Reprofiling of £0.168m capital receipts to reflect the anticipated expenditure profile of various Early Years and school schemes.
 Reprofiling of £0.160m CIL contributions to reflect the anticipated expenditure profile of various school schemes.
 Reprofiling of £0.150m S106 contributions in relation Whitchurch Infants Extension to reflect the anticipated expenditure profile.
 Reprofiling of £0.069m S106 contributions to reflect the anticipated expenditure profile of various school schemes.

Reprofiling of £0.033m Condition grant in relation to Shifnal Primary School scheme to reflect the anticipated expenditure profile.
 Reprofiling of £0.027m Condition grant to reflect the anticipated delivery of a school scheme.
 Reprofiling of £0.007m Healthy Pupils Capital grant to reflect delivery of a school scheme.

- **Place**

Reprofiling of £6.681m Prudential Borrowing requirements to reflect anticipated expenditure profiles in relation to future commercial investments (£5.481m) and DVSA Site Acquisition (£1.200m).
 Reprofiling of £4.590m capital receipts funding to reflect anticipated expenditure profiles in relation to Broadband (£2.706m), SITP (£0.516m), Shrewsbury Self Build Scheme (£0.500m), In Vessel Composting project (£0.325m), Affordable Housing Rolling Fund (£0.201m), Shirehall FRA Works (£0.200m) and Oxon Link Road (£0.142m).
 Reprofiling of £1.500m DfT Safer Roads Fund in relation to A529 Road Safety Works to reflect the anticipated expenditure profile.
 Reprofiling of £1.409m CIL contributions to reflect delivery of Highways projects.
 Reprofiling of £1.000m S106 contributions in relation to SITP to reflect the anticipated expenditure profile.
 Reprofiling of £0.191m MHCLG Community Housing Fund in relation to Community Housing - Community Led Affordable Housing fund to reflect the anticipated expenditure profile.
 Reprofiling of £0.096m General Fund revenue contributions in relation to Community Led Affordable Housing Grant Scheme to reflect the anticipated expenditure profile.
 Reprofiling of £0.050m Environment Agency grant to reflect the anticipated expenditure profile for Shropshire Slow the Flow project.
 Reprofiling of £0.033m capital receipts and £0.005m EA grant to meet the future Flood and Water Management programme.
 Reprofiling of £0.005m private sector contributions to reflect delivery of the Ash Parva 30mph Speed Limit project.

- **Workforce & Transformation**

Reprofiling of £1.000m capital receipts in relation to ICT Digital Transformation to reflect the anticipated expenditure profile.

- **Housing Revenue Account**

Reprofiling of £1.128m Major Repairs Allowance contributions to reflect expected delivery of the Major Repairs Programme.
 Reprofiling of £0.300m revenue contributions to reflect the anticipated expenditure profile in relation to a new build scheme.
 Reprofiling of £0.020m capital receipts to reflect the anticipated expenditure profile in relation to PSH adaptations.

9. Actual versus Planned Expenditure to Date

- 9.1 The actual capital expenditure at Quarter 3 is £35.001m, which represents 51% of the revised capital budget at Quarter 3, 75% of the year. This is slightly low in comparison to the total budget, but in line with the average expenditure percentage at this period in previous years. All budgets are fully allocated to projects and will be monitored for levels of spend throughout the remainder of the year. Based on recent years, the capital programme has out-turned at around 85% of the outturn budget, which on average has been around 20% lower than the budget at this point in the year, due to further re-profiling later in the year.
- 9.2 The level of spend is slightly low across the programme in some areas, but equal to the level of spend in the previous year at this period. In terms of the major areas the spend position is as follows: Adult Services 55% (budget £2.640m), Children's Services 29% (budget £8.202m), Place 52% (budget £55.205m), Workforce & Transformation 35% (budget £1.395m), HRA Major Repairs & New Build Programme 29% (budget £5.936m).

10. Schemes Forecast Outturn & Delivery

10.1. Capital schemes within the capital programme are not only continually monitored in terms of current year actual expenditure against budget but also in terms of scheme forecast outturn compared to budget and scheme delivery against profile. This is achieved by RAG rating each scheme as follows:

RAG Rating	Scheme Projected Outturn	Scheme Projected Delivery
Red	Schemes with a forecast outturn in excess of 10% of the current scheme budget.	Scheme significantly below profile at current period and not expected to deliver as original profile.
Amber	Schemes with a forecast outturn in excess of 5% of the current scheme budget.	Scheme below profile at current period and will not deliver as original profile.
Green	Schemes with a forecast outturn of less than or equal to the current scheme budget.	Scheme on profile at current period and expected to be delivered as original profile.

10.2. For most schemes, forecast outturn against budget and scheme delivery against profile at Quarter 3 are within acceptable limits, however, currently one scheme is rated red in relation to both forecast outturn and scheme delivery. This scheme is discussed in detail below.

Ludlow Assembly Rooms - Refurbishment Works

The scheme budget totals £3.475m and forecast outturn is currently £3.753m; a potential scheme over spend of £0.366m. Additionally, the scheme is also significantly behind schedule. The majority of the overspend and overrun have arisen due to unforeseen works requirements relating to the condition of the building. Of this forecast overspend £0.117m is as a direct result of the COVID-19 pandemic and relates to increased costs arising from unavoidable project time delays. This potential overspend has been reported and discussed by the Project Board. The Board has implemented a recovery plan and actions in order to bring the scheme back within the approved budget.

10.3. The position of this scheme will continue to be closely monitored and reported in subsequent monitoring reports.

11. Impact of COVID-19 Pandemic

11.1. Impact of the COVID-19 pandemic on capital schemes, in terms of both forecast outturn and delivery, in addition to new specific schemes, are routinely

considered and assessed at individual project boards and during monthly monitoring.

11.2. As previously referred to in paragraph 3.2, the Ludlow Assembly Rooms project has incurred additional costs of £0.117m as a direct result of the COVID-19 pandemic.

11.3. It has been necessary to instigate two new projects, with total costs of £0.020m, to meet operational requirements in Adult Services as a result of the pandemic. These projects are:

- Avalon - Outside Toilet Facility
- Oak Farm - Lean-To Shelter for Handwashing

12. Capital Receipts Position

12.1 The current capital programme is heavily reliant on the Council generating capital receipts to finance the capital programme. There is a high level of risk in these projections as they are subject to changes in property and land values, the actions of potential buyers and being granted planning permission on sites. Table 7 below, summarises the current allocated and projected capital receipt position across 2020/21 to 2023/24. A RAG analysis has been included for capital receipts projected, based on the current likelihood of generating them by the end of each financial year. Those marked as green are where they are highly likely to be completed by the end of the financial year, amber are where they are achievable but challenging and thus there is a risk of slippage, and red are highly unlikely to complete in year and thus there is a high risk of slippage. However, no receipts are guaranteed to complete in this financial year as there may be delays between exchanging contracts and completing.

Table 7: Projected capital receipts position

Detail	2020/21 £	2021/22 £	2022/23 £	2023/24 £
Corporate Resources Allocated in Capital Programme	8,325,769	15,944,792	5,000,000	
Capital Receipts used to finance redundancy costs	-			
To be allocated from Ring Fenced Receipts	6,964,796	6,250,000	-	-
Total Commitments	11,290,565	22,194,792	5,000,000	-
Capital Receipts in hand/projected:				
Brought Forward in hand	19,619,249	13,145,236	(8,958,694)	(13,958,694)
Generated 2020/21 YTD	3,555,163	-	-	-
Projected - 'Green'	1,261,388	90,863	-	-
Total in hand/projected	24,435,801	13,236,098	(8,958,694)	(13,958,694)
Shortfall to be financed from Prudential Borrowing / (Surplus) to carry forward	(13,145,236)	8,958,694	13,958,694	13,958,694
Further Assets Being Considered for Disposal	1,360,953	21,144,424	10,018,000	15,900,000

12.2 Capital receipts of £19.619m were brought forward from 2019/20 and £3.555m has been generated to date in 2020/21. A further £1.261m is currently projected as 'Green' for 2020/21, which mainly relates to the sale of Westgate, Bridgnorth (£0.869m) and from the sale of HRA Right to Buy properties (£0.418m).

- 12.3 Based on the current programme and capital receipts in hand and projected as Green for 2020/21, the programme is affordable and there will be a balance of £13.145m to carry forward.
- 12.4 In 2021/22 and 2022/23 there are currently projected shortfalls of capital receipts of £8.959m and £13.959m respectively, which may need to be financed from Prudential Borrowing if they cannot be addressed by progressing the disposals programmed for future years. There is an urgent pressure to progress the disposals programmed for future years, to ensure they are realised, together with realising the revenue running cost savings from some of the properties. Considerable work is required to realise these receipts, with generally a lead in time of at least 12 to 18 months on larger disposals. In addition to the current expenditure commitments, the programme will also grow as new schemes are approved through the Capital Investment Board or if the Council further utilises the greater flexibilities around the use of capital receipts for transformational revenue purposes.
- 12.5 It is important that work progresses, to minimise the funding shortfall. Failure to generate the required level of capital receipts will result in the need to further reduce or re-profile the capital programme, some of which will occur naturally as part of the review of the delivery of schemes; or undertake prudential borrowing, which will incur future year revenue costs that are not budgeted for in the revenue financial strategy.

13. External Funding – National Leisure Recovery Fund (Sport England)

- 13.1 Shropshire Council made a bid in January 2021 to the National Leisure Recovery Fund (Sport England), to support contracted out leisure facilities as they recover from the impact of the Covid-19 pandemic.
- 13.2 The Council applied for a total of £0.836m funding to cover the period December 2020 to March 2021. Wem Town Council also wished to make a bid but was advised that any bid from the organisation should come through the local authority. Shropshire Council's bid therefore included an element amounting to £0.013m to support the facilities at Wem. The Council will hear whether this application is successful in late February 2021.
- 13.3 If the application is successful, as accountable body, the Council will enter into a grant funding agreement with Wem Town Council, arrange the payment of the organisation's funding and monitor progress of the programme to confirm that the funding is being used correctly.

List of Background Papers (This MUST be completed for all reports, but does not include items containing exempt or confidential information)

Medium Term Financial Strategy 2020/21-2024/25
Financial Rules

Appendices

1. Service Area Pressures and Actions 2020/21
2. Amendments to Original Revenue Budget 2020/21
3. Capital Budget and Expenditure 2020/21

Service Area Pressures and Actions 2020/21**Summary**

	Budget	Forecast	Variance	RAGY
Adult Services	118,578,550	117,240,130	(1,338,420)	Y
Central DSG	-	-	-	G
Children's Services	53,014,990	60,291,321	7,276,331	R
Corporate Budgets	(6,357,730)	(16,909,536)	(10,551,806)	Y
Finance, Governance & Assurance	2,239,570	2,957,591	718,021	R
Legal & Democratic Services	453,440	499,308	45,868	G
Place	57,834,590	61,113,585	3,278,995	R
Strategic Management Board	4,290	352,993	348,703	R
Workforce & Transformation	(246,130)	814,068	1,060,198	R
TOTAL	225,521,570	226,359,460	837,890	G

Detail

ADULT SERVICES	Full Year			RAGY
	Budget £	Forecast £	Variance £	
Total	118,578,550	117,240,130	(1,338,420)	Y

Adult Services Business Support and Development	Portfolio Holder Adult Social Services and Climate Change	3,520,400	3,414,520	(105,880)	Y
<p>There is a projected underspend within Business Support and Development of (£0.106m) which is largely due to a number of managed vacancies across the service. The vacancies are not sustainable beyond the short-term, but will not impact service delivery in 2020/21. A summary of the larger variances is as follows:</p> <ul style="list-style-type: none"> • (£0.085m) underspend on Business Support. This is largely down to staffing and costs associated with posts, due to anticipated delays in appointing to vacant posts. • (£0.018m) underspend on Joint Training and the Professional Development Unit. This is largely down to staffing vacancies. Some of this has been offset by loss of income. 					
Adult Services Management	Portfolio Holder Adult Social Services and Climate Change	1,958,710	2,080,887	122,177	R
<p>There is a projected overspend within Adult Services Management of £0.122m. A summary of the larger variances is as follows:</p> <ul style="list-style-type: none"> • (£0.077m) underspend on staffing due to a Head of Service post not yet being appointed to. • £0.200m overspend due to an unachieved saving relating to PFI building contracts. 					
Provider Services	Portfolio Holder Adult Social Services and Climate Change	2,942,600	2,885,656	(56,944)	Y

<p>There is a projected underspend within Provider Services of (£0.057m). The larger variances are as follows:</p> <ul style="list-style-type: none"> • (£0.092m) underspend on preventative services contracts and increased Shared Lives Housing Benefit. This is a one-off saving in year. • £0.061m overspend at Four Rivers Nursing Home. There are cost pressures (mainly relating to Covid-19) on staffing of £0.061m, increased expenditure on supplies and services of £0.041m and loss of client contributions of £0.042m, some of which is offset by one-off Covid-19 related funding of (£0.083m). • (£0.024m) underspend within our in-house reablement service, START. This is solely down to delays in recruiting staff and therefore carrying vacancies. 					
Housing Services	Portfolio Holder Housing and Strategic Planning	2,456,440	3,125,985	669,545	R
<p>There is a projected overspend within Housing Services of £0.670m. The major variances are as follows:</p> <ul style="list-style-type: none"> • (£0.246m) underspend on staffing due to anticipated in-year staff vacancies. • (£0.051m) net effect of under-achievement of income targets, offset by Covid-19 grant monies and underspend in service delivery related to projects such as assistive technology and Tech Severn. • £0.752m overspend relating to the expected underachievement of savings • (£0.182m) one-off savings achieved in prevention contracts • £0.396m anticipated overspend on temporary accommodation, due to an unprecedented number of homeless cases. Savings targets have been proposed by reducing the reliance on more expensive bed and breakfast usage. 					
Social Care Operations	Portfolio Holder Adult Social Services and Climate Change	103,574,060	101,870,171	(1,703,889)	Y
<p>There is a projected underspend of (£1.704m) within the Social Care Operations section of Adult Services. The major variances are as follows:</p> <ul style="list-style-type: none"> • (£1.073m) projected underspend within the purchasing budget. This is due to not seeing the level of growth in costs that was applied to the budget at budget setting. This could be partly, or entirely, down to the impact of Covid-19, where the Council is experiencing suppressed demand as well as an increased death rate. There is also some one-off in year funding applied from NHSE, which is funding all hospital discharges from its Covid-19 funding. This is an extremely volatile budget and assumptions made around in year growth are extremely difficult, made even more difficult due to the current pandemic and the unknown future. We are however starting to see demand increasing and we have a number of young adults requiring specialist placements. Budgeted growth projections have been altered to reflect the current situation. • (£0.540m) underspend due to a local authority decision to fund OT equipment costs through the Disabled Facilities Grant (capital funding) generating a revenue budget saving. This ongoing saving is to be reflected in the budget in 2021/22. • (£0.229m) underspend on all operational social work staffing due to anticipated delays in appointing to a number of staff vacancies. This is not sustainable in the longer term. • £0.123m overspend within maintenance and void costs across social care operations mainly with regards to occupational therapy equipment and supported living properties where void costs of properties are not covered by the collection of Housing Benefit of the inhabitants. • £0.015m overspend on transport costs. 					
Bereavement Services	Deputy Portfolio Holder Public Health	(263,170)	(263,821)	(651)	Y
Minor variation from budget at Quarter 3.					
Regulatory Services	Portfolio Holder Communities, Place Planning and Regulatory Services	2,756,110	2,602,904	(153,206)	Y
<p>There is an underspend of (£0.153m) within the Regulatory Services section of Adult Services (Public Health). The major variances are as follows:</p> <ul style="list-style-type: none"> • £0.175m of unachieved savings in relation to restructuring the services and increasing income that are not expected to be achieved due to resources being assigned to handling the outbreak. • (£0.262m) underspends due to delays in recruiting to vacant posts. • (£0.066m) underspend as a result of staffing resources reassigned to handling the Covid-19 pandemic under alternative funding streams. 					
Trading Standards and Licensing	Portfolio Holder Communities, Place	667,810	614,105	(53,705)	Y

	Planning and Regulatory Services				
<p>There is an underspend of (£0.054m) within the Trading Standards and Licensing section of Adult Services (Public Health). The major variances are as follows:</p> <ul style="list-style-type: none"> • £0.175m of unachieved savings in relation to restructuring the services and increasing income that are not expected to be achieved due to resources being assigned to handling the outbreak. • (£0.149m) underspends due to delays in recruiting to vacant posts. • (£0.079m) underspend as a result of staffing resources reassigned to handling the Covid-19 pandemic under alternative funding streams. 					
Registrars and Coroners	Deputy Portfolio Holder Public Health	679,390	675,444	(3,946)	Y
Minor variation from budget at Quarter 3.					
Non Ring Fenced Public Health Services	Deputy Portfolio Holder Public Health	272,430	220,510	(51,920)	Y
<p>There is an underspend of (£0.052m) within the Non Ring Fenced section of Public Health. The larger variances are as follows:</p> <ul style="list-style-type: none"> • (£0.032m) underspend due to a senior manager secondment arrangement which will not be ongoing. • (£0.020m) underspend as a result of staffing resources reassigned to handling the Covid-19 pandemic under alternative funding streams. 					
Ring Fenced Public Health Services	Deputy Portfolio Holder Public Health	13,770	13,770	(0)	Y
<p>The Ring Fenced Public Health section of Adult Services is funded by Public Health England grant and is forecast to breakeven. The major variances within the breakeven position are as follows:</p> <ul style="list-style-type: none"> • £0.150m of unachieved savings in relation to the redesign and procurement of sexual health services will not be achieved in 20/21 due to an unsuccessful procurement exercise. • £0.025m anticipated overspend on the out of hours call monitoring contract which is unlikely to be resolved in 20/21 due to resource constraints. • (£0.332m) underspends expected in GP, pharmacy and inpatient payments for sexual health and substance misuse services where demand has temporarily reduced as a result of the Covid-19 outbreak. • (£0.127m) underspend due to a reduced outturn on NHS Healthcheck expenditure. • (£0.133m) underspend as a result of staffing resources reassigned to handling the Covid-19 pandemic under alternative funding streams. <p>Additional grant received from Public Health England has been committed to investment in staffing resource and has resulted in the creation of a number of posts. The delay in recruiting to these new posts in addition to other one-off underspends is anticipated to result in a non-recurrent overall underspend within the ring fence of (£0.716m) in 20/21.</p>					

CENTRAL DSG	Full Year			RAGY
	Budget £	Forecast £	Variance £	
Total	-	-	-	

Central DSG	Deputy Portfolio Holder Education	-	-	-	G
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There is a £0.863m budget pressure reported against Central Dedicated Schools Grant (DSG). A £0.145m budget pressure is reported against the Early Years Block of DSG as a direct result of the “double funding” of nursery placements due to Covid-19. There will be Early Years children who cannot access the free Early Years entitlement at the setting of their choice, either because it is still closed or because they have had to restrict places in order to operate safely within the current guidelines of Covid-19. This has led to the ‘double funding’ of the nursery places for these children. It is assumed that this cost will fall on the DSG rather than the Council's Covid-19 grant.

There is a £0.765m budget pressure on the High Needs Block of DSG. The budget pressure identified at Quarter 3 relates to Post 16 FE College placements and top-up funding to mainstream schools. The SEND team believe that there will be a longer term impact once lockdown restrictions are eased. The costs pressures will be from a higher than “normal” proportion of Children presenting with needs that require top-up funding e.g. increased anxiety, plus an increase in demand for high cost residential placements or contributions towards joint funded high cost placements resulting from an increase in demand for these type of placements.

There are a number of strategies in play to address the increasing deficit on the DSG with the aim of bring the Council's DSG account back into balance. These include;

- Building capacity of maintained and academy school SEND Hubs as a more cost effective, local provision
- Graduated Support Pathway (GSP) payments to children identified as requiring SEN support an early stage
- Close partnership working with local mainstream college providers to realise efficiencies
- Reducing reliance on Independent Special Schools through focusing on building capacity of maintained school SEND hubs and the development of a new free Special School from September 2022
- Greater co-commissioning of provision with partners e.g Health and Social Care to meet the holistic needs of a child
- Continue to support schools to be inclusive and manage the increase in permanent exclusions

CHILDREN'S SERVICES	Full Year			RAGY
	Budget £	Forecast £	Variance £	
Total	53,014,990	60,291,321	7,276,331	R

Children's Social Care and Safeguarding	Portfolio Holder Children's Services	32,354,320	39,388,310	7,033,990	R
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The budget pressure in Children's Social Care reflects unachieved savings targets totalling £2.094m as well as ongoing budget pressures, many of which have continued from 2019/20 and mirror the national picture.

£2.000m unachieved savings relates to the Stepping Stones project which has been partially delayed by Covid-19. The vision is that of a holistic approach to children in care with an individualised, wrap-around support system in place that pulls in key stakeholders to work in a multi-agency hub. This way of working will build on the strong foundations of outreach and short-breaks provision, as well as utilising residential care flexibly and creatively to help repair and prepare children and young people to step down to home or a foster family or onto independent living. The project requires investment in additional staff and property adaptations in order to deliver this £2.000m savings target so is a subject of an invest to save funding bid. Unfortunately, the project has been delayed by Covid-19 so it is forecast that no savings will be delivered in 2020/21.

£0.050m unachieved savings relate to the 2 new residential children's homes. Again, the reason for this unachieved saving is Covid-19. While the first new children's home opened in February 2020 and is delivering some savings relating to the 2 children who are accommodated there, the opening of the second children's home was delayed to October due to Covid-19 lockdown restrictions, adversely impacting on savings delivery. The remaining £0.044m savings target relates to the use of agency workers.

The largest overspending area within Children's Social Care is the external residential placements budget. There is a budget pressure of £0.988m being reported. Although, these types of placement are relatively small in number, they are high cost and we believe there is an increase in demand for this type of placement due to Covid-19 increasing pressure on families during lockdown leading to an increase in neglect and abuse. There has been a large percentage increase in the number of children coming into the care of the Shropshire Council over the same period last year but this has not resulted in the same increase in residential placements. As at the end of December 2020, the number of external residential placements has reduced by 2 since the start of 2020/21

financial year. A commissioning and contracts manager was appointed in the 2019/20 financial year to scrutinise high cost residential placements with private providers where the Council is incurring additional costs relating to the child, which may include 1:1 or 2:1 levels of care, therapeutic intervention and education provision. By providing monitoring of these placements to provide assurance of value for money and challenge as to whether the increased levels of support often provided at a start of a placement could be reduced, this post has successfully managed to generate significant savings in 2019/20 and these savings will be considerably higher in the 2020/21 financial year when we get the full-year effect in these reduction in placement costs plus any new reductions.

As stated above, at the end of the 2018/19 financial year, the Council embarked on a strategy to develop additional in-house internal residential provision. One home opened in February 2020 and is operational while the second home opened in October 2020 once Ofsted had undertaken their inspection and assessment. This process was delayed due to Covid-19. In the meantime, there is an overspend of £0.390m across all of the Council's internal residential homes. This overspend relates to staffing pressures resulting from Covid-19 whereby existing staff have worked additional hours to provide additional support to the children accommodated at these homes during the pandemic, plus the cost of a Project Manager post to oversee the set-up of the 2 new children's homes.

There is a budget pressure of £1.362m against External Fostering placements. Shropshire has experienced a significant increase in demand for fostering placements over the last few months (in line with the increase in looked after children described above) with a net increase of 62 new External Fostering placements since the start of the financial year (as at the end of December 2020). These placements are higher cost than internal foster placements with the average weekly cost of an external fostering placement at approximately £828 per week. However it remains a much more cost effective resource than residential placements which would be the alternative, and also ensures that children can remain in a family environment. Whilst Internal fostering placements are cheaper than external fostering placements, our internal fostering capacity is full. Covid-19 has prevented existing foster carers from taking any new children, while the recruitment of new foster carers which has been a strategy to address the budget pressures in placements has been negatively impacted by Covid-19 with far fewer inquiries from potential new foster carers. Pressures from the court to place children with families also impacts on the team's capacity to undertake fostering assessments because they are undertaking family and connected persons assessments under the direction of the Court. Children's Safeguarding are committed to increasing foster placement sufficiency so that the Council can care for more looked after children within a family environment. This is not only in the best interests of the majority of looked after children but will lead to significant financial savings. The aim is to increase the pool of foster carers and look to identify and support foster carers with the skills to look after more complex children. This will reduce demand for expensive residential provision. An ongoing monitoring pressure of £0.242m relates to increased capacity built into the Children's Placement Service to enable the recruitment of more carers and retain and support current carers. A business case was approved to permit this. This provision has demonstrated significant impact on reducing the number of fostering placements breaking down, thus preventing higher cost placements whilst ensuring greater stability for our children.

There is a budget pressure of £1.273m caused by staffing budget pressures across the rest of Children's Social Care. The majority but not all of this pressure has continued from previous years and relates to agency social workers covering social worker posts. It is necessary to ensure that children who are looked after, on a Child Protection Plan or children in need of a plan are adequately supported in line with statutory timescales and this will dictate that sickness, maternity or temporary vacancy must be covered in the interim through agency staff. We have reduced the number of agency workers from 38 last year to 27. We have retained some agency social workers through Covid-19 to maintain our ability to deliver our statutory responsibilities. The service remains focused on recruitment and retention with a dedicated HR worker in post to support with the timely recruitment of social workers. The recruitment campaign for children's services has been continuous and we are engaged with the graduate programmes for social work Step Up. The service has appointed 8 social work apprentices in January 2020 with a further cohort starting in January 2021. Whilst this strategy in itself has led to a further budget pressure of £0.185m on staffing, it was a deliberate strategy to grow our own social workers, to retain them in our employment, and ultimately reduce costs over the longer term. As of December 2020, recruitment remains a real issue with a heavy reliance on agency social workers due to the number of social worker vacancies and the challenges in recruiting to vacant posts. Those staff that are responding to our recruitment campaign tend to be inexperienced ASYE social workers, so agency workers will be required to stay in post for a limited time to support these new social workers until such time that they are able to take on full caseloads. Although growth was built into the budget for a number of social workers posts, this growth has been outstripped by increasing demand caused by rising LAC numbers and as a result there are still a small number of agency social workers who are classed as extra capacity albeit fewer than in 2019/20. As with other areas of Children's Social Care, the staffing budget position has been negatively impacted by Covid-19.

There is a £0.064m budget pressure relating to Adoption Services. £0.111m relates to the Joint Adoption Service with Telford & Wrekin Council where there are 2 posts in Post Adoption Support that are over and above the budgeted number of posts and an anticipated budget pressure on intra-agency adoption placements. These 2 posts are critical as part of Shropshire Council's becoming part of a regional adoption agency called Together4Children. The offsetting forecast underspend of £0.047m relates to Special Guardianship Allowances. Growth of £0.280m was built into the budget for 2020/21 and we have continued to see an increase in Special Guardianship Orders issued which mirrors the national trend where there has been a steep increase in the number of SGOs over the past 8 years. These are less costly options than residential or fostering placements and give a child more permanence than a regular fostering arrangement.

There is a one-off pressure of £0.132m in the Disabled Children's Team. The majority of this relates to an increase in Disabled Children's Team Direct Payments and prevention and support payments. This reflects an increase in demand for these type of payments and is partly the longer term impact of the temporary closure of the Council's commissioned overnight short breaks provision in 2019.

The remaining £0.304m forecast overspend relates to one-off monitoring pressures on non-staffing budgets such as barrister fees, transport recharges and interpreting fees across several social work teams. The impact of Covid-19 remains on these budget remains unknown as yet.

Early Help, Partnerships and Commissioning	Portfolio Holder Children's Services	2,298,370	2,087,406	(210,964)	Y
<p>The (£0.211m) one-off monitoring savings are forecast against Early Help. (£0.079m) is the result of in year vacancy management savings either within the Family Hubs structure or the Parenting team. A further (£0.144m) underspends relate to premises, supplies and services and staff mileage budgets for the six new Family Hubs. Work has commenced to determine if these underspends are ongoing or one-off in terms of the future structure of Early Help, as there is a plan to use these budgets in a different way within the service in the 2021/22 financial year.</p> <p>There is a net £0.012m overspend across non-staffing budgets across the remainder of Early Help. This results from a £0.030m expenditure relating to a Social Impact Bond offset by one-off underspends across budgets within the Specific Needs Clubs, Family Information Service or NEETs team.</p>					
Children's Services Management	Portfolio Holder Children's Services	607,420	613,771	6,351	G
Minor variation from budget at Quarter 3.					
Learning and Skills	Deputy Portfolio Holder Education	17,754,880	18,201,834	446,954	R

The £0.345m forecast overspend reflects projected unachieved savings of £0.036m. £0.100m savings were planned in response to the Council's 2020/21 Central School Services Block DSG allocation from Government being reduced by 20% or £0.428m. While growth of £0.328m was built into the Learning and Skills budget to reflect this, it was anticipated that a further £0.100m reduction could be dealt with through savings by withdrawal of contributions to other service areas or reductions in contracts. To date £0.064m savings have been identified while work is ongoing to identify where the remaining £0.036m saving will be achieved.

The largest projected overspend relates to home to school transport, with a £0.334m budget pressure being reported. It is important to note that while the Home to School Transport service has had growth built into the budget of £1.809m to increase the net budget to a total of £12.436m, this budget was not baselined at the 2019/20 final outturn expenditure level of £12.719m. The projected outturn position reflects that while expenditure will reduce in some areas of home to school transport in line with the full-year effect of some 2019/20 savings, there are other areas of home to school transport where the service continues to see an increase in passenger numbers and costs. There is an acknowledged and demonstrable trend of increased SEN passenger numbers, while the service has also experienced an increase in the complexity of the needs of the children that are being transported which has had the effect of increasing the unit cost per passenger. The introduction of a new Post-19 policy - as approved by Cabinet - has imposed a duty on the Council to make transport arrangements for adult learners aged 19 and over attending educational institutions which has resulted in increased expenditure in this area and 2020/21 will be the first year the full-year financial effect of this increase in duties has impacted. The extent of the impact of Covid-19 on home to school transport budgets is still unknown. Initially while schools were closed for lockdown, the Council continued to pay 100% of school transport contract rates to contractors for continuity and retention purposes. This was subject to strict conditions that providers were available to deliver a full service and not benefiting from the Coronavirus job retention scheme. In the Autumn Term, the Council received a £0.350m grant from the Department for Education for the first half-term to fund the additional costs of Covid-19. The projected additional costs for this period are difficult to predict.

CORPORATE BUDGETS	Full Year			RAGY
	Budget £	Forecast £	Variance £	
Total	(6,357,730)	(16,909,536)	(10,551,806)	Y

Corporate Budgets	Portfolio Holder Finance and Corporate Support	(6,357,730)	(11,652,576)	(5,294,846)	Y
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A saving of (£0.693m) was identified in the 2019/20 outturn report against MRP for 2020/21. Additionally, a review of current budget has identified a further MRP saving (£2.250m) and (£2.013m) of Section 31 grant driven by delays in project delivery over the year. So this funding can be uncommitted for 2020/21. Part of the allocated element of this budget will be added to Invest to Save funding to support projects such as Stepping Stones and wider transformation and performance optimisation of the whole Council such as the 'Refocus' programme in future years. Another allocated element of the budget will be used to support sustainability and carbon-reducing projects. Pressures against the interest receivable budget are forecast to be £0.268m. This needs to be monitored as the pressure may increase later in the year. This is currently offset by reduced interest payable, currently expected to be (£0.890m).

Business Continuity - Covid 19	Portfolio Holder Finance and Corporate Support	-	(5,256,960)	(5,256,960)	Y
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The Council has received £22.410m non-ringfenced Covid-19 grant, and the majority of this is included in the monitoring position within Corporate Budgets, along with additional one-off costs incurred, such as the purchasing of PPE, delivery of food parcels and the costs of temporary accommodation for rough sleepers. As additional one-off costs are forecast to be less than the grant received, a proportion of the grant is forecast to be allocated to service areas across the Council, to offset net losses of income caused by the pandemic.

FINANCE, GOVERNANCE & ASSURANCE	Full Year	RAGY
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	Budget £	Forecast £	Variance £	
Total	2,239,570	2,957,591	718,021	R

Audit Services	Portfolio Holder Finance and Corporate Support	1,000	(97,791)	(98,791)	Y
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In year savings of (£0.098m) are anticipated from planned vacancy management and income generation.

Finance	Portfolio Holder Finance and Corporate Support	(37,150)	(15,137)	22,013	G
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In year savings targets are now expected to be achieved, however budget pressures of £0.049m exist in relation to additional staffing costs and £0.035m in relation to additional postage costs above those budgeted. These additional costs have been partly offset by additional income of (£0.057m).

Pension Administration Services	Portfolio Holder Finance and Corporate Support	35,410	35,410	-	G
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No variation from budget at Quarter 3.

Revenues and Benefits	Portfolio Holder Finance and Corporate Support	2,005,150	2,837,344	832,194	R
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A pressure of £2.141m is forecast from the interim subsidy return, due to anticipated net Housing Benefit subsidy loss relating to an increase in homelessness. This has been partly offset in year by the application of grant funds relating to Covid-19 of (£1.000m). Pressures have partly been offset in year by savings from vacancy management and savings on IT systems and legal disbursements of (£0.281m).

Treasury Services	Portfolio Holder Finance and Corporate Support	1,670	1,531	(139)	Y
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Minor variation from budget at Quarter 3.

Commissioning Development and Procurement	Deputy Portfolio Holder Procurement	168,770	158,531	(10,239)	Y
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Minor variation from budget at Quarter 3.

Risk Management and Insurance	Portfolio Holder Finance and Corporate Support	64,720	37,704	(27,016)	Y
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There are currently projected savings of (£0.027m) from expected staff vacancies.

LEGAL AND DEMOCRATIC SERVICES	Full Year			RAGY
	Budget £	Forecast £	Variance £	
Total	453,440	499,308	45,868	G

Democratic Services	Portfolio Holder Finance and Corporate Support	1,800	(105,844)	(107,644)	Y
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In year savings within Committee Services have been identified at Quarter 3 from additional income (£0.028m). Efficiencies against supplies and services, subsistence and travel costs have also been identified across Democratic Services of (£0.080m).

Elections	Portfolio Holder Finance and Corporate Support	440,300	504,435	64,135	A
Savings of £0.077m relating to grant bids for IER (Individual Electoral Registration) are unlikely to be delivered as anticipated and are projected not to be achieved.					
Legal Services	Portfolio Holder Finance and Corporate Support	11,340	100,716	89,376	A
There are unachieved savings targets of £0.050m and expected increased budget pressures of £0.141m related to legal child-care costs. It is likely that there will be further overspends in this area and this will be monitored closely. Overspends have currently been offset by planned savings from vacancy management of (£0.047m), in year savings across supplies and services budgets (£0.025m) and additional income (£0.030m).					

PLACE	Full Year			RAGY
	Budget £	Forecast £	Variance £	
Total	57,834,590	61,113,585	3,278,995	R

Director of Place	Portfolio Holder Communities, Place Planning and Regulatory Services	601,760	753,899	152,139	R
The cost centre holds the unachieved contract management savings for the directorate totalling £0.156m, which are being reviewed by the directorate senior team.					
Head of Commercial Services	Deputy Leader and Portfolio Holder Assets, Economic Growth and Regeneration	145,990	210,378	64,388	A
The adverse variance is due to unachievable savings of £0.096m required from administrative buildings (less infrastructure costs (£0.053m) not incurred to facilitate the savings). The decision was made not to proceed with these plans as they were deemed unachievable in light of the new ways in which Council is operating. A further pressure includes two consultancy reviews across the service resulting in unbudgeted expenditure of £0.022m.					
Corporate Landlord	Deputy Leader and Portfolio Holder Assets, Economic Growth and Regeneration	482,360	624,835	142,475	R
£0.061m of this variance relates to unbudgeted ongoing expenditure associated with Shropshire Local. Funding of Shropshire Local will form part of an overall business case/invest to save proposal, but, at present, the development has led to a financial pressure within Corporate Landlord. A further pressure of £0.077m is due to delays in agreeing a lease for the Gateway Education & Arts Centre, resulting in a loss of income in this financial year. Some of the loss may be recovered from a service charge which is calculated towards the end of the year.					
Facilities Management	Deputy Leader and Portfolio Holder Assets, Economic Growth and Regeneration	1,580	405	(1,175)	Y
Minor variation from budget at Quarter 3.					
Property Services Group	Deputy Leader and Portfolio Holder Assets, Economic	9,270	(117,977)	(127,247)	Y

	Growth and Regeneration				
Income relating to financial year 19/20 has been received this year and has produced a forecast overachievement of the income targets for PSG, resulting in a favourable forecast of (£0.124m) at Quarter 3.					
Strategic Asset Management	Deputy Leader and Portfolio Holder Assets, Economic Growth and Regeneration	244,690	538,031	293,341	R
<p>There is a budget pressure of £0.100m relating to sustainability investments. The required saving has been achieved, however the saving is being used to repay the Invest to Save loan and so not being seen in revenue figures in 20/21.</p> <p>The budgets anticipated a restructure that would yield £0.073m savings, but this has been delayed and the savings will not be achieved in the current year (although this is offset by in year salary savings within the Commercial Investment Team). There are also unbudgeted staffing costs of £0.060m for One Public Estate, where funding has now ceased, and unbudgeted expenditure on agency staff of £0.035m. The forthcoming restructure (due for completion in March '21) across commercial services will address these salary pressures in 21/22.</p> <p>The area has also incurred £0.069m additional conveyancing and consultancy expenditure this year. Overspends are partially offset by increased income (£0.024m) in Property Strategy Review & Compliance and reduced salary costs (£0.015m) in Gypsy & Traveller Liaison.</p>					
Commercial Investment Team	Deputy Leader and Portfolio Holder Assets, Economic Growth and Regeneration	1,486,570	425,693	(1,060,877)	Y
<p>(£0.360m) has been saved due to a partial recruitment of this new team and the departure of one of the incumbent managers. The upcoming restructure across Commercial Services is likely to reallocate this saving on salary budget in 21/22 across the property management services.</p> <p>The cost of investment budget has not been fully utilised, giving a saving of (£0.579m). This budget was required to fund the cost of investments made in 19/20, however, due to the delays in setting up this team in 19/20, this budget has not been fully required in this financial year. Investments made this year will require this budget in 21/22.</p> <p>An overachievement of the savings target for commercial investment has yielded a further (£0.125m.)</p>					
Climate Change	Portfolio Holder Adult Social Services and Climate Change	400,000	400,000	-	G
No variation from budget at Quarter 3.					
Shire Services	Deputy Leader and Portfolio Holder Assets, Economic Growth and Regeneration	(9,010)	548,823	557,833	R
<p>The variance includes £0.401m of unachieved savings from previous years and £0.082m repayment of a loan to the general fund related to the deficit in 19/20 which will not be achieved this year due to the impact the Covid-19 crisis is having on future planning.</p> <p>A review of this area is being undertaken, however the service does not have any reserves to draw on and is likely to need to rely on support from outside the area to reposition itself for the post Covid-19 world.</p>					
Head of Economic Growth	Deputy Leader and Portfolio Holder Assets, Economic Growth and Regeneration	272,830	243,389	(29,441)	Y
An in year saving has arisen as a result of the gap between the departure of the previous Head of Economic Growth and the new postholder starting.					
Planning Services	Portfolio Holder Communities, Place	2,146,720	2,352,339	205,619	R

	Planning and Regulatory Services				
It is anticipated that the pandemic will have a significant impact on the service area, leading to lost income of £0.436m. This loss of income is forecast to be offset by the grant support from MHCLG.					
Variances include:- Design costs associated with providing a satisfactory waste water solution for a site in Whitchurch, estimated at £0.045m, additional support from consultants for planning enforcement cases, estimated at £0.083m, and finally, Highways Development Control has moved to Planning Services and has cost pressures estimated at £0.053m relating to additional 'Part 1' claims and an anticipated reduction in inspection fees of £0.040m.					
Economic Growth	Deputy Leader and Portfolio Holder Assets, Economic Growth and Regeneration	1,115,460	1,108,077	(7,383)	Y
Minor variation from budget at Quarter 3.					
Broadband	Deputy Portfolio Holder Broadband	166,840	166,840	-	G
No variation from budget at Quarter 3.					
Planning Policy	Portfolio Holder Housing and Strategic Planning	716,320	725,972	9,652	G
Minor variation from budget at Quarter 3.					
Shrewsbury Shopping Centres - Commercial Sites	Deputy Leader and Portfolio Holder Assets, Economic Growth and Regeneration	(684,700)	(486,109)	198,591	R
As fundamental changes in the retail sector continue, the shopping centres have been subject to several pressures including changing lease renewal negotiations. These on-going pressures on the budget have created a reduction in rental and service charge income that totals £0.199m (losses due to the impact Covid-19 pandemic are covered by additional grants).					
Shrewsbury Shopping Centres - Development Sites	Deputy Leader and Portfolio Holder Assets, Economic Growth and Regeneration	(1,465,770)	(1,203,111)	262,659	R
Due to the changed economic landscape, primarily as a result of the Covid-19 pandemic, the proposals for the repurposing of the Pride Hill Shopping Centre, approved by Council in December 2019 are being reviewed. The enabling works to Pride Hill, which are fundamental to any future development are commencing. Since the Quarter 1 report, the Council has been awarded £5.020m LEP funding towards the redevelopment of the Pride Hill Shopping Centre. The Covid-19 pandemic has impacted on the options for the repurposing of the Pride Hill Shopping Centre and the Council has adopted an aspiration for a town centre Civic hub, in which the Pride Hill Shopping Centre may play a part. The future of the Pride Hill and Riverside Shopping Centres are an intrinsic part of the Council's vision for the town centre and it has been agreed to treat them as a separate development project for accounting purposes. The forecast adverse variance of £0.262m may therefore be analysed as follows: - Unachievable savings £0.320m Additional consultancy costs relating to holding structure review £0.114m Cost of investment budgets not utilised (£0.196m) (saving) Deficit due to the downturn in the retail industry £0.024m (losses due to the impact Covid-19 pandemic are covered by additional grants)					
Head of Infrastructure	Deputy Leader and Portfolio Holder Assets, Economic Growth and Regeneration	314,562	308,181	(6,381)	Y
Minor variation from budget at Quarter 3.					

Highways	Portfolio Holder Highways and Car Parking	8,129,888	7,963,695	(166,193)	Y
<ul style="list-style-type: none"> Highways (Operations):- There is additional Kier expenditure forecast as the programme to address gully cleaning has continued into 2020/21, estimated at £0.089m. It is also anticipated that, as a result of the delay of the LED streetlighting replacement programme, savings from energy and maintenance costs will not materialise in 2020/21. These are estimated at £0.211m for energy costs and £0.055m for maintenance. These additional costs are mostly offset in year by vacancies and other savings on works. Highways (Bridges and Structures):- It is anticipated that there will be some engineering supervision savings in 2020/21 estimated at (£0.042m.) Highways (Streetworks):- It is anticipated that Streetworks income (net) will be (£0.199m) higher than budgeted. Highways (Governance):- It is currently anticipated that there will be significant costs associated with insurance claims and claims handling, estimated at £0.172m. This is essentially offset by a favourable staffing variance, through vacancies, of (£0.155m) during the year. 					
Environment and Transport	Portfolio Holder Highways and Car Parking	5,993,270	6,909,631	916,361	R
<ul style="list-style-type: none"> Public Transport:- It is anticipated that Covid-19 will have a significant impact on costs associated with the provision of public transport where reduced passenger numbers (and income from fares) will impact the subsidy to the operators. Currently this is estimated at £0.995m. This additional expenditure will be covered by Government Covid-19 grants. <p>As previously reported, the Enterprise Car Scheme was created, whereby employees use an Enterprise vehicle rather than their own personal vehicle. Covid-19 has significantly changed this scenario and future provision will be reviewed. Currently savings associated with changes in behaviour are evident (as a reduction) in other service areas' expenditure. The original savings target and costs still sit within Environment and Transport. This amounts to £0.446m.</p> <p>And finally, we are anticipating the release of a provision in 2020/21 of (£0.429m).</p> <ul style="list-style-type: none"> Street Scene:- It is currently estimated that there will be staffing vacancies and a reduction in maintenance expenditure totalling (£0.227m). Parking:- It is currently anticipated that on-street and off-street parking income (net) will be less than the current budget by £3.799m, largely as a result of Covid-19. The lost income is partially offset by Covid-19 support grants of (£2.636m). The long term financial targets for car parking will be reviewed as new behaviours are realised. Strategic:- There will be cost pressures relating to social distancing measures in towns. The Council has been awarded grant funding for 'Reopening High Streets' to incorporate social distancing measures. These measures have been implemented in accordance with Government guidelines and advice from Public Health and Public Protection (for example:- Victoria Quay and Bridgnorth High Street). The costs of these measures will be covered by Covid-19 support grants. <p>Other variances include a reduced programme of Road Safety education due to Covid-19 restrictions, resulting in an estimated reduction in expenditure of (£0.069m).</p>					
Waste Management	Portfolio Holder Culture, Leisure, Waste and Communications	30,906,840	30,858,308	(48,532)	Y
<p>In-year savings are being achieved on supplies and services budgets within the staff team cost centre, and a saving is being made by the volume of waste being sent to landfill being less than the budget set in accordance with the contract.</p>					
Head of Homes and Communities	Portfolio Holder Culture, Leisure, Waste and Communications	(254,960)	134,184	389,144	R
<p>The adverse variances here are made up of unachievable savings as follows:-</p> <ul style="list-style-type: none"> £0.100m savings from the HRA £0.250m savings from review of temporary housing <p>The costs associated with the Housing Development Manager for the year have also been transferred to this area.</p>					
Housing Development and HRA	Portfolio Holder Housing and Strategic Planning	(1,025,000)	-	1,025,000	R
<p>The adverse is due to unachievable savings of £1.025m from Cornovii Ltd. The revised business plan for the Company approved by the Council earlier in the year set out that this saving</p>					

would not be achievable in 20/21, but it must also be acknowledged that Covid -19 has delayed the development of this enterprise and at least part of this loss of income could be attributed to the pandemic.					
Head of Culture, Leisure & Tourism	Portfolio Holder Culture, Leisure, Waste and Communications	176,830	289,920	113,090	R
The overspend in this area is due to the allocation of salary costs of the Head of Culture, Leisure and Tourism. A full review of CL&T areas has identified potential savings and efficiencies throughout the services which it is anticipated will cover these costs in the future.					
Arts	Portfolio Holder Culture, Leisure, Waste and Communications	68,390	68,275	(115)	Y
Minor variation from budget at Quarter 3.					
Shropshire Hills AONB	Portfolio Holder Culture, Leisure, Waste and Communications	34,750	53,487	18,737	G
Minor variation from budget at Quarter 3.					
Outdoor Partnerships	Portfolio Holder Culture, Leisure, Waste and Communications	1,025,190	1,111,339	86,149	A
The majority of this variance is due do an historic unachieved £0.050m savings requirement that is being reviewed within Culture, Leisure and Tourism.					
Leisure	Portfolio Holder Culture, Leisure, Waste and Communications	2,139,500	2,387,813	248,313	R
The service has incurred additional costs associated with taking control of the centres at Bishops Castle and Church Stretton of £0.091m and the implementation of new IT systems have given rise to additional expenditure of £0.065 and other repair and refurbishment costs of £0.074m.					
Libraries	Portfolio Holder Culture, Leisure, Waste and Communications	3,356,200	3,414,947	58,747	A
The adverse variance is due to unachieved savings of £0.107m relating to a review of this service. This review has been delayed due to the Covid-19 pandemic, but an external review has been commissioned to restructure and transform the service, which will address these savings for 21/22 and beyond. The unachieved saving has been partly offset by in year supplies and services savings.					
Museums and Archives	Portfolio Holder Culture, Leisure, Waste and Communications	1,306,830	1,290,931	(15,899)	Y
Minor variation from budget at Quarter 3					
Theatre Services	Portfolio Holder Culture, Leisure, Waste and Communications	31,390	31,390	0	G
No variation from budget at Quarter 3. (Losses due to the Covid-19 pandemic are forecast to be fully reimbursed by Covid-19 support grant funding.)					
STRATEGIC MANAGEMENT BOARD		Full Year			RAGY
		Budget £	Forecast £	Variance £	
Total		4,290	352,993	348,703	R
Strategic Management Board	Leader and Portfolio Holder Strategy	4,290	352,993	348,703	R
Savings of (£0.139m) are anticipated from planned vacancy management. These are partly offsetting one-off staff costs of £0.476m.					

WORKFORCE AND TRANSFORMATION		Full Year			RAGY
		Budget £	Forecast £	Variance £	
Total		(246,130)	814,068	1,060,198	R
Customer Services	Portfolio Holder Finance and Corporate Support	599,320	331,654	(267,666)	Y
In-year savings of (£0.267m) are anticipated across Customer Services from a combination of planned vacancy management and reductions in systems costs and contract payments.					
ICT Digital Transformation Project	Portfolio Holder Organisational Transformation and Digital Infrastructure	(2,141,550)	645,062	2,786,612	R
Combined savings targets relating to the “single front door”, the wider Digital Transformation Programme and potential organisational transformation of £2.787m have not yet been achieved. Work is ongoing to identify and confirm how these savings can be delivered.					
ICT Services	Portfolio Holder Organisational Transformation and Digital Infrastructure	1,283,300	(45,860)	(1,329,160)	Y
Savings of £0.490m have been delayed, partly due to Covid-19 preventing implementation of changes to contracts as planned. Unachieved savings have been offset by vacancy management and by planned one-off expenditure of £1.101m being funded from capital budgets rather than revenue, creating an in-year revenue saving.					
Communications	Portfolio Holder Culture, Leisure, Waste and Communications	9,800	47,985	38,185	G
Unachieved income of £0.045m has been offset against identified vacancy management savings.					
Information, Intelligence and Insight	Portfolio Holder Organisational Transformation and Digital Infrastructure	8,890	(91,713)	(100,603)	Y
Anticipated in-year savings relating to vacancy management (£0.109m) have been offset against slightly increased supplies and services costs.					
Human Resources and Organisational Development	Portfolio Holder Finance and Corporate Support	(5,890)	(73,058)	(67,168)	Y
Unachieved savings of £0.055m, and lost income of £0.072m across Health and Safety and Occupational Health training, are being offset by identified savings of (£0.184m) from a combination of vacancy management, supplies and services budgets and additional expected income.					

Appendix 2: Amendments to Original Revenue Budget 2020/21

£000	Total	Adult Services	Children's Services	Corporate Budgets	Finance, Governance and Assurance	Legal and Democratic Services	Place	Strategic Management Board	Workforce and Transformation
Original Budget as Agreed by Council	225,522	118,755	52,873	(5,514)	2,245	439	57,302	(0)	(578)
Quarter 1									
Correction of budget setting error	0	(141)		141					
Q1 Revised Budget	225,522	118,615	52,873	(5,373)	2,245	439	57,302	(0)	(578)
Quarter 2									
Structure change (not virement): Movement of Safer Community Co-ordination from Public Health to Customer Services	0	(254)							254
Reallocation of contract management savings (ref P41) as per Commissioning and Assurance Board	0	51	40		(55)		(28)		(7)
Transfer of non-controllable fleet transport budgets, following transfer of controllable budgets at budget setting							4		
Creation of climate change budget	0			(400)			400		
Correction of salary budgets as a result of 2.75% pay award	0	170	103	(585)	50	14	158	5	86
Q2 Revised Budget	225,522	118,579	53,015	(6,358)	2,240	453	57,835	4	(246)
Quarter 3									
None									
Q3 Revised Budget	225,522	118,579	53,015	(6,358)	2,240	453	57,835	4	(246)

Details of virements over £140,000 and below £500,000, reported to Cabinet for information**Quarter 1:**

- A budget virement of £0.141m has taken place at Quarter 1 to correct an error that had taken place at budget setting. A budget for pay inflation had been incorrectly allocated to posts within Adult Services that are grant funded. The corresponding grant income should fund any increase in costs of the posts, rather than the Council's base budget.

Quarter 2:

- A budget virement of £0.400m has taken place at Quarter 2 to create a budget for sustainability projects and initiatives as part of the work on climate change that the Council is undertaking.

Details of virements between £500,000 and £1m, reported to Cabinet for information**Quarter 2:**

- Following the announcement of the NJC 2.75% pay award for 2020/21, a virement has taken place to bring salary budgets across the Council into line with the uplifted costs. A pay award of 2% had been assumed at budget setting, and therefore the £0.585m

virement represents the remaining 0.75% that had not been included within original budgets.

Appendix 3 – Capital Budget And Expenditure 2020/21

Shropshire Council - Capital Programme 2020/21 - 2023/24 Capital Programme Summary - Quarter 3 2020/21

Directorate	Revised Budget Q2 2020/21 £	Budget Virements Q3 £	Revised Budget Q3 2020/21 £	Actual Spend £	Spend to Budget Variance £	% Budget Spend	Outturn Projection £	Outturn Projection Variance £	2021/22 Revised Budget £	2022/23 Revised Budget £	2023/24 Revised Budget £
General Fund											
Adult Services	5,515,984	(2,876,088)	2,639,896	1,449,645	1,190,251	54.91%	2,639,896	0	8,976,088	3,200,000	0
Children's Services	11,661,770	(3,459,784)	8,201,986	2,407,269	5,794,717	29.35%	8,201,986	0	21,794,735	5,500,000	0
Place	68,910,226	(13,705,196)	55,205,030	28,945,917	26,259,113	52.43%	55,205,030	0	98,234,054	86,233,274	0
Workforce & Transformation	2,394,900	(1,000,000)	1,394,900	480,878	914,022	34.47%	1,394,900	0	1,000,000	0	0
Total General Fund	88,482,880	(21,041,068)	67,441,812	33,283,709	34,158,103	49.35%	67,441,812	0	130,004,877	94,933,274	0
Housing Revenue Account	11,300,680	(5,364,233)	5,936,447	1,717,678	4,218,769	28.93%	5,936,447	0	20,148,353	19,828,300	14,000,000
Total Approved Budget	99,783,560	(26,405,301)	73,378,259	35,001,387	38,376,872	47.70%	73,378,259	0	150,153,230	114,761,574	14,000,000

Shropshire Council - Capital Programme Portfolio Holder Summary Quarter 3 2020/21

Portfolio Holder	Revised Budget Q2 2020/21 £	Budget Virements Q3 £	Revised Budget Q3 2020/21 £	Actual Spend £	Spend to Budget Variance £	% Budget Spend	Outturn Projection £	Outturn Projection Variance £	2021/22 Revised Budget £	2022/23 Revised Budget £	2023/24 Revised Budget £
General Fund											
Adult Social Services and Climate Change	5,248,857	(2,876,088)	2,372,769	1,449,645	923,124	61.10%	2,372,769	0	8,976,088	3,200,000	0
Assets, Economic Growth and Regeneration	21,630,911	(5,069,853)	16,561,058	7,136,113	9,424,945	43.09%	16,561,058	0	46,548,117	32,370,649	0
Broadband	5,646,123	(2,706,286)	2,939,837	401,098	2,538,739	13.64%	2,939,837	0	7,706,286	0	0
Children's Services	618,462	(296,000)	322,462	162,129	160,333	50.28%	322,462	0	296,000	0	0
Communities, Place Planning and Regulatory Services	336,480	89,284	425,764	154,285	271,479	36.24%	425,764	0	0	0	0
Education	11,043,308	(3,163,784)	7,879,524	2,245,140	5,634,384	28.49%	7,879,524	0	21,498,735	5,500,000	0
Highways and Car Parking	39,731,595	(4,721,390)	35,010,205	21,056,243	13,953,962	60.14%	35,010,205	0	39,097,009	53,862,625	0
Housing and Strategic Planning (General Fund)	1,479,472	(999,642)	479,830	180,518	299,312	37.62%	479,830	0	4,557,642	0	0
Leisure, Waste and Communications	352,772	(297,309)	55,463	17,660	37,803	31.84%	55,463	0	325,000	0	0
Transformation and Digital Infrastructure	2,394,900	(1,000,000)	1,394,900	480,878	914,022	34.47%	1,394,900	0	1,000,000	0	0
Total General Fund	88,482,880	(21,041,068)	67,441,812	33,283,709	34,158,103	49.35%	67,441,812	0	130,004,877	94,933,274	0
Housing Revenue Account											
Housing and Strategic Planning (HRA)	11,300,680	(5,364,233)	5,936,447	1,717,678	4,218,769	28.93%	5,936,447	0	20,148,353	19,828,300	14,000,000
Total Approved Budget	99,783,560	(26,405,301)	73,378,259	35,001,387	38,376,872	47.70%	73,378,259	0	150,153,230	114,761,574	14,000,000

Shropshire Council - Capital Budget Monitoring Report Quarter 3 2020/21

Directorate Service Area	Revised Budget Q2 2020/21 £	Budget Virements Q3 £	Revised Budget Q3 2020/21 £	Actual Spend £	Spend to Budget Variance £	% Budget Spend	Outturn Projection £	Outturn Projection Variance £	2021/22 Revised Budget £	2022/23 Revised Budget £	2023/24 Revised Budget £
General Fund											
Adult Services	5,515,984	(2,876,088)	2,639,896	1,449,645	1,190,251	54.91%	2,639,896	0	8,976,088	3,200,000	0
Contracts & Provider Capital	0	0	0	0	0	0.00%	0	0	0	0	0
Housing Services Capital	3,293,608	(1,876,088)	1,417,520	820,316	597,204	57.87%	1,417,520	0	8,076,088	3,200,000	0
Public Health Capital	0	0	0	0	0	0.00%	0	0	0	0	0
Public Protection Capital	267,127	(250,000)	17,127	0	17,127	0.00%	17,127	0	150,000	0	0
Social Care Operations Capital	1,955,249	(750,000)	1,205,249	629,329	575,920	52.22%	1,205,249	0	750,000	0	0
Children's Services	11,661,770	(3,459,784)	8,201,986	2,407,269	5,794,717	29.35%	8,201,986	0	21,794,735	5,500,000	0
Children's Residential Care Capital	618,462	(296,000)	322,462	162,129	160,333	50.28%	322,462	0	296,000	0	0
Non Maintained Schools Capital	2,207,988	(902,110)	1,305,878	23,051	1,282,827	1.77%	1,305,878	0	7,200,000	0	0
Primary School Capital	7,055,134	(1,101,835)	5,953,299	1,095,749	4,857,550	18.41%	5,953,299	0	4,603,275	5,000,000	0
Secondary School Capital	1,115,983	(306,766)	809,217	35,432	773,785	4.38%	809,217	0	2,000,000	0	0
Special Schools Capital	146,652	(27,250)	119,402	19,200	100,202	16.08%	119,402	0	27,250	0	0
Unallocated School Capital	517,551	(825,823)	(308,272)	1,071,708	-1,379,980	-347.65%	-308,272	0	7,668,210	500,000	0
Place Capital - Commercial Services	15,367,586	(5,069,853)	10,297,733	5,450,838	4,846,895	52.93%	10,297,733	0	36,558,954	30,000,000	0
Corporate Landlord Capital	15,367,586	(5,069,853)	10,297,733	5,450,838	4,846,895	52.93%	10,297,733	0	36,558,954	30,000,000	0
Place Capital - Economic Growth	13,458,273	(3,616,644)	9,841,629	2,421,176	7,420,453	24.60%	9,841,629	0	22,253,091	2,370,649	0
Broadband Capital	5,646,123	(2,706,286)	2,939,837	401,098	2,538,739	13.64%	2,939,837	0	7,706,286	0	0
Development Management Capital	69,353	89,284	158,637	154,285	4,352	97.26%	158,637	0	0	0	0
Economic Growth Capital	6,263,325	0	6,263,325	1,685,275	4,578,050	26.91%	6,263,325	0	9,989,163	2,370,649	0
Planning Policy Capital	1,479,472	(999,642)	479,830	180,518	299,312	37.62%	479,830	0	4,557,642	0	0
Place Capital - Homes & Communities	27,772	27,691	55,463	17,660	37,803	31.84%	55,463	0	0	0	0
Leisure Capital	21,463	34,000	55,463	17,660	37,803	31.84%	55,463	0	0	0	0
Outdoor Partnerships Capital	6,309	(6,309)	0	0	0	0.00%	0	0	0	0	0
Visitor Economy Capital	0	0	0	0	0	0.00%	0	0	0	0	0
Place Capital - Infrastructure	40,056,595	(5,046,390)	35,010,205	21,056,243	13,953,962	60.14%	35,010,205	0	39,422,009	53,862,625	0
Environment & Transport Capital	0	0	0	0	0	0.00%	0	0	0	0	0
Highways Capital	39,731,595	(4,721,390)	35,010,205	21,056,243	13,953,962	60.14%	35,010,205	0	39,097,009	53,862,625	0
Waste Capital	325,000	(325,000)	0	0	0	0.00%	0	0	325,000	0	0
Workforce & Transformation	2,394,900	(1,000,000)	1,394,900	480,878	914,022	34.47%	1,394,900	0	1,000,000	0	0
ICT Digital Transformation - CRM Capital	456,695	0	456,695	73,350	383,345	16.06%	456,695	0	0	0	0
ICT Digital Transformation - ERP Capital	188,854	147,356	336,210	336,210	0	100.00%	336,210	0	0	0	0
ICT Digital Transformation - Infrastructure & Archite	66,012	0	66,012	2,486	63,526	3.77%	66,012	0	0	0	0
ICT Digital Transformation - Social Care Capital	185,217	0	185,217	68,832	116,386	37.16%	185,217	0	0	0	0
ICT Digital Transformation - Unallocated Capital	1,498,122	(1,147,356)	350,766	0	350,766	0.00%	350,766	0	1,000,000	0	0
Total General Fund	88,482,880	(21,041,068)	67,441,812	33,283,709	34,158,103	49.35%	67,441,812	0	130,004,877	94,933,274	0
Housing Revenue Account	11,300,680	(5,364,233)	5,936,447	1,717,678	4,218,769	28.93%	5,936,447	0	20,148,353	19,828,300	14,000,000
HRA Dwellings Capital	11,300,680	(5,364,233)	5,936,447	1,717,678	4,218,769	28.93%	5,936,447	0	20,148,353	19,828,300	14,000,000
Total Approved Budget	99,783,560	(26,405,301)	73,378,259	35,001,387	38,376,872	47.70%	73,378,259	0	150,153,230	114,761,574	14,000,000

Shropshire Council - Capital Programme 2020/21- 2023/24

Financing	Revised Budget Q2 2020/21	Budget Virements Q3	Revised Budget Q3 2020/21	2021/22 Revised Budget	2022/23 Revised Budget	2023/24 Revised Budget
	£	£	£	£	£	£
Self Financed Prudential Borrowing	11,265,358	(6,691,954)	4,573,404	47,766,750	41,000,000	10,000,000
Government Grants						
Department for Transport	32,247,754	(1,500,000)	30,747,754	26,422,289	53,862,625	-
- Rapid Electric Vehicle Charging Points Grant	11,386	-	11,386	-	-	-
Ministry of Housing, Communities & Local Gov						
- Land Release Fund	280,343	-	280,343	-	-	-
- Housing Infrastructure Fund	578,792	-	578,792	6,405,669	1,312,187	-
Department for Health - Better Care Fund	2,703,354	(1,115,307)	1,588,047	6,315,307	3,200,000	-
Department for Health - HOLD Grant	971,962	(900,000)	71,962	1,900,000	-	-
Department for Education						
- Condition Capital Grant	2,272,649	59,950	2,212,699	1,059,950	500,000	-
- Basic Need Capital Grant	564,000	-	564,000	6,253,160	-	-
- Devolved Formula Capital	869,413	(200,000)	669,413	704,304	-	-
- Special Provision Funds	231,104	-	231,104	450,000	-	-
- Healthy Pupils Capital Grant	13,606	(7,000)	6,606	7,000	-	-
- Full Fibre Broadband	172,008	118,864	290,872	-	-	-
Department for Communities and Local Government						
- Community Housing Fund	261,296	(191,296)	70,000	191,296	-	-
Disabled Facilities Grant (Additional)	-	-	-	-	-	-
Education Funding Agency						
- Early Years Capital Fund	-	-	-	155,474	-	-
HCA - Travellers	-	-	-	-	-	-
HCA - New Build	320,000	-	320,000	3,000,000	3,000,000	3,000,000
BDUK - Broadband	667,633	-	667,633	-	-	-
Environment Agency	933,379	(471,233)	462,146	55,073	-	-
DEFRA	-	50,000	50,000	950,000	-	-
Local Enterprise Partnership (LEP) Fund	8,491,073	-	8,491,073	-	-	-
	51,589,751	(4,275,922)	47,313,829	53,869,522	61,874,812	3,000,000
Other Grants						
Historic England/English Heritage	-	-	-	-	-	-
Natural England	-	-	-	-	-	-
Other Grants	271,742	189,216	460,958	-	-	-
	271,742	189,216	460,958			
Other Contributions						
Section 106	4,169,242	(1,266,186)	2,903,056	12,540,863	-	-
Community Infrastructure Levy (CIL)	7,127,012	(2,377,213)	4,749,799	7,590,261	58,462	-
Other Contributions	209,689	(9,259)	200,430	4,332,449	-	-
	11,505,943	(3,652,658)	7,853,285	24,463,573	58,462	
Revenue Contributions to Capital	4,406,942	(3,007,699)	1,399,243	4,328,493	3,048,200	1,000,000
Major Repairs Allowance	6,569,444	(3,117,672)	3,451,772	3,780,100	3,780,100	
Corporate Resources (expectation - Capital Receipts only)	14,174,380	(5,848,612)	8,325,768	15,944,792	5,000,000	
Total Confirmed Funding	99,783,559	(26,405,301)	73,378,259	150,153,230	114,761,574	14,000,000

Funding Changes - Quarter 3

Budget Increase/Decrease	2020/21	2021/22	2022/23	2023/24	Details
Self Financed Prudential Borrowing	285,000	(910,000)	(910,000)		Remove SALIX loan funding associated with the now on hold Street Lighting LED Conversion scheme of £1,215,000, £910,000 and £910,000 in 2020/21, 2021/22 and 2022/23 respectively. Increase Prudential Borrowing requirement by £1,500,000 in relation to The Tannery project.
Government Grants					
Full Fibre Broadband	118,864				Grant award from DfE for Schools Full Fibre Broadband projects
Environment Agency	(416,160)				Removal of Environment Agency grant funding for Flood & Water Management schemes that are no longer progressing.
DEFRA	50,000	950,000			Grant award from DEFRA for Flood & Water Management
Other Grants					
Other Grants	189,216				Successful award of ERDF funding for SEPUBu Phase 2 projects.
Other Contributions					
Section 106	9,400				Budget increase of £89,284 for newly approved S106 Parish Council Outdoor Recreation Projects. Budget increase of £2,385 in relation to an ITP scheme in Shifnal (ITP South - Shifnal Bradford Street Enhancement) to cover planned expenditure. Budget decrease of £16,916 in relation to completed schemes (Broseley BMX Track £2,424 and Whitchurch Skate Park £2,492) and a legacy scheme (S106 Affordable Housing £12,000). Budget decrease of £65,353 in relation to completed school schemes (£65,093) and completed Highways scheme (Morda Speed Bank £260).
CIL	1,441,350				Budget increase of £1,517,088 for approved Highways projects. Budget removal of £75,738 in relation to completed school scheme.
Other Contributions	(4,259)				Budget decrease to remove private sector contribution (ERDF match) for the Ludlow Assembly Rooms scheme.
Total Other Contributions	1,446,491	0	0	0	
Revenue Contributions to Capital	(2,576,930)	970,000			£12,605 school revenue contribution to DFC schemes at Welshampton Primary (£4,650) and Clive Primary (£7,955) in 2020/21. Reduction of £2,715,679 HRA revenue contributions for delivery of the New Build Phase 5 programme. Budget increase of £126,144 ERDF match funding for SEPUBu Phase 2 projects. £970,000 general fund revenue contribution to Community Led Affordable Housing Grant Scheme in 2021/22.
Major Repairs Allowance	(1,989,372)		1,128,300		Budget reduction of £1,989,372 for the HRA Major Repairs Programme due to reduced budget requirement for delivery of the 2020/21 programme. Budget increase of £1,128,300 to deliver the the HRA Major Repairs Programme in 2022/23.
Corporate Resources (expectation - Capital Receipts only)	687,778				Budget decrease in 2020/21 of £1,393 due to completion of Snailbeach Lead Mine scheme. Budget decrease of £100,000 as a result of agreed transfer to revenue in relation to Shropshire Empty Property Grants. Budget increase of £789,171 for HRA approved property acquisitions.
	(2,205,113)	1,010,000	218,300	0	

Re-Profiling				
Adult Services				
Disabled Facilities Grants	(976,088)	976,088		Reprofiling of capital receipts (£476,088) and DFG (£500,000) to reflect expected expenditure profile.
Housing Projects - Assistive Technology	(100,000)	100,000		Reprofiling of DFG to reflect expected expenditure profile.
Greenacres Farm Renovation	(250,000)	250,000		Reprofiling of DFG to reflect expected expenditure profile.
ASC Unallocated	(400,000)	400,000		Reprofiling of DFG (265,307) and capital receipts (£134,639) to reflect expected expenditure profile.
HOLD Project	(900,000)	900,000		Reprofiling of DoH HOLD grant to reflect anticipated expenditure profile.
Shropshire Empty Property Grant	(150,000)	150,000		Reprofiling of capital receipts to reflect expected expenditure profile.
Children's Services				
New Primary Provision - Bowbrook	(1,500,000)	1,500,000		Reprofiling of CIL to reflect expected expenditure profile.
Whitchurch Junior Extension	(500,000)	500,000		Reprofiling of CIL to reflect expected expenditure profile.
Whitchurch Infants Extension	(150,000)	150,000		Reprofiling of S106 to reflect expected expenditure profile.
Shifnal Primary School Secure Lobby	(32,700)	32,700		Reprofiling of Condition grant to reflect expected expenditure profile.
Various School Schemes	(200,000)	200,000		Reprofiling of DFC grant to reflect expected expenditure profile.
Children's Residential Care	(296,000)	296,000		Reprofiling of Prudential Borrowing requirement to reflect expected expenditure profile.
Schools Future Place Planning	(306,766)	306,766		Reprofiling of DFC grant (£200,000) and S106 (£56,766) to reflect expected expenditure profile.
Early Years Unallocated	(39,286)	39,286		Reprofiling of capital receipts to reflect expected expenditure profile.
Shifnal St. Andrew's 2 Class Extension	(70,000)	70,000		Reprofiling of CIL to reflect expected expenditure profile.
Whitchurch Infants - 2 x Classroom Reconfiguration	(57,048)	57,048		Reprofiling of S106 to reflect expected expenditure profile.
Whitchurch Junior - 2 Class Extension & Refurbishment	(90,000)	90,000		Reprofiling of CIL to reflect expected expenditure profile.
Market Drayton Junior - Place Planning	(10,439)	10,439		Reprofiling of capital receipts to reflect expected expenditure profile.
Meole Brace Primary 2 Class Extension	(11,772)	11,772		Reprofiling of S106 to reflect expected expenditure profile.
Basic Need Unallocated	(118,161)	118,161		Reprofiling of capital receipts to reflect expected expenditure profile.
Ford Trinity All Weather MUGA	(7,000)	7,000		Reprofiling of Healthy Pupils Capital grant to reflect expected expenditure profile.
Hookgate TMBSS	(27,250)	27,250		Reprofiling of Condition grant to reflect expected expenditure profile.
Place				
In Vessel Composting Facility	(325,000)	325,000		Reprofiling of capital receipts to reflect revised expenditure profile.
A529 Road Safety Works	(1,500,000)	1,500,000		Reprofiling of DfT Safer Roads Fund to reflect expected expenditure profile.
SITP	(1,516,386)	1,516,386		Reprofiling of S106 contributions (£1,000,000) and capital receipts (£516,386) to reflect expected expenditure profile.
Oxon Link Road	(141,635)	141,635		Reprofiling of capital receipts to reflect expected expenditure profile.
Affordable Housing Rolling Fund	(200,346)	200,346		Reprofiling of capital receipts to reflect expected expenditure profile.
Community Housing - Community Led Affordable Housing Fund	(191,296)	191,296		Reprofiling of MHCLG Community Housing Fund to meet future programme.
Community Led Affordable Housing Grant Scheme	(96,000)	96,000		Reprofiling of General Fund revenue contributions to reflect expected expenditure profile.
Broadband Phase 3	(2,244,628)	2,244,628		Reprofiling of capital receipts to reflect expected expenditure profile.
Broadband Phase 6	(461,658)	461,658		Reprofiling of capital receipts to reflect expected expenditure profile.
DVSA Site Acquisition	(1,200,000)	1,200,000		Reprofiling of Prudential Borrowing requirement to reflect expected expenditure profile.
Shirehall FRA Works	(200,000)	200,000		Reprofiling of capital receipts to reflect expected expenditure profile.
Commercial Investments	(5,480,954)	5,480,954		Reprofiling of Prudential Borrowing requirement in relation to future commercial investments to reflect anticipated expenditure profiles.
Shrewsbury Self Build Scheme	(500,000)	500,000		Reprofiling of capital receipts in relation to Shrewsbury Self Build Scheme to reflect anticipated expenditure profile.
Shropshire Slow the Flow Project	(50,000)	50,000		Reprofiling of EA grant to reflect expected expenditure profile.
Flood & Water Management Unallocated Fund	(37,859)	37,859		Reprofiling of capital receipts (£32,786) and EA grant (£5,073) to reflect expected expenditure profile.
Highways CIL Projects	(1,408,563)	1,408,563		Reprofiling of CIL to reflect expected expenditure profile.
Ash Parva 30mph Speed Limit	(5,000)	5,000		Reprofiling of private sector contribution to reflect expected expenditure profile.
Workforce & Transformation				
ICT Digital Transformation Unallocated	(1,000,000)	1,000,000		Reprofiling of capital receipts to reflect expected expenditure.
Housing Revenue Account				
HRA New Build	(300,000)	300,000		Reprofiling of HRA revenue contributions to reflect expected expenditure profile.
HRA PSH Adaptations	(20,053)	20,053		Reprofiling of capital receipts to reflect expected expenditure.
HRA MRP Unallocated	(1,128,300)	1,128,300		Reprofiling of MRA contributions to reflect expected expenditure profile.
	(24,200,188)	24,200,188	-	0

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<u>Committee and Date</u> Cabinet 8 th March 2021 Performance Management Scrutiny Committee 17 March 2021	<u>Item</u> <u>Public</u>
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Quarter 3 Performance Report 2020/21

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1. Summary

- 1.1. This report presents Cabinet with the Council's Performance against its key Outcomes for Quarter 3 2020/21.
- 1.2. The Corporate Plan for 2020/21 and the High-Level Outcomes provide the shape and focus of the updated Performance Management Framework. The measures in the framework have been refined to reflect the updated strategic action plans for the year.
- 1.3. The framework is presented with seven key outcome areas: A Healthy Environment, A Good Place to do Business, Sustainable Places and Communities, More People with a Suitable Home, Embrace our Rurality, Care for those in Need at any Age and Your Council
- 1.4. The online performance portal has continued to be developed to present performance information to be used in conjunction with this report, and can be accessed here -

<https://shropshireperformance.inphase.com/>
- 1.5. This is part of improving access to performance information and that of data transparency. Member and user feedback will help to inform further developments of performance information, which will form part of the IT system developments.
- 1.6. The new Corporate Plan 2019/20 to 2021/22 which sets out new priorities for the Council was agreed at Council at their meeting on the 13 December 2018. A revised framework of measures and milestones is being developed to demonstrate impact and progress against these new priorities and will be reported from Quarter 1 of 2019/20. Measures and milestones will also be included as they are developed that reflect the transformation of the Council.

2. Recommendations

Members are asked to:

- A. Consider the emerging issues in this report
- B. Review the performance portal and identify any performance areas that they would like to consider in greater detail or refer to the Performance Management Scrutiny Committee.

3. Risk Assessment and Opportunities Appraisal

- 3.1. Poor performance could have implications for vulnerable people (including children) who are supported by Council services and economic growth in Shropshire. In turn, there may be significant financial, legal and reputational risk to the Council, Schools (and Academies), and partners from across the public and voluntary and independent care sectors.
- 3.2. Effective monitoring and follow-up against key measures of success provides the opportunity to manage risks and ensure that Children and Young People and vulnerable adults in Shropshire remain safe and achieve the desired outcomes.

4. Financial Implications

- 4.1. This report does not have any direct financial implications but presents service and financial information to support decision making. Accountable officers and senior managers may use the information to inform actions or interventions for improving service performance and the prioritisation and use of resources.
- 4.2. Full financial details are presented as part of the Financial Reports.

5. Introduction

- 5.1. Each of the seven outcome areas contains a number of sub-outcomes with a range of associated performance measures. The frequency of the availability of the data varies from monthly and quarterly updates to annual updates. All measures, regardless of frequency will be available on the performance portal to improve accessibility to information.
- 5.2. Quarterly reports will be used to highlight performance exceptions and changes to measures reported annually.

5.3. The Quarter 3 report is written and presented under yet more challenging circumstances. The report covers the period from 1st October 2020 to 31st December 2020. The country entered the second national lockdown period during November with a brief respite in December before the commencement of the third lockdown at the start of the current quarter. The corporate performance measures are presented against the backdrop of the Covid 19 crisis, which resulted in an emergence from the national lockdown during this reporting period.

5 A Healthy Environment

6.1 The sub outcomes for A Healthy Environment are; The Council is Improving Energy Efficiency, Providing access to Shropshire’s Great Outdoors, A Clean and Attractive Environment is maintained, Participation in Positive Activities for Health and Well being, Improving Public Health Keeping People Safe.

6.2 The National Child Measurement Programme figures for 2019/20 have been published. The programme stopped in March 2020 due to the pandemic and therefore participation rates are lower than usual.

There is concern about the rise of childhood obesity and the implications of such obesity persisting into adulthood. The risk of obesity in adulthood and risk of future obesity-related ill health are greater as children get older.

Data shows that the prevalence of overweight (including obesity) children in reception class was 22.6%, similar to the previous year (22.4%). Rates for year 6 children was 29.7% compared to 30.3% in 2018/19.

Caveats: The data presented only includes children participating in the NCMP in state-maintained schools, any measurements taken at independent and special schools are excluded from the analysis. There is the potential for error in the collection, collation and interpretation of the data (bias may be introduced due to poor response rates and selective opt out of children which it is not possible to control for).

	Shropshire	West Midlands	England
Reception - prevalence of overweight (including obesity)	22.6%	24.6%	23%
Year 6 - prevalence of overweight (including obesity)	29.7%	38.2%	35.2%

6.3 During Q3 the Theatre Severn continued with socially distant film screenings, except during the November lockdown. There were 6909 visitors attending in total during Q3, but overall the figures continue to fall. Live performances are yet to resume. The Old Market Hall cinema remained closed during Q3.

6.4 Visits to libraries are significantly down as they were closed for public access during most of November due to lockdown restrictions. Even when libraries were open visits were low due to reluctance of older/vulnerable library customers to go out, reduced library services in branch, greater focus on digital services, no events or activities in libraries.

6.5 The projected Recycling and Composting rate for quarter 3 20/21 is 53.6% which is above the target of 52.5%. The long-term trend shows that recycling rates continue to improve gradually, albeit with seasonal variations. Current performance exceeds the national targets for English councils to recycle 50% of household waste by the end of 2020. The next challenge is to meet the 65% target by the end of 2035.

7 A Good Place to do Business

7.1 The sub outcomes for A Good Place to do Business are; A Well Qualified Workforce, A Good Place to Start, Grow or Locate a Business, Employment Opportunities, Employment Conditions and Infrastructure and Conditions.

7.2 Claimant count figures to December 2020 show that the number of claimants aged 16+ stands at 8,505 an increase of 4,740 (125%) compared to December 2019 (3,765). The sharp rise reflects the severe economic downturn as a result of national lockdown during the Covid-19 pandemic. Please note: Under Universal Credit a broader span of claimants are required to look for work than under Jobseeker's Allowance. As the Universal Credit Service is rolled out the number of people recorded as being on the Claimant Count will increase.

Shropshire claimant rates continue to compare favourably with comparator groups December 2020:

	Shropshire	West Midlands	Great Britain
18 – 24	8.1%	9.9%	8.9%
16 - 64	4.5%	7.2%	6.3%

7.3 Pay rates Latest data published in December 2020 shows the average wages in 2020 for people working in Shropshire (workplace wages) increased by £7.00 to £532.90 gross per week in the year to April 2020, this is lower than the West Midlands and Great Britain average. Lower pay rates in Shropshire may be due to a higher percentage of our businesses being within sectors that tend to be lower paid; agriculture, care, hospitality and leisure.

Earnings by residence increased by £19.00 to £574.90, this is higher than those for West Midland residents and lower than the Great Britain average. Higher residence work rates in Shropshire may be due the net outward commuter workforce, which can achieve higher pay rates in other areas.

	Shropshire	West Midlands	Great Britain
Earnings by place of residence	£574.90	£551.70	£587.10
Earnings by workplace	£532.90	£552.50	£586.70

7.4 The economic and employment measures tracked in the corporate plan are highly likely to be impacted by the current lockdown situation. Many economic measures are reported annually, towards the end of the year, therefore it will take some time before the scale of impact and rate of recovery emerges in official statistics.

8 Sustainable Places and Communities

8.1 The sub outcome for Sustainable Places and Communities are; Community Volunteering, Communities Feel Safe and quality of life for adult social care users.

8.2 Publication of the 2019/20 Adult Social Care comparator data for England, delayed due to the pandemic, were published December 2020. Results for Shropshire reports performance for the year 2019/20. This information highlights comparator data for that period. Shropshire is ranked in the top 2 quartiles for 19 of 23 measures (82.6%)

Shropshire performed above both the English Average and West Midlands region on 15 of these measures. Examples include supporting people with a learning disability into settled accommodation; the proportion of older people (aged 65 and over) who received reablement/rehabilitation services after discharge from hospital and the proportion of same who were still at home 91 days after discharge from hospital into reablement/rehabilitation.

The proportion of people who use services, who find it easy to find information about support, shows an improvement from 71.5% to 75.5%. This measure has shown steady improvement over the past years, moving from the third to upper quartile. Comparator groups – Statistical Neighbours 69.4%, West Midlands 65.7% and England 68.4%.

Top quartile performance includes the overall satisfaction of people who use services, with their care and support. This measure shows an improvement from 66.1% to 69.2%. This compares well with comparator groups – Statistical Neighbours 65.9%, West Midlands 64.4% and England 64.2%.

Lower quartile performance relates to measures concerning Direct Payments (DP) to clients. Shropshire has a high rate of clients who opt to receive Individual Service Funds (ISF) where payments for services they receive are paid to the service provider to manage the funds on the client's behalf. The service has reviewed the use of DP and has developed a new policy which will be effective from 1st April 2021. This improved system will address the need for more stringent performance on direct payments; in addition to the new policy there will be a relaunch highlighting this option, improved information for service users and carers and a bespoke refresher training programme for staff.

The Council's Social Care service reconfirms that it is committed to delivering continuous improvement through monitoring and addressing those measures where performance is weaker or declining. Some of the indicators where performance declined, but remains better than comparator average, is the extent to which we place people in residential and nursing care. Since these indicators were introduced (and are now under review) there has been a shift in national policy on this, recognising that supporting people to remain at home for longer produces better outcomes. There will inevitably be variances of need, which causes fluctuations in admission figures but the service is committed to ensuring people have the right support to live in a safe environment appropriate to their needs.

We are performing better in enabling people to remain at home after hospital discharge and are confident that with the addition of a new council service on admission avoidance we will continue to strengthen in terms of preventing readmission.

In summary, the overall performance for adult social care in Shropshire shows a positive improvement for 2019/20, compared to the previous year. 82.6% of measures are rated in the upper quartiles and actions are in place to further improve this figure.

8.3 The Q3 rate of permanent admissions of adults for those aged 65+ into residential or nursing homes is lower (better) than the profile. (340 people per 100,000 against a target of 450.) Admissions for those aged 18 – 64 is in line with the target. (7.6 people per 100,000 against a target of 7.5.) The actual number of admissions of those aged 18 – 64 remains relatively low and therefore small changes in numbers shows a higher percentage variance. The service remains committed to enabling people to remain in their homes and maintain a decent quality of life for as long as possible. The service also confirms that it assesses the needs of each person to ensure that the right service is provided at the right time ensuring that residential and nursing care is provided at the most appropriate time.

8.4 Due to lockdown and social distancing the usual number of volunteer hours supporting libraries, museums and outdoor recreation service has been greatly reduced during the reporting period. The work of volunteers in supporting these services is greatly appreciated as is the tremendous work of all volunteers around the county who help improve the quality of life in so many ways.

9 More People with a Suitable Home

9.1 The sub outcomes for More People with a Suitable Home are; Creating the Conditions for Housing Supply, Meeting the Demand for Suitable Housing, Prevention of Homelessness and Access to Affordable Homes.

9.2 Shropshire Council is committed to enabling the delivery of 'community-led' affordable housing projects which empower communities of all shapes and sizes to commission their own homes to meet local needs. We recognise that this is an ambition for some communities and have responded with an initiative to help parish councils to secure delivery of the homes that local people want and need in order to make their places more sustainable and resilient.

Progress during quarter 3 has started to see sites coming forward and progressing through the planning stages. Prees is currently going through planning and hopes to start on site this Spring. This scheme will deliver 27 affordable "A" rated homes for energy efficiency.

Whittington is currently going through planning and hopes to start on site this Spring. This scheme will deliver 24 affordable homes.

Weston Rhyn are in the early stages of their Community Led Scheme and this will deliver 16 affordable homes whilst Harmer Hill are at the early stages and this scheme is expected to deliver 6 homes.

9.3 Cornovii Developments Limited is Shropshire Council's wholly owned Local Housing Company, which aims to build 1,000 new homes between 2020 to 2025. The company has been formed to address unmet housing need in the county and to generate income for the Council. Planning applications have been submitted for their first four development sites in Shrewsbury, Ifton Heath, Ellesmere and Whitchurch. The company is currently investigating expansion into the Private Rented Sector to further address unmet need in this sector.

9.4 The number of affordable homes delivered in 2019/20 is confirmed as 223. For the current financial year, the number of completions during quarter 1 was 35 and 76 for quarter 2 and 85 at Q3. There has not been a reduction in completions due to covid, although some sites were shut down during the first

lockdown which has led to a few delays, but all sites are now back up and running.

9.5 The Shropshire Housing Strategy 2020 - 2025 was approved by cabinet on 18th January 2021.

9.6 The draft Homelessness strategy deadline was extended in agreement with MHCLG but due to the increased work because of Covid19 and a need to prioritise frontline work, has still not been finalised. The aim is to have a draft document ready for consultation by the end of Q4 2021.

10 Embrace our Rurality

10.1 The sub outcomes for Embrace our Rurality are; Creating the Vision for our Rural Landscape and Communities, Rural Housing, Rural Transport and Rural Infrastructure.

10.2 The 3-year rolling annual average for the number of people killed or seriously injured has seen a welcome reduction in numbers. The latest annual average over 3 years is 143.6 compared to 165.6 at the same period in 2019. Early indications show that accidents and casualty numbers were lower during the lockdown period. This may impact on reporting over the next 3 years as may changes to working and commuting patterns.

10.3 Shropshire Council's Connecting Shropshire broadband programme has been in place since 2013 and has contracted over £32.5m of public funding, through 3 separate supplier contracts with Openreach and Airband Community Internet Ltd. The programme has focused on delivering superfast broadband (with download speeds of at least 30mbps) to the Shropshire Council area programme where there is no commercial provision.

Alongside the three main contracts there have been a number of other project interventions that have improved superfast broadband in the Shropshire Council area:

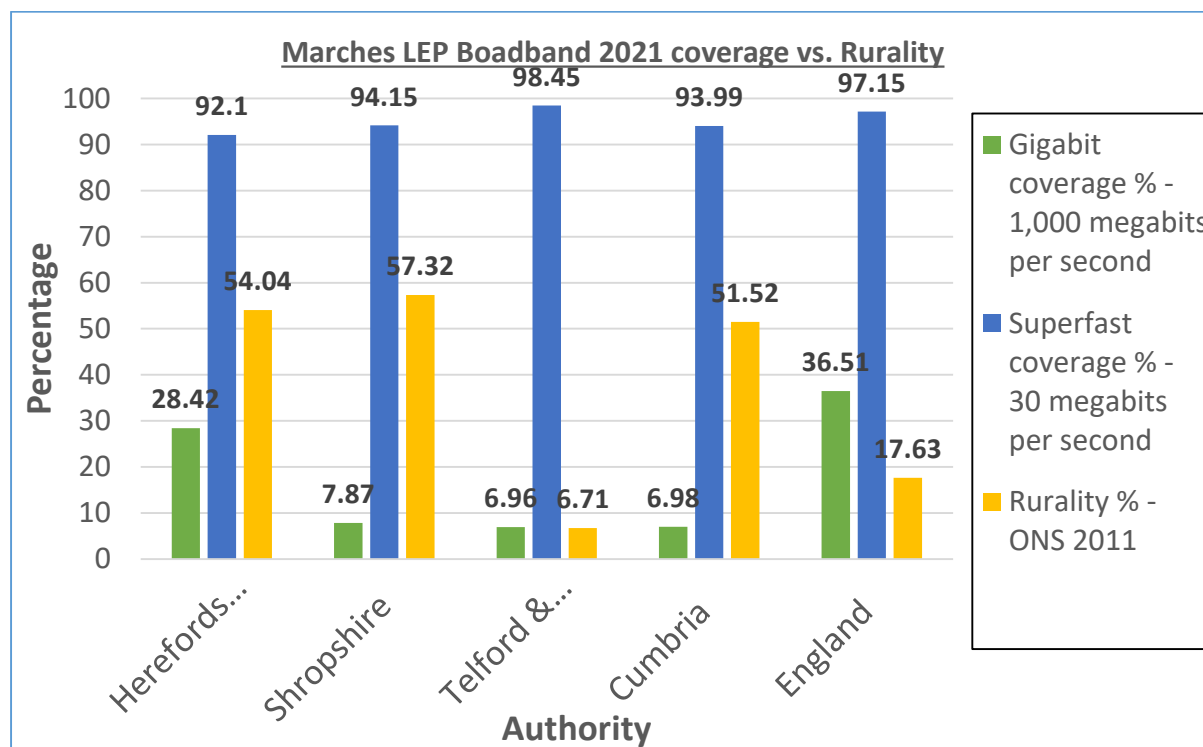
- Better Broadband Subsidy Scheme – now closed
- Marches & Gloucestershire Viable Clusters Broadband Project – in delivery
- Gigabit Broadband Voucher Scheme – in delivery (
- Marches & Gloucestershire Business Broadband Grant Scheme – in delivery

Broadband coverage:

When the programme began in 2013, superfast broadband coverage in the Council area was less than 24%. The graph below shows that the Shropshire Council area, as of 2021 now has a high percentage of superfast broadband

coverage (94.15%¹) compared to nearby Local Authorities that are less rural. The increase is significantly attributable to the Connecting Shropshire Programme with many businesses and communities directly benefiting.

The ambition for the programme remains to deliver superfast broadband to all premises, and currently our projections is that most premises will have access by 2023.



Outlook:

Connecting Shropshire will continue to:

- manage its last superfast contract, where Airband are delivering gigabit-capable broadband networks in some of the hardest-to-reach premises in the Shropshire Council area (for example, to the west of Bucknell);
- work with BDUK and commercial partners to develop projects to deliver superfast broadband to the remaining gap premises;
- work with Building Digital UK, to increase the availability of gigabit broadband, prioritising those premises without access to a superfast broadband connection;
- stimulate the commercial broadband infrastructure market in Shropshire to deliver gigabit-capable broadband networks in the Shropshire Council area.

¹ Source: <https://labs.thinkbroadband.com/local/shropshire,E06000051>

11 Care for those in Need at any Age

11.1 The sub outcomes for Care for those in Need at any Age are; Young people receive appropriate and timely care, Young people are supported to achieve their potential and Adults receive appropriate and timely care.

11.2 Demand across all areas of Children's services has seen an increase during the year. In 2020/21 to date, there have been 1453 children referred to social care, which is 7.3% higher than in the same period last year.

The main referral source during the year has been the police (29%). With covid-19 closures, referrals from schools fell during the early part of the year, with 36 during Q1 and 52 during Q2. During Q3 school referrals increased to 117.

Latest available benchmarking data for 2019/20 (published Dec 2020) indicates that Shropshire's referral levels are below most of its statistical neighbour (SN) group. The average for the group being 422.8 referrals for every 10,000 under 18 residents, compared to 314 for Shropshire.

11.3 At the end of quarter 3 2020/21, there were 478 Looked After Children at the end of December. This is a 19.8% increase over year end 19/20.

In 2019/20 there were an average of 9 new looked after children per month, which has increased to 17 in 2020/21. More children have started to be looked after during quarter three than during the same period last year, indicating an increase in the complexity of cases entering social care.

The rate of children looked after has increased during quarter 3 to 79.7 children per 10,000 Under 18s. National reports indicate that local authorities across the country have experienced an increased rate of Looked After Children during the Covid 19 emergency.

The latest available comparator data for 2019/20 (published Dec 20) shows the Statistical Neighbour average per 10,000 as (60.4) West Midlands (82) England average (67) similar to the Shropshire rate of (66) as at March 2020.

12 Your Council

12.1 The sub outcomes for Your Council are; a financially stable council, an excellent workforce, Transforming services and Compliments and Complaints.

12.2 The quarter 3 finance report is to be presented to Cabinet on 8th March, figures will be updated in the performance portal after publication of the report.

12.3 The number of Full Time Equivalent (FTE) employees as at the end of quarter 3 has increased by 5 to 2702.

Previous end of year FTE numbers are shown in the table below.

Dec 20	2702
Sept 20	2697
June 20	2697
March 2020	2649
March 2019	2609
March 2018	2547
March 2017	2474
March 2016	2661
March 2015	2876
March 2014	3089
March 2013	3552

12.4 The total number of complaint investigations for Q3 2020/21 was 245 similar to the numbers received in the corresponding period for 2019/20 (247).

Period	Total Complaints	Complaints Statutory Children's Investigations	Complaints Statutory Adults investigations (inc provider)	Corporate Complaints Investigations
Total 2018/19	1,281	46	150	1,085
Q1 2019/20	314	9	25	280
Q2 2019/20	323	10	37	276
Q3 2019/20	247	9	22	216
Q4 2019/20	272	12	29	231
Total 2019/20	1,156	40	113	1,003
Q1 2020/21	165	5	6	154
Q2 2020/21	260	12	21	243
Q3 2020/21	245	15	11	219

12.5 There were 245 complaint investigations within the quarter. This total is in line with previous quarter totals (following a reduction at the start of the pandemic). Numbers of statutory complaints remain in line with previous totals but require close attention and more detailed quarterly reports and service reports are used to measure performance. In quarter 3 there were 219 corporate complaints, a slight decrease on the previous quarter. Highways complaints reduced slightly this quarter but remain a significant proportion of all corporate complaints overall.

12.6 There were 139 compliments were received within quarter 3. This is higher than usual for quarter three, which typically receives lower numbers. Many

compliments were generated by activity undertaken in response to the pandemic.

Period	Total Compliments	Total Comments
Year - 2018/19	460	522
Q1 2019/20	73	164
Q2 2019/20	112	171
Q3 2019/20	91	152
Q4 2019/20	131	234
Year - 2019/20	407	721
Q1 2020/21	179	159
Q2 2020/21	158	263
Q3 2020/21	139	190

13 Conclusion

- 13.1 This performance report provides an update on the results achieved and the impact on delivering the outcomes for Shropshire
- 13.2 Performance for Quarter 3 of 2020/21 has seen unprecedented changes to the delivery of services. Service areas who were particularly impacted by lockdown started to make tentative returns to 'normality' whilst others are adopting to new ways of working and delivering services.

Despite these challenges there continues to be good areas of performance

- Comparator data for Adult Social Care shows a positive performance with 83% of measures performing in the top 2 quartiles. Actions are being taken to improve performance in lower quartile areas.
- Waste management recycling and re-use rates continue to be above target
- The number of people killed or seriously injured on our roads has seen a significant reduction in the past year

There are also challenges to services including

- Children's social care continues to receive more demand on services with higher numbers of Referrals and Looked After Children
- Leisure, libraries, theatres and cultural attractions have all experienced a significant downturn in visitor numbers.

List of Background Papers (This MUST be completed for all reports, but does not include items containing exempt or confidential information)

Business Plan and Financial Strategy 2018/19 – 2022/23

Corporate Plan 2019/22

Cabinet Member (Portfolio Holder)
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Cllr Lee Chapman

Local Member All

Appendices https://shropshireperformance.inphase.com/

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