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Shropshire Council

Shropshire Council
Legal and Democratic Services
Guildhall,
Frankwell Quay,
Shrewsbury
SY3 8HQ

Date: 24 November 2026

**Committee:**
**Cabinet**

**Date: Wednesday, 2 December 2026**
**Time: 10.30 am**
**Venue: The Council Chamber, The Guildhall, Frankwell Quay, Shrewsbury, SY3 8HQ**

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

There will be some access to the meeting room for members of the press and public, but this will be limited. If you wish to attend the meeting please email democracy@shropshire.gov.uk to check that a seat will be available for you.

Please click here to view the livestream of the meeting* on the date and time stated on the agenda

The recording of the event will also be made available shortly after the meeting on the Shropshire Council Youtube Channel Here

Richard Phillips
Director – Legal and Governance (Monitoring Officer)

**Members of Cabinet**
Heather Kidd
Alex Wagner
Andy Davis
Roger Evans
Ruth Houghton
James Owen
Rob Wilson
David Vasmer
David Walker
Sarah Marston

Committee Officer:

**Amanda Holyoak**
Tel: 01743 250893
Email: amanda.holyoak@shropshire.gov.uk

When attending this meeting, Members are reminded of the three principles of the Jo Cox Foundation and Compassion in Politics Civility Pledge:

1. *Use a civil and constructive tone in debate*
2. *Act with integrity, honesty and compassion*
3. *Behave respectfully towards others, including those I disagree with*

*(Please note that while we strive to live stream meetings, technical issues may occasionally occur. In the event of a technical disruption, the meeting will be paused to try to resolve the issue. Should it not be possible to resume the live stream, the meeting will proceed as scheduled, and a backup recording will be made available after the meeting. Any disruption to the live stream does not affect the legality of the meeting).

# AGENDA

**1 Apologies for Absence**

**2 Disclosable Interests**

Members are reminded that they must declare their disclosable pecuniary interests and other registrable or non-registrable interests in any matter being considered at the meeting as set out in Appendix B of the Members' Code of Conduct and consider if they should leave the room prior to the item being considered. Further advice can be sought from the Monitoring Officer in advance of the meeting.

**3 Minutes** (Pages 1 - 14)

To confirm the minutes of the meeting held on 18 November 2026

**4 Public Question Time**

To receive any questions from members of the public, notice of which has been given in accordance with Procedure Rule 14. Deadline for notification is not later than 12 noon on Thursday 26 November 2026

**5 Member Question Time**

To receive any questions from Members of the Council. Deadline for notification is not later than 12 noon on Thursday 26 November 2026

**6 Improvement Plan: Annual Review & Refresh** (Pages 15 - 68)

Lead Members: Councillor Heather Kidd, Leader and Councillor Alex Wagner, Deputy Leader

Lead Officer – Jo Brown, Corporate Director, Change and Improvement

**7 Scrutiny Items**

a **Scrutiny Item - Housing Overview and Scrutiny Committee – Verbal Update from the Allocations Policy Task and Finish Group**

Lead Member: Councillor Josh Dickin, Chair of Allocations Policy Task and Finish Group

Lead Officer: Claire Braddock, Overview and Scrutiny Officer

b **Scrutiny Item - Economy and Environment Overview and Scrutiny Committee - Recommendations from the Review of the Hills Ford Rally Recommendations (Verbal)**

Lead Member: Councillor Ed Potter, Chair of the Economy and Environment Overview and Scrutiny Committee

Lead Officer: Claire Braddock, Overview and Scrutiny Officer

**8** **Setting the Council Tax Taxbase for 2027/28** (Pages 69 - 156)

Lead Member: Councillor Roger Evans, Portfolio Holder for Finance

Lead Officer: Duncan Whitfield, Section 151 Officer

**9** **Treasury Strategy 2026/27 – Mid Year Review** (Pages 157 - 182)

Lead Member: Councillor Roger Evans, Portfolio Holder for Finance

Lead Officer: Duncan Whitfield, Section 151 Officer

**10** **Director of Public Health - Annual Report** (Pages 183 - 228)

Lead Member: Councillor Ruth Houghton – Portfolio Holder for Adult Social Care and Public Health

Lead Officer: Rachel Robinson, Corporate Director Population, Wellbeing and Neighbourhoods, (DPH)

**11** **Social Care Market Quality Assurance Framework** (Pages 229 - 388)

Lead Member – Councillor Ruth Houghton – Portfolio Holder for Adult Social Care and Health

Lead Officer: Laura Tyler – Service Director All Age Commissioning

**12** **Future Options for Biodynamic Carbon Limited and Maesbury Road Solar Farm** (Pages 389 - 406)

Lead Members: Councillor Roger Evans – Portfolio Holder for Finance and Councillor Sarah Marston – Portfolio Holder for Communities and Environment

Lead Officer: Duncan Whitfield, Section 151 Officer

**13** **Exclusion of Press and Public**

To resolve that, in accordance with the provisions of schedule 12A of the Local Government Act 1972 and Paragraph 10.4 [3] of the Council's Access to Information Rules, the public and press be excluded from the meeting during consideration of the following items

**14** **Exempt Minutes** (Pages 407 - 408)

To confirm the exempt minutes of the meeting held on 18 November 2026

**15** **Date of Next Meeting**

To note that the next meeting is scheduled to take place on Wednesday 20 January 2027 at 10.30 am

Shropshire Council

**Committee and Date**

Cabinet

2 December 2026

**CABINET**

**Minutes of the meeting held on 18 November 2026**
**In the Council Chamber, The Guildhall, Frankwell Quay, Shrewsbury, SY3 8HQ**
**10.30 am**

**Responsible Officer**: Ashley Kendrick
Email: ashley.kendrick@shropshire.gov.uk Tel: 01743 250893

**Present**
Councillors Heather Kidd, Alex Wagner, Roger Evans, Andy Hall, Ruth Houghton, James Owen, David Vasmer, David Walker, Sarah Marston and Robert Jones (Substitute) (substitute for Rob Wilson)

**In attendance**
Group Leaders – Councillor Rosemary Dartnall (Labour), Councillor Dawn Husemann (Reform UK), Councillor Julian Dean (Green & Progressive Independents – deputising for Councillor Duncan Kerr).

Members – Councillors Ed Potter, Jamie Daniels, Adam Feifer

Officers – Tanya Miles (Chief Executive), Rachel Robinson (Corporate Director – Population, Wellbeing & Neighbourhoods), Duncan Whitfield (Corporate Director – Finance & Governance, S151), Jo Brown (Corporate Director – Change & Improvement) Richard Phillips (Director – Legal & Governance, Monitoring Officer), Andy Wilde (Service Director – Highways & Transport), Paula Mawson (Service Director – Communities & Customer), Paul Clarke (Service Director – Strategy & Change), Pete Banford (Culture & Communities Manager), Ashley Kendrick (Democratic Services Officer)

269 **Apologies for Absence**

Apologies were received from Councillor Rob Wilson (deputised by Councillor Robert Jones) and Councillor Dan Thomas, Group Leader – Conservatives.

270 **Disclosable Interests**

In relation to agenda item 15 – Shaping the future of Shropshire Libraries – Consultation, Councillor Roger Evans declared an interest as a Pontesbury Parish Councillor, with the library being a tenant of the Parish Council. He confirmed that he would withdraw from the meeting for this item.

In relation to agenda item 15 – Shaping the future of Shropshire Libraries – Consultation, Councillor Ruth Houghton declared an interest as a director of Rural Lifeline CIC, which provides a library service in Bishop's Castle.

In relation to agenda item 15 – Shaping the future of Shropshire Libraries – Consultation, Councillor Heather Kidd declared an interest as a Shropshire Council representative on the Rural Lifeline CIC board.

In relation to agenda Item 17 – Shirehall Marketing Proposals, Councillor Alex Wagner declared an interest as he had recently moved to a property close to the site.

271 **Minutes**

**RESOLVED:**

That the minutes of the meeting held on 14 October 2026 be confirmed as an accurate record.

272 **Public Question Time**

Five questions had been received:

John Palmer, in relation to emergency preparedness.

David Kilby, on behalf of Shropshire Playing Fields Association, in relation to the Shirehall site.

Jonathan Owen, on behalf of in relation to Shirehall. In relation to a supplementary question regarding publication of the evaluation criteria for selecting a preferred purchaser, it was confirmed that bidders would be informed of the assessment criteria and these would be included in marketing documentation where appropriate, although commercially sensitive information could remain confidential.

Jane Gallagher, in relation to Shirehall. In relation to a supplementary question regarding the role of design proposals in selecting a preferred purchaser, it was confirmed that design and planning would be considered, alongside the financial offer, deliverability, certainty, risk and wider public value.

John Crowe, in relation to Shirehall. In relation to a supplementary question regarding whether savings from rationalising other Council properties would form part of the Shirehall evaluation, it was confirmed that the Shirehall disposal would be assessed on its own merits, with any wider rationalisation of Council property considered separately through the asset strategy and appropriate governance processes.

The full questions and responses can be found on Agenda for Cabinet on Wednesday, 18th November, 2026, 10.30 am — Shropshire Council

273 **Member Question Time**

Five questions were received:

Councillor Teri Trickett, in relation to disabled parking provision.

Councillor Adam Fejfer, in relation to evening bus services and local connectivity.

Councillor Jamie Daniels, in relation to complaints handling. In response to a supplementary question concerning complaints exceeding statutory timescales, it was acknowledged that improvements could continue to be made and outstanding cases would be progressed as quickly as possible.

Councillor Brendan Mallon, in relation to the future of the Soldiers of Shropshire Museum at Shrewsbury Castle. In response to a supplementary question, it was anticipated that this work would progress in the new year.

Councillor Donna Edmunds, in relation to lessons arising from the closure of Cornovii.

The full questions and responses can be found on Agenda for Cabinet on Wednesday, 18th November, 2026, 10.30 am — Shropshire Council

274 **Scrutiny Items**

There were no scrutiny items.

275 **Crisis & Resilience Fund – 6-month Progress Update**

Cabinet considered the six-month progress of the Crisis and Resilience Fund, noting that more than 11,600 payments had been made and £1.74 million invested. Members welcomed the focus on early intervention and prevention, including support for households in work as well as those receiving benefits, and recognised the important contribution of the voluntary and community sector.

Members discussed how the effectiveness of the Fund would be measured, particularly whether interventions reduced repeat crises. It was confirmed that national reporting and evaluation arrangements were in place and that further evaluation was being explored. Cabinet welcomed the possibility of scrutiny considering the Fund and its outcomes.

**RESOLVED:**

That Cabinet:

1. Endorsed the summary of the wider economic environment and the Council's borrowings and investments set out in Appendix A.

2. Reviewed and endorsed the performance within the prudential indicators for quarter 2, 2026/27 (Appendix B).

276 **Council Tax Support - Proposed Changes 2027-28 Consultation Responses**

Cabinet considered proposed changes to the Council Tax Support scheme, welcoming the proposal to disregard Child Benefit as income when calculating entitlement. Members noted that this would provide additional support to low-income households, including working families, and help address child poverty.

It was also noted that residents affected by the 20% minimum payment would continue to receive additional support through the Crisis and Resilience Fund, with eligible support increasing to £90 in 2027/28 and £100 the following year.

**RESOLVED:**

That Cabinet:

1. Considered the responses received to the statutory consultation.

2. Agreed the following changes to the Council Tax Support scheme with effect from 2027-28 subject to formal approval by full Council on 10 December 2026.

    - Retain the current tapered scheme with the following adjustments
    - Disregard Child Benefit as an income at an estimated cost of £800k per year
    - Retain current minimum payment and maintain current protections for vulnerable groups
    - Continue to support those impacted by 20% minimum payment with a top up from the Crisis Resilience Fund as follows
        - 2026-27 (current year) up to £80
        - 2027-28 – up to £90
        - 2028-29 – up to £100

277 **Financial Monitoring Report Quarter 2 2026/27**

The Portfolio Holder for Finance presented the Quarter 2 financial position, noting a forecast £0.051 million surplus and improvements in financial management, forecasting and the Council's reserves position.

Members welcomed the progress made but highlighted continuing pressures within Children's Services and home-to-school transport. Members discussed measures to reduce the cost of placements while maintaining positive outcomes for children, increasing foster care capacity, and exploring more cost-effective transport arrangements, including greater use of shared transport where appropriate and safe.

It was noted that a members' briefing would provide further information on home-to-school transport and the work underway to address the pressures. Cabinet also noted the importance of rebuilding reserves to strengthen the Council's financial resilience.

**RESOLVED:**

That Cabinet:

A. Supported the Q2 favourable revenue outturn forecast of £0.051m.

B. Supported the significant adverse variation forecast for Children's Services and the mitigations in place to contain and reduce this over the remainder of the financial year.

C. Instructed the Chief Executive and s151 Officer to continue to take all necessary steps to ensure that directorates remain within their budgets and appropriate mitigating action are taken where adverse variations are arising.

D. Supported the forecast level of savings achieved of £4.052m to date and £5.368m to be delivered by the end of the financial year.

E. Supported the forecast General Fund Balance as at 31 March 2027 of £15.051m and the strategy to continue to restore this balance over time.

F. Noted work in progress through the officer led Budget, Transformation and Change Panel (BTCP) and Workforce Review Board to give provisional approval to projects designed to transform the Council, achieve further savings and to rebuild capacity and capability, subject to further oversight by Cabinet and the Finance and Improvement Scrutiny Committee.

G. Approved the provisional allocations of transformation funds to date of £3.532m for 2026/27.

H. Supported the Capital programme and forecast outturn position at quarter 2.

I. Approved the adjustments necessary to the Capital Programme.

J. Approved the Revenue and Capital budget virements as set out in Appendix B and D.

K. Agreed that a provisional Q3 report will be submitted to Cabinet in January 2027, based on period 8 actuals as adjusted for more current information.

278 **Treasury Management Update Quarter 2 2026/27**

The Portfolio Holder for Finance introduced the Quarter 2 Treasury Management Update, which provided an overview of the current economic environment and the Council's treasury management activity, including actions taken in accordance with previous Council decisions.

**RESOLVED:**

That Cabinet:

1. Endorsed the summary of the wider economic environment and the Council's borrowings and investments set out in Appendix A.

2. Reviewed and endorsed the performance within the prudential indicators for quarter 2, 2026/27 (Appendix B).

279 **Draft Medium Term Financial Plan 2027 - 2032**

Cabinet considered the updated Medium Term Financial Plan, noting the continuing financial challenge and an anticipated requirement for approximately £108 million of Exceptional Financial Support for 2027/28. Work would continue to reduce this requirement through further savings, income generation, transformation and review of proposed service growth.

Members discussed the wider pressures facing local government and the importance of rebuilding organisational capacity. Cabinet supported moving away from the previous commissioning council approach in favour of a pragmatic mixed model of in-house and externally provided services, with appropriate expertise and contract management retained within the Council.

Members also discussed the proposed suspension and review of the Climate Strategy, with the revised approach expected to focus on resilience, adaptation and measures providing demonstrable benefits for residents. It was confirmed that the updated strategy was expected in the new year and there was an intention for it to undergo pre-decision scrutiny.

**RESOLVED:**

That Cabinet approved, supported and noted:

A. The continued uncertainty surrounding local government finance in spite of last year's medium term settlement and that the Council has been a net loser from the fair funding review with further risks of losses in funding through business rate retention and grants and unclear conditions relating to the rollout of an overnight levy.

B. That the quarter two monitoring report for 2026/27 is currently forecasting a balanced position for the year at outturn and is subject to a separate report on this Cabinet agenda.

C. That the current estimated EFS requirement for 2026/27 stands at around £87m subject to a balanced budget position at year end, significantly less than the £121m originally projected.

D. The updated budget assumptions for 2027/28 and 2028/29 as set out in Section 4 and the latest forecast position to 2030/31.

E. That a further update of the MTFP with final budget and council tax proposals for 2027/28 will be presented to Cabinet in February 2027.

F. Provisional growth and savings set out in Appendix B and C that will be subject to further due diligence before formal approval by Cabinet in February.

G. The current estimated budget shortfall for 2027/28 of £108.424m, which is subject to further economic assumptions and budget adjustments throughout November

and December and the provisional funding settlement that will be announced in December.

H. That Cabinet will not be continuing with the previous policy of being a 'Commissioning Council' adopted in 2018 and due process will be followed in reaching decisions in the best interests of residents and whatever provides the best outcomes.

I. That officers be instructed to suspend the current Climate Strategy and present an updated Strategy to Cabinet approval as soon as possible, noting that this strategy must be affordable by the Council.

J. That the Chief Executive and S151 Officer will enter into provisional discussions with MHCLG regarding a further request for EFS for 2027/28 on the basis of current assumptions as set out in this report and work continuing through to February, and these discussions will include a request for the Council again to be allowed to raise Council Tax at a level above the current cap of 4.99%.

K. The impact of the ongoing pressures on Shropshire Council's financial position being created by both demand and price pressures, exacerbated by recent funding settlements that have fallen below the real terms increase being experienced.

280 **Draft Capital Strategy 2027 – 2032**

The Portfolio Holder for Finance introduced the Draft Capital Strategy, noting the move to a 10-year planning horizon to provide greater visibility of the Council's future capital requirements, while recognising that projects remained subject to affordability.

Members discussed the need for capital investment to deliver clear benefits and savings, including potential investment supporting looked-after children. Particular emphasis was placed on improving the allocation and use of Community Infrastructure Levy (CIL) funding, with revised governance and allocation arrangements expected to return to Cabinet.

Members noted that a further update to the Capital Strategy would be considered in January, ahead of approval by Council in February.

**RESOLVED:**

That Cabinet:

A. Supported the extension of the programme to give a ten year horizon of funded projects and unfunded projects that will remain subject to affordability.

B. Supported the current Capital Programme as set out in Appendix A;

C. Supported the proposed sources of financing set out in Appendix B, with delegated authority given to the s151 Officer to ultimately determine the most appropriate source of financing for each scheme for subsequent approval by Cabinet.

D. Approved subject to agreement from Council in February 2027 the addition of proposed new projects to the Capital Programme in Appendix C.

E. Supported the continued pausing and deferral of prior year schemes as set out in Paragraph 4.4 subject to further due diligence.

F. Supported the continued flexible use of capital receipts for 2027/28, as set out in paragraph,4.6 in accordance with statutory guidance in place until 2030, with use subject to agreement by the s151 Officer and reported through in-year monitoring reports to Cabinet and Council, as appropriate.

G. Instructed the Chief Executive and s151 Officer in consultation with other officers to update of the Council's CIL policy and related procedures in order to expedite the allocation of CIL and s106 funds to appropriate capital projects for approval by Cabinet.

H. Supported that a further update to the Capital Strategy including any revisions to funding and new schemes will be submitted to Cabinet in January 2027 for approval in advance of agreement to the Strategy by Council in February 2027.

281 **Q2 Performance Report**

The Leader introduced the report and advised that overall delivery against the Corporate Plan remained broadly on track. Of the 48 commitments, nine had been completed, while 23 performance indicators were rated green, one amber and 16 red.

Members welcomed improvements in local bus services and rural connectivity, including increased passenger journeys and service mileage. It was clarified that the HRA Business Plan remained under development and had not yet been fully completed.

Concern was raised regarding the decline in adults undertaking active travel, and it was agreed that this would be investigated and a response provided following the meeting.

**RESOLVED:**

That Cabinet:

- Reviewed performance at Quarter 2 and confirmed any areas in the report that need action to address them.

- Provided further feedback on the performance report that can be taken forward in further refinements to the report format.

- Proposed emerging topics or issues as appropriate to the relevant Overview and Scrutiny Committee to consider for inclusion in their work programme.

## 282 Review of Highways Maintenance Strategy and Highways Inspection Policy

The Portfolio Holder for Highways introduced the report, which set out revised arrangements for highway maintenance and inspections, with priorities including pothole repairs, increased preventative maintenance, active travel and improved management of the highway network.

Members welcomed the work of the Economy and Environment Overview and Scrutiny Committee. Its recommendations covered performance monitoring, member and community engagement, active travel, communication with residents and a greater emphasis on long-term asset management.

Members discussed whether sufficient capacity was available to deliver the strategy, including maintenance of road markings, and sought assurance regarding the quality of highway repairs. It was confirmed that contractor work was recorded and inspected, with contractors required to rectify work that did not meet the required standard at their own cost. Further work was underway to strengthen the Council's capacity and improve communication with town and parish councils.

**RESOLVED:**

That Cabinet

- Approved the proposed Highway Safety Inspection Manual and Car Park Addendum at Appendices C and D;
- Approved the Highway Infrastructure Asset Management Policy and Strategy at Appendices A and B; and
- Noted the recommendations of the Economy and Environment Overview and Scrutiny Committee at Appendix E and endorsed the officer responses and proposed actions set out in this report
- Noted the comments in section 12 of this report and content of the Equality, Social Inclusion and Health Impact Assessment at Appendix F.

## 283 Shaping the future of Shropshire Libraries - Consultation

*After declaring an interest, Councillor Roger Evans left the meeting for the duration of this item.*

The Portfolio Holder for Communities & Environment introduced the report, which sought approval to undertake a 12-week public consultation on proposals for the future delivery of the library service. It was emphasised that no final decisions were being taken on library closures, the mobile library service or changes to opening hours at this stage.

Concerns were raised regarding the potential impact of the proposals on deprived and rural communities, particularly users of the Lantern and Gobowen libraries and the mobile

library service. The importance of libraries as community spaces providing access to wider services, tackling isolation and supporting children and young people was highlighted.

Assurance was given that the consultation would include targeted engagement with affected communities, mobile library users, children and young people, and those who may have difficulty responding digitally. Alternative delivery arrangements and mitigation measures would also be explored, including community hubs, outreach provision, transport and partnership working with town and parish councils.

It was confirmed that consultation responses and an updated equality impact assessment would inform the final proposals, with pre-decision scrutiny before the matter returned to Cabinet.

**RESOLVED:**

That Cabinet:

1. Noted the updated needs assessment for the Shropshire Libraries Service (October 2026) at Appendix A, which presents demographic information for Shropshire, the profile of Shropshire Library users, the service demand and usage analysis, library costs and individual library profiles.

2. Approved a public consultation for 12 weeks on the future of Shropshire libraries based on the proposed changes outlined in the report.

3. Endorsed the approach presented in the report to undertake a targeted review of physical assets and locations of libraries.

4. Endorsed the approach to continue to explore mitigations and alternative delivery options with Town & Parish Councils, voluntary sector and community groups to support the delivery of Libraries.

5. Instructed Council Officers to prepare a pre-decision report to the Economy & Environment Overview and Scrutiny Committee on the outcome of the public consultation for libraries, for consideration of any recommendations or feedback to Cabinet based on the consultation responses.

284 **Asset Strategy & Corporate Landlord Review Transformation Programme**

The Portfolio Holder for Finance introduced the report, which updated Cabinet on the Asset Strategy, Corporate Landlord Review Transformation Programme and asset disposal programme.

Cabinet noted the strengthened governance arrangements and the development of a new five-year Asset Strategy aimed at securing capital receipts, reducing ongoing costs, generating income and ensuring the Council's assets supported service transformation.

Members discussed the proposed £3 million transformation investment, including the balance between external specialist support and retaining appropriate skills and expertise in-house. It was confirmed that future proposals would identify the resources required and

that the Corporate Landlord review would consider appropriate options for insourcing, outsourcing and developing internal capacity.

The importance of ensuring assets delivered value for money, operational resilience and wider strategic benefits was also highlighted.

**RESOLVED:**

That Cabinet:

1. Supported the £3 million approved by the Budget, Transformation and Change Panel for 2026/27 and 2027/28 to fund the Asset Strategy and Corporate Landlord Review Transformation Programme, from the £15 million provision for transformation and change approved by Full Council on 26 February 2026.

2. Supported the new governance arrangements in place since June 2026, set out in Appendix A, including the Asset Transactions Group, chaired by the Section 151 Officer, which oversees two workstreams: (a) the Council's asset disposal programme; (b) the Asset Strategy and Corporate Landlord Review Transformation Programme.

3. Supported the 2026/27 General Fund asset disposal pipeline of £5,900,120 as at 25 October 2026, comprising £2,637,700 received from completed sales, £1,409,000 from sales agreed but not yet completed, and an indicative £1,853,420 from disposals in preparation or on the market.

4. Supported that £3 million of transformation funding has been approved by the Budget, Transformation and Change Panel for the Asset Strategy and Corporate Landlord Review Transformation Programme across 2026/27 and 2027/28, from the £15 million provision for transformation and change approved by Full Council on 26 February 2026.

5. Agreed that provision of up to £3 million for the Asset Strategy and Corporate Landlord Review Transformation Programme be reflected in the Medium-Term Financial Plan across 2026/27 and 2027/28, with the final profiling of expenditure between financial years determined in accordance with programme requirements and the Council's financial planning arrangements.

6. Delegated authority to the Section 151 Officer and the Interim Service Director – Place Shaping, in consultation with the Portfolio Holder for Finance, to commission and incur expenditure required to deliver the initial phase of the programme within the approved funding envelope, including the award of commissions and additional staffing resource.

7. Agreed that, following completion of the initial phase, a further report is intended to be submitted to Cabinet in Quarter 1 of 2027/28, informed by relevant milestones and outputs from the Council's wider transformation programme, setting out:

   (a) progress with the Asset Strategy and Corporate Landlord Review Transformation Programme;

(b) the assessment of the Council's existing arrangements against the requirements of a Corporate Landlord model;

(c) expenditure incurred and the forecast funding requirement for the remainder of the programme;

(d) the early opportunities identified for capital receipts, revenue savings and additional income; and

(e) the proposed scope, delivery approach, anticipated benefits and funding requirement for the principal phase of the programme, together with any further approvals required from Cabinet

285 **Shirehall Marketing Proposals**

The Portfolio Holder for Finance introduced the report, which provided an update on preparations for the marketing and disposal of Shirehall following Cabinet's decision in July. Members noted that decommissioning and due diligence were progressing and that the proposed prospectus allowed flexibility for residential, mixed-use, redevelopment, refurbishment or partial retention proposals.

Cabinet noted ongoing engagement with Homes England to explore whether specialist support could improve the viability and marketability of the site. This would proceed alongside preparations for disposal to avoid delaying the process, with a decision on the preferred route expected by the end of December 2026.

In response to a question regarding the condition and decommissioning of Shirehall, assurance was given that works were intended to reduce holding costs and keep the building safe and secure pending marketing, without affecting its structural integrity.

**RESOLVED:**

That Cabinet:

A. Noted the progress made since the Cabinet decision of 14 July 2026 in preparing Shirehall for disposal.

B. Noted the requirements arising from the Best Value Notice and CIPFA External Assurance Review, including the recommendation for a clear and short deadline for feasibility work relating to Shirehall and for the Council to seek to sell the asset as soon as possible.

C. Agreed that officers continue discussions with Homes England and relevant Government partners during November and December 2026 to establish whether available support could materially improve the feasibility, marketability and delivery of Shirehall.

D. Agreed that this engagement is progressed alongside completion of the work required to prepare Shirehall for disposal, including outstanding due diligence, decommissioning requirements and preparation for marketing.

286 **Exclusion of Press and Public**

**RESOLVED:**

That, in accordance with the provisions of schedule 12A of the Local Government Act 1972 and Paragraph 10.4 [3] of the Council's Access to Information Rules, the public and press be excluded from the meeting during consideration of the following items:

287 **Shirehall Marketing Proposals (Exempt Appendices)**

Members considered the exempt appendices. All decisions had been taken in open session.

288 **Chief Executive and Chief Officer Pay Award**

**RESOLVED:**

That Cabinet considered the options presented in section 4.2 and recommended to Full Council the preferred option for the 2026/27 pay award for the Chief Executive and Chief Officers.

289 **Date of Next Meeting**

Members noted that the next meeting was scheduled to take place on 2 December 2026.

Signed ..... (Chairman)

Date: .....

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**Finance & Improvement Overview & Scrutiny Committee – 30/11/26**

**Cabinet – 02/12/26**

**Full Council – 10/12/26**

Public

# Improvement Plan: Annual Review & Refresh

| | |
|---|---|
| **Cabinet Member:** | Councillor Heather Kidd, Leader<br>Councillor Alex Wagner, Deputy Leader |
| **Lead Director:** | Jo Brown – Corporate Director, Change and Improvement |
| **Service Area:** | Strategy & Change |
| **Report Author** | Paul Clarke - Service Director, Strategy & Change |
| **Officer contact details** | paul.clarke@shropshire.gov.uk |
| **Electoral Divisions Affected** | All Divisions |
| **Key Decision?** | Key/Non-Key |
| **Cabinet Forward Plan** | Yes - 25 September 2026 |
| **Report considered by:** | Finance and Improvement O&S Committee - 30 September 2026<br>Cabinet – 2 December 2026<br>Full Council – 10 December 2026 |

## 1. Purpose of Report

1.1 To present an annual review of the Improvement Plan, including examples of progress and impact (**Appendix A**), and propose new improvement projects that respond to recent external review recommendations and align with the current operating context (**Appendix B**). A refresh of the Plan is required to ensure it remains effective in supporting the Council to respond to the challenges it is facing. Reviewing the Plan and progress against it, along with learning from experience of delivering it to date, helps inform the refresh and reprioritisation of our organisational improvement activity.

## 2. Recommendations

Finance & Improvement Overview and Scrutiny Committee (30/11/26) is recommended to:

2.1 Consider the annual review of the Improvement Plan (and People Plan), summarised at **Appendix A**

2.2 Consider the proposed priority programmes that will form the basis of an updated Improvement Plan (summarised at section 6 and in **Appendix B)** and agree any observations and comments to be shared with Cabinet when they consider the Plan.

2.3 Note that the updated Improvement Plan, and its priority programmes of action, will form the basis of the Organisational Improvement element of an overall Transformation, Improvement and Change (TIC) Portfolio.

Cabinet (02/12/26) is recommended to:

2.4 Consider the annual review of the Improvement Plan (and People Plan), summarised at **Appendix A**

2.5 Consider and agree the proposed priority programmes (summarised at section 6 and in **Appendix B),** that will form the basis of an updated Improvement Plan and recommend their approval at Full Council on 10th December 2026.

2.6 Note that the updated Improvement Plan (including the People Plan), and its priority programmes of action, will form the basis of the Organisational Improvement element of an overall Transformation, Improvement and Change (TIC) Portfolio.

**Full Council** is recommended to:

2.7 Note the annual review of the Improvement Plan (and People Plan), summarised at **Appendix A**

2.8 Approve the proposed priority programmes (summarised at section 6 and in **Appendix B)** that will form the basis of an updated Improvement Plan.

2.9 Note that the updated Improvement Plan (including the People Plan), and its priority programmes of action, will form the basis of the Organisational Improvement element of an overall Transformation, Improvement and Change (TIC) Portfolio.

## 3 Background

3.1 The Council's current Improvement Plan was approved by Full Council in December 2025. Since then, the Plan has driven significant organisational change and improvement activity, and helped the Council make progress towards its aims of being:

- A Council that is financially stable and sustainable
- A Council with clear priorities and purpose
- A Council that supports and enables its workforce to excel

3.2 The context the Council is operating in has continued to become more complex, including significant external scrutiny. This includes an Assurance Review undertaken by the Chartered Institute of Public Finance Accountants (CIPFA) as part of the Exceptional Financial Support (EFS) arrangements, the issuing of a non-statutory Best Value Notice and subsequent monitoring by the Ministry of Housing, Communities and Local Government (MHCLG), and continued oversight by an Local

Government Association (LGA) supported Improvement Board and External Auditor (Grant Thornton) who issued their Annual Audit Report for 2025/26 in October 2026.

3.3 There is a need to demonstrate both organisational improvement and financial recovery and ensure there are relevant and credible plans in place to deliver those. The current Improvement Plan (including the People Plan programme) has served the Council well but now needs updating to take account of delivery to date, learning from that experience, and the recent recommendations arising from the CIPFA Assurance Review and Annual Audit Report. The Annual Audit Report, including statutory, key and improvement recommendations, was considered at meeting of Full Council on 5th November 2026. The initial response to the recommendations, including references to a refreshed Improvement Plan, received high levels of support from councillors.

## 4 Annual Review

4.1 A review of the Improvement Plan has been undertaken and is summarised at **Appendix A – Improvement Plan Annual Review.** Over its first 12 months, the Improvement Plan has provided a single framework for strengthening the Council's financial sustainability, organisational effectiveness and workforce capability. Structured around three aims - becoming financially stable and sustainable, having clear priorities and purpose, and supporting the workforce to excel - the Plan has coordinated nine initial programmes of action with oversight provided by the externally chaired Improvement Board (SCIB).

4.2 The Plan has helped establish stronger foundations for recovery and sustainability. Progress includes securing Exceptional Financial Support (EFS), setting a realistic 2026/27 budget, developing the Financial Recovery and Sustainability Strategy, strengthening budget monitoring and accountability, developing a new Corporate Plan 2026–30 and performance framework, and establishing the Transformation, Improvement and Change (TIC) Portfolio. Governance and organisational improvements include the Statutory Officers Board, the Budget, Transformation and Change Panel (BTCP), enhanced Corporate Programme Management Office (PMO) arrangements, work on a new Constitution, stronger oversight of Internal Audit recommendations and new strategies for digital, commissioning, procurement and contract management.

4.3 There is evidence of impact. The required Exceptional Financial Support for 2026/27 has reduced from £121 million to £87 million – as reported to Cabinet in July 2026 - while timely budget-monitoring compliance increased from 40% in July 2025 to 95% in October 2026. Driven by the People Plan, Employee PDR (Performance and Development Review) completion also increased from 5% in 2025 to 81% in 2026. New PROUD values, 'Role of the Manager' guidance, corporate induction and new staff engagement arrangements have provided clearer expectations and support for employees and managers. There has been an improvement in staff sentiment and perception measures, demonstrated by recent Pulse Survey results – with 81% of staff saying they have a good understanding of the Council's priorities (up from 71% in 2025) and 58% saying they feel proud to work for the Council (up from 48% in 2025).

4.4 There have been a range of actions focussed on strengthening the internal controls environment, addressing key issues and recommendations in the Annual Audit Reports for 2024/25 and 2025/26. These include:

- Improving leadership, ethics and organisational culture
- Strengthening governance and decision-making
- Developing strategic planning, risk and performance management approaches
- Strengthening financial management and stewardship
- Improving procurement, commissioning and contract management
- Addressing capability and capacity issues through management guidance
- Strengthening information governance

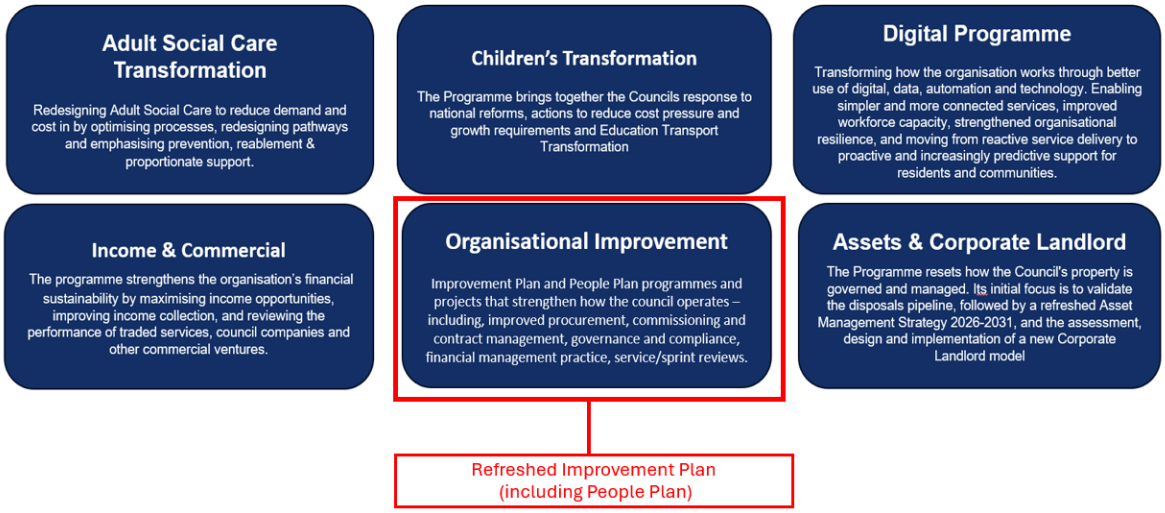
4.5 The Improvement Plan, and the progress it has helped drive and deliver, have received external recognition. The LGA Corporate Peer Challenge Progress Review in May 2026 identified stronger financial grip, governance, leadership visibility and collaboration. CIPFA described the Improvement Plan as credible and recognised stronger governance and leadership focus, while Grant Thornton regarded it as a significant and positive step towards clearer coordination, monitoring and challenge. However, both CIPFA and Grant Thornton emphasised that many arrangements remain relatively new and must now deliver demonstrable, measurable impact.

**3.** The first year of the Improvement Plan has also highlighted important lessons. Delivery capacity must be aligned with priorities. Financial recovery and organisational improvement must be managed together. Assurance must focus more on delivery confidence, dependencies, benefits and decisions as well as completed activity. The Plan must remain agile, with evidence-led re-baselining and clear ownership of benefits and outcomes. This learning has been reinforced by the Improvement Board who considered the proposed Improvement Plan priority programmes, as well as the wider Transformation, Improvement and Change (TIC) Portfolio.

4.6 Sustained attention is still required to improve and strengthen corporate governance and compliance, internal controls, complaints and FOI responsiveness, staff absence, financial management, and commissioning, procurement and contract management. Some of this sustained focus has been embedded into ‘business-as-usual’ activity, including corporate governance improvement now being driven by the Statutory Officers Group, a newly formed Governance Group, and supported by clearer compliance expectations through management communications and guidance including the ‘Role of the Manager’ programme.

4.7 The next phase of the Improvement Plan will retain the three overarching aims but refreshes the supporting programmes and projects. This will reflect the Best Value Notice, CIPFA review, Auditor’s Annual Report, statutory Best Value standards and experience gained during delivery. The refreshed Plan (including the People Plan) will form the ‘Organisational Improvement’ element of the overall Transformation,

Improvement and Change (TIC) Portfolio:




## 5 Refreshing the Plan

5.1 **Appendix B** – **Improvement Plan: Annual Refresh** summarises the next tranche of improvement priorities and projects. These include continuing programmes of action, such as those focussed on strengthening financial management, procurement practice and supporting the workforce to excel through the ongoing delivery of the People Plan. New programmes and projects are proposed that will ensure the Council responds to recent external reviews and recommendations, including:

- The LGA Corporate Peer Challenge Progress Review (May 2026)
- The non-statutory Best Value Notice issued by MHCLG in July 2026
- EFS External Assurance Review by CIPFA (reported to Council in Sept 2026)
- Annual Audit Report (AAR) by Grant Thornton (reported to Council in Nov 2026)

5.2 It has also taken account of staff engagement, and Improvement Plan delivery to date, including learning from that experience. Consideration has also been given to the current statutory Best Value guidance and has also taken account of the Government's July 2026 draft revised guidance, which proposes an updated framework structured around the seven Best Value themes of good practice for running an authority that meets and delivers the duty of best value: Continuous Improvement, Leadership, Governance, Culture, Use of Resources, Service Delivery, and Partnership and Community Engagement:




From: MHCLG *Best Value Duty: draft statutory guidance (July 2026)*

6.3 Our ambition is that by March 2028 the Council will consistently demonstrate the characteristics of a well-functioning authority across all seven Best Value themes, with improvement embedded into the way the Council operates and no material indicators of potential Best Value failure. The proposed priority programmes of action for the next 18 months to help us achieve that are:

| Improvement Plan aim | Programme and rationale for it | Best Value theme |
|---|---|---|
| A Council that is financially stable & sustainable | **Financial management & practice:** A continuing programme of activity to strengthen how we manage our finances and expenditure. The programme includes a restructure of the finance service, and continued focus on improving financial planning, budget monitoring and capital management. It responds to issues raised in both the CIPFA Assurance Report and the AAR. | Use of resources<br>Leadership<br>Culture |
| | **Procurement, commissioning & contract management:** A continuing programme of activity to strengthen our practice and policy. The programme is part of our response to AAR Key Recommendation 7 to accelerate the implementation the procurement and contract management improvement programme to ensure full compliance with the Procurement Act 2023 and Contract Procedure Rules. | Use of resources<br>Governance<br>Service delivery |
| | **Service improvement and efficiency:** A new programme building on 'sprint' reviews undertaken of enabling services (including information governance and HR/Payroll). It will also develop an approach that service areas can use to identify opportunities to improve processes, systems and digital enablement. The programme supports and embeds a culture of continuous improvement. | Use of resources<br>Continuous improvement |
| A Council with clear purpose & priorities | **Strengthening partnership working:** Proposed as part of the Improvement Plan update report in June 2026, the programme focusses on the further development of the Council's partnership working, with a focus on the development of a Shropshire Partnership (and Plan), locality/neighbourhood working approach, and future approach to working with Town and Parish Councils. | Partnerships & community engagement<br>Leadership |

| | | |
|---|---|---|
| | **Customer experience and expectations:** A programme of activity to improve how the council understands, engages with and responds to its customers and communities. It includes a focus on strengthening customer service and improving complaints handling, embedding consistent standards, improving communications and engagement, and reputation management. | Service delivery<br>Partnerships & community engagement<br>Continuous improvement |
| A Council that supports and enables its workforce to excel | **Performance management and culture:** The programme focusses on developing and embedding a performance culture across the Council, facilitated by a Performance Management Framework setting out the structure for performance conversations, ensuring that the right conversations happen at the right time with the right people and supported by the appropriate tools and information, helping to strengthen a key element of the internal control environment. Responds to the AAR (IR2). | Leadership<br>Continuous improvement<br>Governance<br>Service delivery |
| | **Risk management:** The programme will deliver a Council-wide refresh of the approach to risk management – a key facet of the internal control environment - implementing the new Risk Management Framework and strengthening how strategic, operational and project risks are identified, assessed, managed, escalated and reported. The overall aim is to move risk management away from being a periodic reporting requirement and towards being an active management tool that informs decisions, supports delivery of Council priorities and strengthens organisational resilience. This responds to recommendations in the AAR (KR4) and the CIPFA Assurance Review (recommendation 5). | Governance<br>Use of resources<br>Leadership |
| | **Involving and informing elected members:** The programme will focus on activity that develops and reaffirms how elected members are involved in the work of the Council, as local members and as members of committees, including how they are informed in a timely way about changes, developments, and decisions affecting the council and their local areas. Responds to AAR and CIPFA reports, including the recommendation to further develop Overview and Scrutiny. | Governance<br>Leadership<br>Continuous improvement |
| | **People Plan programme:** The People Plan, approved alongside the Improvement Plan, is a council-wide programme that coordinates projects across five priorities and aligns people, processes and technology change with the wider improvement and transformation programme. The programme will continue to improve employee engagement, embed the 'Role of the Manager' and strengthen management accountability and engagement, and develop workforce capacity planning to support transformation. It is part of the response to AAR (KR5). | Culture<br>Leadership<br>Continuous improvement |

## 7 Alternative Options

7.1 Do nothing and stick with the current plan. The risk of adopting this option is that the Plan does not keep pace with the evolving context the Council is operating in, including responding to recent reviews and recommendations. It also constrains the

learning from the experience of delivering the Plan to date, ensuring that informs future delivery.

7.2 Don't have an Improvement Plan: The risk of adopting this option is that we don't have a single framework driving and co-ordinating our improvement and development as an organisation. The Council is facing both a financial recovery and organisational improvement challenge, and it is important to have Plan directing the latter and guiding the activity that will build the organisational capacity and capability to deliver the transformation and improvement activity that will support financial recovery and sustainability.

7.3 Pursue different programmes and projects: The programmes and projects summarised in this report and Appendix B have been carefully considered. They are proposed on the basis of being improvement priorities that need a continued focus and oversight (e.g. financial management, procurement, internal controls) or are in response to recent external reviews and recommendations, including the statutory, key and improvement recommendations made in the External Auditor Annual Audit Report for 2025/26.

## 8 Key risks and Opportunities

8.1 The Council needs to continue to improve and demonstrate to residents, partners, Improvement Board, and the Government that it is doing so with momentum. Failure to do so could result in Government intervention. The Improvement Plan has been developed with a clear view of what authorities that have been subject to intervention have been required to do and sets out how the Council will deliver the improvements it needs to make over the next 12-18 months to the end of March 2028.

| Risk | Mitigation | Link to Strategic Risk |
|---|---|---|
| Insufficient capacity and capability to deliver the Plan at the required pace. Competing operational, financial recovery and transformation demands could mean that programmes are delayed, insufficiently resourced or unable to secure the specialist and service capacity required. | Prioritise and resource programmes through BTCP; confirm resource requirements through programme initiation; use CPMO capacity and assurance; actively manage dependencies and capacity across the wider TIC Portfolio | Transformation programmes and significant projects<br><br>Workforce capacity and capability |
| Improvement activity does not deliver demonstrable or sustained impact. This could undermine confidence that improvement is becoming embedded. | Establish clear outcomes, baselines, milestones and benefit measures for each programme; require evidence of sustained benefits rather than simply action completion. | Governance, performance and financial weaknesses / external scrutiny and threat of intervention<br><br>Governance, assurance and value for money |
| Governance, assurance and internal control improvements are not embedded quickly or consistently enough. | Use programme boards, the Assurance Board, Improvement Board, Cabinet and Scrutiny to provide challenge and assurance | Effective internal control framework<br><br>Governance, assurance and value for money |

| | | |
|---|---|---|
| | | Governance, performance and financial weaknesses / external scrutiny and threat of intervention |
| Financial pressures constrain or undermine delivery of organisational improvement. Continued financial pressure, reliance on EFS and the need to deliver savings could reduce investment or capacity for improvement. | Manage the Improvement Plan and Financial Sustainability and Recovery Strategy as connected components of the TIC Portfolio; explicitly assess financial implications and benefits through BTCP; maintain Finance validation of benefits; ensure investment and prioritisation decisions consider both immediate savings and sustainable improvement. | Achieving long-term financial sustainability<br><br>Impact of financing EFS<br><br>Challenging financial position compromising decision making and governance arrangements |
| Failure to maintain sufficient pace and demonstrate improvement increases external intervention risk. | Routinely report progress and impact to the Improvement Board, Cabinet and Scrutiny; maintain engagement with MHCLG and other assurance bodies | Governance, performance and financial weaknesses / external scrutiny and threat of intervention |
| Dependencies across improvement, transformation and business-as-usual activity are not effectively managed | Maintain a single portfolio view of dependencies, risks, milestones, benefits and resources through CPMO and the Assurance Board | Transformation programmes and significant projects<br><br>Workforce capacity and capability |

## 9 Council Priorities

9.1 The Improvement Plan sets out a number of programmes and projects focussed on organisational improvement that is critical to realising the Corporate Plan ambition of being a Council that is financially stable, has clear priorities, and supports its workforce to excel. The Plan sits alongside the Financial Sustainability and Recovery Strategy, ensuring that the Council has a clear strategic basis and intent for financial recovery and organisational improvement, recognising that one cannot happen without the other.

## 4. Financial Implications

9.2 The approval of the refreshed Improvement Plan does not, in itself, commit the Council to additional expenditure. Some programmes may require additional capacity, specialist support or investment to enable delivery. Detailed resource requirements, anticipated benefits and any financial implications will be assessed through the Council's Budget, Transformation and Change Panel (BTCP) processes, funded through the Transformation funding where appropriate, and aligned with the Council's Financial Sustainability and Recovery Strategy.

## 5. Legal and HR implications

9.3 There are no immediate legal or workforce implications arising directly from approval of the refreshed Improvement Plan. Individual programmes may, however, potentially

lead to proposed changes in policy, practice, structures, systems or ways of working. Any such proposals will be subject to separate consideration and approval, including appropriate legal advice, consultation with employees and trade unions, equality impact assessment and compliance with relevant employment, procurement, data protection and public law requirements.

9.4 By implementing (and refreshing,) an Improvement Plan and regularly measuring progress across the various strands of work, and submitting such progress to the Council's Improvement Board, and for examination by external stakeholders, the Council is able to demonstrate the work being undertaken, and importantly the progress towards, being able to demonstrate it is meeting the requirements of a Best Value Authority in full.

## 10 Electoral Division Implications

10.1 There are no direct electoral division implications arising directly from this report.

## 11 Health, Social (including "Child Friendly Shropshire") and Economic Implications

11.1 There are no direct health, social or economic implications arising directly from this report.

## 12 Equality and Diversity Implications

12.1 There are no immediate equality and diversity implications arising from the Improvement Plan and its refreshed set of programmes and projects. Where proposed changes to policy and practice arise from improvement activity their impact and implications in equity, equality and diversity will be assessed accordingly in line with established council policy.

## 13 Climate Change, Biodiversity and Environmental Implications

13.1 There are no direct climate change, biodiversity and environmental implications arising directly from this report.

## 14 Background Papers

1. Improvement Plan – approved by Full Council 11/12/25
2. People Plan – approved by Full Council 11/12/25
3. Report to Finance and Improvement O&S Committee (08/01/26) and Cabinet (10/06/26): Improvement Plan - Progress Report.pdf
4. Best Value Standards: Best Value Duty: draft statutory guidance (July 2026)

## 15 Appendices

Appendix A – Annual Review of the Improvement Plan
Appendix B – Annual Refresh of Improvement Plan - programmes and projects

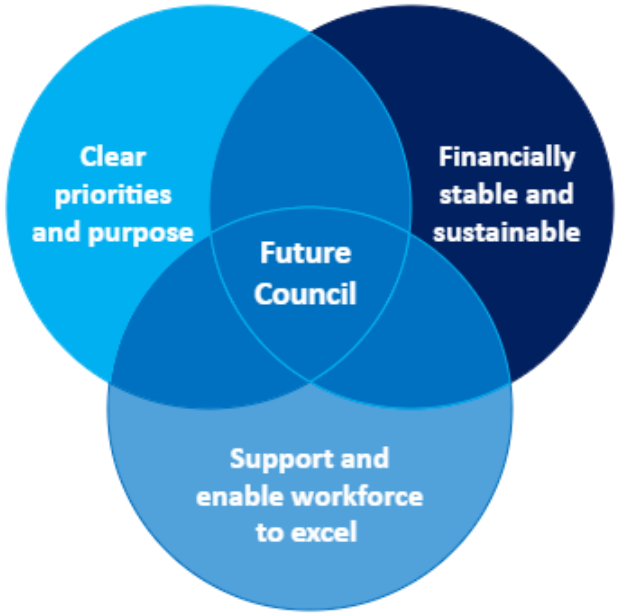
**APPENDIX A:**
**Improvement Plan - Annual Review**

# Improvement Plan

Our Plan to become a financially sustainable council with clear priorities and a high performing workforce for the benefit of Shropshire and its residents

# Annual Review

**November 2026**



# Foreword from the Leader and Chief Executive

The last year has been one of stabilisation for the Council. Faced with significant financial and organisational challenges, our priority has been to strengthen our grip, get the fundamentals right and put in place the foundations for long-term financial recovery and sustainability. The Improvement Plan has provided a clear framework for this work.

Through its priority programmes of action, the Plan has helped us secure Exceptional Financial Support (EFS) and set a more realistic budget for 2026/27, while strengthening budget monitoring and financial accountability. It has supported the development of our Financial Recovery and Sustainability Strategy, Corporate Plan and the new Transformation, Improvement and Change (TIC) Portfolio, giving us clearer priorities, and a strategic basis and route to financial sustainability.

The Plan has driven a strengthening of governance, internal control environment, and organisational capacity through new assurance arrangements, the Statutory Officers Board, Governance Group and the Budget, Transformation and Change Panel (BTCP) and recruitment. New digital, commissioning, procurement and contract-management strategies, alongside work to revise the Constitution, are establishing clearer standards. Our People Plan has improved employee engagement and developed clearer expectations of staff, supported by the new organisational values and comprehensive guidance and support for managers.

There are encouraging signs of impact. The EFS requirement for 2026/27 is likely to be less than assumed, while improved budget-monitoring has provided more grip on our in-year expenditure. Staff feel informed, engaged and understand the priorities we are working to. There are clear strategies we can now point to, and report against. External reviews have recognised this stronger financial grip, governance, leadership and collaboration – validating the improvement we feel across the organisation.

But they have also been clear that many arrangements remain relatively new and must now translate into measurable and sustained results. Improvement is an ongoing process, and our Plan needs to evolve as we make progress, learn from delivery and respond to changing circumstances. That is why we committed to reviewing the Improvement Plan annually.

This annual review gives us an important opportunity to take stock of what has been achieved, understand what has worked and where we need to do more, and apply that learning to the next phase of our improvement journey. It also allows us to refresh our priorities, considering the external reviews and recommendations received during the year, ensuring our efforts remain focused on the areas that will make the greatest difference

We enter the next phase of our improvement journey with greater clarity and confidence, but without complacency. Our focus must now be on disciplined delivery, stronger services and better outcomes for Shropshire's residents. We thank our Improvement Board, staff, councillors and partners for their commitment throughout a demanding year and for their continued contribution to our improvement journey.

**Councillor Heather Kidd, Leader of Shropshire Council**
**Tanya Miles, Chief Executive of Shropshire Council**

# Contents


| Section | Description | Page |
|---|---|---|
| **Introduction** | Provides the context for reviewing the Improvement Plan, including the delivery, impact and learning from the last 12 months. | 4 |
| **Activity and progress** | An overall summary of the activity and progress over the past 12 months driven and enabled by the Improvement Plan | 5 |
| **Focus of the Plan** | Explains the focus of the Plan on putting foundations in place to deliver both the financial recovery and organisation improvement | 6 |
| **Summary of improvement and impact: financially stable and sustainable** | A summary of the key activity, impact and improvement focussed on the aim of being a Council that is financially stable and sustainable | 7 |
| **Summary of improvement and impact: clear priorities and purpose** | A summary of the key activity, impact and improvement focussed on the aim of being a Council with clear priorities and purpose | 8 |
| **Summary of improvement and impact: supporting and enabling the workforce to excel** | A summary of the key activity, impact and improvement focussed on the aim of being a Council that supports and enables its workforce to excel | 9 |
| **People Plan: delivery and impact summary** | A summary of the delivery across the five priorities of the People Plan programme | 10 |
| **Strengthening the internal control environment** | A summary of the activity across a range of the Improvement Plan programmes has helped to strengthen our internal control environment | 11 |
| **Areas of continued focus** | Areas where a sustained focus will be needed to deliver the further improvement and development needed | 13 |
| **Learning** | A summary of learning from the development and delivery of the Improvement Plan. | 14 |
| **Refreshing our Plan** | Explains the need for a refreshed set of programmes and projects, and how they provide the basis for the 'Organisational Improvement' element of the wider Transformation, Improvement and Change (TIC) Portfolio. | 15 |

The Improvement Plan sets out how the Council will improve to be a 'best value' local authority that delivers, enables, and influences for Shropshire and its residents by:

- **Being financially stable and sustainable**
- **Having clear priorities and purpose**
- **Supporting and enabling our workforce to excel**

The Plan was approved by Full Council on 11th December 2025 as a single framework and overall plan for the Council's improvement activity. It includes agreed aims and priorities that provide the basis for a range of activity, projects and programmes that respond to the financial emergency (declared by Cabinet on 11th September 2025), ensure immediate short-term stabilisation and recovery, and drive the development of a strategy for financial sustainability over the medium term.

Over the past 12 months there has been a focus on 9 initial programmes of action (see figure 1) aligned to the three overall aims of the Plan. Delivery of programmes has been overseen by an externally chaired Improvement Board, who, since January 2026, have received a monthly update.

A Progress Report was presented to the Finance and Improvement Overview and Scrutiny Committee and Cabinet in June 2026, providing councillors with a comprehensive summary of progress and impact.

This ***Annual Review*** document builds on that report and provides a summary of what the Improvement Plan has helped deliver and change. It also captures learning from the experience of developing and delivering the Plan, which has informed the next tranche of priority programmes and projects that are summarised in an ***Annual Refresh*** document.




**Figure 1:** list of improvement priority programmes of activity

# Activity and progress Summary

The Improvement Plan has provided the basis and drive for some notable activity and progress over the past 12 months, including:

- The securing of Exceptional Financial Support (EFS) which enabled the development and approval of a robust and realistic budget 2026/27.
- The development of a Financial Recovery and Sustainability Strategy that sets out the Council's multi-faceted plan to deliver a resilient financial position, reduce EFS, and secure long-term sustainability.
- Strengthened financial management practices, including a sustained improvement in monitoring helping to ensure a grip on budget performance in-year, evidenced by the quarterly reporting to Cabinet.
- The development of a new Corporate Plan 2026-30 (informed by the 'New Direction'), and an accompanying performance framework, providing a clear set of strategic ambitions and measures that demonstrate delivery against them.
- A range of measures that strengthen the internal control environment and corporate governance and improve information governance and levels of compliance.
- Work to develop a new Council Constitution that will support effective and timely decision-making, strengthen governance and accountability, and reflect how the Council needs to operate now and in the future.
- New people management practice, informed by employee feedback and driven by the People Plan – including Performance Development Reviews (PDRs) and the 'role of the manager' initiative.
- Training and development activity for both officers and members, including financial management training and Audit Committee training.
- The basis for organisational culture change through the development of new 'PROUD' organisational values and improved staff communication and engagement approaches.
- The development of a Transformation, Improvement and Change (TIC) Portfolio which includes programmes and projects that will deliver key components of the Financial Sustainability and Recovery Strategy.
- A range of new strategies that improve, strengthen and modernise how the Council operates, such as the digital strategy and Commissioning, Procurement and Contract Management (CPCM) Strategy.
- Governance arrangements and a Corporate Programme Management Office (CPMO) function that enable oversight of transformation, improvement and change, initially focused on the Improvement Plan delivery.
- The introduction of the Budget, Transformation and Change Panel (BTCP) as an approach for challenging and testing transformation proposals at an early stage of their formation.
- The establishment and embedding of a Statutory Officers Board that considers significant governance issues and monitors the implementation of Internal Audit recommendations.
- The piloting of service devolution, enabling learning and experience that is shaping the Council's approach to working with town and parish councils.
- New arrangements to facilitate political and managerial leadership discussion on key policy issues, including the 'One Shropshire Board' which provides space for cabinet members and directors to discuss key policy and priorities.
- Additional capacity and capability including new Service Director appointments (strategy and place). There has subsequently been additional senior leadership capacity recruited to over the summer, including a Corporate Director of Change and Improvement.

### A focus on stabilisation

The Plan approved in December 2025 was focused heavily on putting foundations in place to deliver both the financial recovery and organisation improvement required to become a sustainable council with clear priorities and a high performing workforce. A lot of the activity driven by the Plan over the first 12 months has deliberately focussed on developing new plans, practice and policy to build the basis for sustainable improvement and performance.

The impact of those were not expected to immediately demonstrate improvement in Key Performance Indicators (KPIs) or staff sentiment. There have nonetheless been some indicators of sustained improvement and impact, summarised on pages 7-10. Other indicators suggest a stabilised position in terms of corporate governance compliance, which we will need to remain focussed on as part of continuing to strengthen our internal control environment (summarised on page 13).

### Strategy development

Key strategies have been developed that provide the basis for planning for the future. Improvement Plan Programme 4 focused on the development of a new Corporate Plan 2026-30 – *Rebuilding Shropshire Together* – informed by the 'New Direction' document and approved by Full Council in May 2026. The Plan sets out the priority ambitions the Council will focus on over the next four years to deliver, enable, and influence better outcomes for Shropshire and its residents, while becoming financially sustainable. The Plan provides the context for how the Council plans our activity and spend our money.

Improvement Plan Programme 2 focussed on the formation of a Financial Recovery and Sustainability Strategy, agreed by Cabinet in July 2026 alongside a refresh of the Medium-Term Financial Plan. The Strategy sets out how the Council will reduce EFS, and secure long-term sustainability.

Improvement Plan Programme 6 included the review and realignment of the Council's transformation activity to align with the Strategy. The new Transformation, Improvement and Change (TIC) Portfolio will deliver several facets of the Strategy including service transformation, assets disposal and income generation.

### External validation and recognition of improvement

Progress and improvement was acknowledged by the **Local Government Association (LGA)** Corporate Peer Challenge (CPC) Progress Review in May 2026, which noted significant progress since the July 2025 CPC.

The CPC Progress Review Report confirmed there has been clear evidence of renewed energy, pace and commitment from both political and officer leadership to address the issues identified in the original CPC. The peer team found that the Council was demonstrating a much stronger grip on its financial position, with clear progress in financial management and governance arrangements. Peers observed a council that is stabilising and building confidence, and saw encouraging signs of improvements in culture, engagement and leadership visibility, noting that the organisational 'feel' was more positive and collaborative than during their previous visit in July 2025.

Recognition of the progress has also been acknowledged in subsequent external reviews. The External Assurance Review undertaken by **CIPFA** as part of the EFS arrangements (reported to Full Council in September 2026) stated that the Council had put in place a credible Improvement Plan, along with stronger governance and clearer leadership focus, providing a much stronger platform for recovery.

The Annual Audit Report (AAR) from **Grant Thornton** (reported to Full Council in November 2026) recognises the Improvement Plan as a significant and positive step, bringing improvement activity into a clearer corporate framework with stronger governance, coordination, monitoring and challenge. It also acknowledges many of the improvements delivered by the Plan, including strengthening financial management, measures taken to improve corporate governance and compliance, and strengthened performance management through the new Corporate Plan 2026–2030.

# Improvement and impact
## A Council that is financially stable and sustainable

| Aim | Activity and Actions | Improvement and Impact |
|---|---|---|
| **A Council that is financially stable and sustainable** | Stronger budget monitoring, including formal budget-holder sign-off, clearer narrative on variances and risks, and regular reporting to Leadership Board and Cabinet. Greater budget-holder accountability and discipline, with timely budget-monitoring compliance increasing<br><br>Continued spend controls and earlier challenge of expenditure, transformation and savings proposals through the Budget, Transformation and Change Panel (BTCP)<br><br>More realistic budget-setting, recognising existing service pressures and removing previously undeliverable savings assumptions – facilitated by a strengthened approach to budget and business planning<br><br>Increased focus on Internal Audit recommendations and strengthening the internal control environment, with progress reported to the Audit & Governance Committee | Reduced EFS requirement for 2026/27 - £87m down from £121m (reported in MTFP, July 2026)<br><br>Improved budget monitoring compliance - increased from 63% in Dec 2025 to 95% in Sept 2026<br><br>Improved savings delivery – 93% of 2026/27 savings delivered (as at Q2), compared to 29.6% in 2025/26<br><br>Increased grip of in-year position – Q1 and Q2 monitoring positions showing a favourable forecasted end-of-year position (Q1: -£2.291m, Q2: -0.051m)<br><br>A Financial Sustainability & Recovery Strategy developed which sets out how the Council will reduce its reliance on EFS and achieve a stable and sustainable position |

**Headline:** The Improvement Plan has helped to get a greater financial grip and accountability, demonstrated through increased budget-monitoring compliance, alongside improved forecasting, savings delivery and a reduced reliance on EFS in 2026/27, while setting the strategy for financial sustainability

# Improvement and impact
## A Council that has clear priorities and purpose

| Aim | Activity and Actions | Improvement and Impact |
|---|---|---|
| **A Council that has clear priorities and purpose** | Developed and approved a new Corporate Plan 2026–30, grounded in the Council's financial position and informed by engagement with residents, partners, members and staff, with an aligned performance framework including KPIs and delivery commitments.<br><br>Piloted ways of working with town and parish councils, including asset transfer and service devolution, to inform the Council's future approach<br><br>Strengthened the governance of improvement through named accountable leads, regular assurance conversations, risk escalation and oversight by Leadership Board and the Improvement Board (SCIB).<br><br>Developed a Transformation, Improvement and Change (TIC) Portfolio aligned to the Council's financial sustainability strategy with greater emphasis on defined outcomes, savings, income, investment requirements and benefits realisation. | Corporate priorities are now articulated and supported by an agreed set of KPIs and delivery commitments, improving visibility of performance, risks and areas requiring action.<br><br>81% of surveyed staff understand the Council's priorities – compared to 71% in November 2025<br><br>85% of surveyed staff understand their role and how the Council expects them to undertake it – compared to 84% in November 2025<br><br>The TIC portfolio provides a single framework and structure for our transformation, improvement and change activity, recognising that alongside financial recovery there is a need to pursue organisational improvement too |

**Headline:** The Improvement Plan has provided greater clarity of purpose and stronger organisational alignment, with clearer priorities, improved staff understanding and more robust arrangements for translating strategy into accountable delivery

# Improvement and impact
## A Council that supports and enables its workforce to excel

**Aim**

**A Council that supports and enables its workforce to excel**

**Activity and Actions**

Introduced new PROUD organisational values, a refreshed PDR (Performance Development Reviews) process, corporate induction and 'Role of the Manager' guidance to provide clearer expectations and more consistent support for staff and managers.

Strengthened employee communication and engagement through regular leadership communications, Senior Leadership Forums, Pulse Survey and new opportunities for staff to engage including Viva Engage, and Chief Executive & Leader 'coffee and chat' webinars.

Established and embedded the Statutory Officers Board to strengthen oversight of governance, compliance and Internal Audit recommendations, supported by clearer corporate expectations and improved monitoring.

Strengthened information, digital and operational practice through closer monitoring of FOI and information governance compliance, alongside new Digital and Cyber Strategies

**Improvement and Impact**

Increased levels of engagement – including Pulse Survey where 1,164 staff completed the 2026 survey compared to 918 in 2025.

More staff feel happy, empowered and valued (Nov 2026) than they did previously (Nov 2025) – including:

- 76% of staff surveyed are happy to work for the council (up from 72%)
- 66% of staff surveyed feel valued (up from 60%)
- 58% of staff surveyed feel proud to work for the council (up from 48%)

Better communications, clearer priorities and a more positive workplace culture are improvements identified by staff (via a Viva Engage poll in October 2026)

Improved levels of PDR completion – 81% in Oct 2026, compared to 5% in December 2025

**Headline:** The Improvement Plan has established clearer expectations and stronger support for staff and managers, with early improvements in workforce stability, employee understanding, engagement and corporate compliance

# Improvement and impact: People Plan

**Our People Plan**

Approved alongside the Improvement Plan in December 2025, the People Plan recognises that sustained organisational improvement depends on our people, leadership and culture. It sets out how we will build a more engaged, capable and accountable organisation, strengthening leadership and management, developing our workforce and embedding new values in how we work. The Plan and associated programme of activity, is built on five priorities and provides the basis for actions that will help realise the third aim of the Improvement plan: being a council that supports and enables its workforce to excel – and ensuring the organisation has the leadership, capability, culture, systems and performance needed to deliver better services and outcomes for residents. The last year demonstrates strong delivery across all five priorities, some significant organisation-wide participation gains and positive early capability and behaviour indicators:

| People Plan priority | Delivery | Impact |
|---|---|---|
| **Leadership and talent** | Role of the Manager discovery and Sprint One completed; stage gate passed; Manager Expectations tested and launched; Manager Base Camp (extranet site of resources and guidance) and peer support established. | Managers identified 189 ‘pain points’ and 142 opportunities prioritised into 58 improvements across 7 themes, creating an evidence-led improvement pipeline. |
| **Capability and capacity** | Skills, training-needs, workforce-planning and learning-model activity progressed; targeted finance development delivered. | Finance training sessions provided for 80+ managers and senior leaders, providing early evidence of programme reach and capability development. |
| **Systems and establishment** | Corporate induction embedded into business as usual; Manager Base Camp developed and launched; recruitment, onboarding and digital improvements progressed. | A clearer, single route to manager support and improved induction provide stronger foundations for consistent practice and self-service. |
| **Culture** | Ask Assist Act piloted; PROUD values developed, rolled out and embedded in recruitment; communications mapped; anti-racism commitments developed. Strengthened employee communication and engagement through Senior Leadership Forum (SLF), Chief Executive updates, Pulse Surveys, Viva Engage, and Staff Engagement Hub. | 50+ Ask Assist Act participants reported improved skills, knowledge and confidence; 100% would recommend it. Over 3,000 cumulative survey responses and comments across pulse surveys. 19 Senior Leadership Forums. |
| **Performance** | PDR and one-to-one guidance introduced; draft employee performance framework developed; regular completion monitoring established. | Recorded PDR completion rose from around 5% in 2025 to 81% in 2026 —a 76% increase |

# Staff engagement, sentiment and perception

The latest Pulse Survey provides encouraging evidence that the organisational changes introduced over the past year are beginning to be reflected in staff experience and perceptions. Understanding of the Council's priorities has increased from 71% to 81%, while the proportion of staff who understand how they can contribute to delivering those priorities has risen from 65% to 76%. Understanding of individual roles was already comparatively strong and has remained so, increasing slightly from 84% to 85%.

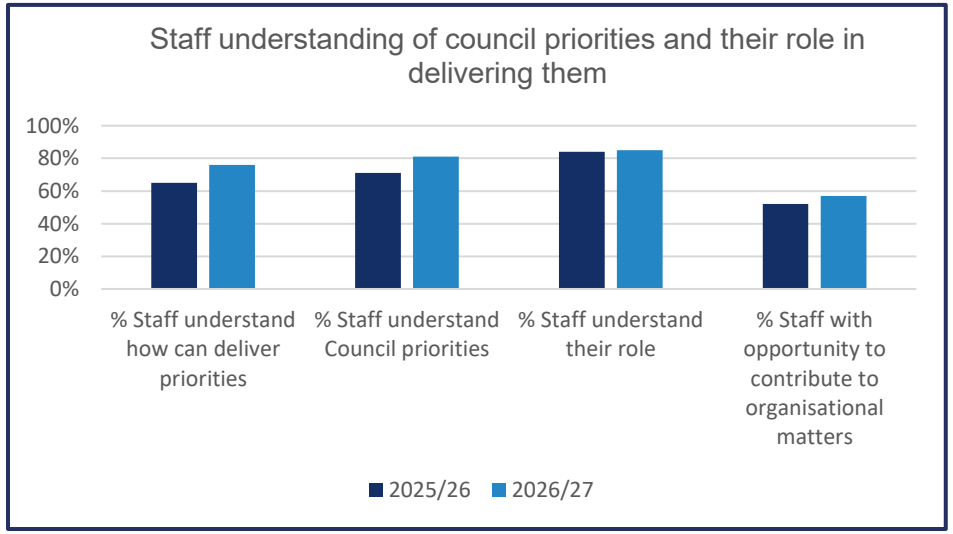
There has also been a positive movement in staff sentiment. The proportion of staff who feel valued has increased from 54% to 66%, feel proud from 48% to 58%, and feel empowered from 36% to 51%. While these improvements are significant, the results also highlight where further progress is needed. Levels of perceived empowerment and opportunities to contribute to wider organisational matters reinforce the need to continue strengthening staff voice, involvement and two-way engagement.

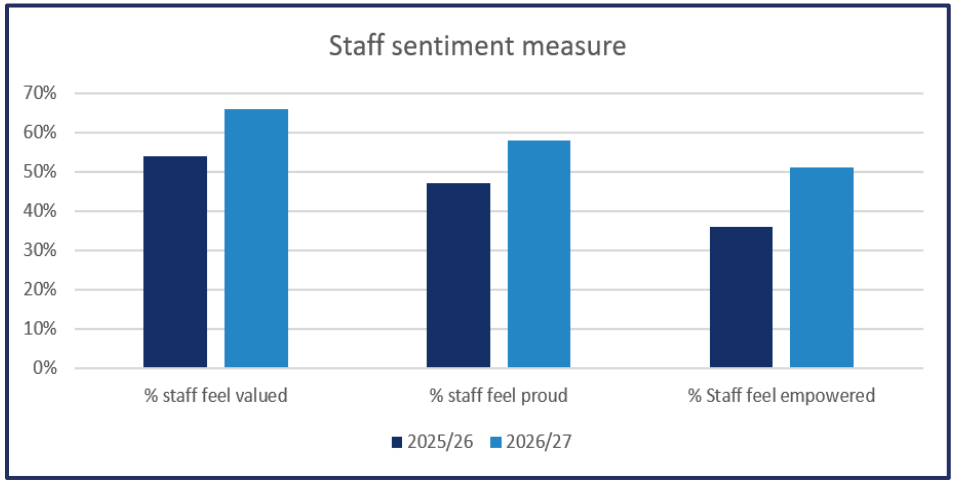


**Communications and engagement**

Over the last 12 months a more regular, visible and two-way approach to internal communication and engagement has been introduced This includes weekly Chief Executive updates, quarterly Leader and Chief Executive 'Coffee and Chat' sessions, Pulse Surveys, Viva Engage, the Staff Engagement Hub and Senior Leadership Forums, providing staff with more opportunities both to hear directly from senior leaders and to ask questions, provide feedback and contribute their views. These approaches are establishing good levels of reach and participation.

Taken together, the results suggest that clearer and more regular leadership communication, combined with greater opportunities for staff voice and engagement, is contributing to improved organisational understanding and staff sentiment. The next phase is to build on this progress, particularly by increasing empowerment and ensuring staff increasingly see how their feedback influences organisational decisions and change, and a focus on communication and engagement with staff who are not digitally connected.



# Improvement and Impact:
# Internal control environment

**Strengthening our internal control environment:**

Activity across a range of the Improvement Plan programmes has helped to strengthen our internal control environment. This will continue to be an area of focus going forward to address a longstanding improvement priority which has been consistently identified through Internal Audit, External Audit and more recently the CIPFA External Assurance Review.

| Internal control environment | Improvement | Improvement Plan Programme |
|---|---|---|
| Leadership, ethics and organisational culture | The Statutory Officers Board, Governance Group, clearer leadership communications and the PROUD values have reinforced expectations around accountability, ethical conduct and compliance. New management guidance, (Role of the Manager) PDR arrangements and staff engagement approaches are helping embed these expectations across the organisation. Action has been taken where there is persistent non-compliance. Successful senior leadership recruitment (including new Corporate Directors and directorate structure). | Programme 7 – People Plan<br>Programme 8 - Corporate governance (getting the basics right) |
| Governance and decision-making | Governance oversight has been strengthened through the Statutory Officers Board, an expanded Audit and Governance Committee and closer monitoring of Internal and External Audit recommendations. The new Constitution will further clarify responsibilities, decision-making arrangements and compliance expectations. The Budget, Transformation and Change Panel (BTCP) provides challenge in transformation and change proposals. Constitution being reviewed and revised. | Programme 8 – Corporate governance (getting the basics right) |
| Strategic planning, risk and performance | The new Corporate Plan and performance framework provide clearer priorities, KPIs and delivery commitments, strengthening the link between strategy and organisational performance. Improved programme governance and assurance are also supporting more systematic monitoring, risk escalation and accountability. Risk management framework has been revised. | Programme 4 – Corporate Plan<br>Programme 6 – Transformation |
| Financial management and stewardship | Spend controls, strengthened budget monitoring and clearer budget-holder accountability have improved financial grip and discipline. Timely budget-monitoring compliance has improved significantly (from 63% compliance in Dec 2025 to 95% in Sept 2026), supported by more robust forecasting, reporting and challenge. BTCP provides challenge to proposed expenditure and a strengthened approach to Business and Budget planning, including budget challenge sessions. | Programme 2 – strengthening financial management and practice |
| Procurement, commissioning and contract management | New Procurement and Commissioning Strategies and strengthened governance arrangements provide a clearer basis for consistent, compliant and commercially focused practice. Investment in systems, training, capacity and contract-management tools is intended to improve oversight, accountability and value for money. | Programme 2 – strengthening financial management and practice and Programme 3 - procurement |
| People, capability and capacity | The People Plan has introduced new PROUD values, corporate induction events, PDR arrangements and 'Role of the Manager' guidance and dedicated extranet site (Manager Basecamp). Together, these provide clearer expectations and more consistent support for leadership, performance, skills development and workforce accountability. Action being taken where there is persistent non-compliance. | Programme 7 – People Plan |
| Information, digital and operational controls | Compliance monitoring has been strengthened across information governance, FOI and data protection, supported by clearer corporate oversight and expectations. New Digital and Cyber Strategies provide the strategic basis for more secure, resilient and consistently controlled digital services | Programme 8 – Corporate governance (getting the basics right) |

# Improvement and Impact: Areas of continued focus

Delivery of the Improvement Plan has shown there are areas where a sustained focus will be required to deliver the further improvement and development needed. These include:

- **Strengthening financial management:** While stronger budget monitoring, forecasting and accountability have significantly improved financial grip, the Council continues to face substantial financial pressures and risks. Continuing this focus responds directly to recommendations from the CIPFA Assurance Review and AAR.
- **Improving procurement, commissioning and contract management:** This remains an area of improvement given the scale of Council expenditure, the opportunity to secure greater value for money, and the need to improve consistency and compliance. The AAR specifically recommends accelerating this work.
- **Strengthening our internal control environment:** Governance and control arrangements have strengthened, but inconsistent compliance remain, making this a continuing organisational priority. Internal Audit, External Audit and CIPFA reports have all highlighted the need for improvement, while experience through the Improvement Plan has demonstrated the importance of clearer accountability, effective risk management and ensuring policies and controls are consistently applied in practice
- **People management:** The People Plan has established important foundations through the PROUD values, improved PDR arrangements, corporate induction and clearer expectations through the 'Role of the Manager'. These arrangements now need to be fully embedded, with continued focus on absence management and reduction, management capability, accountability, workforce capacity and consistent application of organisational expectations if improvements in culture, performance and staff engagement are to be sustained.

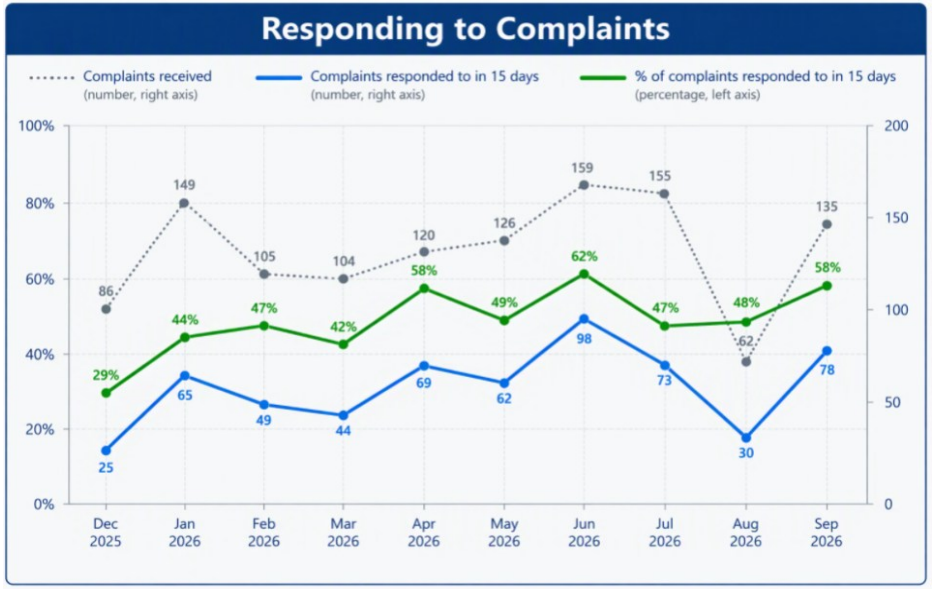


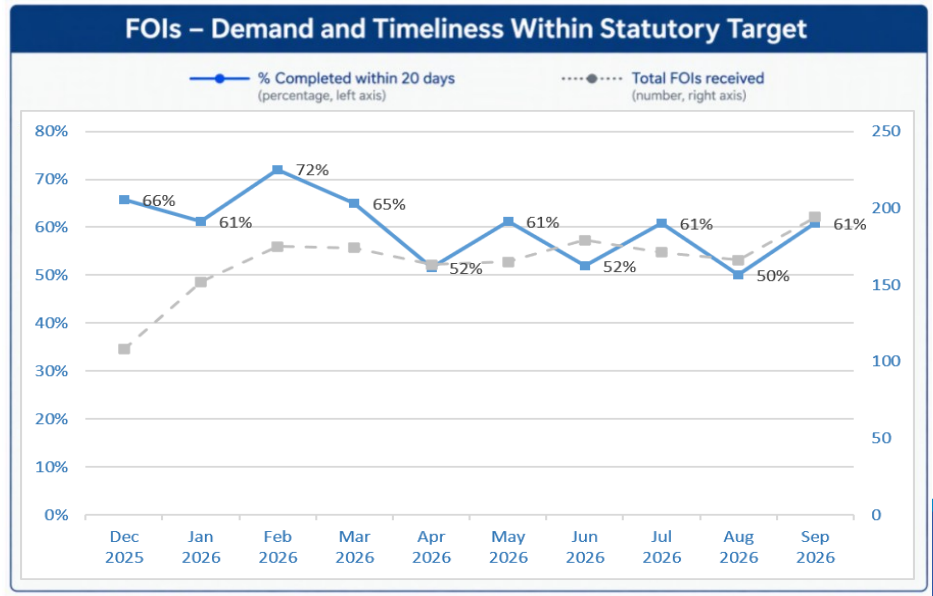
**Complaints handling:**

Performance data indicates that levels of performance are being sustained rather than improved in terms of our responsiveness to (corporate) complaints. This is against a backdrop of significantly higher volumes overall (an average of 124 complaints per month in 2026, compared to 83 per month in 2025), performance is variable month-to-month, albeit with a slight trend of improvement. Given complaints are a key proxy indicator of how residents and service users are experiencing or perceiving the Council's customer service and service delivery, this should be an area of focus in the next set of Improvement Plan priority programmes.

**Freedom of Information requests:**

Performance data indicates that levels of performance are being sustained rather than improved in terms of our responsiveness to Freedom of Information (FoI) requests. This is against a backdrop of higher volumes (an average of 171 received per month in 2026, compared to 145 per month in 2025) and increasing complexity. Clearer expectations, additional capacity and manager guidance and training have all been put in place, and performance will be monitored through the Statutory Officers Board, and further action driven through the Governance Group.



## Learning

Over the last 12 months, the Improvement Plan has strengthened organisational grip and coordinated improvement activity. It has also shown that sustained improvement requires clear priorities, sufficient capacity, robust governance and the confidence to adapt delivery as circumstances change.

- **Agility and adaptability:** The Plan cannot remain static. Activities and timescales must evolve as circumstances change, supported by evidence-led decisions and clear re-baselining, transfer or closure.
- **Clear aims and priorities:** The three aims provide a stable framework for prioritising activity and resources. The focus should be on delivering the intended impact, rather than preserving every original action unchanged.
- **Financial recovery and organisational improvement:** These must be managed together. Improvement activity should demonstrate measurable contributions to financial sustainability, service performance, stronger controls or organisational capacity.
- **Governance and assurance:** Assurance should focus on delivery confidence, milestones, dependencies, benefits and decisions. Clear ownership, escalation thresholds and consistent evidence enable earlier intervention.
- **Organisational capacity:** Delivery capacity cannot be assumed. Priorities must reflect available people, skills, funding and leadership attention, with explicit choices about pace, sequencing and support.
- **Delivery and sustained impact:** Completing an action is not the same as achieving improvement. Closure requires evidence of implementation, clear ownership, measurable benefits and effective transfer into business as usual.



## A changing context

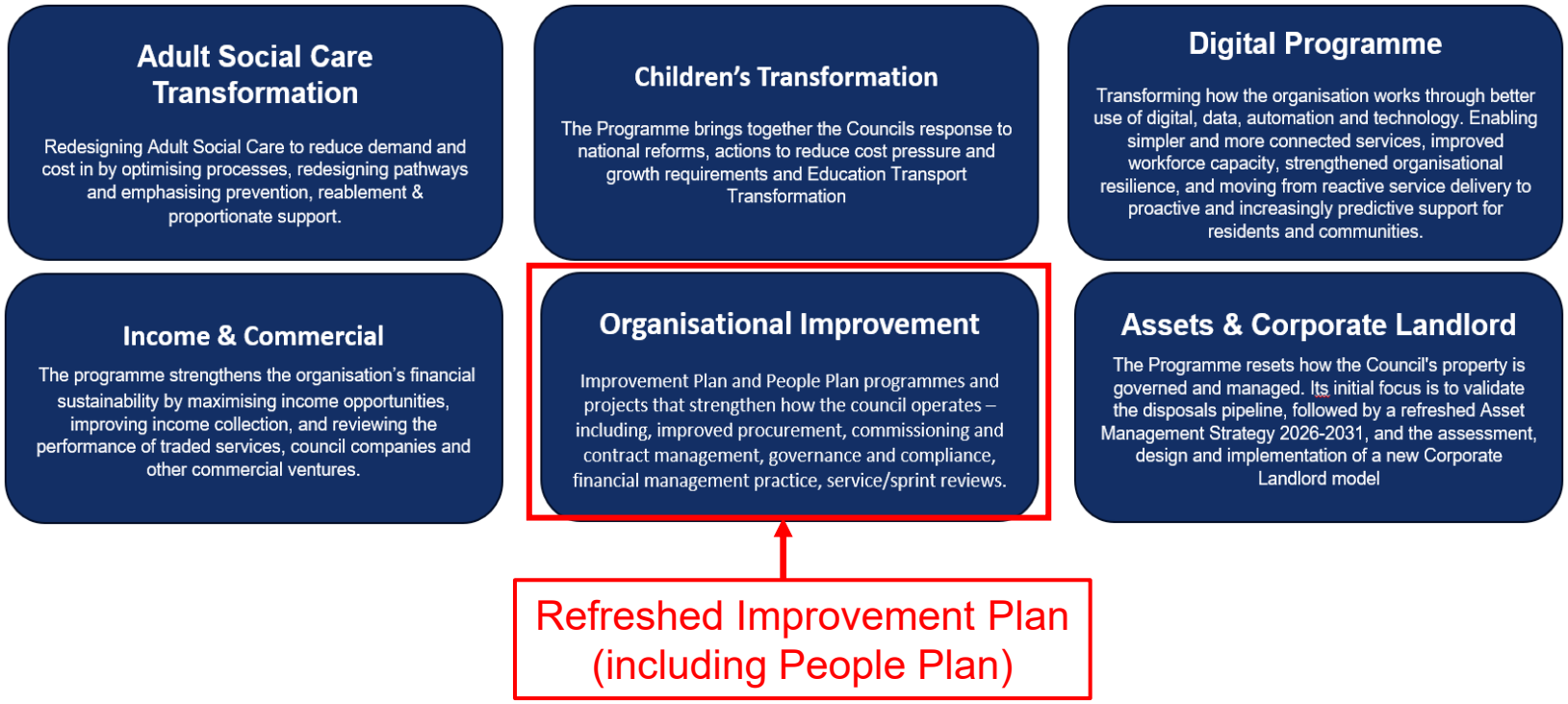
The context the Council is operating in has changed since the Improvement Plan was developed and approved. Further external scrutiny and feedback, including the Best Value Notice, CIPFA review and Auditor's Annual Report, has reinforced the Council's direction of travel while identifying areas requiring greater pace and focus. This provides an opportunity to refresh the Improvement Plan around the Council's most pressing priorities, measurable outcomes and the capacity needed to deliver them. We must also look closely at the Best value standards and intervention: a statutory guide for best value authorities as these define the characteristics of a well-functioning council, and indicators of potential failure. The standards essentially tell us what good looks like, and our Plan needs to be increasingly aligned to that.

## A focus on impact

CIPFA described the direction of travel as encouraging but also emphasised that many arrangements were newly established and their impact was not yet proven. A central challenge was therefore to move from improved structures and plans to demonstrable delivery, particularly by quantifying transformation benefits, accelerating savings and showing how the Improvement Plan will contribute to closing the structural financial gap. The External Auditor's Annual Report (AAR) recognises the Council has made significant progress in establishing the foundations for recovery and improvement but observes that the Council remains at an early stage of its improvement journey and must now demonstrate measurable impact, particularly through financial recovery, transformation and savings delivery, stronger internal controls and improved organisational capacity.

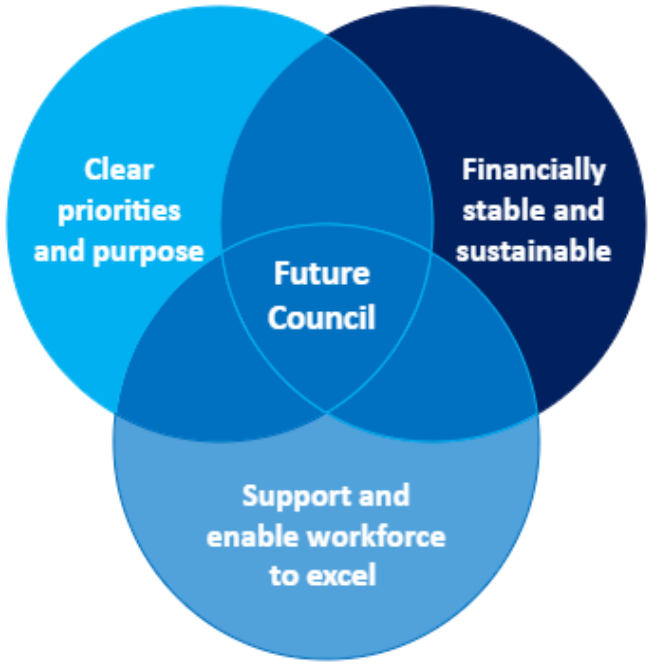
**Refreshing our Plan**

The aims of the Improvement Plan will remain as the overall ambitions for our continuous improvement. But it was stated at the outset that the priorities we focus on to achieve them will need to evolve over time to reflect delivery and progress, and respond to changing circumstances, policy direction, and pressures. There is also a need to reflect on recent external reports and recommendations, the learning accumulated from delivering the Plan, and consideration of the Best Values standards - ensuring any indicators of potential failure are addressed. A refreshed set of Improvement Plan programmes and projects will provide the basis for the Organisational Improvement facet of our Transformation, Improvement and Change (TIC) Portfolio:



Shropshire Council





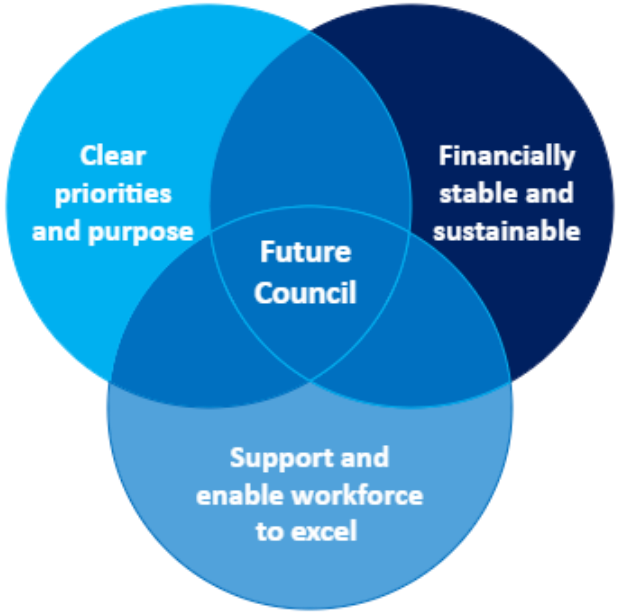
**APPENDIX B:**
**Improvement Plan - Annual Refresh**

# Improvement Plan

Our Plan to become a financially sustainable council with clear priorities and a high performing workforce for the benefit of Shropshire and its residents

# Annual Refresh

**November 2026**



# Foreword from the Leader and Chief Executive

The challenges facing the Council remain significant. We must restore the Council to a sustainable financial position while, at the same time, continuing to strengthen the organisation, improve how we work and ensure we consistently deliver the best possible outcomes for the county and its residents.

These are not separate challenges. Financial recovery depends upon a well-run, effective and high-performing organisation, just as sustained organisational improvement requires sound and sustainable finances. Our task is therefore to address both together, with a clear focus on priorities, strong leadership and governance, and an organisation capable of delivering change with the momentum required.

Over the past year, we have put important foundations in place. Our Improvement Plan (including the People Plan) has provided a single framework for improvement, supported by strengthened oversight and external assurance, including the Shropshire Council Improvement Board (SCIB). We have sharpened our focus on financial management, governance and organisational capacity, while developing more robust arrangements to manage transformation, improvement and change across the Council.

We should recognise that progress. But we must also be clear that there is a considerable journey ahead. The Best Value Notice issued in July, alongside the findings of the CIPFA Assurance Review and Annual Audit Report, provide a clear reminder of where further improvement is required. Our response must be sustained, comprehensive and evidenced through results, not simply the completion of actions and activity.

This refreshed Improvement Plan therefore marks the next phase of our improvement journey. It focuses our effort on the areas that matter most: strengthening financial management and internal controls; improving performance, efficiency and customer experience; developing our organisational culture and workforce; strengthening the involvement of elected members, communities and partners; and embedding continuous improvement across the Council.

Importantly, this work sits alongside our wider transformation and financial recovery activity within a single Transformation, Improvement and Change (TIC) portfolio. This gives us clearer ownership, stronger governance and a more disciplined approach to delivery, benefits and impact.

Our ambition is clear: to become a financially sustainable, well-functioning Council that consistently demonstrates ‘best value’ and delivers for the people and communities of Shropshire. Achieving that will require difficult choices, determination and sustained collective effort from elected members, officers and partners. The foundations are being put in place. Our focus now must be on turning those foundations into lasting change and demonstrable improvement. This Annual Refresh helps us do that.

**Councillor Heather Kidd, Leader of Shropshire Council**
**Tanya Miles, Chief Executive of Shropshire Council**

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| **Striving for Best Value: What does good look like?** | Describes the key changes the Improvement Plan will support and enable, setting out the overall improvements that we are striving for | 5 |
| **Priority Programmes: Overview** | Provides an overview of the Improvement Plan priority programmes of action, including the rationale and purpose for each of them | 7 |
| **Priority Programmes: Summaries** | Provides a 'plan-on-a-page' for each of the Improvement Plan priority programmes of action, summarising the key elements, and who is accountable and responsible for their delivery | 8 |
| **Strengthening our internal control environment** | Summarises the activity and Improvement Plan programmes that focus on strengthening our internal control environment | 17 |
| **Developing our organisational culture** | Summarises the activity and Improvement Plan programmes that focus on developing the organisational culture of the Council | 19 |
| **Making sure we deliver** | Describes the arrangements in place to support and enable the delivery of the Improvement Plan and its priority programmes of action, including resourcing the Plan and monitoring progress and impact | 20 |
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| **APPENDIX 2: Mapping of recommendations to activity** | Maps the Improvement Plan programmes against the recommendations of the External EFS Assurance Review and the External Annual Audit Report (AAR) | 24 |

The Improvement Plan sets out how Shropshire Council will improve to be a 'best value' authority that delivers, enables, and influences for Shropshire and its residents by:

- **Being financially stable and sustainable**
- **Having clear priorities and purpose**
- **Supporting and enabling our workforce to excel**

The Plan was approved by Full Council on 11th December 2025 as a single framework and overall plan for the Council's improvement activity. It includes agreed aims and priorities that provide the basis for a range of activity, projects and programmes that respond to the financial emergency (declared by Cabinet on 10th September 2025), ensure immediate short-term stabilisation and recovery, and drive the development of a strategy for financial sustainability over the medium term.

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Over the past 12 months there has been a focus on 9 initial programmes of action aligned to the three overall aims of the Plan. Delivery of programmes has been overseen by an externally chaired Improvement Board, who, since January 2026, have received a monthly update report.

This ***Annual Refresh*** document provides a summary of the next tranche of programmes and projects. These include both new and continuing activity which will address the areas identified in the most recent external reviews and recommendations including:

- The LGA Corporate Peer Challenge Progress Review
- The non-statutory Best Value Notice issued by MHCLG
- EFS External Assurance Review by CIPFA
- Annual Audit Report by Grant Thornton

The document does not replace the Improvement Plan. It updates and supplements it by summarising the next round of improvement programmes and projects that will help deliver the Plan's aims.

**Responding to the Best Value Notice**

On 15th July 2026 The Ministry of Housing, Communities and Local Government (MHCLG) issued a non-statutory Best Value Notice to Shropshire Council. The Notice is formal notification of the concerns MHCLG have about the Council and its financial position. There are also concerns about leadership capacity, governance, and culture which were identified in reports from the LGA Corporate Peer Challenge and External Auditor in 2025.

The Best Value statutory guidance sets out 7 overlapping themes of good practice for running a council that meets and delivers 'best value'. These 7 themes suggest that strong governance, culture, and leadership should underpin effective partnerships and community engagement, service delivery, and the use of resources. Continuous improvement is the outcome of all the themes working well together.

Our improvement activity will increasingly focus not simply on completing actions, but on demonstrating sustained improvement across those themes. The refreshed Plan prioritises those areas where further improvement is required, with clear measures and evidence to demonstrate progress and impact.

Our ambition is that by March 2028 the Council will consistently demonstrate the characteristics of a well-functioning authority across all seven Best Value themes, with improvement embedded into the way the Council operates and no material indicators of potential Best Value failure.

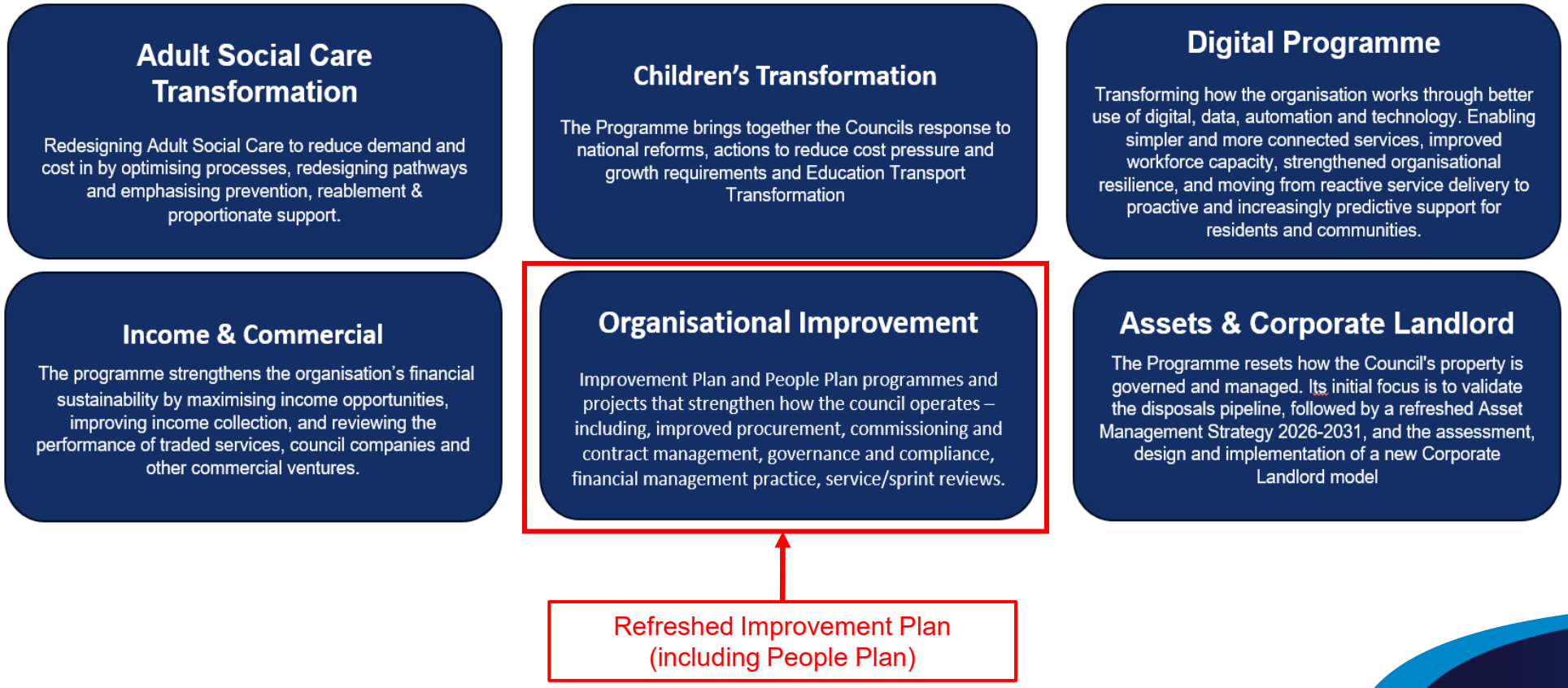
# Striving for Best Value: What does good look like?

Our ambition is that the Council will consistently demonstrate the characteristics of a well-functioning authority across all seven Best Value themes, with improvement embedded into the way the Council operates and no material indicators of potential Best Value failure

| BV theme | Where are we now | What good looks like | How will we know | Metrics, measures, milestones |
|---|---|---|---|---|
| Continuous improvement | Improvement increasingly coordinated, but remains reliant on formal improvement arrangements and external assurance | Continuous improvement embedded, with issues identified early and improvement sustained through 'business-as-usual' activity | Improvement is demonstrably sustained and less reliant on exceptional arrangements or driven by external reports and recommendations | Best Value Notice lifted (by July 2028)<br>Delivery of Improvement Plan<br>External assurance findings and feedback |
| Leadership | Stronger leadership grip and focus, but significant challenges continue to require intensive corporate attention | Clear, visible and accountable leadership, providing effective strategic direction and grip on delivery | Priorities are clear, ownership is understood and underperformance is addressed promptly | Delivery of Corporate Plan priorities<br>TIC milestones on track<br>Timely management of significant risks/action<br>External assurance findings and feedback |
| Governance | Governance and assurance have strengthened, but weaknesses and areas of inconsistent compliance remain | Robust governance, scrutiny, internal control and assurance, support transparent decision-making and risk management | Controls operate effectively and the Council identifies and addresses weaknesses early through effective risk management | No Statutory Recommendations<br>No 'Limited Assurance' judgement<br>FOI responsiveness / compliance (improved)<br>Complaints responsiveness (improved) |
| Culture | Culture and engagement are improving, but accountability, constructive challenge and new ways of working are not yet consistently embedded | An open, accountable and learning culture, where challenge and responsibility for improvement are embedded | Workforce indicators demonstrate a healthier, more capable and engaged organisation | Staff engagement and satisfaction (improved)<br>Sickness absence (decreased)<br>PDR completion<br>Mandatory learning completion |
| Use of resources | We remain exposed to significant financial risks, including a funding gap, delivery risks and reliance on EFS | A balanced and resilient financial position, reduced EFS, with resources aligned to priorities and used economically, efficiently and effectively | Sustainable financial recovery is achieved, plans for longer term sustainability are being delivered, and resources increasingly support agreed priorities | EFS significantly reduced<br>Transformation and savings being delivered<br>Income increased |
| Service delivery | Performance remains variable and use of data, insight, benchmarking and benefits management is still maturing | Effective, efficient and responsive services, delivering good outcomes and value for money | Performance improves, persistent underperformance reduces and transformation delivers measurable benefit. Complaints reduce, and compliments increase | % key measures on/above target<br>Comparative performance<br>Reduced numbers of complaints<br>Transformation benefits realised |
| Partnerships & community engagement | Partnership and engagement arrangements are developing but need to be more consistently connected to priorities, service design and delivery. | Strong place leadership – facilitated through a Shropshire Partnership and Plan – and communities, town and parish councils and other partners meaningfully involved in shaping priorities and delivering better outcomes | Partnership and engagement activity demonstrably influences decisions and improves outcomes | Resident/partner feedback<br>Delivery through town/parish councils<br>Evidence of joint delivery<br>shared investment/resources; engagement influencing decisions; and strategic partnerships |

**One framework for improvement, transformation and recovery**

Becoming a well-functioning council that consistently demonstrates the characteristics of a 'best value' authority, will require both organisational improvement and financial recovery which are closely connected. Organisational improvement is essential if financial recovery is to be achieved. The refreshed Improvement Plan and Financial Sustainability and Recovery Strategy set the strategic direction, while the Transformation, Improvement and Change (TIC) Portfolio translates priorities into co-ordinated programmes and projects, with clear ownership, consistent governance, disciplined delivery and transparent reporting of progress, risks, benefits and impact. The refreshed Improvement Plan (including People Plan programme) will form the Organisational Improvement component of the portfolio, aligning this work with the wider transformation and financial recovery activity required to create a more effective and sustainable Council:



# Our organisational improvement priorities

## Priority programmes of action:

The proposed priority programmes have been developed in response to the Council's own assessment of the improvements still required, alongside the findings and recommendations from external assurance. Together, they provide a targeted programme of organisational improvement aligned to the seven 'Best Value' themes. Some programmes contribute to more than one theme, reflecting the interconnected nature of the characteristics of a well-functioning authority:

| Improvement Plan Aim | Programme | Rationale and Reason | Best Value Theme |
|---|---|---|---|
| A Council that is financially stable & sustainable | **1. Financial Management & Practice** | Continues existing improvement work and responds to CIPFA and Annual Audit Report (AAR) recommendations | Use of resources; Leadership; Culture |
| | **2. Procurement, Commissioning & Contract Management** | Existing improvement priority with further work required, including responding to the Annual Audit Report (KR7) | Use of resources; Governance; Service delivery |
| | **3. Service Improvement and Efficiency** | Supports the wider financial recovery agenda and provides a structured means of challenging expenditure and embedding continuous improvement across the organisation | Use of resources; Continuous improvement |
| A Council with clear purpose & priorities | **4. Strengthening Partnership Working** | Previously identified as a priority, with further work required to develop our partnerships and partnership working including a Shropshire Partnership and work with town and parish councils. | Partnerships & community engagement; Leadership |
| | **5. Customer experience and expectations** | Responds to persistent complaints performance issues while providing the opportunity for a broader focus on customer experience and expectations | Service delivery; Partnerships & community engagement; Continuous improvement |
| A Council that supports and enables its people to excel | **6. Performance Management Framework & Culture** | Builds on the new corporate plan performance framework, and responds to the AAR improvement recommendation (IR2) | Leadership; Continuous improvement; Governance; Service delivery |
| | **7. Risk Management** | Risk management is identified in the AAR (SR2 and KR4) and CIPFA recommendation 5 | Governance; Use of resources; Leadership |
| | **8. Involving and informing our elected members** | Responds to external assurance findings relating to scrutiny, including the AAR (IR1) and CIPFA review | Governance; Leadership; Continuous improvement |
| | **9. People Plan programme** | Maintains a sustained focus on supporting staff to deliver and excel, drawing together priorities around culture, leadership, capability, capacity and performance, responding to external assurance findings | Culture; Leadership; Continuous improvement |

# Priority Programme 1: Summary
# Financial Management - Plans and Practice

| Programme 1: | Financial Management – Plans and Practice |
|---|---|
| **Description** | A programme of activity to strengthen financial management across the council. It will implement the Finance service restructure, improve financial capability and accountability, strengthen strategic financial planning and budget monitoring. |
| **Rationale and Purpose** | To address the financial management weaknesses and recommendations identified through CIPFA (rec 2), External Audit and wider external assurance, including the need for stronger financial planning, forecasting, budgetary control and management capacity. The programme will establish the capability, accountability and controls needed to strengthen financial grip, respond to the External Audit statutory recommendation, and support the council's financial recovery and longer-term sustainability |
| **Key activity** | • Implement the Finance service restructure, with clear roles, responsibilities and accountability.<br>• Strengthen financial management capability across the Finance service and among budget holders to embed accountability<br>• Strengthen medium-term financial planning and the council's approach to financial sustainability, including analysis and strategy development<br>• Improve budget monitoring, forecasting, challenge and corrective action, including training and mentoring activity<br>• Strengthen the oversight and management of capital expenditure, delivery and slippage.<br>• Develop and deliver updated plans, including Financial Plan, Capital Plan, Treasury Strategy, EFS Strategy and Reserves Strategy |
| **What does good look like** | A Finance structure with sufficient capacity, clear accountability and priority roles filled, and budget holders understand and fulfil their financial responsibilities. There will be reliable budget, forecast and capital information that supports timely management action. Financial plans are realistic, evidence-based and aligned with the council's priorities. A stronger financial grip supports the council's recovery and reduces reliance on Exceptional Financial Support (EFS). |
| **Metrics, measures and milestones** | Finance restructure and priority appointments \| Financial management training and capability \| Budget and forecast accuracy \| Delivery of assurance recommendations \| Capital programme performance \| Progress against financial sustainability milestones \| Unqualified accounts \| |
| **Timescales** | November 2026 – November 2027 and ongoing. Includes New finance structure in place by April 2027. |
| **Risks of not delivering the programme** | • Insufficient capacity and unclear accountability weaken financial advice, support and challenge.<br>• Poor forecasting and budget monitoring allow financial pressures to escalate without timely corrective action.<br>• Outstanding assurance recommendations lead to recurring concerns and reduced confidence in the council's financial management.<br>• Weak capital management results in slippage, delayed priorities or ineffective use of funding.<br>• The council is unable to achieve and sustain financial stability or reduce its reliance on Exceptional Financial Support. |
| **Responsible Delivery Lead (RDL):** | Finance Director and Deputy 151 Officer |

# Priority Programme 2: Summary
## Procurement, Commissioning and Contract Management

| Programme 2: | Procurement, Commissioning and Contract Management (strengthening internal controls) |
|---|---|
| **Description** | A cross-council programme to strengthen procurement, commissioning and contract management. It will establish consistent and compliant processes, improve strategic sourcing and category management, strengthen contract and supplier oversight, and make better use of digital systems, data and reporting. It will improve consistency, compliance and value for money, ad reduce financial, legal and reputational risk. |
| **Rationale and Purpose** | Continues the work undertaken as part of the Improvement Plan to date. It responds to the need to comply with the requirements of the 2023 Procurement Act and GCF Procurement Policy Notices alongside strengthening procurement and contract management practice, and financial control, across the council. It also responds to the AAR Key Recommendation (KR7). |
| **Key activity** | • Establish consistent and compliant procurement, commissioning and contract management processes.<br>• Strengthen strategic sourcing and introduce a more systematic approach to category management.<br>• Improve contract ownership, supplier performance management and third-party risk oversight.<br>• Reduce off-contract spend, sourcing exemptions and non-compliant contract extensions.<br>• Improve commercial capability among commissioners, contract managers and budget holders.<br>• Introduce improved digital systems, data, and reporting |
| **What does good look like** | Consistent, transparent and well-governed procurement and contract management, supported by reliable data, effective supplier and contract oversight, improved commercial capability and efficient digital processes compliant with procurement legislation and the Government Commercial Function Procurement Policy Notices. Minimal non-compliant spend and a reduction in the administrative burden associated with supply chain management. |
| **Metrics, measures and milestones** | % of sourcing exemptions of total commitments \| Non-compliant contract extensions as % of annual commitments \| reduction in non-compliant or off-contract spend \| Category strategies \| Procurement savings and whole-life cost performance \| Spend with local SMEs |
| **Timescales** | 2026/27 – 2028/29 |
| **Risks of not delivering the programme** | • Non-compliance with procurement legislation leading to potential legal challenge and associated penalties<br>• Weak contract and supplier oversight leads to poor performance, service failure or avoidable cost.<br>• Off-contract and non-compliant spend reduces financial control and value for money<br>• Inadequate data and fragmented systems limit effective oversight, decision-making and assurance.<br>• The council is unable to demonstrate that procurement supports financial sustainability and the local economy. |
| **Responsible Delivery Lead (RDL):** | Director of Legal and Governance |

# Priority Programme 3: Summary
## Service Improvement and Efficiency

| Programme 3: | Service Improvement and Efficiency |
|---|---|
| **Description** | A programme of activity to improve services, processes and productivity across the council. The programme comprises of 2 elements:<br>1. A programme of corporately led 'sprint reviews' – focussing on areas experiencing complex, cross-service processes – building on the learning form HR, Payroll, Information Governance and Debt Recovery sprint reviews undertaken<br>2. The development of a practical methodology, toolkit and training that enables services to lead and sustain their own continuous improvement |
| **Rationale and Purpose** | To address inefficient and outdated processes, rising demand and constrained organisational capacity. The programme will build a culture of continuous improvement, identify opportunities for digital enablement and release capacity and financial benefits that support better services and financial sustainability. |
| **Key activity** | • Undertake corporately led sprint reviews of complex, high-volume or cross-service processes.<br>• Use multidisciplinary teams to analyse demand, customer journeys, performance and underlying causes.<br>• Co-design, test and embed improved processes with services, customers and staff.<br>• Develop a consistent service review methodology, toolkit and supporting guidance.<br>• Provide training and coaching so that services can lead their own improvement reviews. |
| **What does good look like** | A more efficient and continuously improving council, with simpler and more accessible services, better customer and employee experience, and reduced waste, delay and duplication. Digital solutions will be used where they improve quality, access or productivity, releasing capacity and financial benefits. Services increasingly able to identify and deliver further improvement themselves |
| **Metrics, measures and milestones** | Process turnaround times \| Backlogs and rework \| Avoidable and repeat contact \| Digital uptake \| Customer and employee experience \| Cashable savings and cost avoidance \| Capacity released \| Benefits sustained |
| **Timescales** | December 2026 – March 2028:<br>• Dec 2026–May 2027: development of toolkit and training pilot<br>• May 2027-March 2028 (and ongoing): programme of reviews |
| **Risks of not delivering the programme** | • Inefficient and outdated processes continue to create avoidable cost, delay and frustration.<br>• Opportunities to improve productivity, release capacity and secure financial benefits are missed.<br>• Digital investment is not sufficiently informed by service and customer needs.<br>• Improvement activity remains dependent on limited central capacity.<br>• Services lack a consistent method for identifying, implementing and sustaining improvement. |
| **Responsible Delivery Leads (RDL):** | Service Director Strategy & Change and Director of People and Culture |

# Priority Programme 4: Summary
## Partnership working

| Programme 4: | Partnership working |
|---|---|
| **Description** | A programme to further develop the Council's partnerships working, with a focus on the development of Shropshire Partnership, locality/neighbourhood working approach, and future approach to working with Town and Parish Councils |
| **Rationale and Purpose** | To improve outcomes for Shropshire's residents by enabling those best placed to deliver services to work together and make the best use of available resources. Guided by the Future Council Principles of partnership working and adaptability, the programme will connect the Council, public and private sector partners, Town and Parish Councils, the VCSE sector and communities through countywide, locality and neighbourhood arrangements that respond to local needs and strengthen community involvement. |
| **Key activity** | • With partners establish a Shropshire Partnership that covers the whole council area as well as delivering shared outcomes through locality and neighbourhood working, supported by a core Shropshire Strategic Partnership function at the Council that operates as a centre of excellence and expertise, having an overview of strategic partnership working and dedicated locality partnership posts to support coordination<br>• With Parish and Town Councils, develop a Parish Charter (or similar) and a menu of defined and costed offers and opportunities for town and parish councils to consider<br>• Embed a coordinated neighbourhood model (Heath Hub aligned) integrating council services (e.g. housing and social care) with partners (NHS,VCSE etc) to deliver multi-agency support, facilitated by place-based planning. |
| **What does good look like** | The Shropshire Partnership being in place with a shared ambition that provides a basis for partners working together to deliver, enable and influence improved outcomes for residents and communities in the most economical, effective and efficient way. |
| **Metrics, measures and milestones** | • Core Shropshire Partnership function developed and recruitment of additional officer locality partnership capacity in place by March 2027<br>• Coordinated neighbourhood model developed with an implementation Plan April 2027 to rolling out April 2028<br>• Parish Charter / Framework developed by July 2027<br>• A menu of costed opportunities and offers to town and parish councils by May 2027<br>• Proposition and governance for the Shropshire Partnership by June 2027<br>• Partnership Plan with prioritised activity ownership and timeframes by March 2028<br>*(all dates are indicative and subject to review as programme delivery plan is formed)* |
| **Timescales** | November 2026 – April 2028 (and ongoing) |
| **Risks of not delivering the programme** | Duplication of work and failure to get the greatest impact from partners' financial and people resources to deliver outcomes<br>Failure to prevent demand by harnessing the social capital and energy in communities and enabling people and groups to act locally<br>Opportunities and benefits of working with town and parish councils are not maximised |
| **Responsible Delivery Lead (RDL):** | Service Director - Customer & Communities and Service Director – Strategy & Change |

# Priority Programme 5: Summary
## Customer experience and expectations

| Programme 5: | Customer experience and expectations |
|---|---|
| **Description** | A programme of activity to improve how the council understands, engages with and responds to its customers and communities. It will strengthen customer service and complaints handling, embed consistent standards, improve communications and engagement, strengthen reputational management, and use insight, systems and digital solutions to deliver a more responsive, customer-focused council |
| **Rationale and Purpose** | To address inconsistent customer standards and complaints performance and bring together currently fragmented approaches to customer service, engagement, communications and reputation. The programme will strengthen responsiveness, make better use of customer insight and feedback, and improve the consistency and quality of residents' interactions with the council. |
| **Key activity** | • Improve complaints handling, learning and responsiveness<br>• Embed consistent customer standards, including the Customer Charter and Ask Assist Act approach<br>• Map and improve customer contact journeys, using insight to identify opportunities for service and digital improvement<br>• Strengthen community engagement and communications, with a more coordinated strategic approach<br>• Develop proactive reputational management, better connecting customer insight, communications and organisational response<br>• Website refresh – enabling more accessibility and information |
| **What does good look like** | • Consistent, high-quality customer experience, regardless of service or channel.<br>• Clear standards and expectations understood and embedded across the organisation.<br>• Complaints handled promptly and effectively, with insight and learning driving service improvement.<br>• Better understanding of customer journeys and needs, using data, feedback and engagement to shape services.<br>• Accessible, coordinated communications and engagement, reaching communities in the right ways.<br>• Improved trust and confidence, supported by proactive and effective reputational management. |
| **Metrics, measures and milestones** | Complaints timeliness and quality \| Customer satisfaction \| Customer Charter/standards compliance \| Compliments and feedback \| Avoidable contact/digital completion \| Resident trust and reputation |
| **Timescales** | October 2026 – October 2027 (and ongoing) |
| **Risks of not delivering the programme** | • Continued poor and inconsistent customer experience, with variable service standards and responsiveness across the council.<br>• Increasing complaints and repeat failure, with insufficient organisational learning from complaints, feedback and customer insight.<br>• Erosion of resident trust and confidence, affecting the council's reputation and its relationship with communities.<br>• Fragmented communications and engagement, limiting the ability to understand expectations, explain decisions and engage effectively.<br>• Missed opportunities for service improvement and efficiency, including reducing avoidable contact and making better use of digital solutions |
| **Responsible Delivery Lead (RDL):** | Service Director – Customer and Communities |

# Priority Programme 6: Summary
## Performance management framework and culture

| Programme 6: | Performance management framework and culture |
|---|---|
| **Description** | A programme of activity to strengthen performance management and embed a performance-focused culture across the council. It will introduce a clear Performance Management Framework, establish consistent performance conversations and reporting, strengthen target-setting and accountability, and progressively integrate performance, finance and risk information |
| **Rationale and Purpose** | To address inconsistent performance management practice and make more systematic use of the council's data and insight. The programme responds to external assurance findings by establishing clearer targets, benchmarks, milestones and accountability, supported by regular reporting to senior management and elected members |
| **Key activity** | • Develop and implement a council-wide Performance Management Framework.<br>• Establish clear performance roles, responsibilities, reporting arrangements and escalation routes.<br>• Introduce consistent local target-setting aligned with council priorities and outcomes.<br>• Refresh the Senior Leadership Forum Performance and Quality Group.<br>• Establish a Performance Champions Network as a community of practice.<br>• Improve data quality, ownership and assurance.<br>• Introduce more transparent and integrated performance reporting.<br>• Progressively align performance, financial and risk information to support more rounded management conversations. |
| **What does good look like** | A strong performance culture will be embedded across the council, with clear priorities, targets and accountability for delivery. Timely, integrated performance, finance and risk information will enable leaders and Members to understand progress and emerging challenges, support effective performance conversations and prompt early corrective action. Transparent reporting will provide clear evidence of sustained improvement |
| **Metrics, measures and milestones** | • Improvements in performance indicators, target setting and compliance.<br>• Feb 2027: Report to Audit & Governance Committee - setting out overall framework and plans to embed reporting and behaviours. |
| **Timescales** | October 2026 – March 2027: Development of new framework and practice<br>April 2027-March 2028: ongoing development to embed new practice and culture |
| **Risks of not delivering the programme** | • The Council will not move to a performance culture which supports delivery, accountability and learning.<br>• Leaders will not be fully equipped and accountable for delivery of the required improvements and performance outcomes in their area.<br>• The Council will not be able to demonstrate the required delivery improvements, or evidence sustained performance, which will impact on the improvement journey and ability for the Improvement Board to be stood down and Best Value Notice to be lifted. |
| **Responsible Delivery Lead (RDL):** | Service Director – Strategy and Change |

# Priority Programme 7: Summary
## Risk management

| Programme: | Risk management (strengthening internal controls) |
|---|---|
| **Description** | A Council-wide refresh and relaunch of risk management, implementing the new Risk Management Framework and strengthening how strategic, operational and project risks are identified, assessed, managed, escalated and reported. The programme will embed risk management as an active management tool supporting better decision-making, delivery and organisational resilience |
| **Rationale and Purpose** | To address weaknesses identified through Internal Audit and external assurance, including inconsistent practice, unclear ownership, escalation and reporting, and limited assurance. The programme will strengthen accountability, risk culture and assurance, embedding risk management within decision-making, service delivery and transformation |
| **Key activity** | • Implement the new corporate Risk Management Framework and supporting guidance.<br>• Review and reassess strategic, operational and project risk registers.<br>• Strengthen risk ownership, scoring, escalation and mitigation arrangements.<br>• Develop improved reporting, dashboards and assurance arrangements.<br>• Deliver training and embed risk management within planning, finance, transformation and decision-making |
| **What does good look like** | A consistent and embedded approach to risk management, with clear ownership and accountability, current and meaningful risk registers, timely escalation of significant risks and effective assurance over controls. Risk information routinely informs management decisions, planning and transformation, with leaders and Members having clear visibility of the Council's overall risk exposure |
| **Metrics, measures and milestones** | • Strategic, operational and project risk registers reviewed against the new framework.<br>• Risks have clear owners, controls, actions, target dates and assurance.<br>• Compliance with agreed review, reporting and escalation requirements.<br>• Risk management training delivered and improved reporting/dashboard arrangements implemented.<br>• Evidence of improved risk maturity and reduction in recurring Internal Audit/assurance weaknesses |
| **Timescales** | October 2026-March 2027: initial implementation phase, including framework rollout, risk register review, training and improved reporting and assurance arrangements. Embedding and development of enterprise risk management will continue beyond March 2027 |
| **Risks of not delivering the programme** | • Significant or emerging risks are not identified, escalated or managed effectively.<br>• Inconsistent practice and weak accountability reduce confidence that risks and mitigating actions are actively managed.<br>• Poor risk information and assurance limit effective management and Member decision-making.<br>• Failure to address Internal Audit and external assurance recommendations |
| **Responsible Delivery Lead (PDL):** | Director of Legal and Governance |

# Priority Programme 8: Summary
## Involving and informing elected members

| Programme: | Involving and informing elected members |
|---|---|
| **Description** | Developing and reaffirming how members are involved in the work of the council, as local members and as members of committees, including how they are informed in a timely way about changes, developments, and decisions affecting the council and their local areas. |
| **Rationale and Purpose** | To respond to the Annual Audit Report, including Improvement Recommendation 1, and the CIPFA review, which highlighted opportunities to strengthen member involvement, information, development and governance. The programme will ensure elected members have the timely information, knowledge and support required to fulfil their representative, decision-making and scrutiny roles, while strengthening officer-member working and the effectiveness and impact of overview and scrutiny |
| **Key activity** | • Work with members to<br>▪ enable them to be a conduit between the council and their communities and to fulfil their wider role(s)<br>▪ reestablish a member development programme that takes account of knowledge and skills and roles, to include supporting the council to be financially sustainable and improve governance.<br>▪ Reinforce the awareness, use and application of the Local Member Protocol.<br>• Refresh / relaunch the Member Portal<br>• Annual survey of members (to include access to information, member development opportunities, effectiveness of O&S)<br>• Establish consistent officer working with and responding to all members, to include political awareness training for officers at all levels<br>• Review the development of overview and scrutiny carried out to date, identifying opportunities to further strengthen the function |
| **What does good look like** | Members have the information they need to understand and engage with key council developments and are equipped to communicate these to residents. Effective overview and scrutiny provides constructive challenge, adds demonstrable value and has a clear impact on council policy and decision-making. |
| **Metrics, measures and milestones** | Member satisfaction with information and support \| Attendance at briefings and development sessions \| Member Portal use \| Compliance with the Local Member Protocol \| Participation in overview and scrutiny activity \| Delivery and impact of scrutiny recommendations \| Officer political awareness training \| Annual member survey results |
| **Timescales** | • November 2026 to March 2027: Establish the member development programme and confirm the member information arrangements<br>• July 2026 to March 2027: continued Overview and Scrutiny development |
| **Risks of not delivering the programme** | The pace of decision making and implementation is reduced because members need to be assured when the decision is made<br>Decisions less robust because they not informed by a range of member experience and perspectives |
| **Responsible Delivery Lead (RDL):** | Director of Legal and Governance |

# Priority Programme 9: Summary
## People Plan

| Programme: | People Plan |
|---|---|
| **Description** | The People Plan is the council-wide people focussed programme that coordinates projects across five priorities and aligns people, processes and technology change with the wider improvement and transformation programme. |
| **Rationale and Purpose** | It ensures that Shropshire has the leadership, workforce capability and capacity, culture, performance and people systems needed to deliver its priorities, improve services and operate effectively and sustainably. |
| **Key activity** | Continue to improve employee engagement, embed the Role of the Manager and strengthen management accountability and engagement, develop workforce capacity planning to support transformation, undertake skills assessments and identify training needs, including those arising from technology and other skills gaps and the generation of a Learning and Development operating model including the roll out of the new Learning Management System (LMS). |
| **What does good look like** | Success means stronger, more accountable leadership and management; the right people and skills, in the right areas to deliver priorities and transformation; an engaged and inclusive workforce that feels valued, heard and able to contribute; clear expectations and regular meaningful conversations that drive performance; improved role clarity, wellbeing and reduced workforce pressures; more effective processes and better use of technology. |
| **Metrics, measures and milestones** | Workforce data and dashboards \| Pulse Survey feedback \| Priority programme measures \| tracking manager accountability \| engagement and participation \| capacity and skills gaps \| retention and development \| performance development reviews (PDRs) \| training uptake \| improvements in processes and use of technology. |
| **Timescales** | September 2026 – December 2027 for key activity identified for the next 12 months (Full People Plan runs from 2026 until 2030) |
| **Risks of not delivering the programme** | Failure to deliver the People Plan risks ongoing workforce capacity and skills gaps, inconsistent management, reduced engagement, increased wellbeing concerns, and inefficient ways of working, limiting the council's ability to deliver priorities, transformation, improve services and achieve financial sustainability. Delivery may also be constrained by limited resources, competing priorities, unclear accountability and dependencies with wider transformation programmes. |
| **Responsible Delivery Lead (RDL):** | Director for People & Culture |

# Strengthening our internal control environment

Our internal control environment is the system of leadership, governance, processes, behaviours and controls through which the Council manages its resources, risks and responsibilities and provides assurance that it is operating effectively.  It has been regularly identified through the Annual Audit Reports as an area requiring further improvement and strengthening.

Effective internal control is not simply about policies, procedures or compliance. It depends on clear accountability, good decision-making, effective management of risk and performance, sound stewardship of resources, capable people and reliable information and systems. Together these provide the foundations for a well-run Council, helping us identify and address weaknesses early, manage risk appropriately and deliver our priorities economically, efficiently and effectively.

A strong internal control environment is therefore a shared organisational responsibility, embedded in how we lead, manage, make decisions and deliver services every day.




**Elements of our internal control environment:**

- Leadership, ethics and organisational culture: Clear expectations, accountability and behaviours, with leaders setting the tone for integrity, openness, constructive challenge and responsibility.
- Governance and decision-making: Clear roles, responsibilities, delegations and decision-making arrangements, supported by effective scrutiny, assurance and transparent governance.
- Strategic planning, risk and performance: Clear priorities translated into plans and measures, with risks identified and managed and performance actively monitored, challenged and acted upon.
- Financial management and stewardship: Robust financial planning, budgeting, monitoring and reporting, with clear accountability for the effective and sustainable use of public resources.
- Procurement, commissioning and contract management: Consistent and compliant arrangements that secure value for money and ensure expenditure, contracts, suppliers and commissioned services are effectively controlled and managed.
- People, capability and capacity: Clear management responsibilities, appropriately skilled and supported people, effective workforce planning and the capacity needed to operate controls consistently.
- Information, digital and operational controls: Reliable data, secure and effective systems, clear processes and proportionate operational controls that support compliant, efficient and evidence-based delivery.

# Strengthening our internal control environment

| Improvement Plan Aim | Programme | How the Programme helps strengthen the internal control environment | Responsible Lead Officer |
|---|---|---|---|
| A Council that is financially stable & sustainable | **1. Financial Management & Practice** | Strengthens financial accountability, planning, forecasting, budget and capital management and financial capability, providing stronger oversight and earlier identification and management of pressures. | Finance Director and Deputy S151 Officer |
| | **2. Procurement, Commissioning & Contract Management** | Strengthens compliance, transparency and value for money through more consistent procurement and contract controls, clearer oversight of suppliers and contracts, and better data, reporting and assurance | Director of Legal and Governance |
| | **3. Service Improvement and Efficiency** | Identifies weaknesses in service processes, clarifying responsibilities and embedding more consistent procedures that reduce errors and improve accountability. A structured approach to service reviews provides governance checkpoints, documented decisions, risk escalation, testing and supported handover, helping ensure changes are authorised, controlled and sustained within services. | Service Director – (Strategy & Change) |
| A Council with clear purpose & priorities | **4. Strengthening Partnership Working** | Strengthens accountability and governance across partnership arrangements, with clearer structures, responsibilities, priorities and oversight of activity delivered with or through partners | Service Director (Communities & Customer) |
| | **5. Customer experience and expectations** | Strengthens operational controls through clearer customer standards, more consistent complaints handling and better use of customer insight to identify failure, improve services and reduce repeat problems | Service Director (Communities & Customer) |
| A Council that supports and enables its people to excel | **6. Performance Management Framework & Culture** | Establishes clearer targets, accountability and performance conversations, integrating performance, risk and financial information so that underperformance is identified, challenged and addressed earlier | Service Director – (Strategy & Change) |
| | **7. Risk Management & Culture** | Establishes a consistent Council-wide approach to identifying, assessing, escalating and managing risk, strengthening ownership, assurance and management visibility of significant risks | Director of Legal and Governance |
| | **8. Involving and informing our elected members** | Strengthens democratic governance, scrutiny and decision-making by improving the information, development and support available to members and reinforcing effective member-officer working | Director of Legal and Governance |
| | **9. People Plan programme** | Strengthens management accountability, workforce capability and compliance by clarifying responsibilities, addressing skills and capacity gaps and improving learning, workforce planning and people systems | Director of People and Culture |

# Developing our organisational culture

Effective controls depend as much on behaviours and culture as they do on processes and systems. Our improvement programmes therefore seek to strengthen the Council's control framework and embed the leadership, accountability, challenge, collaboration and learning needed to make those controls effective and sustainable – by developing our organisational culture and realise the organisational characteristics and future council principles set out in the Improvement Plan:

| Improvement Plan Aim | Programme | How the Programme helps strengthen our organisational culture | Responsible Lead Officer |
|---|---|---|---|
| A Council that is financially stable & sustainable | **1. Financial Management & Practice** | Builds a culture of financial ownership in which managers understand their responsibilities, use financial information actively and recognise stewardship of resources as a core management responsibility | Finance Director and Deputy S151 Officer |
| | **2. Procurement, Commissioning & Contract Management** | Builds stronger commercial awareness and a culture of compliance, transparency and value for money, with better ownership of purchasing, commissioning and contract decisions across the Council | Director of Legal and Governance |
| | **3. Service Improvement and Efficiency** | Builds collaboration, curiosity and continuous improvement by involving teams in solving problems, testing ideas and taking ownership of better, simpler and more efficient ways of working | Service Director – (Strategy & Change) |
| A Council with clear purpose & priorities | **4. Strengthening Partnership Working** | Develops a culture of openness, collaboration and shared responsibility, encouraging teams to look beyond organisational boundaries, value different perspectives and work with partners and communities to achieve better outcomes | Service Director (Communities & Customer) |
| | **5. Customer experience and expectations** | Encourages a more outward-looking and collaborative culture, working across organisational boundaries and with communities to share responsibility, resources and solutions around common outcomes | Service Director (Communities & Customer) |
| A Council that supports and enables its people to excel | **6. Performance Management Framework & Culture** | Builds on our focus on compliance in year one to create a performance culture based on clear expectations, evidence, regular performance conversations, constructive challenge, accountability and learning. | Service Director – (Strategy & Change) |
| | **7. Risk Management & Culture** | Develops a more risk-aware culture in which managing risk is part of everyday management responsibility, supporting open discussion, timely escalation and well-informed decisions rather than being treated as a reporting exercise | Director of Legal and Governance |
| | **8. Involving and informing our elected members** | Supports a more politically aware, open and collaborative organisation, strengthening constructive member-officer relationships, challenge and understanding of respective roles | Director of Legal and Governance |
| | **9. People Plan programme** | Translates values into everyday behaviours through stronger leadership and management, engagement, development and clearer expectations, building a more accountable, collaborative and learning-focused organisation | Director of People and Culture |

## Transformation, Improvement and Change (TIC) Portfolio

### Governance and assurance

The Improvement Plan (and People Plan) forms the basis of the Organisational Improvement programme in the Council's overall TIC portfolio. The Portfolio also includes programmes focussed on:

- Adults Social Care Transformation
- Children's Services Reforms and Transformation
- Digital Transformation
- Assets & Corporate Landlord
- Income & Commercial.

Each of these has a Programme Board that oversees delivery and reports progress and escalate risks to an Assurance Board made up of members of the Council's Leadership Board. A monthly report summarising the TIC portfolio delivery position is presented to the Improvement Board.

A Governance Framework (figure 1) provides a clear focus for assurance discussions at *Delivery Governance* (blue) and *Corporate Governance* (green) meetings. The *Framework* is designed to ensure risk, issues and dependencies are understood and mitigated at the earliest opportunity. Each forum maintains a clear focus to avoid duplication and encourage appropriate escalations

### Investing in transformation, investment and change

The Council has allocated a Transformation Fund. This will enable the dedicated capacity, specialist support and implementation resources needed to deliver transformation, improvement and change required at the scale and pace required, rather than expecting it to be absorbed within existing workloads. Proposals for investment are submitted to and considered by the Budget, Transformation and Change Panel (BTCP), chaired by the Section 151 Officer. The Panel tests strategic fit, readiness, deliverability, affordability and resource requirements, and challenge whether the proposed benefits, savings and return on investment are sufficiently clear and evidenced.

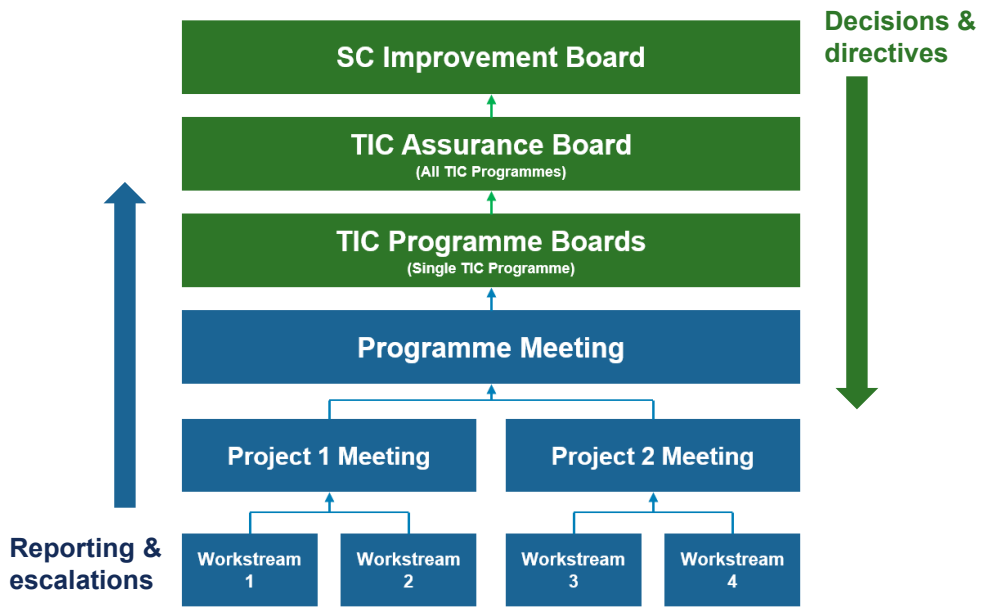



**Figure 1: Transformation, Improvement and Change Portfolio governance**

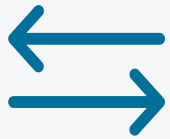
### Corporate Portfolio Management Office (CPMO)

The Corporate PMO (CPMO) will be represented at each Board to support, cascade decisions and produce board reports. The consistent use of CPMO tools and templates in projects and programmes will ensure reporting integrity for each board. The CPMO also supports programme delivery through the provision of programme and project management, and business analyst capacity and expertise, ensuring that programmes are well-structured, supported and resourced appropriately.

# Engagement and insight that has informed the refreshed plan

## External reviews

Recommendations from external reviews have informed the annual refresh of the Improvement Plan (and People Plan).



## Senior leaders

63 senior leaders took part through the Senior Leadership Forum, identifying what had improved most over last 12 months and the focus for the next 12-18 months.



## Staff

Three Viva Engage questions gathered views on improvements, priorities, savings and demand. Average reach: 1,500 staff per post 163 votes and 26 comments



## Elected members

Member briefings on rationale for refreshing the Plan and its proposed the focus for the next 12-18 months.



## Improvement Board

Proposed priorities and programmes tested with the Board

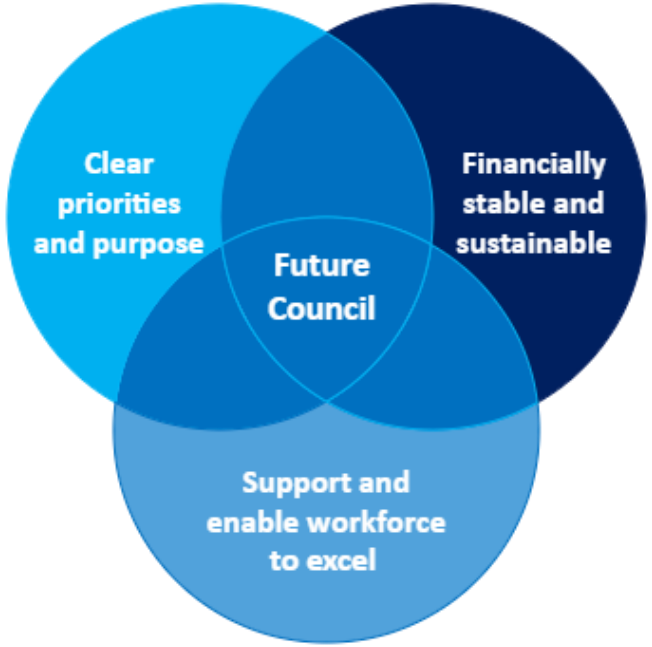


**Together, this feedback has helped to inform the Improvement Plan refresh.**

Shropshire Council

## APPENDIX 1:
## Key updates to Improvement Plan programmes





# Changes to our priority programmes

## Current priority programmes

- Programme 1: Financial stability
- Programme 2: Financial sustainability strategy
- Programme 3: Strengthening financial management policy & practice
- Programme 4: Corporate Plan 2026-30
- Programme 5: Future council – including:
  - Embedding principles and ways of working
  - Working with town and parish councils
  - Place shaping role
- Programme 6: Review and realignment of transformation programme
- Programme 7 : People Plan – including:
  - Employee engagement and involvement
  - New Ways of Working - services that support staff
- Programme 8: Getting the basics right (Strengthening corporate governance and compliance)
- Programme 9: Digital programme

**A Council that is financially stable and sustainable**

**A Council that has clear priorities and purpose**

**A Council that supports and enables its workforce to excel**

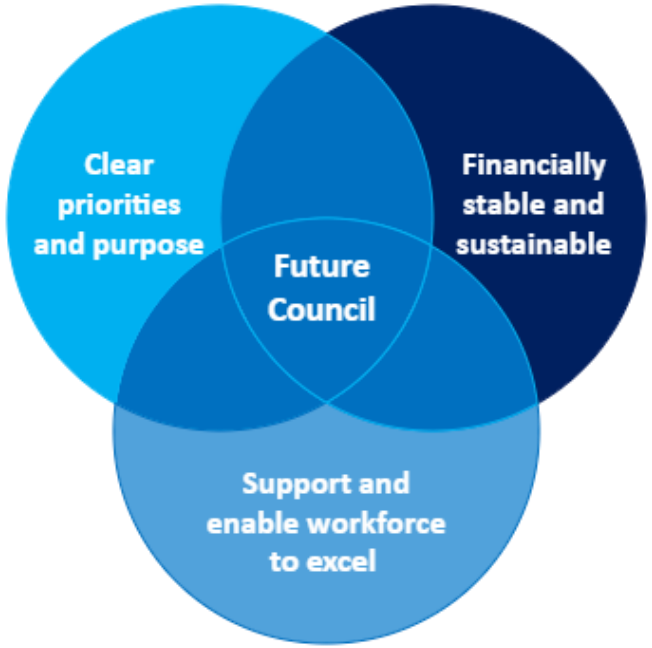
## New priority programmes

- Programme 1: Financial management and practice
- Programme 2: Procurement, Commissioning, Contract Management
- Programme 3: Service Improvement and Efficiency
- Programme 4: Customer experience and expectations
- Programme 5: Partnership working:
  - Working with town and parish councils
  - Shropshire Partnership and Plan
  - Locality working
- Programme 6: Performance management and culture
- Programme 7 : People Plan – including:
  - Leadership & Talent
  - Capacity & Capability
  - Systems & Establishment
  - Culture and Employee Engagement
- Programme 8: Risk management
- Programme 9: Involving and informing our elected members

Shropshire Council

## APPENDIX 2:
**Mapping of external recommendations**





# Responding to external reviews and recommendations

| Rec ref | Description | Improvement Plan (Organisational Improvement) | | | | | | | | | ASC Transformation | Children's Reforms | Digital | Income and commercial | Assets and Corporate Landlord | Other |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | IP1 | IP2 | IP3 | IP4 | IP5 | IP6 | IP7 | IP8 | IP9 | | | | | | |
| CIPFA 1 | Resolve weaknesses in the control environment | | | | | | | ✓ | | ✓ | | | | | | |
| CIPFA 2 | Finance roles, training and support | ✓ | | | | | | | | ✓ | | | | | | |
| CIPFA 3 | Explore interim finance capacity | ✓ | | | | | | | | | | | | | | |
| CIPFA 4 | Explore options with other LAs | ✓ | | | | | | | | | | | | | | ✓ |
| CIPFA 5 | Staff raising risk management issues promptly - training and guidance | | | | | | | ✓ | | ✓ | | | | | | |
| CIPFA 6 | Detailed risk assessed, costs/savings profiled in transformation delivery plans | | | | | | | | | | ✓ | ✓ | ✓ | | | |
| CIPFA 7 | Explore service restructuring to reduce costs (digital/collaboration/outsourcing) | | | ✓ | ✓ | ✓ | | | | ✓ | | | ✓ | | | |
| CIPFA 8 | Consider minimum viable statutory service obligations | | | ✓ | | | | | | | | | | | | |
| CIPFA 9 | Transformation Plans to BTCP by December 2026 | | | ✓ | | | | | | | ✓ | ✓ | | | | |

CIPFA = Assurance Review, AAR = Annual Audit Report

# Responding to external reviews and recommendations

| Rec ref | Description | Improvement Plan (Organisational Improvement) | | | | | | | | | ASC Transformation | Children's Reforms | Digital | Income and commercial | Assets and Corporate Landlord | Other |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | IP1 | IP2 | IP3 | IP4 | IP5 | IP6 | IP7 | IP8 | IP9 | | | | | | |
| CIPFA 10 | Develop clear financial recovery strategy | ✓ | | | | | | | | | ✓ | ✓ | ✓ | ✓ | ✓ | |
| CIPFA 11 | Explain EFS borrowing costs and interest-rate risks in the next MTFS. | ✓ | | | | | | | | | | | | | | |
| CIPFA 12 | Shirehall feasibility work and prompt asset disposal | | | | | | | | | | | | | | ✓ | |
| CIPFA 13 | Identify saleable assets and develop BV disposal strategy by Dec 2026 | | | | | | | | | | | | | | ✓ | |
| CIPFA 14 | Strengthen capital governance and assessment of costs and benefits | ✓ | | | | | | | | | | | | | | |
| CIPFA 15 | Grant funded capital projects - grant clawback/project management capacity | ✓ | | | | | | | | | | | | | | |
| CIPFA 16 | Adults & Children's Transformation – add short-term cost-cutting initiatives | | | | | | | | | | ✓ | ✓ | | | | |
| CIPFA 17 | Add external ASC and CSC expertise to the Improvement Board | | | | | | | | | | | | | | | ✓ |
| CIPFA 18 | Prioritise service transformation initiatives with biggest financial impact | | | ✓ | | | | | | | ✓ | ✓ | | | | |

CIPFA = Assurance Review, AAR = Annual Audit Report

# Responding to external reviews and recommendations

| Rec ref | Description | Improvement Plan (Organisational Improvement) | | | | | | | | | ASC Transformation | Children's Reforms | Digital | Income and commercial | Assets and Corporate Landlord | Other |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | IP1 | IP2 | IP3 | IP4 | IP5 | IP6 | IP7 | IP8 | IP9 | | | | | | |
| CIPFA 19 | Explore alternative delivery models | | | ✓ | ✓ | ✓ | | | | | ✓ | ✓ | ✓ | | | |
| CIPFA 21 | Fill leadership gaps | | | | | | | | | | | | | | | ✓ |
| CIPFA 29 | Refocus the Improvement Board on to financial recovery | | | | | | | | | | | | | | | ✓ |
| CIPFA 22 | Explore mandatory financial management training/guidance/support | ✓ | | | | | | | | ✓ | | | | | | |
| AAR SR1 | Deliver financial recovery – remove reliance on EFS | ✓ | | | | | | | | | | | | ✓ | | |
| AAR SR2 | Urgently strengthen governance | ✓ | | | | ✓ | | ✓ | ✓ | ✓ | | | | | | |
| AAR KR1 | Deliver transformation at scale and pace | | | | ✓ | ✓ | | | | ✓ | ✓ | ✓ | ✓ | | | |
| AAR KR2 | Mitigate DSG deficit growth and report to Schools Forum and Cabinet | ✓ | | | | | | | | | | | | | | |
| AAR KR3 | Agree plan for internal control improvement – report quarterly | ✓ | | | | ✓ | | ✓ | | | | | | | | |

CIPFA = Assurance Review, AAR = Annual Audit Report

SR = Statutory Recommendation, KR = Key Recommendation, IR = Improvement Recommendation

# Responding to external reviews and recommendations

| Rec ref | Description | Improvement Plan (Organisational Improvement) | | | | | | | | | ASC Transformation | Children's Reforms | Digital | Income and commercial | Assets and Corporate Landlord | Other |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | IP1 | IP2 | IP3 | IP4 | IP5 | IP6 | IP7 | IP8 | IP9 | | | | | | |
| AAR KR4 | Comprehensively redesign and embed corporate risk management | | | | | | | ✓ | | ✓ | | | | | | |
| AAR KR5 | Fully-costed workforce and capacity plan – critical skills & enabling services | ✓ | | | | | | | | ✓ | | | | | | |
| AAR KR6 | STAR/CDL – strengthen governance, shareholder & client arrangements. Develop a Housing Strategy | | | | | | | | | | | | | | | ✓ |
| AAR KR7 | Accelerate procurement and contract management improvement | | ✓ | | | | | | | ✓ | | | | | | |
| AAR IR1 | Strengthen Overview and Scrutiny | | | | | | | | ✓ | | | | | | | |
| AAR IR2 | Complete the corporate performance framework (inc. performance culture) | | | | | | ✓ | | | ✓ | | | | | | |
| AAR IR3 | Work with partners to implement SEND improvements & EHCP timescales | | | | ✓ | | | | | | | ✓ | | | | |

CIPFA = Assurance Review, AAR = Annual Audit Report

SR = Statutory Recommendation, KR = Key Recommendation, IR = Improvement Recommendation

**Committee**

Cabinet
2 December 2026

Council
10 December 2026

Public

# Setting the Council Tax Taxbase for 2027/28

| | |
|---|---|
| **Cabinet Member:** | Councillor Roger Evans – Portfolio Holder for Finance |
| **Lead Director:** | Duncan Whitfield, Section 151 Officer |
| **Service Area:** | Finance |
| **Report Author** | Nicola Higgins, Strategic Finance Accountant |
| **Officer contact details** | nicola.higgins@shropshire.gov.uk |
| **Electoral Divisions Affected** | All Divisions |
| **Key Decision?** | Key Decision |
| **Cabinet Forward Plan** | Yes – 12 May 2026 |
| **Report considered by** | Cabinet – 2 December 2026<br>Full Council – 10 December 2026 |

## 1. Purpose of Report

1.1 The Council is required to set the Council Taxbase on an annual basis to determine the appropriate Council Tax levels for Shropshire Council to enable the budget to be set and, determine the Council Tax taxbase for the specific areas across the County. The precepting authorities advise the Council of their budget requirements which is then divided by the taxbase figure to arrive at the Band D Council Tax.

1.2 The report outlines the Council Tax discount policies, and Council Tax Support Schemes which are available to support those more vulnerable residents. The estimated allowances allocated for the support schemes and the Council's targeted Collection Rate are included in the taxbase calculation and the level of collectable Council tax.

1.3 This report sets out and recommends for approval the Council Tax taxbase for Shropshire Council for the 2027/28 financial year.

## 2. Recommendations

2.1 Cabinet is asked to recommend to Full Council to:

A. Approve, in accordance with the Local Authorities (Calculation of Tax Base) (England) Regulations 2012, the amount calculated by Shropshire Council as its Council Tax taxbase for the year 2027/28, as detailed in Appendix A, totalling 122,432.55 Band D equivalent properties.

B. Agree that the taxbase includes the amendments to the Council's localised Council Tax Support (CTS) scheme which have been agreed by Cabinet and are subject to approval at Council on 10 December 2026. The scheme is attached at Appendix B.

C. Agree the exclusion of 8,350.60 Band D equivalent properties from the taxbase calculation as a result of localised Council Tax Support.

D. Agree continuation of the discretionary Council Tax discount policy to not award a discount in respect of Class A exempt properties / vacant dwellings undergoing major repair.as set out in paragraph 4.13.

E. Agree continuation of the discretionary Council Tax discount policy in respect of vacant dwellings, as set out in paragraph 4.13.

F. Agree continuation of the "six-week rule" in respect of vacant dwellings, as set out in paragraph 4.13.

G. Agree continuation of the discretionary Council Tax discount policy to levy a Council Tax premium of 100% in relation to dwellings which have been unoccupied and substantially unfurnished for more than one year (but less than five years) and the resulting inclusion of an additional 945.45 Band D equivalent properties in the taxbase calculation.

H. Agree continuation of the discretionary Council Tax discount policy to levy a Council Tax premium of 200% in relation to dwellings which have been unoccupied and substantially unfurnished for more than five years (but less than ten years) and the resulting inclusion of an additional 246.00 Band D equivalent properties in the taxbase calculation.

I. Agree continuation of the discretionary Council Tax discount policy to levy a Council Tax premium of 300% in relation to dwellings which have been unoccupied and substantially unfurnished for more than ten years and the resulting inclusion of an additional 181.66 Band D equivalent properties in the taxbase calculation.

J. Agree the continuation of the discretionary Council Tax discount policy to levy a Council Tax premium of 100% in relation to second homes (other than those that retain a 50% discount through regulation as a result of job-related protection) and

the resulting inclusion of an additional 1,197.11 Band D equivalent properties in the taxbase calculation (Appendix C).

K. Agree a collection rate for the year 2027/28 of 98.0%.

## 3. Background

3.1 Shropshire Council has responsibility for determining the Council Tax taxbase for the Council's geographical area.

3.2 The taxbase for Council Tax must be set between 1 December 2026 and 31 January 2027 in relation to 2027/28 financial year as prescribed by the Local Authorities (Calculation of Council Tax Base) Regulations 2012.

3.3 The Council is also required to inform the major precepting authorities, West Mercia Police & Crime Commissioner and Shropshire & Wrekin Fire Authority, of the taxbase to enable the calculation of Council Tax for the following year. The town and parish councils are also notified of their own Council Tax taxbase. A detailed analysis of how the Taxbase has been calculated by both parish and town council and Environment Agency region is set out in **Appendix A**.

## 4. Summary of Main Proposals

**Taxbase Calculation**

4.1 The Council tax information is taken from the valuation list. The Council Tax taxbase is the number of properties across the County located within each council tax property valuation bands A to H. The valuation listing is updated to reflect the adjustment set out in paragraph 4.4. The taxbase is expressed as a Band D equivalents.

4.2 An analysis of Council Tax bands within Shropshire Council is detailed below:

| Property Band | House Value | Ratio to Band D | Analysis of Dwellings on the Valuation List (%) | % Increase / (Decrease) over 2026/27 |
|---|---|---|---|---|
| A | Under £40,000 | 6/9 | 18.0 | 0.5 |
| B | 40,001 - 52,000 | 7/9 | 25.5 | 0.4 |
| C | 52,001 - 68,000 | 8/9 | 20.9 | 0.9 |
| D | 68,001 - 88,000 | 9/9 | 14.5 | 0.7 |
| E | 88,001 - 120,000 | 11/9 | 11.6 | 0.9 |
| F | 120,001 - 160,000 | 13/9 | 6.1 | 0.6 |
| G | 160,001 - 320,000 | 15/9 | 3.2 | 0.3 |
| H | Over 320,000 | 18/9 | 0.2 | 0.3 |

4.3 As at 9 September 2026 there are 153,908 properties in the valuation list for the Shropshire Council area. This compares with a figure of 152,932 in the list at the

same period last year. There has been an increase of 976 properties overall, which equates to 0.64%.

4.4 The methodology followed for calculating the taxbase is as follows:

- Ascertain the number of properties in each Council Tax band (A to H) shown in the valuation list as at 9 September 2026.
- Adjust for estimated changes in the number of properties through new build, properties which have been demolitions and those property's which are exemption.
- The number of discounts and disabled relief allowances which apply as at 5 October 2026.
- Convert the number of properties in each Council Tax band to Band D equivalents by using the ratio of each band-to-Band D to identify the total number of Band D equivalents for the Council.
- Adjust the total number of Band D equivalents by the estimated Council Tax collection rate for the year.

4.5 These calculations are undertaken for each property band in each parish.

4.6 The calculated taxbase for 2027/28 is 122,432.55 Band D equivalents which is an increase of 0.48% from 2026/27.

**Collection Rate**

4.7 In calculating the taxbase, an allowance must be made to provide for changes to the taxbase which have taken place during the year such as new properties, appeals against Council tax bandings, additional discounts, and Council Tax Support award changes. In addition, an adjustment is made where collection has been unsuccessful resulting in lost income from non-payment. This is following implementing a robust recovery process. The collection rate is then determined following these adjustments.

4.8 Actual in year collection rates in 2023/24, 2024/25 and 2025/26 were 97.8%, 97.7% and 97.4% respectively.

4.9 A collection rate of 98.0% was assumed for the 2026/27 financial year and it is recommended that a collection rate of 98.0% should be assumed for the purpose of determining the Council Tax taxbase in 2027/28. The Council is looking to recruit additional resources in 2027/28 to assist with Council Tax collection and further increase the collection rate in future years.

4.10 If the actual collection of Council Tax exceeds or falls short of the 98.0% set in the budget a surplus/deficit is generated, which is allocated between the Unitary Council, West Mercia Police & Crime Commissioner and Shropshire & Wrekin Fire Authority, pro rata to their demand on the Collection Fund for the relevant year. Conversely.

4.11 The surplus or deficit is considered in setting the Council Tax in the following year. In setting the Collection Rate at 98 %, it is recognised that this is a target and in the knowledge that the 2026/27 collection rate is currently falling short of this. However the Council aspires to achieving this rate in the interests of residents and to finance

the delivery of Council services. Appropriate measures are currently in place for pursuing any debt and these will be enhanced during the next twelve months.

4.12 In context, in 2025/26 the Council achieved the 90th highest collection rate nationally out of 296 Councils. Shropshire achieved a 97.4% collection rate compared to a national average for unitary authorities on 95.8%

**Discretionary Discount Policies**

4.13 To calculate the taxbase, adjustments are made for the discounts and premiums. A summary of the discretionary discounts and premiums applied for 2027/28 is provided below with further details included in **Appendix C**.

- Charge a 100% Council Tax premium in respect of second homes (other than those that retain a 50% discount through regulation as a result of job-related protection).

- Award no discount in respect of vacant dwellings undergoing major repair, i.e. former Class A exempt properties

- Award a discount in respect of vacant dwellings, i.e. former Class C exempt properties, of 100% for one month

- Apply the “six-week rule” in respect of vacant dwellings, i.e. former Class C exempt properties

- Charge a 100% Council Tax premium in respect of dwellings which have been unoccupied and substantially unfurnished for more than one year, a 200% Council Tax premium in respect of dwellings which have been unoccupied and substantially unfurnished for more than five years and a 300% Council Tax premium in respect of dwellings which have been unoccupied and substantially unfurnished for more than ten years

**Council Tax Support Scheme**

4.14 Cabinet considered the current Council Tax Support scheme at its meeting on 9 September 2026.

4.15 At that meeting Cabinet resolved to retain the current tapered scheme with the following adjustments:

- Disregard Child Benefit as an income when assessing Council Tax charge at an estimated reduction on the collection of Council Tax of between £750k - £800k per year this subject to a full public consultation

- Retain current 20% minimum payment and maintain current protections for vulnerable groups (See Appendix B).

- Continue to support those impacted by 20% minimum payment with a top up from the Crisis Resilience Fund as follows

    - 2026-27 (current year) – up to £80

- 2027-28 – up to £90
- 2028-29 – up to £100

4.16 A full public consultation took place from 10 September 2026 to 22 October 2026. Cabinet considered the responses to the consultation at its meeting on 18 November 2026 and resolved to recommend continuation of the existing Council Tax Support scheme as detailed above, with an amendment to disregard Child Benefit as an income in the assessment of Council tax Support in order to provide additional support to low-income families with children. This change is subject to approval by full Council on 10 December 2026.

4.17 The cost of this change is estimated to be between £750k and £800k across all precepting authorities and represents 78% of this cost to Shropshire Council directly. £609k to £624k. This equates to around 327 band D equivalent properties.

## 5. Key risks and Opportunities

5.1 Expression of Council Tax Support in terms of Band D equivalents results in a higher potential for inaccuracies in the determination process as Council Tax Support is a significantly more volatile discount element.

5.2 Details of the potential risk in relation to establishing a collection rate allowance is detailed within this report in Section 4.

## 6. Council Priorities

6.1 This report is a regulated requirement in advance of Council approving a balanced budget and Council Tax for 2027/28. This decision will be taken at Council on 25th February.

6.2 It is noted that the Council priority to build more housing in Shropshire acts to increase the Council Tax Base and therefore generate additional revenue for the Council.

## 7. Financial Implications

7.1 The Council Tax taxbase value impacts the Council Tax that will be levied by the Council for 2027/28 financial year.

7.2 The implication of the Council's localised Council Tax Support scheme is detailed in **Appendix B**.

7.3 The financial implications of the discounts and premiums to be applied in 2027/28 are detailed in **Appendix C**.

7.4 The implications regarding the determined collection rate are detailed in Section 8.

## 8. Legal and HR implications

8.1 The taxbase for Council Tax must be set between 1 December 2026 and 31 January 2027 in relation to 2027/28 as prescribed by the Local Authorities (Calculation of Council Tax Base) Regulations 2012.

8.2 There is a legal requirement to consult in relation to any changes to the Council Tax Support scheme and the Council has undergone a six-week public consultation from 10 September 2026 to 22 October 2026. Major precepting authorities have been advised of the actual impact on the overall taxbase resulting from the changes to the Council Tax Support scheme. The Council has a legal obligation to have a Council Tax Support scheme following the abolition of the national scheme, and the recommendations in this report support that requirement.

## 9. Electoral Division Implications

9.1 There are no electoral division implications directly arising from this report.

## 10. Health, Social (including "Child Friendly Shropshire") and Economic Implications

10.1 The proposed change to disregard Child Benefit as an income will ensure that low-income families with children receive additional support with their council tax.

## 11. Equality and Diversity Implications

11.1 An Equality, Social Inclusion and Health Impact Assessment (ESHIA) was carried out in relation to the proposal to disregard Child Benefit as income in the calculation of Council Tax Support for working age claimants. The ESHIA is included in **Appendix D**.

11.2 The proposed change is a beneficial change for residents in receipt of child benefit.

11.3 An Equality, Social Inclusion and Health Impact Assessment (ESHIA) was carried out in relation to the proposal to charge a premium in respect of substantially unfurnished dwellings that are unoccupied. The ESHIA is included in **Appendix E.**

11.4 The ESHIA identifies a neutral or low impact on the groups identified.

11.5 An Equality, Social Inclusion and Health Impact Assessment (ESHIA) was carried out in relation to the proposal to charge a premium in respect of substantially furnished dwellings that are not occupied as a person's main residence. The ESHIA is included in **Appendix F.**

11.6 The ESHIA identifies a neutral or low impact on the groups identified.

## 12. Climate Change, Biodiversity and Environmental Implications

12.1 There are no climate change, biodiversity and environmental implications directly arising from this report.

## 13. Background Papers

1. Council Tax Support Scheme – Cabinet 9th September 2026
2. Council Tax Support, proposed changes 2027-28 consultation responses – Cabinet 18th November 2026

## 13 Appendices

Appendix A – 2027/28 Parish and Town Council, Council Tax Taxbase Summary for Shropshire Council
Appendix B – Shropshire Council's Localised Council Tax Support Scheme
Appendix C – Discretionary Discount Policies
Appendix D – Council Tax Support Child Benefit - Equality, Social Inclusion and Health Impact Assessment (ESHIA)
Appendix E – Long Term Empty Property Premium - Equality, Social Inclusion and Health Impact Assessment (ESHIA)
Appendix F – Second Homes Premium - Equality, Social Inclusion and Health Impact Assessment (ESHIA)

**2027/28 Parish and Town Council Council Tax Taxbase Summary for Shropshire Council** **APPENDIX A**

| Parish / Town Council | Council Tax Taxbase (Band D Equivalents) |
|---|---|
| | |
| Abdon & Heath | 113.97 |
| Acton Burnell, Frodesley, Pitchford, Ruckley & Langley | 270.29 |
| Acton Scott | 42.73 |
| Adderley | 195.23 |
| Alberbury with Cardeston | 423.08 |
| Albrighton and Donington | 2,356.96 |
| All Stretton, Smethcott & Woolstaston | 184.87 |
| Alveley & Romsley | 913.32 |
| Ashford Bowdler | 43.19 |
| Ashford Carbonel | 200.59 |
| Astley | 207.61 |
| Astley Abbotts | 247.42 |
| Aston Botterell, Burwarton & Cleobury North | 114.81 |
| Atcham | 105.79 |
| Badger | 69.21 |
| Barrow | 275.93 |
| Baschurch | 1,343.71 |
| Bayston Hill | 1,848.15 |
| Beckbury | 151.70 |
| Bedstone & Bucknell | 351.51 |
| Berrington | 464.13 |
| Bettws-Y-Crwyn | 91.14 |
| Bicton | 382.44 |
| Billingsley, Deuxhill, Glazeley & Middleton Scriven | 167.93 |
| Bishops Castle Town | 715.51 |
| Bitterley | 358.94 |
| Bomere Heath & District | 905.88 |
| Boningale | 145.20 |
| Boraston | 82.77 |
| Bridgnorth Town | 4,677.77 |
| Bromfield | 121.34 |
| Broseley Town | 1,622.03 |
| Buildwas | 145.70 |
| Burford | 455.45 |
| Cardington | 219.84 |
| Caynham | 547.20 |
| Chelmarsh | 234.36 |
| Cheswardine | 393.72 |
| Chetton | 161.45 |
| Childs Ercall | 315.03 |
| Chirbury with Brompton | 356.39 |
| Church Preen, Hughley & Kenley | 132.99 |
| Church Pulverbatch | 167.02 |
| Church Stretton & Little Stretton Town | 2,225.00 |
| Claverley | 963.40 |
| Clee St. Margaret | 75.29 |
| Cleobury Mortimer | 1,217.90 |
| Clive | 251.81 |
| Clun Town with Chapel Lawn | 556.78 |
| Clunbury | 254.12 |

**2027/28 Parish and Town Council Council Tax Taxbase Summary for Shropshire Council** **APPENDIX A**

| Parish / Town Council | Council Tax Taxbase (Band D Equivalents) |
|---|---|
| | |
| Clungunford | 152.07 |
| Cockshutt-cum-Petton | 321.77 |
| Condover | 955.42 |
| Coreley | 141.84 |
| Cound | 221.42 |
| Craven Arms Town | 853.77 |
| Cressage, Harley & Sheinton | 418.47 |
| Culmington | 175.18 |
| Diddlebury | 304.66 |
| Ditton Priors | 398.72 |
| Eardington | 249.25 |
| Easthope, Shipton & Stanton Long | 210.78 |
| Eaton-Under-Heywood & Hope Bowdler | 190.89 |
| Edgton | 49.05 |
| Ellesmere Rural | 1,014.30 |
| Ellesmere Town | 1,668.74 |
| Farlow | 199.70 |
| Ford | 345.67 |
| Great Hanwood | 428.51 |
| Great Ness & Little Ness | 572.62 |
| Greete | 53.32 |
| Grinshill | 115.91 |
| Hadnall | 386.82 |
| Highley | 1,155.93 |
| Hinstock | 559.06 |
| Hodnet | 639.91 |
| Hope Bagot | 36.61 |
| Hopesay | 268.63 |
| Hopton Cangeford & Stoke St. Milborough | 170.05 |
| Hopton Castle | 41.91 |
| Hopton Wafers | 313.85 |
| Hordley | 101.90 |
| Ightfield | 222.03 |
| Kemberton | 119.40 |
| Kinlet | 478.04 |
| Kinnerley | 534.59 |
| Knockin | 151.94 |
| Leebotwood & Longnor | 211.74 |
| Leighton & Eaton Constantine | 206.48 |
| Llanfairwaterdine | 111.24 |
| Llanyblodwel | 280.83 |
| Llanymynech & Pant | 691.20 |
| Longden | 563.34 |
| Loppington | 281.30 |
| Ludford | 526.10 |
| Ludlow Town | 3,712.55 |
| Lydbury North | 235.21 |
| Lydham & More | 142.85 |
| Mainstone & Colebatch | 90.45 |

**2027/28 Parish and Town Council Council Tax Taxbase Summary for Shropshire Council** **APPENDIX A**

| Parish / Town Council | Council Tax Taxbase (Band D Equivalents) |
|---|---|
| | |
| Market Drayton Town | 4,402.15 |
| Melverley | 55.22 |
| Milson & Neen Sollars | 123.06 |
| Minsterley | 663.17 |
| Montford | 247.31 |
| Moreton Corbett & Lee Brockhurst | 147.65 |
| Moreton Say | 223.59 |
| Morville, Acton Round, Aston Eyre, Monkhopton & Upton Cressett | 407.70 |
| Much Wenlock Town | 1,286.70 |
| Munslow | 192.42 |
| Myddle & Broughton | 625.27 |
| Myndtown, Norbury, Ratlinghope & Wentnor | 275.18 |
| Nash | 150.53 |
| Neen Savage | 152.76 |
| Neenton | 64.02 |
| Newcastle | 134.07 |
| Norton-In-Hales | 345.30 |
| Onibury | 139.05 |
| Oswestry Rural | 1,725.49 |
| Oswestry Town | 5,563.04 |
| Pontesbury | 1,434.72 |
| Prees | 1,243.88 |
| Quatt Malvern | 104.44 |
| Richards Castle | 143.74 |
| Rushbury | 292.14 |
| Ruyton-XI-Towns | 465.05 |
| Ryton & Grindle | 82.41 |
| Selattyn & Gobowen | 1,478.24 |
| Shawbury | 912.94 |
| Sheriffhales | 343.27 |
| Shifnal Town | 3,644.90 |
| Shrewsbury Town | 27,831.67 |
| Sibdon Carwood | 46.66 |
| St. Martins | 1,046.27 |
| Stanton Lacy | 167.22 |
| Stanton-Upon-Hine Heath | 254.22 |
| Stockton | 138.68 |
| Stoke-Upon-Tern | 535.48 |
| Stottesdon & Sidbury | 358.13 |
| Stowe | 51.30 |
| Sutton Maddock | 111.09 |
| Sutton-Upon-Tern | 421.73 |
| Tasley | 457.58 |
| Tong | 124.74 |
| Uffington | 105.64 |
| Upton Magna | 149.16 |
| Welshampton & Lyneal | 396.20 |
| Wem Rural | 710.82 |
| Wem Town | 2,088.94 |
| West Felton | 605.61 |

| Parish / Town Council | Council Tax Taxbase (Band D Equivalents) |
|---|---|
| | |
| Westbury | 524.48 |
| Weston Rhyn | 943.15 |
| Weston-Under-Redcastle | 123.73 |
| Wheathill | 85.29 |
| Whitchurch Rural | 697.60 |
| Whitchurch Town | 3,750.83 |
| Whittington | 1,044.33 |
| Whitton | 56.48 |
| Whixall | 346.71 |
| Wistanstow | 334.00 |
| Withington | 106.57 |
| Woore | 625.50 |
| Worfield & Rudge | 940.28 |
| Worthen with Shelve | 866.75 |
| Wroxeter & Uppington | 171.68 |
| | |
| **Shropshire Council Total** | **122,432.55** |
| | |
| | |
| Environment Agency - Severn Trent Region | 114,794.53 |
| Environment Agency - Welsh Region | 4,884.12 |
| Environment Agency - North West Region | 2,753.90 |
| | |
| **Shropshire Council Total** | **122,432.55** |

**APPENDIX B**

## Council Tax Support

1.1. The 2010 Spending Review announced the localisation of council tax support and The Welfare Reform Act 2012 abolished Council Tax Benefit from 31 March 2013 and required that Local Government created a localised Council Tax Support (CTS) scheme effective from 1 April 2013, accommodating a reduction in funding of 10%.

1.2. Shropshire Council's localised CTS scheme was approved in December 2018. From 2013, therefore, council tax support has taken the form of reductions within the council tax system, replacing national council tax benefit. Making reductions as part of the council tax system reduces a billing authority's Council Tax taxbase. Billing and major precepting authorities receive funding (Council Tax Support Grant) which reduce their council tax requirement and, depending on the design of the local council tax scheme, can help offset the council tax revenue foregone through reductions.

1.3. Cabinet considered the current Council Tax Support Scheme at its meeting on 18 November 2026 and resolved to recommend the continuation of the existing Council Tax Support scheme with one change to disregard Child Benefit as an income in the assessment of Council Tax Support. This change is subject to approval by full Council on 10 December 2026. Further details are provided in Section 4 of this report and is detailed in the scheme summary included in section 1.7 below.

1.4. An estimate of the effect of the local Council Tax Support Scheme on the Council Tax taxbase has been determined for Shropshire. It is estimated that the Council Tax Support Scheme will reduce the Council Tax taxbase by 8,350.60 Band D equivalents.

1.5. As Council Tax Support entitlement will vary throughout the year and this will affect the taxbase it is more likely that the amount of Council Tax collected in 2027/28 will vary from the estimate.

1.6. A link to the full scheme for 2026/27 is below.

https://next.shropshire.gov.uk/media/vxxjcled/ctrs-2026-2027-new-1.pdf

1.7. The CTS scheme summary is provided on the following pages.

**SHROPSHIRE COUNCIL – BENEFITS SERVICE**

**COUNCIL TAX SUPPORT (CTS)**

## Introduction

The current Council Tax Benefit scheme is a means tested benefit that helps people with a low income to pay their Council Tax.

From April 2013 this will be abolished and all local authorities will provide a new scheme called 'Council Tax Support'. The funding that is provided for this scheme will be reduced by 10% and therefore it is likely that some people will have to pay more towards their Council Tax bill.

The changes will not affect pensioners even though they will move into the new scheme. The Government have confirmed that all pensioners will be protected and receive the same amount of benefit they do now under the current Council Tax Benefit Scheme. Each local authority will be able to provide Council Tax support in a different way depending on local needs, funding available and how it can be administered. Each Council is expected to devise a new scheme and then put this to public consultation by the end of 2012.

Our new scheme was devised and published on the Shropshire Council website for customers, stakeholders and other agencies to comment on. Public consultation closed on the 14th December and the new scheme was formally adopted by the Council on 16th January 2013.

Anyone of working age will now be subject to the new scheme from April 2013. The differences that you will see in the new Council Tax Support Scheme are: -

- Removal of second adult rebate
- Reduction of the capital limit from £16,000 to £10,0000
- Removal of earnings disregards
- Removal of child benefit disregard
- Increase in non-dependant deductions

Please note the following amendments are for the calculation of Council Tax Support only and do not affect Housing Benefit calculations.

## Removal of Second Adult Rebate

Second Adult Rebate (2AR) is awarded to a customer based on the circumstances of a second adult living in the property. Under the new scheme this has been abolished and will no longer be effective from 01.04.13.

## Reduction of the capital limit

For working age people the capital limit will reduce to £10,000 from 01.04.13. This will mean that if a customer's savings amounts to more than £10,000, they will not be entitled to CTS. The lower capital limit of £6,000 remains the same.

Tariff income calculations remain as is i.e. from the total amount if capital £6,000 is deducted, the remainder is then dived by 250 if the result is not an exact multiple of £1 the result is rounded up to the next whole £1

All other capital rules including static savings, land and property, shares, etc remain the same.

**Removal of Earnings disregards**

All income disregards for working age people will cease from the 01.04.13.

**Removal of Child Benefit disregards**

Child benefit will no longer be disregarded from the calculation of CTS from the 01.04.03.

**Increase in non-dependant earned income deductions (working age only)**

From 01.04.13 non dep deductions will increase to the following: -

£5 for anyone earning under £100,
£10 for anyone earning between £100 and £150
£20 for anyone earning over £150 per week

This deduction will only be made from their earned income. It won't affect any other income they receive.

**Non-dependant earned income deductions (pension age only)**

| | | |
|---|---|---|
| Gross income less than £186.00 | = | £3.65 |
| Gross income £186.00 to £321.99 | = | £7.25 |
| Gross income £322.00 to £400.99 | = | £9.15 |
| Gross income £401.00 or above | = | £10.95 |

**Unearned income will attract the following disregards (working age and pension age):**

| | | |
|---|---|---|
| Others aged 18 or over incl. JSAC & ESAC | = | £3.65 |
| In receipt of Pension Credit, IS, JSA (IB), ESA(IR) | = | nil |

**(This disregard will be up-rated annually in line with figures provided annually by DCLG)**

**A new minimum earnings threshold will be introduced with effect from 01/04/15 to reflect the current arrangements in the Housing Benefit scheme.**

This minimum earnings threshold will help to determine whether a European Economic Area (EEA) national's previous or current work can be treated as genuine and effective for the purposes of deciding whether they have a right to reside in the UK as a worker or self-employed person.

The minimum earnings threshold has been set at the level at which workers start to pay National Insurance Contributions (NICs), currently £153 a week in the 2014/15 tax year. If an EEA national can prove that they have been earning at least this amount for a period of 3 months immediately before they claim CTS their work can be treated as genuine and effective and they will have a right to reside as a worker or self-employed person.

If they do not satisfy the minimum earnings threshold criteria, a further assessment will be undertaken against a broader range of criteria (such as hours worked, pattern of work, nature of employment contract etc.) to determine whether their employment is genuine and effective.

Ultimately, if an EEA national's income does not meet the minimum earnings threshold or the additional criteria to be classified as genuine and effective employment they will not be eligible for CTS.

**Special Educations Needs Allowance – to be disregarded in full with effect from 01/09/14**

**War Pensions / Armed Forces Compensation Scheme Guaranteed Income Payments – to be disregarded in full with effect from 01/04/13 (and to be consistent with Housing Benefit)**

**From 01/04/15 the CTR scheme will include changes to the habitual residency test to reflect changes to the Housing Benefit (HB) regulations.**

The amendments to the CTS scheme removes access to CTS for EEA jobseekers who make a new claim for CTS on or after 1 April 2015. EEA nationals who are self-employed, are workers or who are unemployed but retain their worker status have the same rights to CTS as a UK national and their situation remains unchanged.

EEA jobseekers who are entitled to CTS and JSA(IB) on 31 March 2015 will be protected until they have a break in their claim for CTS or JSA. If their JSA ends because they have started work, then as long as we can be satisfied that their employment is genuine and effective they will be able to access in-work CTS as either a worker or a self-employed person. Claimants receiving in-work CTS beyond 1 April will continue to be able to access CTS, if they become entitled to JSA(IB) on or after that date, but only if they retain their worker status. If they are a jobseeker then their CTS entitlement ends from the Monday following the cessation of work.

**Changes with effect from 1 April 2018 to bring the scheme in line with Housing Benefit changes**

- **2 child cap**
  The Government has announced that they will limit benefit support by only taking into account a maximum of two dependent children per family. It affects all claims where new children are born after April 2017. This will applies in Housing Benefit to families that make a new claim from April 2017

- **Loss of the family premium**
  The Government removed the family premium for new claims within the assessment of Housing Benefit with effect from May 2016

- **Bereavement Support Payments to be disregarded in full**
  This was introduced into Housing Benefit with effect from April 2017

- **Any payments from the 'We love Manchester Fund' and the 'London Emergency Trust' to be disregarded in full**

- **Maximum backdate period of 1 month**

- **Absence from home limited to 4 weeks when outside GB**
  The temporary absence rules for Housing Benefit were amended in 2015 reducing the allowable period of temporary absence outside Great Britain from 13 weeks to 4 weeks.

  The limit applies to new periods of absence only. Exceptions are when an absence is in relation to
  - Death of a partner, child or close relative
  - Receiving medical treatment
  - A person who has fled their home due to fear of violence
  - A member of Her Majesty's forces posted overseas

- **Beneficial changes in circumstances to be reported within one month of the change in order for the claim to be updated from the date of change, otherwise changes will take effect from the Monday following date notified.**

- **All working aged claimants who receive Council Tax Support (unless they are a pensioner or classed as vulnerable) will pay 20% of their council tax liability, (after appropriate discounts have been awarded)**

  An example of this change is as follows:
  1) Current scheme (which allows for 100% reduction)
     The customer's liability is £20.00 per week. As they are in receipt of Jobseekers Allowance they are entitled to full Council tax reduction making their council tax balance for the year £0.00
  2) Proposed new scheme (20% minimum payment)
     The customer liability is £20.00. Before any calculation takes place 20% of this amount is reduced from the liability to be used. This means that any calculation will be carried out on a figure of £16.00. Again the customer is on Jobseekers Allowance and so they are entitled to a full award. This will mean their council tax balance for the year will be £208.00 (£4.00 x 52).

- **De Minimis change amount of £10.00 per week for claimants in receipt of Universal Credit**

- **Apply a minimum award of £1.50**

- **Claimant or partner who meet the specific criteria of severe disablement contained within the policy will be protected from any percentage reduction in council tax support. Claimant or partner in receipt of Employ ment and Support Allowance will be protected from any percentage reduction in council tax support. This will also apply to customers who meet the criteria for**

**receiving a war compensation related benefit or pension. Specifically this includes**

Criteria to be awarded for the severe disability premium:

- The customer has to be in receipt of
  1) Attendance allowance or
  2) Higher or middle rate care component of disability living allowance or
  3) The daily living allowance rate of personal independence payments
- They must not have a resident non-dependant
- No person is entitled to, and in receipt of, carers allowance in respect of caring for the customer and;
- If the customer has a partner they must also meet all above criteria

Criteria to be awarded the support component of employment and support allowance

It is accepted that some people's difficulties or disabilities are such that not only is the person not expected to look for work but are also not expected to undertake an work related activities or plan for starting work due to the severity of their difficulties

Criteria to qualify for the war pension's exemption

The customer and/or partner has to be in receipt of either:

- War pension
- War disablement pension
- War service attributable pension
- War widows pension
- War mobility supplement

**Changes with effect from 1 April 2019**

Severe Disability Premium does not exist in Universal Credit. From 1 April 2019 claimants or couples that have moved into Universal Credit but meet the above criteria for the severe disablement premium will be exempt from the percentage reduction.

Employment and support allowance does not form part of Universal Credit. Instead there is a limited capability for work and limited capability for work related activity element in Universal Credit which is similar to that used for identifying the work related activity group and support group of Employment Support Allowance. From 1 April 2019 claimants or partners in receipt of the limited capability for work related activity element in Universal Credit that is the equivalent to the support element of employment and support allowance will be exempt from the percentage reduction.

**Changes with effect from 1 April 2020**

- We have defined a council tax reversal as an amount of Council Tax Support to which the claimant was not entitled, and we have clarified what action the Council will take depending on whether the reversal is caused by claimant error, or official error.

- We have clarified that where a reversal is due to claimant error the total sum of the reversal shall be fully chargeable and recoverable as part of the claimant's council tax liability

- We have clarified that where the reversal arose due to official error, that where the claimant or their representative could reasonably have been expected at the time to realise that the assessment had been made in error, the total sum of the reversal shall be fully chargeable and recoverable as part of the claimant's council tax liability. Otherwise, the amount of the reversal will not be chargeable and recoverable as part of the claimant's council tax liability

- In the event of a council tax reversal, the Council will consider any underlying award that the claimant should have been entitled to provided evidence is received from the claimant within 1 month of the claimant being notified of the reversal, or where an appeal against a recoverable reversal is made

- We have clarified the definition of pensioner in accordance with new benefit rules for mixed age couples and eligibility for Local Council Tax Reduction Schemes

- Any payment made by the Home Office under the Windrush Compensation Scheme or the Windrush Exceptional Payment Scheme will be disregarded as capital

**Changes with effect from 1 April 2022**

CTRS scheme reg 74 (a)

Insert

*(aa) who is a person on universal credit, except where the award of universal credit to that person includes an amount in respect of a liability to make payments in respect of the accommodation they occupy as their home, in accordance with section 11 of the Welfare Reform Act 2012 (housing costs);*

Note: This is to align the CTRS scheme with a statutory amendment to the qualifying criteria for Housing Benefit, this amendment should prevent circumstances where an applicant is excluded from CTRS whilst being eligible for HB or UCHE

CTRS scheme part 13 (106)
Insert

*(14) Where there is a change of circumstances which results in a change to the maximum council tax reduction for the purposes of calculating eligibility for a reduction under PART 7 (28), from the first day of the benefit week after the date on which the change first occurred.*

Note: This will insert an 80%/100% cap on maximum council tax reduction and aligns the circumstances of claimants in receipt of UC with those in receipt of Passported Benefits to ensure that a claimant's maximum CTRS is calculated appropriate to their status and that vulnerable households are not disadvantaged.

**Changes with effect from 1 April 2023**

Added to schedules 9 and 10 capital to be disregarded, both pens and WA (and also income other than earnings for good measure)

(7) any payment made under or by the approved blood scheme, or the Scottish Infected Blood Support Scheme as established or approved by the Secretary of State, or trust established with funds provided by the Secretary of State

(8) any payment made under or by a trust, established for the purpose of giving relief and assistance to disabled persons whose disabilities were caused by the fact that during their mother's pregnancy she had taken a preparation containing the drug known as Thalidomide, and which is approved by the Secretary of State.

Add to interpretation

""approved blood scheme" means a scheme established or approved by the Secretary of State, or trust established with funds provided by the Secretary of State, for the purpose of providing compensation in respect of a person having been infected from contaminated blood products;";

Amended

105 6

From
Where the change of circumstances is the death of an applicant's partner or their separation, it takes effect on the day the death or separation occurs.
To
Where the change of circumstances is the death of an applicant's partner or their separation, it takes effect on the day the death or separation occurs.
(a) Where the applicant was included as "the partner" of the deceased (or ex-partners) Council Tax Support entitlement at date of death or separation, The Council Tax Liability created following the death of an applicant's partner or their separation falls to be treated as "first liable" within Reg 105 (2) of this scheme

**Changes with effect from 1 April 2024**

Added to schedule 10 capital to be disregarded (and also income other than earnings for good measure). In order to mirror changes to housing benefit regulations.
Any payment made under the post office compensation scheme (horizon compensation)

Amend regulation 109(d)

From: (d) in a case where—

i (i) an applicant or his partner is a person on income support, an income-based jobseeker's allowance or an income-related employment and support allowance or has an award of universal credit,

ii (ii) the applicant becomes liable for the first time to pay council tax in respect of the dwelling which he occupies as his home, and

iii (iii) the application to the authority is received at the designated office within one month of the date of the change, the date on which the change takes place; (e) in a case where—

iv (i) the applicant is the former partner of a person who was, at the date of his death or their separation, entitled to a reduction under this scheme, and

v (ii) where the applicant makes an application for a reduction under this scheme within one month of the date of the death or the separation, the date of the death or separation;

To: (d) in a case where—

vi (i) the applicant becomes liable for the first time to pay council tax in respect of the dwelling which he occupies as his home, and

vii (ii) the application to the authority is received at the designated office within one month of the date of the change, the date on which the change takes place; (e) in a case where—

viii (i) the applicant is the former partner of a person who was, at the date of his death or their separation, entitled to a reduction under this scheme, and

ix (ii) where the applicant makes an application for a reduction under this scheme within one month of the date of the death or the separation, the date of the death or separation;

This allows for the customer to have a calendar month to apply for council tax support once a new liability has been created for all claims, not just those on means tested benefit. Currently those not on means tested benefit has have to apply within the benefit week.

**Amendments from 01st April 2025**

**The scheme will be amended to include the legislation that has been brought in to disregard the following as capital in the calculation of their council tax support:**

- **Grenfell tower payments**
- **The horizon compensation payments**
- **Vaccine damage payments**
- **Payments for the victims of the oversees terrorism compensation payments**

In regulation 2(1) (interpretation)—

(a)for the definition of "Grenfell Tower support payment" substitute—

""Grenfell Tower support payment" means a payment made for the purpose of providing compensation or support in respect of the fire on 14th June 2017 at Grenfell Tower;";
(b)after the definition of "historical child abuse payment" insert—

““the Horizon system” means any version of the computer system used by the Post Office known as Horizon, Horizon Legacy, Horizon Online or HNG-X;”;
(c)after the definition of “polygamous marriage” insert—

““the Post Office” means Post Office Limited (registered number 02154540);“Post Office compensation payment” means a payment made by the Post Office or the Secretary of State for the purpose of providing compensation or support which is—
(a)
in connection with the failings of the Horizon system; or

(b)
otherwise payable following the judgment in Bates and Others v Post Office Ltd ((No. 3) “Common Issues”)(1);”;

(d)in the definition of “qualifying person”—

(i)for “or a Windrush payment” substitute “, a Windrush payment, a Post Office compensation payment or a vaccine damage payment”;

(ii)after “the National Emergencies Trust” insert “, the Victims of Overseas Terrorism Compensation Scheme”;

(e)after the definition of “universal credit” insert—

““vaccine damage payment” means a payment made under the Vaccine Damage Payments Act 1979(2);“the Victims of Overseas Terrorism Compensation Scheme” means the scheme of that name established by the Ministry of Justice in 2012 under section 47 of the Crime and Security Act 2010(3);”.

In paragraph (5) of regulation 12 (persons treated as not being in Great Britain), before sub-paragraph (a) insert—

“(zd)a person who was residing in Israel, the West Bank, the Gaza Strip, East Jerusalem, the Golan Heights or Lebanon immediately before 7th October 2023, left Israel, the West Bank, the Gaza Strip, East Jerusalem, the Golan Heights or Lebanon in connection with the Hamas terrorist attack in Israel on 7th October 2023 or the violence which rapidly escalated in the region following the attack and—

(i)has been granted leave in accordance with immigration rules made under section 3(2) of the Immigration Act 1971(1),

(ii)has a right of abode in the United Kingdom within the meaning given in section 2 of that Act(2), or

(iii)does not require leave to enter or remain in the United Kingdom in accordance with section 3ZA of that Act;

(ze)a person who was residing in Sudan before 15th April 2023, left Sudan in connection with the violence which rapidly escalated on 15th April 2023 in Khartoum and across Sudan and—

(i)has been granted leave in accordance with immigration rules made under section 3(2) of the Immigration Act 1971,

(ii)has a right of abode in the United Kingdom within the meaning given in section 2 of that Act, or

(iii)does not require leave to enter or remain in the United Kingdom in accordance with section 3ZA of that Act;".

(1) Schedule 1 (pensioners: matters that must be included in an authority's scheme) is amended as follows.

(f)in sub-paragraph (9)—

(i)in paragraph (b) after "the National Emergencies Trust" insert ", the Victims of Overseas Terrorism Compensation Scheme";

(ii)after paragraph (bc) insert—

"(bd)any Post Office compensation payment;

(be)any vaccine damage payment;";

(g)in sub-paragraph (10), after paragraph (ac) insert—

"(ad)any Post Office compensation payment;

(ae)any vaccine damage payment;

(af)any payment out of the estate of a person to that person's son, daughter, step-son or step-daughter, which derives from a payment to meet the recommendation of the Infected Blood Inquiry in its interim report published on 29th July 2022(1) made under or by the Scottish Infected Blood Support Scheme or an approved blood scheme ;".

In Schedule 6 (capital to be disregarded)—

(a)in paragraph 16—

(i)in sub-paragraph (1) after "the National Emergencies Trust" insert ", the Victims of Overseas Terrorism Compensation Scheme";

(ii)after sub-paragraph (1D) insert—

"(1E) Any Post Office compensation payment.

(1F) Any vaccine damage payment.

(1G) Any payment out of the estate of a person, which derives from a payment to meet the recommendation of the Infected Blood Inquiry in its interim report published on 29th July 2022 made under or by the Scottish Infected Blood Support Scheme or an approved blood support scheme to the estate of the person, where the payment is made to the person's son, daughter, step-son or step-daughter.";

(iii)in each of sub-paragraphs (2), (3), (5), (6) and (7) for “or a Windrush payment” substitute “, a Windrush payment, a Post Office compensation payment or a vaccine damage payment”;

(b)in paragraph 21(2)—

(i)in sub-paragraph (w) omit “or”;

(ii)after sub-paragraph (x) insert—

“or
(y)bereavement support payment under section 30 of the Pensions Act 2014(1).”;

(c)after paragraph 22 insert—

“22A.  Any payment of a widowed parent’s allowance made pursuant to section 39A of the SSCBA (widowed parent’s allowance)—

(a)to the survivor of a cohabiting partnership (within the meaning in section 39A(7) of the SSCBA) who is entitled to a widowed parent’s allowance for a period before 9th February 2023(2), and

(b)in respect of any period of time during the period ending with the day before the survivor makes the claim for a widowed parent’s allowance,

but only for a period of 52 weeks beginning with the date of receipt of the payment or 1st April 2024, whichever is later.

22B.—(1) A payment of bereavement support payment in respect of the rate set out in regulation 3(2) or (5) of the Bereavement Support Payment Regulations 2017 (rate of bereavement support payment)(3), but only for the period of 52 weeks from the date of receipt of the payment.

(2) Where bereavement support payment under section 30 of the Pensions Act 2014 is paid to the survivor of a cohabiting partnership (within the meaning of section 30(6B) of that Act) in respect of a death occurring before 9th February 2023, any amount of that payment which is—

(a)in respect of the rate set out in regulation 3(1) of the Bereavement Support Payment Regulations 2017, and

(b)paid as a lump sum for more than one monthly recurrence of the day of the month on which their cohabiting partner died,

but only for a period of 52 weeks beginning with the date of receipt of the payment or 1st April 2024, whichever is later.”.

**Amendments from 01/04/2026**

**We are changing the regulation to simplify when entitlement can start following a death or separation. Reg 107 will be amended as follows:**

original:
(6) Where the change of circumstances is the death of an applicant's partner or their separation, it takes effect on the day the death or separation occurs.
(a) Where the applicant was included as "the partner" of the deceased (or ex-partners) Council Tax Support entitlement at date of death or separation, The Council Tax Liability created following the death of an applicant's partner or their separation falls to be treated as "first liable" within Reg 105 (2) of this scheme.

Amended:
(6) Where the change of circumstances is the death of an applicant's partner or their separation, it takes effect on the day the death or separation occurs.
(a) The Council Tax Liability created following the death of an applicant's partner or their separation falls to be treated as "first liable" within Reg 105 (2) of this scheme.

**Amendments are also being made to reg 110 to allow for more scope for delays in claiming if it is deemed reasonable for them to have taken longer than a month. We will be adding/amending the parts currently coloured red:**

110. Date on which an application is made

(1) Subject to sub-paragraph (7), the date on which an application is made is— (a)in a case where—
(i)an award of state pension credit which comprises a guarantee credit has been made to the applicant or his partner, and
(ii)the application is made within one month of the date on which the claim for that state pension credit which comprises a guarantee credit was received at the appropriate DWP office, or such longer period as the relevant authority considers reasonable, the first day of entitlement to state pension credit which comprises a guarantee credit arising from that claim,;
(b)in a case where—
(i)an applicant or his partner is a person in receipt of a guarantee credit,
(ii)the applicant becomes liable for the first time to pay council tax in respect of the dwelling which he occupies as his home, and
(iii)the application to the authority is received at the designated office within one month of the date of the change, or such longer period as the relevant authority considers reasonable, the date on which the change takes place;
(c)in a case where—
(i)an award of income support, an income-based jobseeker's allowance or an income-related employment and support allowance or an award of universal credit has been made to the applicant or his partner, and
(ii)the application is made within one month of the date on which the claim for that income support, jobseeker's allowance, employment and support allowance or universal credit was received, the first day of entitlement to income support, an income-based jobseeker's allowance, an income-related employment and support allowance or universal credit arising from that claim, or such longer period as the relevant authority considers reasonable;
(d)in a case where—
(i)an applicant or his partner is a person on income support, an income-based jobseeker's allowance or an income-related employment and support allowance or has an award of universal credit,

(ii)the applicant becomes liable for the first time to pay council tax in respect of the dwelling which he occupies as his home, and
(iii)the application to the authority is received at the designated office within one month of the date of the change, or such longer period as the relevant authority considers reasonable, the date on which the change takes place;
(e)in a case where—
(i)the applicant is the former partner of a person who was … liable for Council Tax.
(ii)where the applicant makes an application (for the same property) for a reduction under this scheme within one month of the date of the death or the separation, or such longer period as the relevant authority considers reasonable, the date of the death or separation;

<u>Changes with effect from 01 April 2027</u>
The scheme will be updated to no longer take child benefit into account as an income for any working age customers with children. It will be added to the following schedule:
*SCHEDULE 8 Sums disregarded in the calculation of income other than earnings: persons who are not pensioners*

- *Any payment made to the claimant or partner by way of child benefit*

**SUMMARY OF CHANGES FROM 01.04.13**

| Current Council Tax Benefit Scheme (CTB) | Council Tax Support (CTS) |
|---|---|
| **Second Adult Rebate -** Awarded to the customer based on the circumstances of 'second adult'. Can be awarded due to a 'better buy' comparison | No award due for second person. On 'better buy' calculation customer will only be awarded any CTS due. |
| **Reduction of the capital limit** - Upper capital limit of £16,000. Above this limit the person would not qualify for CTB. Lower capital of £6,000. Below this figure amount is ignored. Amounts above £6,000 attract tariff income at £1 for every £250 or part of above the lower capital limit | Upper capital limit of £10,000. Above this limit the person would not qualify for CTB. Lower capital of £6,000. Below this figure amount is ignored. Amounts above £6,000 attract tariff income at £1 for every £250 or part of above the lower capital limit |
| **Removal of earnings disregards –**<br>Permitted work - £97.50<br>Lone parents - £25.00<br>Disabled, carers or special occupations - £20.00<br>Couples - £10<br>Single £5 | <br>Permitted work - £0<br>Lone parents - £0<br>Disabled, carers or special occupations - £0<br>Couples - £0<br>Single £0 |
| **Removal of Child Benefit disregard** – Child Benefit is fully disregarded for the calculation of CTB | Child benefit is fully included for the calculation of CTS |
| **Increase in non-dependant deductions (using current figures)**<br>On pass ported benefit - £0.00<br>On JSA C/ESAC - £3.30<br>Works less than 16 hours on maternity, paternity, adoption or sick leave - £3.30<br>Income more than £394.00 per week – £9.90<br>£316.00 to £393.99 per week – £8.25<br>£238.00 to £315.99 per week - £6.55<br>£183.00 to £237.00 per week - £3.30<br>£124.00 to £182.99 per week – £3.30<br>Under £124.00 – £3.30 | <br>On pass ported benefit - £0.00<br>On JSA C/ESAC - £3.30<br>Works less than 16 hours on maternity, paternity, adoption or sick leave - £3.30<br>Earnings less than £100 - £5.00<br>Earnings between £100 and £150 - £10.00<br>Earnings above £150 - £20.00 |

## APPEALS

There will be no joint HB/CTR appeals – they will be heard separately by different bodies. First Tier Tribunals will hear the Housing Benefit appeals (as now) and the Valuation Tribunals Service will hear Council Tax Support appeals.

The legislation is contained within the Local Government Finance Act. Appeals against the local Council Tax Support Scheme will be covered by Regulation 16(b).

**Process:**

- The customer firstly needs to write to the Council saying they disagree with the decision. There is no time limit to do this. They can request this at any time.
- If we do not alter our original decision the customer has the right to appeal to the Valuation Tribunal.
- To appeal to the Valuation Tribunal the customer will need to do this on line at www.valuationtribunal.gov.uk
- The customer must complete the on line appeal application within two months of the date of the decision notice sent by ourselves upholding the original decision

As local schemes are not legislation, but are locally defined schemes, the Valuation Tribunal will not consider an appeal against a billing authority's actual scheme, as that is beyond their jurisdiction. However, the Valuation Tribunal will advise dissatisfied claimants of their right to apply to the billing authority for a discretionary discount under section 13 (1) (c) of the Local Government Finance Act 1992. They will also hear appeals where the authority refuses to exercise this discretion.

**APPENDIX C**

## Discretionary Discount Policies

### 1. Second Homes

1.1. Second homes are defined as furnished properties which are not occupied as a person's main residence and include furnished properties that are unoccupied between tenancies.

1.2. The Local Government Act 2003 gave councils new discretionary powers to reduce the 50% Council Tax discount previously awarded in respect of second homes to between 10% and 50% with effect from 1st April 2004. Councils retain the additional income raised by reducing the second homes Council Tax discount.

1.3. The Local Government Act 2012 further extended billing authorities' discretion over the second homes discount to between 0% and 50%. On 17 October 2012 Cabinet approved the reduction of the second homes Council Tax discount from 10% to 0%.

1.4. The Levelling Up and Regeneration Act 2023 passed in October 2023 enables billing authorities to introduce a council tax premium of up to 100% in respect of second homes.

1.5. The purpose of the Council Tax charging policy is to encourage owners of second homes to bring these properties back into use in the housing market as main residences, recognising the shortage of housing nationally and locally.

1.6. The Government issued guidance on the implementation of the council tax premiums on long term empty homes and second homes. The guidance suggested the following should be taken into account :

- *numbers and proportion of long-term empty dwellings and/or second homes in the local area*
- *circumstances which may affect whether the dwelling can be used as a main residence*
- *potential impact on local economies and the tourism industry*
- *potential impact on the local community*
- *potential impact on local services*
- *other measures that are available to councils to help bring empty dwellings back into use*

*Councils should consider the reasons why dwellings are unoccupied in deciding whether they want such dwellings to be included in their determination. Examples of issues councils may want to take account of in making their determination include:*

- *on average, how long dwellings in their area are available for sale or rent before completion/occupation*
- *the average price/rent in the local area*
- *whether there are circumstances which make the dwelling unsuitable for use as main residence*
- *whether there are circumstances which make the dwelling difficult to sell/let*

- *whether the dwelling is empty so that improvements can be made between sale/let*

1.7. The Council can consider such matters as part of individual consideration for discretionary discounts under Section 13A(c) of the Local Government Finance Act 1992.

1.8. The Council's Business Intelligence Team has advised that while the Council does hold house price data and could calculate affordability ratios, Shropshire has special circumstances. Shropshire is a large rural county and as transaction numbers are relatively small, the data would be easily skewed by outliers at either ends of the property market.

1.9. Shropshire is one of the most sparsely populated local authorities in the country. Shropshire has a population density of just 1 person per hectare (319,730 hectares), compared to 4.4 persons per hectare nationally (13,027,843 hectares). As a result and having given full consideration to guidance available, policy has been adopted to levy a premium in respect of second homes consistently across the Shropshire Council area.

1.10. On this basis, on 14 December 2023 Council approved the introduction of a council tax premium of 100% in respect of second homes from 1 April 2025 in line with this policy.

1.11. The figures used for the 2027/28 Council Tax taxbase incorporate a 100% Council Tax premium in respect of second homes (other than those that retain a 50% discount through regulation as a result of job-related protection). Continuation of this policy results in the inclusion of 1,197.11 Band D equivalent properties in the taxbase calculation.

## 2. Vacant Properties – Former Class A & Class C Exempt Properties

2.1. The Local Government Act 2012 abolished both Class A and Class C exemptions and gave billing authorities' discretion to give discounts of between 0% and 100%. Class A exemptions were previously available for up to 12 months in respect of a vacant property which required, was undergoing, or had recently undergone major repair work to render it habitable, or a structural alteration. Class C exemptions were previously available for up to six months after a dwelling became vacant.

2.2. On 14 December 2017 Council approved the removal of a 50% Council Tax discount in respect of vacant dwellings undergoing major repair, i.e. former Class A exempt properties.

2.3. In respect of former Class A exempt properties the figures used for the 2027/28 Council Tax taxbase allow for the continuation of the decision previously approved by Council, i.e. to award no discount.

2.4. On 17 October 2012 Cabinet approved the award of a 25% Council Tax discount in respect of vacant dwellings (i.e. former Class C exempt properties).

2.5. Implementation of this policy resulted in a large number of low value Council Tax demands being raised primarily in relation to landlords whose properties are between tenants. A significant number of landlord complaints were received in relation to these Council Tax demands and these small amounts proved to be very difficult to collect. It was, therefore, proposed and approved that a 100% discount be awarded for one month, i.e. effectively reinstating the exemption, and then a 25% discount be awarded for the remaining five months.

2.6. In order to avoid fraudulent 100% claims in respect of these types of properties it was also proposed and approved that the "six week rule" be applied, i.e. if a dwelling which is unoccupied and unfurnished is either exempt or entitled to a discount, becomes occupied or substantially furnished for a period of less than six weeks, after which it falls empty again, it will only resume exemption or discount for any of the original exemption or discount period which remains.

2.7. On 14 December 2017 Council approved the continuation of the policy to award one month exemption when a property becomes unoccupied and substantially unfurnished (subject to the six week rule) and approved a revised policy to remove the 25% for the following five months. This means that when a property becomes unoccupied and substantially unfurnished it would attract one month exemption, then pay full charge for the following twenty three months, then attract an additional 100% council tax premium after two years.

2.8. In respect of former Class C exempt properties the figures used for the 2027/28 Council Tax taxbase incorporate a discount of 100% for one month. Continuation of this policy to award the one month exemption results in the exclusion of 244.11 Band D equivalents from the taxbase calculation.

## 3. Vacant Properties – Empty Homes Premium

3.1. The Local Government Act 2012 amended the Local Government Finance Act 1992 and also gave billing authorities' discretion to levy an empty homes premium of 50% after a dwelling has been empty and substantially unfurnished for at least two years. In December 2013 Shropshire Council chose to enact this discretionary power with effect from April 2014.

3.2. On 1 November 2018 the Rating (Property in Common Occupation) and Council Tax (Empty Dwellings) Act 2018 was passed which further amended the Local Government Finance Act 1992. This gave billing authorities' discretion to levy an empty homes premium of 100% from 1 April 2019 after a dwelling has been unoccupied and substantially unfurnished for at least two years, a 200% premium from 1 April 2020 for properties unoccupied and substantially unfurnished for at least 5 years and a 300% premium from 1 April 2021 for properties unoccupied and substantially unfurnished for at least 10 years.

3.3. The Levelling Up and Regeneration Act 2023 passed in October 2023 further enhanced charging options with effect from 1 April 2024. The Act enables billing authorities to reduce the minimum period for the implementation of the council tax premium for long term empty premises from two years to one year.

3.4. The purpose of the Council Tax charging policy is to encourage owners of empty property to bring these properties back into use in the housing market as main residences, recognising the shortage of housing nationally and locally.

3.5. The Government issued guidance on the implementation of the council tax premiums on long term empty homes and second homes. The guidance suggested the following should be taken into account:

- *numbers and proportion of long-term empty dwellings and/or second homes in the local area*
- *circumstances which may affect whether the dwelling can be used as a main residence*
- *potential impact on local economies and the tourism industry*
- *potential impact on the local community*
- *potential impact on local services*
- *other measures that are available to councils to help bring empty dwellings back into use*

*Councils should consider the reasons why dwellings are unoccupied in deciding whether they want such dwellings to be included in their determination. Examples of issues councils may want to take account of in making their determination include:*

- *on average, how long dwellings in their area are available for sale or rent before completion/occupation*
- *the average price/rent in the local area*
- *whether there are circumstances which make the dwelling unsuitable for use as main residence*
- *whether there are circumstances which make the dwelling difficult to sell/let*
- *whether the dwelling is empty so that improvements can be made between sale/let*

3.6. The Council can consider such matters as part of individual consideration for discretionary discounts under Section 13A(c) of the Local Government Finance Act 1992.

3.7. The Council's Business Intelligence Team has advised that while the Council does have house price data and could calculate affordability ratios, Shropshire has special circumstances. Shropshire is a large rural county and as transaction numbers are relatively small, the data would be easily skewed by outliers at either ends of the property market.

3.8. Shropshire is one of the most sparsely populated local authorities in the country. Shropshire has a population density of just 1 person per hectare (319,730 hectares), compared to 4.4 persons per hectare nationally (13,027,843 hectares).

3.9. As a result and having given full consideration to guidance available, the policy has been adopted to levy a premium in respect of long-term empty properties consistently across the Shropshire Council area.

3.10. The figures used for the 2027/28 Council Tax taxbase incorporate a 100% Council Tax premium in respect of dwellings which have been unoccupied and substantially unfurnished for more than one year, a 200% Council Tax premium in respect of

dwellings which have been unoccupied and substantially unfurnished for more than five years and a 300% Council Tax premium in respect of dwellings which have been unoccupied and substantially unfurnished for more than ten years. Implementation of this policy results in the inclusion of 945.45 Band D equivalent properties in the taxbase calculation in relation to properties unoccupied and substantially unfurnished for more than one year, 246.00 Band D equivalents in the taxbase calculation in relation to properties unoccupied and substantially unfurnished for more than five years and 181.66 Band D equivalents in the taxbase calculation in relation to properties unoccupied and substantially unfurnished for more than ten years.

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**Shropshire Council**
**Equality, Social Inclusion and Health Impact Assessment (ESHIA)**
**Stage One Screening Record 2026**

*Please note that part A and part B of this document should be completed.*

## A. Summary Sheet on Accountability and Actions

| **Name of proposed service change** |
|---|
| Council Tax Support Scheme<br><br>Proposal to disregard Child Benefit as an income in the calculation of Council Tax Support for working age claimants<br><br>Considered by Cabinet on 9 September 2026<br><br>Council tax Support Scheme - Cabinet 9 September 2026 |

| **Name of the officer carrying out the screening** |
|---|
| Philip Weir |

| **Decision, review, and monitoring** |
|---|

| **Decision** | **Yes** | **No** |
|---|---|---|
| Initial (Stage One) ESHIA Only? | Yes | |
| Proceed to Stage Two Full ESHIA or HIA (part two) Report? | | |

***If completion of a Stage One screening assessment is an appropriate and proportionate action at this stage, please use the boxes above, and complete both part A and part B of of this template. If a Full or Stage Two report is required, please move on to full report stage once you have completed this initial screening assessment as a record of the considerations which you have given to this matter.***

| **Assessment of likely neutral, negative impact or positive impact of the service change in terms of equality and social inclusion considerations** |
|---|
| The proposal is to disregard child benefit as an income in the assessment of Council Tax Support, for working age claimants.<br><br>This change benefits low-income families with children.<br><br>There is an overall cost of this change estimated at £800k per year |

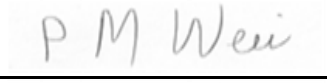
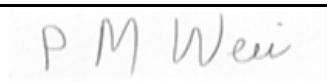
| **Assessment of likely neutral, negative or positive impact of the service change in terms of health and wellbeing considerations** |
|---|
| This change will benefit low-income families with children who claim Council Tax Support only. Potential increase in discretionary income improving financial resilience.<br><br>The overall cost is estimated at £800k which will be picked up by the wider council taxpayer. |

| **Actions to review and monitor the impact of the service change in terms of equality, social inclusion, and health considerations** |
|---|
| This is continuation of the existing Council Tax Support scheme with a beneficial change for resident in receipt of Child Benefit.<br><br>The proposed change to disregard Child Benefit as an income for working age claimants will ensure that low-income families with children receive additional support with their council tax.<br><br>This will align the Council with the majority of other local Council Tax Support schemes and with other national benefits |

| **Associated ESHIAs** |
|---|
| None |

| **Assessment of likely neutral, negative or positive impact, and actions to review and monitor overall impacts, with regard to climate change impacts and with regard to economic and societal impacts** |
|---|
| ***Climate change***<br><br>N/A<br><br>***Economic and societal/wider community***<br><br>Increases in discretionary income to affected families will support financial resilience and allow funding to support wider cost-of-living pressures. |

**Scrutiny at Stage One screening stage**

| People involved | Signatures | Date |
|---|---|---|
| Philip Weir |  | 22/10/2026 |
| Philip Weir |  | 22/10/2026 |
| *External support**<br><br>**Phillip Northfield**<br>*Integration & Inequalities Officer – Public Health* |  | 15/10/2026 |

***This refers to support external to the service and within the Council, e.g., the Senior Insights and Research EDI specialist, the Integration & Inequalities Officer – Public Health, other Insights and Research or Public Health colleagues, the Feedback and Insight Team, Climate Change specialists, etc.***

**Sign off at Stage One screening stage**

| Name | Signatures | Date |
|---|---|---|
| Philip Weir |  | 22/10/2026 |
| Philip Weir |  | 22/10/2026 |

***This may either be the Head of Service or the lead officer***

## B. Detailed Screening Assessment

| Aims of the service change and description |
|---|
| Prior to 2013 there was a national council tax benefit scheme to support council taxpayers on low income. This was funded through a government subsidy.<br><br>With effect from 2013 each billing authority was required to design and implement its own scheme for working age residents on low incomes. At the same time government funding for the system reduced by 10%.<br><br>Pensioners still have council tax support awarded against former council tax benefit rules<br><br>From 2013-14, Shropshire Council's scheme continued with a tapered reduction scheme, with 100% support for the financially most vulnerable. |

The main changes in 2013 were as detailed below, including the decision to remove the Child Benefit income disregard: -

- Removal of second adult rebate
- Reduction of the capital limit from £16,000 to £10,0000
- Removal of earnings disregards
- **Removal of child benefit disregard**
- Increase in non-dependant deductions

The proposal is to reverse the change made in 2013 and disregard Child Benefit as an income which will be beneficial to low-income families with children and will be more in line with practice nationally and other benefits.

**Intended audiences and target groups for the service change**

All Shropshire Council Taxpayers

**Evidence used for screening of the service change**

Cost of the change has been estimated through analysis of the Council Tax base calculations for 2027-28

**Specific consultation and engagement with intended audiences and target groups for the service change**

There is a legal requirement to consult in relation to any changes to the Council Tax Support scheme and the Council has undergone a six-week public consultation from 10 September 2026 to 22 October 2026. Major precepting authorities have been advised of the actual impact on the overall taxbase following the running of the taxbase reports in October 2026.

We received 385 responses to the public consultation

227 (59%) opposed the proposal. 147 (38%) supported the proposal. (10 3%) were unsure.

**The main reasons in support of the proposal**

- Child Benefit is intended for children
- Cost of living and child poverty
- Fairness and consistency
- Direct personal impact
- Wider disregard requests

**The main reasons given in opposition**

- Affordability and Funding
- Child Benefit it income
- Fairness to other households
- Priority to other services
- Work incentives and personal responsibility

## Initial equality impact assessment by grouping (Initial health impact assessment is included below this table)

***Please rate the impact that you perceive the service change is likely to have for a grouping, through stating this in the relevant column, including if it is anticipated to be neutral (no impact).***

***Please also record in here your headline rationale for the ratings you have given.***

| **Protected Characteristic groupings and other groupings locally identified in Shropshire** | **High negative impact** *Stage Two ESHIA required* | **High positive impact** *Stage One ESHIA required* | **Medium positive or negative impact** *Stage One ESHIA required* | **Low positive, negative, or neutral impact (please specify)** *Stage One ESHIA required* |
|---|---|---|---|---|
| Age<br>(please include children, young people, young carers, young people leaving care, people of working age, older people. Some people may belong to more than one group e.g., a child or young person for whom there are safeguarding concerns e.g., an older person with a disability) | | | Low income working age families will benefit positively from this change | |
| Disability<br>(please include cancer; HIV/AIDS; learning disabilities; mental health conditions and syndromes; multiple sclerosis; neurodiverse conditions such as autism; hidden disabilities such as Crohn's disease; physical and/or sensory disabilities or impairments) | | | | None |
| Gender re-assignment<br>(please include associated aspects: safety, caring responsibility, potential for bullying and harassment) | | | | None |
| Marriage and Civil Partnership<br>(please include associated aspects: caring responsibility, potential for bullying and harassment) | | | | None |

| | | | | |
|---|---|---|---|---|
| | | | | |
| Pregnancy and Maternity<br>(please include associated aspects: safety, caring responsibility, potential for bullying and harassment) | | | | None |
| Race<br>(please include ethnicity, nationality, culture, language, Gypsy, Roma, Traveller) | | | | None |
| Religion or Belief<br>(please include Buddhism, Christianity, Hinduism, Islam, Jainism, Judaism, Nonconformists; Rastafarianism; Shinto, Sikhism, Taoism, Veganism, Zoroastrianism, and any others) | | | | None |
| Sex<br>(please include associated aspects: safety, caring responsibility, potential for bullying and harassment) | | | | None |
| Sexual Orientation<br>(please include associated aspects: safety; caring responsibility; potential for bullying and harassment) | | | | None |
| Other: Social Inclusion<br>(please include households in poverty or on low incomes; people for whom there are safeguarding concerns; people you consider to be vulnerable; people with health inequalities; refugees and asylum seekers; rough sleepers and those at risk of homelessness; and rural communities) | | | | None |
| Other: Carers<br>(please include families and friends with caring responsibilities) | | | | None |
| Other: Veterans and serving members of the armed forces and their families (as per Armed Forces Act 2023) | | | | None |
| Other: Young people leaving care | | | | None |

## Initial health and wellbeing impact assessment by category

***Please rate the impact that you perceive the service change is likely to have with regard to health and wellbeing, through stating this in the relevant column, including if it is anticipated to be neutral (no impact).***

***Please also record in here your headline rationale for the ratings you have given.***

| **Health and wellbeing: individuals and communities in Shropshire** | **High negative impact** *Part Two HIA required* | **High positive impact** | **Medium positive or negative impact** | **Low positive negative or neutral impact (please specify)** |
|---|---|---|---|---|
| **Will the proposal have a *direct impact* on an individual's health, mental health and wellbeing?**<br>For example, would it cause ill health, affecting social inclusion, independence and participation?<br>. | | | | Low income families with children will receive additional support with Council Tax |
| **Will the proposal *indirectly impact* an individual's ability to improve their own health and wellbeing?**<br>For example, will it affect their ability to be physically active, choose healthy food, reduce drinking and smoking?<br>. | | | | Low income families with children will receive additional support with Council Tax, increasing their discretionary income and financial resilience. |
| **Will the policy have a *direct impact* on the community - social, economic and environmental living conditions that would impact health?**<br>For example, would it affect housing, transport, child development, education, employment opportunities, availability of green space or climate change mitigation?<br>. | | | | Low income families with children will receive additional support with Council Tax |
| **Will there be a likely change in *demand* for or access to health and social care services?** | | | | No |

| | | | | |
|---|---|---|---|---|
| For example: Primary Care, Hospital Care, Community Services, Mental Health, Local Authority services including Social Services?<br>. | | | | |

| **Initial health equity assessment** | |
|---|---|
| **For the following categories, please complete with the expected impacts of this service change on wider inequalities, not just those that are health-related (whether positive, negative, or neutral) – include any additional information you feel is pertinent or useful.**<br><br>**Consider and record which you can control, which you can influence, and which may be out of your control**. | |
| Which population groups/demographics will face health impacts as a result of this change (if any)?<br>• Socio-Economically Deprived<br>• Geographic Deprivation (inc. Rurality) – *if so, where?*<br>• Inclusion Health & Vulnerable Groups[1]<br>• Other | Low income families with children will receive additional support with Council Tax, increasing their discretionary income, and helping to improve financial resilience. |
| What mitigations/enhancements are already in place, or what mitigations/enhancements do you plan to include for the foreseeable consequences of these changes? | *None* |

1- *Inclusion health is an umbrella term used to describe people who are socially excluded, who typically experience multiple overlapping risk factors for poor health, such as poverty, violence, and complex trauma. This includes people who experience homelessness, drug and alcohol dependence, vulnerable migrants, Gypsy, Roma and Traveller communities, sex workers, people in contact with the justice system and victims of modern slavery. Health impacts for this wide grouping will therefore potentially be the same as those recorded under the Social Inclusion category in the equality impact table.*

## Guidance Notes

### 1. Legal Context

It is a legal requirement for local authorities to assess the equality and human rights impact of changes proposed or made to services. It is up to us as an authority to decide what form our equality impact assessment may take. By way of illustration,

some local authorities focus more overtly upon human rights; some include safeguarding. It is about what is considered to be needed in a local authority's area, in line with local factors such as demography and strategic objectives as well as with the national legislative imperatives.

Carrying out these impact assessments helps us as a public authority to ensure that, as far as possible, we are taking actions to meet the general equality duty placed on us by the Equality Act 2010, and to thus demonstrate that the three equality aims are integral to our decision-making processes. These are: eliminating discrimination, harassment and victimisation; advancing equality of opportunity; and fostering good relations.

These screening assessments for any proposed service change go to Cabinet as part of the committee report, or occasionally direct to Full Council, unless they are ones to do with Licensing, in which case they go to Strategic Licensing Committee.

Service areas would ordinarily carry out a screening assessment, or Stage One equality impact assessment. This enables energies to be focussed on review and monitoring and ongoing evidence collection about the positive or negative impacts of a service change upon groupings in the community, and for any adjustments to be considered and made accordingly.

These screening assessments are recommended to be undertaken at timely points in the development and implementation of the proposed service change.

For example, a Stage One ESHIA would be a recommended course of action before a consultation. This would draw upon the evidence available at that time, and identify the target audiences, and assess at that initial stage what the likely impact of the service change could be across the national Protected Characteristic groupings and our additional local categories. This ESHIA would set out intended actions to engage with the groupings, particularly those who are historically less likely to engage in public consultation eg young people, as otherwise we would not know their specific needs.

A second Stage One ESHIA would then be carried out after the consultation, to say what the feedback was, to set out changes proposed as a result of the feedback, and to say where responses were low and what the plans are to engage with groupings who did not really respond. This ESHIA would also draw more upon actions to review impacts in order to mitigate the negative and accentuate the positive.

Meeting our Public Sector Equality Duty through carrying out these ESHIAs is very much about using them as an opportunity to demonstrate ongoing engagement across groupings and to thus visibly show we are taking what is called 'due regard' of the needs of people in Protected Characteristic groupings.

If the screening indicates that there are likely to be high negative impacts for groupings within the community, the service area would need to take advice on whether or not to carry out a full report, or Stage Two assessment. This is resource intensive but will enable more evidence to be collected that will help the service area to reach an informed opinion.

In practice, Stage Two or Full Screening Assessments have only been recommended twice since 2014, as the ongoing mitigation of negative equality impacts should serve to keep them below the threshold for triggering a Full Screening Assessment. The expectation is that Full Screening Assessments in regard to Health Impacts may occasionally need to be undertaken, but this would be very much the exception rather than the rule.

## 2. Council Wide and Service Area Policy and Practice on Equality, Social Inclusion and Health

This involves taking an equality and social inclusion approach in planning changes to services, policies, or procedures, including those that may be required by Government. The decisions that you make when you are planning a service change need to be recorded, to demonstrate that you have thought about the possible equality impacts on communities and to show openness and transparency in your decision-making processes.

This is where Equality, Social Inclusion and Health Impact Assessments (ESHIAs) come in. Where you carry out an ESHIA in your service area~~,~~ this provides an opportunity to show:

- What evidence you have drawn upon to help you to recommend a strategy or policy or a course of action to Cabinet or to Strategic Licensing Committee.
- What target groups and audiences you have worked with to date.
- What actions will you take in order to mitigate any likely negative impact upon a group or groupings, and enhance any likely positive effects for a group or groupings; and
- What actions you are planning to monitor and review the impact of your planned service change.

The formal template is there not only to help the service area but also to act as a stand-alone for a member of the public to read. The approach helps to identify whether or not any new or significant changes to services, including policies, procedures, functions, or projects, may have an adverse impact on a particular group of people, and whether the human rights of individuals may be affected.

There are nine Protected Characteristic groupings defined in the Equality Act 2010. The full list of groupings is: Age; Disability; Gender Reassignment; Marriage and Civil Partnership; Pregnancy and Maternity; Race; Religion or Belief; Sex; and Sexual Orientation.

There is also intersectionality between these. Eg a young person with a disability would be in the groupings of Age and Disability, and if they described themselves as having a faith they would then also be in the grouping of Religion or Belief. We demonstrate equal treatment to people who are in these groups and to people who are not, through having what is termed 'due regard' to their needs and views when developing and implementing policy and strategy and when commissioning, procuring, arranging, or delivering services.

For the individuals and groupings who may be affected, ask yourself what impact do you think is likely and what actions will you currently anticipate taking, to mitigate or enhance likely impact of the service change? If you are reducing a service, for example, there may be further use you could make of awareness raising through social media and other channels to reach more people who may be affected.

Social inclusion is then a wider additional local category we use in Shropshire, in order to help us to go beyond the equality legislation in also considering impacts for individuals and households with regard to the circumstances in which they may find themselves across their life stages. This could be households on low incomes, or households facing challenges in accessing services, such as households in rural areas, or people that we might consider to be vulnerable, such as refugee families or rough sleepers.

Please note that veterans and serving members of the armed forces and their families are a grouping to whom we are required to give due regard under Armed Forces legislation, although in practice we have been doing so for a number of years now.

We also identify two further distinct separate local groupings due to their circumstances: care leavers, as vulnerable individuals, and carers, due to the support they give and the support they need.

When you are not carrying out an ESHIA, you still need to demonstrate and record that you have considered equality in your decision-making processes. It is up to you what format you choose.-You could use a checklist, an explanatory note, or a document setting out our expectations of standards of behaviour, for contractors to read and sign. It may well not be something that is in the public domain like an ESHIA, but you should still be ready for it to be made available.

**Both the approaches sit with a manager, and the manager has to make the call, and record the decision made on behalf of the Council.**

*Carry out an ESHIA:*

- If you are building or reconfiguring a building.
- If you are planning to reduce or remove or reconfigure a service.
- If you are consulting on a policy or a strategy.
- If you are bringing in a change to a process or procedure that involves other stakeholders and the wider community as well as particular groupings

*Carry out and record your equality and social inclusion approach:*

- If you are setting out how you expect a contractor to behave with regard to equality, where you are commissioning a service or product from them.
- If you are setting out the standards of behaviour that we expect from people who work with vulnerable groupings, such as taxi drivers that we license.

- If you are planning consultation and engagement activity, where we need to collect equality data in ways that will be proportionate and non-intrusive as well as meaningful for the purposes of the consultation itself.
- If you are looking at services provided by others that help the community, we need to demonstrate a community leadership approach

## 3. Council wide and service area policy and practice on health and wellbeing

This is an area to record within our overall assessments of impacts, for which we ask service area leads to consider health and wellbeing impacts, and to look at these in the context of direct and indirect impacts for individuals and for communities.

A better understanding across the Council of these impacts will also better enable the Public Health colleagues to prioritise activities to reduce health inequalities in ways that are evidence based and that link effectively with equality impact considerations and climate change mitigation.

**Health in All Policies – Health Impact Assessment**

Health in All Policies is an upstream approach for health and wellbeing promotion and prevention, and to reduce health inequalities. The Health Impact Assessment (HIA) is the supporting mechanism

- Health Impact Assessment (HIA) is the technical name for a process that considers the wider effects of local policies, strategies and initiatives and how they, in turn, may affect people's health and wellbeing.
- Health Impact Assessment is a means of assessing both the positive and negative health impacts of a policy. It is also a means of developing good evidence-based policy and strategy using a structured process to review the impact.
- A Health Impact Assessment seeks to determine how to maximise health benefits and reduce health inequalities. It identifies any unintended health consequences. These consequences may support policy and strategy or may lead to suggestions for improvements.
- An agreed framework will set out a clear pathway through which a policy or strategy can be assessed and impacts with outcomes identified. It also sets out the support mechanisms for maximising health benefits.

The embedding of a Health in All Policies approach will support Shropshire Council through evidence-based practice and a whole systems approach, in achieving our corporate and partnership strategic priorities. This will assist the Council and partners in promoting, enabling and sustaining the health and wellbeing of individuals and communities whilst reducing health inequalities.

**<u>Individuals</u>**

**Will the proposal have a *direct impact* on health, mental health and wellbeing?**

For example, would it cause ill health, affecting social inclusion, independence and participation?

Will the proposal directly affect an individual's ability to improve their own health and wellbeing?

This could include the following: their ability to be physically active e.g., being able to use a cycle route; to access food more easily; to change lifestyle in ways that are of positive impact for their health.

Provision or change to a service that allows greater reach to those most in need, this can involve relocation, pooling of resource/efficiency changes, or digitisation of some provision. It may also involve greater opportunities for employment, decreasing socio-economic inequality. Physical alternatives to be made available (where practical) to be offered wherever possible to avoid digital exclusion and reduce social isolation. These changes can be either positive or negative depending on the proposal.

An example of this could be that you may be involved in proposals for the establishment of safer walking and cycling routes (e.g., green highways), and changes to public transport that could encourage people away from car usage. and increase the number of journeys that they make on public transport, by foot or on bicycle or scooter. This could improve lives. It could also involve virtual support sessions/appointments to avoid unnecessary travel and provide greater flexibility with individuals work schedules. It may involve greater internet connectivity, to improve remote working opportunities and air pollution concerns, or improved communications coverage through closer partnership working – targeting those most in need of specific information.

**Will the proposal *indirectly impact* an individual's ability to improve their own health and wellbeing?**

This could include the following: their ability to access local facilities e.g., to access food more easily, or to access a means of mobility to local services and amenities? (e.g. change to bus route)

Similarly to the above, an example of this could be that you may be involved in proposals for the establishment of safer walking and cycling routes (e.g. pedestrianisation of town centres), and changes to public transport that could encourage people away from car usage, and increase the number of journeys that they make on public transport, by foot or on bicycle or scooter. This could improve their health and wellbeing.

**Communities**

Will the proposal directly or indirectly affect the physical health, mental health, and wellbeing of the wider community**?**

A *direct impact* could include either the causing of ill health, affecting social inclusion, independence and participation, or the promotion of better health.

An example of this could be that safer walking and cycling routes could help the wider community, as more people across groupings may be encouraged to walk or engage in active travel. Increasing physical activity and minimising the time spent sitting down helps to maintain a healthy weight and reduces the risk of cardiovascular disease, type 2 diabetes, cancer, and depression. The UK Chief Medical Officers recommend that adults should do at least 150 minutes of moderate activity, or 75 minutes of vigorous activity, each week. At a wider level, reductions in vehicular emission lead to better air quality, and a reduction in $NO_2$ in the atmosphere.

An *indirect impact* could mean that a service change could indirectly affect living and working conditions and therefore the health and wellbeing of the wider community.

An example of this could be: an increase in the availability of warm homes would improve the quality of the housing offer in Shropshire and reduce the costs for households of having a warm home in Shropshire. This can reduce the risks of cold related health effects, as well as reduce the financial burden on the population, whose ability to shoulder these costs can vary. Often a health promoting approach also supports our agenda to reduce the level of Carbon Dioxide emissions and to reduce the impact of climate change.

Please record whether at this stage you consider the proposed service change to have a direct or an indirect impact upon communities.

**Demand**

**Will there be a change in demand for or access to health, local authority and social care services?**

For example: Primary Care, Hospital Care, Community Services, Mental Health and Social Services?

An example of this could be: a new housing development in an area would affect demand for primary care and local authority facilities and services in that location and surrounding areas. If the housing development does not factor in consideration of availability of green space and safety within the public realm, further down the line there could be an increased demand upon health and social care services as a result of the lack of opportunities for physical recreation, and reluctance of some groupings to venture outside if they do not perceive it to be safe.

***For further advice: please contact***
***Lois Dale via email Lois.Dale@shropshire.gov.uk***
***or***
***Phil Northfield via email Phillip.Northfield@shropshire.gov.uk***

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**Shropshire Council**
**Equality, Social Inclusion and Health Impact Assessment (ESHIA)**
**Stage One Screening Record 2026**

*Please note that part A and part B of this document should be completed.*

## A. Summary Sheet on Accountability and Actions

| **Name of proposed service change** |
|---|
| Charge council tax long term empty property premium in respect of substantially unfurnished dwellings that are unoccupied. |

| **Name of the officer carrying out the screening** |
|---|
| Philip Weir |

| **Decision, review, and monitoring** |
|---|

| **Decision** | **Yes** | **No** |
|---|---|---|
| Initial (Stage One) ESHIA Only? | Yes | |
| Proceed to Stage Two Full ESHIA or HIA (part two) Report? | | No |

***If completion of a Stage One screening assessment is an appropriate and proportionate action at this stage, please use the boxes above, and complete both part A and part B of of this template. If a Full or Stage Two report is required, please move on to full report stage once you have completed this initial screening assessment as a record of the considerations which you have given to this matter.***

| **Assessment of likely neutral, negative impact or positive impact of the service change in terms of equality and social inclusion considerations** |
|---|
| This ESHIA is a stocktake update of previous ESHIA carried out in January 2026.<br><br>Since 2013, billing authorities have had the discretion to levy a premium in respect of long-term empty property.<br><br>Long term empty property is unoccupied property that is substantially unfurnished.<br><br>Liability for the premium is determined by when the property first became vacant. A change in ownership does not impact when the premium commences.<br><br>In November 2024 the Government published guidance on the implementation of council tax second homes premium and long-term empty property premium. The Government also announced a number of exceptions to the long-term empty and second home premium with effect from 1 April 2025. |

Guidance on the implementation of the council tax premiums on long-term empty homes and second homes - GOV.UK

The guidance suggested the following should be taken into account.

- *numbers and proportion of long-term empty dwellings and/or second homes in the local area*
- *circumstances which may affect whether the dwelling can be used as a main residence*
- *potential impact on local economies and the tourism industry*
- *potential impact on the local community*
- *potential impact on local services*
- *other measures that are available to councils to help bring empty dwellings back into use*

*Councils should consider the reasons why dwellings are unoccupied in deciding whether they want such dwellings to be included in their determination. Examples of issues councils may want to take account of in making their determination include:*

- *on average, how long dwellings in their area are available for sale or rent before completion/occupation*
- *the average price/rent in the local area*
- *whether there are circumstances which make the dwelling unsuitable for use as main residence*
- *whether there are circumstances which make the dwelling difficult to sell/let*
- *whether the dwelling is empty so that improvements can be made between sale/let*

The Council can consider such matters as part of individual consideration for discretionary discounts under Section 13A(c) of the Local Government Finance Act 1992 (see below).

However, of pertinence here is that the Council no longer has an empty homes team.

The Council's Business Intelligence Team has advised that while the Council does have house price data and could calculate affordability ratios, as Shropshire is such a large rural county, and transaction numbers are small, the data would be easily skewed by outliers at either ends of the scale.

The current staffing levels also inhibit the preparation and provision of meaningful analysis of the impact on the economy or to local communities or services of the policy in such a sparse setting.

By way of illustration, Shropshire is one of the most sparsely populated local authorities in the country. Shropshire has a population density of just 1 person per

hectare (319,730 hectares), compared to 4.4 persons per hectare nationally (13,027,843 hectares).

The Council reaffirmed its determination to levy the long-term empty property premium at full Council on 11 December 2025 (page 28).

Full Council 11 December 2025 - Setting the Council Taxbase report

Given that owners of long-term empty property do not fall into any particular category or grouping of people, or into particular Protected Characteristic groupings as set out in the Equality Act 2010, any assessment of equality impacts can only be an overall assessment across these groupings. The only thing that these owners have in common is that they own long term empty property.

The overall impact may be regarded as neutral to low positive across groupings, given that the policy aim is to bring such property back into use. This is notwithstanding the negative financial impact for taxpayers paying the premium.

There is also potential for neutral to low positive impact for our additional local groupings of Social Inclusion, Carers, and of Young People Leaving Care, with better potential opportunity for social mobility if a wider pool of housing is available to them across the county. Young people including those leaving care are also less likely to be owners of long-term empty property.

From a social inclusion perspective, which is an additional local grouping of people in Shropshire for whom we seek to have ‘due regard’, the positive impact will be in returning long-term empty property as primary residences, and the increase in council tax income to the Council. Longer term residencies also lead to a potential increase in community cohesion by providing stability of individuals within an area.

The Council has discretion under Section 13A (c) of the Local Government Finance Act 1992 to award discretionary council tax discounts to any residents as it sees fit and this discretion is delegated to the Councils Chief Finance Officer, with any appeals to an appeal panel of members.

This discretion has been commonly used to give consideration for requests for discount to counter the impact of the long-term empty premium in exceptional circumstances, including financial hardship. This again brings in people in our grouping of Social Inclusion, in regard to the household circumstances in which people may find themselves.

| **Assessment of likely neutral, negative or positive impact of the service change in terms of health and wellbeing considerations** |
| --- |
| Owners of long-term empty property do not share any particular characteristic. Many may be resident outside Shropshire Council area.<br><br>The positive impact will be in returning long-term empty property as primary residences, and the increase in council tax income to the Council. Longer term residencies also lead to a potential increase in community cohesion by providing stability of individuals within an area.<br><br>The Council has discretion under Section 13A (c) of the Local Government Finance Act 1992 to award discretionary council tax discounts to any residents as it sees fit and this discretion is delegated to the Councils Chief Finance Officer, with any appeals to an appeal panel of members.<br><br>This discretion has been commonly used to give consideration for requests for discount to counter the impact of the long-term empty premium in exceptional circumstances, including financial hardship.<br><br>This discretionary council tax discount may then involve consideration in particular for people affected in regard to Disability and in regard to the circumstances in which they may find themselves, including veterans and serving members of the armed forces and their families. Considerations around health and well being are likely to be significant factors in such cases. |

| **Actions to review and monitor the impact of the service change in terms of equality, social inclusion, and health considerations** |
| --- |
| The policy is not popular with impacted taxpayers, many of whom are resident outside of Shropshire.<br><br>The vast majority of other billing authorities charge the long-term empty property premium, so this is a national position as much as a local one.<br><br>The Council must review the impact of the policy change in view of the fact that any increase in tax will be unpopular.<br><br>The Council does have the means to consider individual circumstances via the discretionary discount procedure detailed above. Clear information on when and what circumstances this charge/levy will be liable will be included on council webpages.<br><br>The Council will additionally need to have regard to implementation of the latest Government spending settlement for local authorities, and to comparator work with |

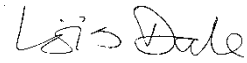
other rural unitaries in terms of likely and actual impacts for local authorities and their residents

| **Associated ESHIAs** |
|---|
| This ESHIA incorporates minor updates from the stocktake ESHIA produced 16th January 2026, and is a companion document to an ESHIA on second homes premiums. The following is also of relevance, together with the ESHIA carried out for the Council's Corporate Plan, approved at Cabinet in May 2026:<br><br>mtfs-empty-homes-function-eshia.pdf |

| **Assessment of likely neutral, negative or positive impact, and actions to review and monitor overall impacts, with regard to climate change impacts and with regard to economic and societal impacts** |
|---|
| ***Climate change***<br><br>N/A<br><br>***Economic and societal/wider community***<br><br>• Increase in housing supply for local residents, supporting individuals to move both to, and within the county, and contribute to the local economy. Housing affordability and security is a key social determinant of health, particularly mental wellbeing.<br>• Reduction in the number of short-term visitors/speculators, potentially improving community cohesion with more long-term residents.<br>• Additional social mobility opportunities for younger people, potentially encouraging them to remain in Shropshire and make their residency here.<br>• The policy also increases council tax income to the Council by over £1 million in 2025-26. |

**Scrutiny at Stage One screening stage**

| **People involved** | **Signatures** | **Date** |
|---|---|---|
| *Lead officer for the proposed service change* | P M Wen | 04 November 2026 |
| *Officer carrying out the screening* | P M Wen | 04 November 2026 |

| | | |
|---|---|---|
| *External support** | | |
| **Phil Northfield**<br>*Public Health Integration & Inequalities Officer* |  | 04.11.2026 |
| **Lois Dale**<br>*Senior Insights and Research EDI Specialist* |  | 04.11.2026 |

***This refers to support external to the service and within the Council, e.g., the Senior Insights and Research EDI specialist, the Integration & Inequalities Officer – Public Health, other Insights and Research or Public Health colleagues, the Feedback and Insight Team, Climate Change specialists, etc.***

**Sign off at Stage One screening stage**

| Name | Signatures | Date |
|---|---|---|
| *Lead officer's name* |  | 04 November 2026 |
| *Service manager's name* |  | 04 November 2026 |

***This may either be the Head of Service or the lead officer***

## B. Detailed Screening Assessment

| Aims of the service change and description |
|---|
| **Background**<br><br>Since 2013 billing authorities have had the discretion to levy a premium in respect of long-term empty property.<br><br>Long term empty property is unoccupied property that is substantially unfurnished.<br><br>The regulations have changed several times since 2013. The latest position is that local authorities can levy the long-term empty property premium as follows.<br><br>Unoccupied and substantially unfurnished 1-5 years 100% premium<br>Unoccupied and substantially unfurnished 5-10 years 200% premium<br>Unoccupied and substantially unfurnished over 10 yrs 300% premium<br><br>Shropshire Council did not levy the long-term empty property premium until 2014. Since then, the premium has been levied at the maximum rate available.<br><br>Liability for the premium is determined by when the property first became vacant. A change in ownership does not impact when the premium commences. |

A Green Paper had been presented to Performance Management Scrutiny Committee on 30 November 2022 detailed the options for charging second homes premium and the long-term empty property premium after one year vacant, subject to the Levelling Up and Regeneration Act becoming law.

Review of Charging Policy for Second Homes and Empty Properties

On 14 December 2022 the Scrutiny chair reported back to Cabinet that there was '*widespread agreement of those present at the meeting on the contents of the paper'* (page 2)

In November 2024 the Government published guidance on the implementation of council tax second homes premium and long-term empty property premium. The Government also announced a number of exceptions to the long-term empty and second home premium with effect from 1 April 2025.

Guidance on the implementation of the council tax premiums on long-term empty homes and second homes - GOV.UK

The guidance suggested the following should be taken into account.

- *numbers and proportion of long-term empty dwellings and/or second homes in the local area*
- *circumstances which may affect whether the dwelling can be used as a main residence*
- *potential impact on local economies and the tourism industry*
- *potential impact on the local community*
- *potential impact on local services*
- *other measures that are available to councils to help bring empty dwellings back into use*

*Councils should consider the reasons why dwellings are unoccupied in deciding whether they want such dwellings to be included in their determination. Examples of issues councils may want to take account of in making their determination include:*

- *on average, how long dwellings in their area are available for sale or rent before completion/occupation*
- *the average price/rent in the local area*
- *whether there are circumstances which make the dwelling unsuitable for use as main residence*
- *whether there are circumstances which make the dwelling difficult to sell/let*
- *whether the dwelling is empty so that improvements can be made between sale/let*

The Council can consider such matters as part of individual consideration for discretionary discounts under Section 13A (1) (c) of the Local Government Finance Act 1992 (see below).

However, of pertinence here is that the Council no longer has an empty homes team.

The Council's Business Intelligence Team has advised that while the Council does have house price data and could calculate affordability ratios, as Shropshire is such a large rural county, and transaction numbers are small, the data would be easily skewed by outliers at either ends of the scale.

The current staffing levels also inhibit the preparation and provision of meaningful analysis of the impact on the economy or to local communities or services of the policy in such a sparse setting.

By way of illustration, Shropshire is one of the most sparsely populated local authorities in the country. Shropshire has a population density of just 1 person per hectare (319,730 hectares), compared to 4.4 persons per hectare nationally (13,027,843 hectares).

The Council reaffirmed its determination to levy the long-term empty property premium at full Council on 11 December 2025 (page 28).

Full Council 11 December 2025 - Setting the Council Taxbase report

**Intended audiences and target groups for the service change**

Owners of long-term empty property.

Some are residents of Shropshire while others are resident in other parts of the country.

Residents in Shropshire, for whom the intention is that there will be positive outcomes in terms of additional revenue to be spent in Shropshire for the benefit of the wider community, as well as in terms of a wider pool of potential housing stock.

Not all taxpayers are impacted by this policy change, only those who own a long-term empty property that meet the definition above are impacted.

Additionally, local councillors are key stakeholders in terms of communicating changes and acting as community leaders.

| Evidence used for screening of the service change |
|---|
| Local Government Finance Act 1992<br><br>Levelling Up and Regeneration Act 2023<br><br>Guidance on the implementation of the council tax premiums on long-term empty homes and second homes - GOV.UK<br><br>Council and Cabinet papers, accessible via the Council website www.shropshire.gov.uk |

| Specific consultation and engagement with intended audiences and target groups for the service change |
|---|
| The Council publish a notice each year in the local press detailing its empty property council tax policy<br><br><br>Press Notice 22 December 2023.pdf<br><br>The Council reaffirms its decision to levy the premium each year when it sets its council taxbase.<br><br>Full Council 11 December 2025 - Setting the Council Taxbase report<br><br>The Council does have the means to consider individual circumstances via the discretionary discount procedure detailed above. Clear information on when and what circumstances this charge/levy will be liable is included on council webpages<br><br>There are a number of exception to the premium and details of these is included on the council tax webpages<br><br>Council tax on empty property \| Shropshire Council |

**Initial equality impact assessment by grouping (Initial health impact assessment is included below this table)**

***Please rate the impact that you perceive the service change is likely to have for a grouping, through stating this in the relevant column, including if it is anticipated to be neutral (no impact).***

***Please also record in here your headline rationale for the ratings you have given.***

| **Protected Characteristic groupings and other groupings locally identified in Shropshire** | **High negative impact** *Stage Two ESHIA required* | **High positive impact** *Stage One ESHIA required* | **Medium positive or negative impact** *Stage One ESHIA required* | **Low positive, negative, or neutral impact (please specify)** *Stage One ESHIA required* |
|---|---|---|---|---|
| Age<br>(please include children, young people, young carers, young people leaving care, people of working age, older people. Some people may belong to more than one group e.g., a child or young person for whom there are safeguarding concerns e.g., an older person with a disability) | | | | X neutral to low positive for potential to widen housing pool; neutral to low negative in financial terms for long-term empty property home owners |
| Disability<br>(please include cancer; HIV/AIDS; learning disabilities; mental health conditions and syndromes; multiple sclerosis; neurodiverse conditions such as autism; hidden disabilities such as Crohn's disease; physical and/or sensory disabilities or impairments) | | | | X neutral to low positive for potential to widen housing pool; neutral to low negative in financial terms for long-term empty property home owners |
| Gender re-assignment<br>(please include associated aspects: safety, caring responsibility, potential for bullying and harassment) | | | | X neutral to low positive for potential to widen housing pool; neutral to low negative in financial terms for long-term empty property home owners |
| Marriage and Civil Partnership<br>(please include associated aspects: caring responsibility, potential for bullying and harassment) | | | | X neutral to low positive for potential to widen housing pool; neutral to low negative in financial terms for long-term |

| | | | | |
|---|---|---|---|---|
| | | | | empty property home owners |
| Pregnancy and Maternity<br>(please include associated aspects: safety, caring responsibility, potential for bullying and harassment) | | | | X neutral to low positive for potential to widen housing pool; neutral to low negative in financial terms for long-term empty property home owners |
| Race<br>(please include ethnicity, nationality, culture, language, Gypsy, Roma, Traveller) | | | | X neutral to low positive for potential to widen housing pool; neutral to low negative in financial terms for long-term empty property home owners |
| Religion or Belief<br>(please include Buddhism, Christianity, Hinduism, Islam, Jainism, Judaism, Nonconformists; Rastafarianism; Shinto, Sikhism, Taoism, Veganism, Zoroastrianism, and any others) | | | | X neutral to low positive for potential to widen housing pool; neutral to low negative in financial terms for long-term empty property home owners |
| Sex<br>(please include associated aspects: safety, caring responsibility, potential for bullying and harassment) | | | | X neutral to low positive for potential to widen housing pool; neutral to low negative in financial terms for long-term empty property home owners |
| Sexual Orientation<br>(please include associated aspects: safety; caring responsibility; potential for bullying and harassment) | | | | X neutral to low positive for potential to widen housing pool; neutral to |

| | | | | |
|---|---|---|---|---|
| | | | | low negative in financial terms for long-term empty property home owners |
| Other: Social Inclusion<br>(please include households in poverty or on low incomes; people for whom there are safeguarding concerns; people you consider to be vulnerable; people with health inequalities; refugees and asylum seekers; rough sleepers and those at risk of homelessness; and rural communities) | | | | X neutral to low positive for potential to widen housing pool; neutral to low negative in financial terms for long-term empty property home owners |
| Other: Carers<br>(please include families and friends with caring responsibilities) | | | | X neutral to low positive for potential to widen housing pool; neutral to low negative in financial terms for long-term empty property home owners |
| Other: Veterans and serving members of the armed forces and their families (as per Armed Forces Act 2023) | | | | X neutral to low positive for potential to widen housing pool; neutral to low negative in financial terms for long-term empty property home owners |
| Other: Young people leaving care | | | | X neutral to low positive for potential to widen housing pool; neutral to low negative in financial terms for long-term empty property home owners |

## Initial health and wellbeing impact assessment by category

***Please rate the impact that you perceive the service change is likely to have with regard to health and wellbeing, through stating this in the relevant column, including if it is anticipated to be neutral (no impact).***
***Please also record in here your headline rationale for the ratings you have given.***

| **Health and wellbeing: individuals and communities in Shropshire** | **High negative impact** *Part Two HIA required* | **High positive impact** | **Medium positive or negative impact** | **Low positive negative or neutral impact (please specify)** |
|---|---|---|---|---|
| **Will the proposal have a *direct impact* on an individual's health, mental health and wellbeing?**<br>For example, would it cause ill health, affecting social inclusion, independence and participation?<br>. | | | | X |
| **Will the proposal *indirectly impact* an individual's ability to improve their own health and wellbeing?**<br>For example, will it affect their ability to be physically active, choose healthy food, reduce drinking and smoking?<br>. | | | | X |
| **Will the policy have a *direct impact* on the community - social, economic and environmental living conditions that would impact health?**<br>For example, would it affect housing, transport, child development, education, employment opportunities, availability of green space or climate change mitigation?<br>. | | | | X – increase in long term residents can promote greater community cohesion. |
| **Will there be a likely change in *demand* for or access to health and social care services?** | | | | X |

| | | | | |
|---|---|---|---|---|
| For example: Primary Care, Hospital Care, Community Services, Mental Health, Local Authority services including Social Services?<br>. | | | | |

| **Initial health equity assessment** | |
|---|---|
| **For the following categories, please complete with the expected impacts of this service change on wider inequalities, not just those that are health-related (whether positive, negative, or neutral) – include any additional information you feel is pertinent or useful.**<br><br>**Consider and record which you can control, which you can influence, and which may be out of your control**. | |
| Which population groups/demographics will face health impacts as a result of this change (if any)?<br>• Socio-Economically Deprived<br>• Geographic Deprivation (inc. Rurality) – *if so, where?*<br>• Inclusion Health & Vulnerable Groups[1]<br>• Other | *Please add information regarding relevant affected groups here, and how/to what extent they are likely to be impacted by this proposal., or refer back to data already provided under previous sections in this impact assessment, e.g. the Evidence section*<br><br>*In here, please also include any specific geographical locations if not picked up elsewhere* |
| What mitigations/enhancements are already in place, or what mitigations/enhancements do you plan to include for the foreseeable consequences of these changes? | *Please add information in here about what steps you propose to take to either mitigate/enhance the positive/negative effects of this proposal, on all affected groups, not just inclusion groups. These can either be already in place or planned for delivery.*<br><br>*If alternatives are available, e.g. if residents or groups could access this service via digital means or access it via travel to another amenity, please add this in here.* |

1- *Inclusion health is an umbrella term used to describe people who are socially excluded, who typically experience multiple overlapping risk factors for poor health, such as poverty, violence, and complex trauma. This includes people who experience homelessness, drug and alcohol dependence, vulnerable migrants, Gypsy, Roma and Traveller communities, sex workers, people in contact with the justice system and victims of modern slavery. Health impacts for this wide grouping will therefore potentially be the same as those recorded under the Social Inclusion category in the equality impact table.*

## Guidance Notes

### 1. Legal Context

It is a legal requirement for local authorities to assess the equality and human rights impact of changes proposed or made to services. It is up to us as an authority to decide what form our equality impact assessment may take. By way of illustration, some local authorities focus more overtly upon human rights; some include safeguarding. It is about what is considered to be needed in a local authority's area,

in line with local factors such as demography and strategic objectives as well as with the national legislative imperatives.

Carrying out these impact assessments helps us as a public authority to ensure that, as far as possible, we are taking actions to meet the general equality duty placed on us by the Equality Act 2010, and to thus demonstrate that the three equality aims are integral to our decision-making processes. These are: eliminating discrimination, harassment and victimisation; advancing equality of opportunity; and fostering good relations.

These screening assessments for any proposed service change go to Cabinet as part of the committee report, or occasionally direct to Full Council, unless they are ones to do with Licensing, in which case they go to Strategic Licensing Committee.

Service areas would ordinarily carry out a screening assessment, or Stage One equality impact assessment. This enables energies to be focussed on review and monitoring and ongoing evidence collection about the positive or negative impacts of a service change upon groupings in the community, and for any adjustments to be considered and made accordingly.

These screening assessments are recommended to be undertaken at timely points in the development and implementation of the proposed service change.

For example, a Stage One ESHIA would be a recommended course of action before a consultation. This would draw upon the evidence available at that time, and identify the target audiences, and assess at that initial stage what the likely impact of the service change could be across the national Protected Characteristic groupings and our additional local categories. This ESHIA would set out intended actions to engage with the groupings, particularly those who are historically less likely to engage in public consultation eg young people, as otherwise we would not know their specific needs.

A second Stage One ESHIA would then be carried out after the consultation, to say what the feedback was, to set out changes proposed as a result of the feedback, and to say where responses were low and what the plans are to engage with groupings who did not really respond. This ESHIA would also draw more upon actions to review impacts in order to mitigate the negative and accentuate the positive.

Meeting our Public Sector Equality Duty through carrying out these ESHIAs is very much about using them as an opportunity to demonstrate ongoing engagement across groupings and to thus visibly show we are taking what is called ‘due regard’ of the needs of people in Protected Characteristic groupings.

If the screening indicates that there are likely to be high negative impacts for groupings within the community, the service area would need to take advice on whether or not to carry out a full report, or Stage Two assessment. This is resource intensive but will enable more evidence to be collected that will help the service area to reach an informed opinion.

In practice, Stage Two or Full Screening Assessments have only been recommended twice since 2014, as the ongoing mitigation of negative equality impacts should serve to keep them below the threshold for triggering a Full Screening Assessment. The expectation is that Full Screening Assessments in regard to Health Impacts may occasionally need to be undertaken, but this would be very much the exception rather than the rule.

## 2. Council Wide and Service Area Policy and Practice on Equality, Social Inclusion and Health

This involves taking an equality and social inclusion approach in planning changes to services, policies, or procedures, including those that may be required by Government. The decisions that you make when you are planning a service change need to be recorded, to demonstrate that you have thought about the possible equality impacts on communities and to show openness and transparency in your decision-making processes.

This is where Equality, Social Inclusion and Health Impact Assessments (ESHIAs) come in. Where you carry out an ESHIA in your service area~~,~~ this provides an opportunity to show:

- What evidence you have drawn upon to help you to recommend a strategy or policy or a course of action to Cabinet or to Strategic Licensing Committee.
- What target groups and audiences you have worked with to date.
- What actions will you take in order to mitigate any likely negative impact upon a group or groupings, and enhance any likely positive effects for a group or groupings; and
- What actions you are planning to monitor and review the impact of your planned service change.

The formal template is there not only to help the service area but also to act as a stand-alone for a member of the public to read. The approach helps to identify whether or not any new or significant changes to services, including policies, procedures, functions, or projects, may have an adverse impact on a particular group of people, and whether the human rights of individuals may be affected.

There are nine Protected Characteristic groupings defined in the Equality Act 2010. The full list of groupings is: Age; Disability; Gender Reassignment; Marriage and Civil Partnership; Pregnancy and Maternity; Race; Religion or Belief; Sex; and Sexual Orientation.

There is also intersectionality between these. Eg a young person with a disability would be in the groupings of Age and Disability, and if they described themselves as having a faith they would then also be in the grouping of Religion or Belief. We demonstrate equal treatment to people who are in these groups and to people who are not, through having what is termed 'due regard' to their needs and views when developing and implementing policy and strategy and when commissioning, procuring, arranging, or delivering services.

For the individuals and groupings who may be affected, ask yourself what impact do you think is likely and what actions will you currently anticipate taking, to mitigate or enhance likely impact of the service change? If you are reducing a service, for example, there may be further use you could make of awareness raising through social media and other channels to reach more people who may be affected.

Social inclusion is then a wider additional local category we use in Shropshire, in order to help us to go beyond the equality legislation in also considering impacts for individuals and households with regard to the circumstances in which they may find themselves across their life stages. This could be households on low incomes, or households facing challenges in accessing services, such as households in rural areas, or people that we might consider to be vulnerable, such as refugee families or rough sleepers.

Please note that veterans and serving members of the armed forces and their families are a grouping to whom we are required to give due regard under Armed Forces legislation, although in practice we have been doing so for a number of years now.

We also identify two further distinct separate local groupings due to their circumstances: care leavers, as vulnerable individuals, and carers, due to the support they give and the support they need.

When you are not carrying out an ESHIA, you still need to demonstrate and record that you have considered equality in your decision-making processes. It is up to you what format you choose.-You could use a checklist, an explanatory note, or a document setting out our expectations of standards of behaviour, for contractors to read and sign. It may well not be something that is in the public domain like an ESHIA, but you should still be ready for it to be made available.

**Both the approaches sit with a manager, and the manager has to make the call, and record the decision made on behalf of the Council.**

*Carry out an ESHIA:*

- If you are building or reconfiguring a building.
- If you are planning to reduce or remove or reconfigure a service.
- If you are consulting on a policy or a strategy.
- If you are bringing in a change to a process or procedure that involves other stakeholders and the wider community as well as particular groupings

*Carry out and record your equality and social inclusion approach:*

- If you are setting out how you expect a contractor to behave with regard to equality, where you are commissioning a service or product from them.
- If you are setting out the standards of behaviour that we expect from people who work with vulnerable groupings, such as taxi drivers that we license.

- If you are planning consultation and engagement activity, where we need to collect equality data in ways that will be proportionate and non-intrusive as well as meaningful for the purposes of the consultation itself.
- If you are looking at services provided by others that help the community, we need to demonstrate a community leadership approach

## 3. Council wide and service area policy and practice on health and wellbeing

This is an area to record within our overall assessments of impacts, for which we ask service area leads to consider health and wellbeing impacts, and to look at these in the context of direct and indirect impacts for individuals and for communities.

A better understanding across the Council of these impacts will also better enable the Public Health colleagues to prioritise activities to reduce health inequalities in ways that are evidence based and that link effectively with equality impact considerations and climate change mitigation.

**Health in All Policies – Health Impact Assessment**

Health in All Policies is an upstream approach for health and wellbeing promotion and prevention, and to reduce health inequalities. The Health Impact Assessment (HIA) is the supporting mechanism

- Health Impact Assessment (HIA) is the technical name for a process that considers the wider effects of local policies, strategies and initiatives and how they, in turn, may affect people's health and wellbeing.
- Health Impact Assessment is a means of assessing both the positive and negative health impacts of a policy. It is also a means of developing good evidence-based policy and strategy using a structured process to review the impact.
- A Health Impact Assessment seeks to determine how to maximise health benefits and reduce health inequalities. It identifies any unintended health consequences. These consequences may support policy and strategy or may lead to suggestions for improvements.
- An agreed framework will set out a clear pathway through which a policy or strategy can be assessed and impacts with outcomes identified. It also sets out the support mechanisms for maximising health benefits.

The embedding of a Health in All Policies approach will support Shropshire Council through evidence-based practice and a whole systems approach, in achieving our corporate and partnership strategic priorities. This will assist the Council and partners in promoting, enabling and sustaining the health and wellbeing of individuals and communities whilst reducing health inequalities.

**<u>Individuals</u>**

**Will the proposal have a *direct impact* on health, mental health and wellbeing?**

For example, would it cause ill health, affecting social inclusion, independence and participation?

Will the proposal directly affect an individual's ability to improve their own health and wellbeing?

This could include the following: their ability to be physically active e.g., being able to use a cycle route; to access food more easily; to change lifestyle in ways that are of positive impact for their health.

Provision or change to a service that allows greater reach to those most in need, this can involve relocation, pooling of resource/efficiency changes, or digitisation of some provision. It may also involve greater opportunities for employment, decreasing socio-economic inequality. Physical alternatives to be made available (where practical) to be offered wherever possible to avoid digital exclusion and reduce social isolation. These changes can be either positive or negative depending on the proposal.

An example of this could be that you may be involved in proposals for the establishment of safer walking and cycling routes (e.g., green highways), and changes to public transport that could encourage people away from car usage. and increase the number of journeys that they make on public transport, by foot or on bicycle or scooter. This could improve lives. It could also involve virtual support sessions/appointments to avoid unnecessary travel and provide greater flexibility with individuals work schedules. It may involve greater internet connectivity, to improve remote working opportunities and air pollution concerns, or improved communications coverage through closer partnership working – targeting those most in need of specific information.

**Will the proposal *indirectly impact* an individual's ability to improve their own health and wellbeing?**

This could include the following: their ability to access local facilities e.g., to access food more easily, or to access a means of mobility to local services and amenities? (e.g. change to bus route)

Similarly to the above, an example of this could be that you may be involved in proposals for the establishment of safer walking and cycling routes (e.g. pedestrianisation of town centres), and changes to public transport that could encourage people away from car usage, and increase the number of journeys that they make on public transport, by foot or on bicycle or scooter. This could improve their health and wellbeing.

**Communities**

Will the proposal directly or indirectly affect the physical health, mental health, and wellbeing of the wider community**?**

A *direct impact* could include either the causing of ill health, affecting social inclusion, independence and participation, or the promotion of better health.

An example of this could be that safer walking and cycling routes could help the wider community, as more people across groupings may be encouraged to walk or engage in active travel. Increasing physical activity and minimising the time spent sitting down helps to maintain a healthy weight and reduces the risk of cardiovascular disease, type 2 diabetes, cancer, and depression. The UK Chief Medical Officers recommend that adults should do at least 150 minutes of moderate activity, or 75 minutes of vigorous activity, each week. At a wider level, reductions in vehicular emission lead to better air quality, and a reduction in $NO_2$ in the atmosphere.

An *indirect impact* could mean that a service change could indirectly affect living and working conditions and therefore the health and wellbeing of the wider community.

An example of this could be: an increase in the availability of warm homes would improve the quality of the housing offer in Shropshire and reduce the costs for households of having a warm home in Shropshire. This can reduce the risks of cold related health effects, as well as reduce the financial burden on the population, whose ability to shoulder these costs can vary. Often a health promoting approach also supports our agenda to reduce the level of Carbon Dioxide emissions and to reduce the impact of climate change.

Please record whether at this stage you consider the proposed service change to have a direct or an indirect impact upon communities.

**Demand**

**Will there be a change in demand for or access to health, local authority and social care services?**

For example: Primary Care, Hospital Care, Community Services, Mental Health and Social Services?

An example of this could be: a new housing development in an area would affect demand for primary care and local authority facilities and services in that location and surrounding areas. If the housing development does not factor in consideration of availability of green space and safety within the public realm, further down the line there could be an increased demand upon health and social care services as a result of the lack of opportunities for physical recreation, and reluctance of some groupings to venture outside if they do not perceive it to be safe.

***For further advice: please contact***
***Lois Dale via email Lois.Dale@shropshire.gov.uk***
***or***
***Phil Northfield via email Phillip.Northfield@shropshire.gov.uk***

**Shropshire Council**
**Equality, Social Inclusion and Health Impact Assessment (ESHIA)**
**Stage One Screening Record 2026**

*Please note that part A and part B of this document should be completed.*

## A. Summary Sheet on Accountability and Actions

| **Name of proposed service change** |
|---|
| Charge 100% council tax second homes premium in respect of substantially furnished dwellings that are no one's home or main residence. |

| **Name of the officer carrying out the screening** |
|---|
| Philip Weir |

| **Decision, review, and monitoring** |
|---|

| **Decision** | **Yes** | **No** |
|---|---|---|
| Initial (Stage One) ESHIA Only? | Yes | |
| Proceed to Stage Two Full ESHIA or HIA (part two) Report? | | No |

***If completion of a Stage One screening assessment is an appropriate and proportionate action at this stage, please use the boxes above, and complete both part A and part B of of this template. If a Full or Stage Two report is required, please move on to full report stage once you have completed this initial screening assessment as a record of the considerations which you have given to this matter.***

| **Assessment of likely neutral, negative impact or positive impact of the service change in terms of equality and social inclusion considerations** |
|---|
| This ESHIA is a stocktake update of previous ESHIA carried out in January 2026.<br><br>The Levelling Up and Regeneration Act 2023 provided Billing Authorities with the power to levy 100% council tax premium in respect of substantially furnished dwellings where there was no resident, commonly known as second homes.<br><br>The Levelling Up and Regeneration Act was delayed in becoming law meaning that the second homes premium could not be introduced from 1 April 2024. Instead, the regulations were passed in October 2023 meaning that the Council were able to make a determination in the taxbase report on 14 December 2023 to levy the second homes premium at 100% with effect from 1 April 2025.<br><br>In November 2024 the Government published guidance on the implementation of council tax second homes premium. This was after the determination to levy the second homes premium had been made by Shropshire Council. |

The Council reaffirmed its determination to levy the second homes premium at full Council on 12 December 2024 (see page 25).

Full Council 12 December 2024 - Setting the Council Taxbase report

The council tax team wrote to all impacted taxpayers in January 2025 to advise them of the charging of the second homes premium with effect from April 2025.

The Council reaffirmed its determination to levy the second homes premium at full Council on 11 December 2025 (page 27).

Full Council 11 December 2025 - Setting the Council Taxbase report

The Government also announced a number of exceptions to the long-term empty and second home premium with effect from 1 April 2025.

Guidance on the implementation of the council tax premiums on long-term empty homes and second homes - GOV.UK

The guidance suggested the following should be taken into account.

- *numbers and proportion of long-term empty dwellings and/or second homes in the local area*
- *circumstances which may affect whether the dwelling can be used as a main residence*
- *potential impact on local economies and the tourism industry*
- *potential impact on the local community*
- *potential impact on local services*
- *other measures that are available to councils to help bring empty dwellings back into use*

*Councils should consider the reasons why dwellings are unoccupied in deciding whether they want such dwellings to be included in their determination. Examples of issues councils may want to take account of in making their determination include:*

- *on average, how long dwellings in their area are available for sale or rent before completion/occupation*
- *the average price/rent in the local area*
- *whether there are circumstances which make the dwelling unsuitable for use as main residence*
- *whether there are circumstances which make the dwelling difficult to sell/let*
- *whether the dwelling is empty so that improvements can be made between sale/let*

The Council can consider such matters as part of individual consideration for discretionary discounts under Section 13A(c) of the Local Government Finance Act 1992 (see below).

However, of pertinence here is that the Council no longer has an empty homes team.

The Council's Business Intelligence Team has advised that while the Council does have house price data and could calculate affordability ratios, as Shropshire is such a large rural county, and transaction numbers are small, the data would be easily skewed by outliers at either ends of the scale.

The current staffing levels also inhibit the preparation and provision of meaningful analysis of the impact on the economy or to local communities or services of the policy in such a sparse setting.

By way of illustration, Shropshire is one of the most sparsely populated local authorities in the country. Shropshire has a population density of just 1 person per hectare (319,730 hectares), compared to 4.4 persons per hectare nationally (13,027,843 hectares).

Given that owners of second homes do not fall into any particular category or grouping of people, or into particular Protected Characteristic groupings as set out in the Equality Act 2010, any assessment of equality impacts can only be an overall assessment across these groupings. The only thing that owners of second homes have in common is that they own second homes.

Some are residents of Shropshire while others are resident in other parts of the country.

Second homes also include furnished dwellings between lets.

Not all taxpayers are impacted by this policy change, only those who own a second home that meet the definition above are impacted.

The overall impact may be regarded as neutral to low positive across groupings, given that the policy aim is to bring second homes back into use as primary residences. This is notwithstanding the negative financial impact for taxpayers paying the premium.

There is also potential for neutral to low positive impact for our additional local groupings of Social Inclusion, Carers, and of Young People Leaving Care, with better potential opportunity for social mobility if a wider pool of housing is available to them across the county. Young people including those leaving care are also less likely to be second home owners, as are serving members of the armed forces.

The discretionary council tax discount may involve consideration in particular for people affected in regard to Disability and in regard to the circumstances in which they may find themselves, including veterans as well as serving members of the armed forces and their families. This grouping are a grouping to whom we are required to give due regard under Armed Forces legislation. Consideration of health and well being are likely to be significant factors in such cases.

**Assessment of likely neutral, negative or positive impact of the service change in terms of health and wellbeing considerations**

Owners of second homes do not share any particular characteristic. Many may be resident outside Shropshire Council area.

The positive impact will be in returning second homes as primary residences, and the increase in council tax income to the Council. Longer term residencies also lead to a potential increase in community cohesion by providing stability of individuals within an area.

The Council has discretion under Section 13A (c) of the Local Government Finance Act 1992 to award discretionary council tax discounts to any residents as it sees fit and this discretion is delegated to the Councils Chief Finance Officer, with any appeals to an appeal panel of members.

This discretion has been commonly used to give consideration for requests for discount to counter the impact of the long-term empty premium in exceptional circumstances, including financial hardship, and has continued to be used for requests for a discount to counter the impact of the second homes premium since 1 April 2025.

This discretionary council tax discount may then involve consideration in particular for people affected in regard to Disability and in regard to the circumstances in which they may find themselves, including veterans and serving members of the armed forces and their families. Considerations around health and well being are likely to be significant factors in such cases.

**Actions to review and monitor the impact of the service change in terms of equality, social inclusion, and health considerations**

The policy change is not popular with impacted taxpayers, many of whom are resident outside of Shropshire.

211 other billing authorities took the decision to levy the second homes premium with effect from 1 April 2025 with a further 38 intending to levy it with effect from 1 April 2026, so this is a national change as much as a local one.

The Council must review the impact of the policy change in view of the fact that any increase in tax will be unpopular.

The Council does have the means to consider individual circumstances via the discretionary discount procedure detailed above. Clear information on when and what circumstances this charge/levy will be liable will be included on council webpages.

The Council will additionally need to have regard to implementation of the latest Government spending settlement for local authorities, and to comparator work with other rural unitaries in terms of likely and actual impacts for local authorities and their residents

**Associated ESHIAs**

This ESHIA incorporates minor updates from the stocktake ESHIA produced 15th January 2026, and is a companion document to an ESHIA on long term empty property premiums. The following is also of relevance, together with the ESHIA carried out for the Council's Corporate Plan, approved at Cabinet in May 2026:

mtfs-empty-homes-function-eshia.pdf

**Assessment of likely neutral, negative or positive impact, and actions to review and monitor overall impacts, with regard to climate change impacts and with regard to economic and societal impacts**

***Climate change***

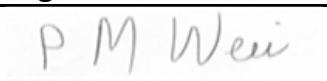
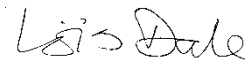
N/A

***Economic and societal/wider community***

- Increase in housing supply for local residents, supporting individuals to move both to, and within the county, and contribute to the local economy. Housing affordability and security is a key social determinant of health, particularly mental wellbeing.
- Reduction in the number of short-term visitors/speculators, potentially improving community cohesion with more long-term residents.
- Additional social mobility opportunities for younger people, potentially encouraging them to remain in Shropshire and make their residency here.

- The policy changes also increase council tax income to the Council by around £2.5 million in 2025-26.

**Scrutiny at Stage One screening stage**

| People involved | Signatures | Date |
|---|---|---|
| *Lead officer for the proposed service change* |  | 04 November 2026 |
| *Officer carrying out the screening* |  | 04 November 2026 |
| *External support** **Phil Northfield** *Public Health Integration & Inequalities Officer* **Lois Dale** Senior Insights and Research EDI Specialist |   | 04..11.26 04.11.2026 |

***This refers to support external to the service and within the Council, e.g., the Senior Insights and Research EDI specialist, the Integration & Inequalities Officer – Public Health, other Insights and Research or Public Health colleagues, the Feedback and Insight Team, Climate Change specialists, etc.***

**Sign off at Stage One screening stage**

| Name | Signatures | Date |
|---|---|---|
| *Lead officer's name* **Philip Weir** |  | 04 November 2026 |
| *Service manager's name* **Philip Weir** |  | 04 November 2026 |

***This may either be the Head of Service or the lead officer***

## B. Detailed Screening Assessment

| Aims of the service change and description |
|---|

| Intended audiences and target groups for the service change |
|---|
| Owners of second homes.<br><br>Some are residents of Shropshire while others are resident in other parts of the country.<br><br>Second homes also include furnished dwellings between lets.<br><br>Residents in Shropshire, for whom the intention is that there will be positive outcomes in terms of additional revenue to be spent in Shropshire for the benefit |

of the wider community, as well as in terms of a wider pool of potential housing stock.

Not all taxpayers are impacted by this policy change, only those who own a second home that meet the definition above are impacted.

Additionally, local councillors are key stakeholders in terms of communicating changes and acting as community leaders.
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**Evidence used for screening of the service change**

Levelling Up and Regeneration Act 2023

Guidance on the implementation of the council tax premiums on long-term empty homes and second homes - GOV.UK

Council and Cabinet papers, accessible via the Council website www.shropshire.gov.uk

**Specific consultation and engagement with intended audiences and target groups for the service change**

On 22 December 2023 the Council published a notice of its intention to levy a second homes premium with effect from 1 April 2025 in the Shropshire Star.

Press Notice 22 December 2023.pdf

Notification of the intention to levy the second homes premium with effect from 1 April 2025 was referenced in the leaflets accompanying the council tax bills issued in March 2024.

In November 2024 the Government published guidance on the implementation of council tax second homes premium. This was after the determination to levy the second homes premium had been made by Shropshire Council. The Government also announced a number of exceptions to the long-term empty and second home premium with effect from 1 April 2025.

Guidance on the implementation of the council tax premiums on long-term empty homes and second homes - GOV.UK

The Council reaffirmed its determination to levy the second homes premium at full Council on 12 December 2024 (page 25).

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Full Council 11 December 2025 - Setting the Council Taxbase report

The Council does have the means to consider individual circumstances via the discretionary discount procedure detailed above. Clear information on when and what circumstances this charge/levy will be liable will be included on council webpages

**Initial equality impact assessment by grouping (Initial health impact assessment is included below this table)**

***Please rate the impact that you perceive the service change is likely to have for a grouping, through stating this in the relevant column, including if it is anticipated to be neutral (no impact).***

***Please also record in here your headline rationale for the ratings you have given.***

| **Protected Characteristic groupings and other groupings locally identified in Shropshire** | **High negative impact** *Stage Two ESHIA required* | **High positive impact** *Stage One ESHIA required* | **Medium positive or negative impact** *Stage One ESHIA required* | **Low positive, negative, or neutral impact (please specify)** *Stage One ESHIA required* |
|---|---|---|---|---|
| Age<br>(please include children, young people, young carers, young people leaving care, people of working age, older people. Some people may belong to more than one group e.g., a child or young person for whom there are safeguarding concerns e.g., an older person with a disability) | | | | X neutral to low positive for potential to widen housing pool; neutral to low negative in financial terms for second home owners |
| Disability<br>(please include cancer; HIV/AIDS; learning disabilities; mental health conditions and syndromes; multiple sclerosis; neurodiverse conditions such as autism; hidden disabilities such as Crohn's disease; physical and/or sensory disabilities or impairments) | | | | X neutral to low positive for potential to widen housing pool; neutral to low negative in financial terms |

| | | | | |
|---|---|---|---|---|
| | | | | for second home owners |
| Gender re-assignment<br>(please include associated aspects: safety, caring responsibility, potential for bullying and harassment) | | | | X neutral to low positive for potential to widen housing pool; neutral to low negative in financial terms for second home owners |
| Marriage and Civil Partnership<br>(please include associated aspects: caring responsibility, potential for bullying and harassment) | | | | X neutral to low positive for potential to widen housing pool; neutral to low negative in financial terms for second home owners |
| Pregnancy and Maternity<br>(please include associated aspects: safety, caring responsibility, potential for bullying and harassment) | | | | X neutral to low positive for potential to widen housing pool; neutral to low negative in financial terms for second home owners |
| Race<br>(please include ethnicity, nationality, culture, language, Gypsy, Roma, Traveller) | | | | X neutral to low positive for potential to widen housing pool; neutral to low negative in financial terms for second home owners |
| Religion or Belief<br>(please include Buddhism, Christianity, Hinduism, Islam, Jainism, Judaism, Nonconformists; Rastafarianism; Shinto, Sikhism, Taoism, Veganism, Zoroastrianism, and any others) | | | | X neutral to low positive for potential to widen housing pool; neutral to low negative in financial terms for second home owners |

| | | | | |
|---|---|---|---|---|
| Sex<br>(please include associated aspects: safety, caring responsibility, potential for bullying and harassment) | | | | X neutral to low positive for potential to widen housing pool; neutral to low negative in financial terms for second home owners |
| Sexual Orientation<br>(please include associated aspects: safety; caring responsibility; potential for bullying and harassment) | | | | X neutral to low positive for potential to widen housing pool; neutral to low negative in financial terms for second home owners |
| Other: Social Inclusion<br>(please include households in poverty or on low incomes; people for whom there are safeguarding concerns; people you consider to be vulnerable; people with health inequalities; refugees and asylum seekers; rough sleepers and those at risk of homelessness; and rural communities) | | | | X neutral to low positive for potential to widen housing pool; neutral to low negative in financial terms for second home owners |
| Other: Carers<br>(please include families and friends with caring responsibilities) | | | | X neutral to low positive for potential to widen housing pool; neutral to low negative in financial terms for second home owners |
| Other: Veterans and serving members of the armed forces and their families (as per Armed Forces Act 2023) | | | | X neutral to low positive for potential to widen housing pool; less likely to be second home owners |
| Other: Young people leaving care | | | | X neutral to low positive for potential to widen housing |

| | | | | |
|---|---|---|---|---|
| | | | | pool; less likely to be second home owners |

## Initial health and wellbeing impact assessment by category

***Please rate the impact that you perceive the service change is likely to have with regard to health and wellbeing, through stating this in the relevant column, including if it is anticipated to be neutral (no impact).***
***Please also record in here your headline rationale for the ratings you have given.***

| **Health and wellbeing: individuals and communities in Shropshire** | **High negative impact** *Part Two HIA required* | **High positive impact** | **Medium positive or negative impact** | **Low positive negative or neutral impact (please specify)** |
|---|---|---|---|---|
| **Will the proposal have a *direct impact* on an individual's health, mental health and wellbeing?**<br>For example, would it cause ill health, affecting social inclusion, independence and participation?<br>. | | | | X |
| **Will the proposal *indirectly impact* an individual's ability to improve their own health and wellbeing?**<br>For example, will it affect their ability to be physically active, choose healthy food, reduce drinking and smoking?<br>. | | | | X |
| **Will the policy have a *direct impact* on the community - social, economic and environmental living conditions that would impact health?**<br>For example, would it affect housing, transport, child development, education, employment opportunities, availability of green space or climate change mitigation?<br>. | | | | X – increase in long term residents can promote greater community cohesion. |

| | | | | |
|---|---|---|---|---|
| **Will there be a likely change in *demand* for or access to health and social care services?**<br>For example: Primary Care, Hospital Care, Community Services, Mental Health, Local Authority services including Social Services?<br>. | | | | X |

| **Initial health equity assessment** | |
|---|---|
| **For the following categories, please complete with the expected impacts of this service change on wider inequalities, not just those that are health-related (whether positive, negative, or neutral) – include any additional information you feel is pertinent or useful.**<br><br>**Consider and record which you can control, which you can influence, and which may be out of your control**. | |
| Which population groups/demographics will face health impacts as a result of this change (if any)?<br>• Socio-Economically Deprived<br>• Geographic Deprivation (inc. Rurality) – *if so, where?*<br>• Inclusion Health & Vulnerable Groups[1]<br>• Other | *Please add information regarding relevant affected groups here, and how/to what extent they are likely to be impacted by this proposal., or refer back to data already provided under previous sections in this impact assessment, e.g. the Evidence section*<br><br>*In here, please also include any specific geographical locations if not picked up elsewhere* |
| What mitigations/enhancements are already in place, or what mitigations/enhancements do you plan to include for the foreseeable consequences of these changes? | *Please add information in here about what steps you propose to take to either mitigate/enhance the positive/negative effects of this proposal, on all affected groups, not just inclusion groups. These can either be already in place or planned for delivery.*<br><br>*If alternatives are available, e.g. if residents or groups could access this service via digital means or access it via travel to another amenity, please add this in here.* |

1- *Inclusion health is an umbrella term used to describe people who are socially excluded, who typically experience multiple overlapping risk factors for poor health, such as poverty, violence, and complex trauma. This includes people who experience homelessness, drug and alcohol dependence, vulnerable migrants, Gypsy, Roma and Traveller communities, sex workers, people in contact with the justice system and victims of modern slavery. Health impacts for this wide grouping will therefore potentially be the same as those recorded under the Social Inclusion category in the equality impact table.*

## Guidance Notes

### 1. Legal Context

It is a legal requirement for local authorities to assess the equality and human rights impact of changes proposed or made to services. It is up to us as an authority to decide what form our equality impact assessment may take. By way of illustration, some local authorities focus more overtly upon human rights; some include safeguarding. It is about what is considered to be needed in a local authority's area, in line with local factors such as demography and strategic objectives as well as with the national legislative imperatives.

Carrying out these impact assessments helps us as a public authority to ensure that, as far as possible, we are taking actions to meet the general equality duty placed on us by the Equality Act 2010, and to thus demonstrate that the three equality aims are integral to our decision-making processes. These are: eliminating discrimination, harassment and victimisation; advancing equality of opportunity; and fostering good relations.

These screening assessments for any proposed service change go to Cabinet as part of the committee report, or occasionally direct to Full Council, unless they are ones to do with Licensing, in which case they go to Strategic Licensing Committee.

Service areas would ordinarily carry out a screening assessment, or Stage One equality impact assessment. This enables energies to be focussed on review and monitoring and ongoing evidence collection about the positive or negative impacts of a service change upon groupings in the community, and for any adjustments to be considered and made accordingly.

These screening assessments are recommended to be undertaken at timely points in the development and implementation of the proposed service change.

For example, a Stage One ESHIA would be a recommended course of action before a consultation. This would draw upon the evidence available at that time, and identify the target audiences, and assess at that initial stage what the likely impact of the service change could be across the national Protected Characteristic groupings and our additional local categories. This ESHIA would set out intended actions to engage with the groupings, particularly those who are historically less likely to engage in public consultation eg young people, as otherwise we would not know their specific needs.

A second Stage One ESHIA would then be carried out after the consultation, to say what the feedback was, to set out changes proposed as a result of the feedback, and to say where responses were low and what the plans are to engage with groupings who did not really respond. This ESHIA would also draw more upon actions to review impacts in order to mitigate the negative and accentuate the positive.

Meeting our Public Sector Equality Duty through carrying out these ESHIAs is very much about using them as an opportunity to demonstrate ongoing engagement

across groupings and to thus visibly show we are taking what is called ‘due regard’ of the needs of people in Protected Characteristic groupings.

If the screening indicates that there are likely to be high negative impacts for groupings within the community, the service area would need to take advice on whether or not to carry out a full report, or Stage Two assessment. This is resource intensive but will enable more evidence to be collected that will help the service area to reach an informed opinion.

In practice, Stage Two or Full Screening Assessments have only been recommended twice since 2014, as the ongoing mitigation of negative equality impacts should serve to keep them below the threshold for triggering a Full Screening Assessment. The expectation is that Full Screening Assessments in regard to Health Impacts may occasionally need to be undertaken, but this would be very much the exception rather than the rule.

## 2. Council Wide and Service Area Policy and Practice on Equality, Social Inclusion and Health

This involves taking an equality and social inclusion approach in planning changes to services, policies, or procedures, including those that may be required by Government. The decisions that you make when you are planning a service change need to be recorded, to demonstrate that you have thought about the possible equality impacts on communities and to show openness and transparency in your decision-making processes.

This is where Equality, Social Inclusion and Health Impact Assessments (ESHIAs) come in. Where you carry out an ESHIA in your service area~~,~~ this provides an opportunity to show:

- What evidence you have drawn upon to help you to recommend a strategy or policy or a course of action to Cabinet or to Strategic Licensing Committee.
- What target groups and audiences you have worked with to date.
- What actions will you take in order to mitigate any likely negative impact upon a group or groupings, and enhance any likely positive effects for a group or groupings; and
- What actions you are planning to monitor and review the impact of your planned service change.

The formal template is there not only to help the service area but also to act as a stand-alone for a member of the public to read. The approach helps to identify whether or not any new or significant changes to services, including policies, procedures, functions, or projects, may have an adverse impact on a particular group of people, and whether the human rights of individuals may be affected.

There are nine Protected Characteristic groupings defined in the Equality Act 2010. The full list of groupings is: Age; Disability; Gender Reassignment; Marriage and Civil Partnership; Pregnancy and Maternity; Race; Religion or Belief; Sex; and Sexual Orientation.

There is also intersectionality between these. Eg a young person with a disability would be in the groupings of Age and Disability, and if they described themselves as having a faith they would then also be in the grouping of Religion or Belief. We demonstrate equal treatment to people who are in these groups and to people who are not, through having what is termed 'due regard' to their needs and views when developing and implementing policy and strategy and when commissioning, procuring, arranging, or delivering services.

For the individuals and groupings who may be affected, ask yourself what impact do you think is likely and what actions will you currently anticipate taking, to mitigate or enhance likely impact of the service change? If you are reducing a service, for example, there may be further use you could make of awareness raising through social media and other channels to reach more people who may be affected.

Social inclusion is then a wider additional local category we use in Shropshire, in order to help us to go beyond the equality legislation in also considering impacts for individuals and households with regard to the circumstances in which they may find themselves across their life stages. This could be households on low incomes, or households facing challenges in accessing services, such as households in rural areas, or people that we might consider to be vulnerable, such as refugee families or rough sleepers.

Please note that veterans and serving members of the armed forces and their families are a grouping to whom we are required to give due regard under Armed Forces legislation, although in practice we have been doing so for a number of years now.

We also identify two further distinct separate local groupings due to their circumstances: care leavers, as vulnerable individuals, and carers, due to the support they give and the support they need.

When you are not carrying out an ESHIA, you still need to demonstrate and record that you have considered equality in your decision-making processes. It is up to you what format you choose.-You could use a checklist, an explanatory note, or a document setting out our expectations of standards of behaviour, for contractors to read and sign. It may well not be something that is in the public domain like an ESHIA, but you should still be ready for it to be made available.

**Both the approaches sit with a manager, and the manager has to make the call, and record the decision made on behalf of the Council.**

*Carry out an ESHIA:*

- If you are building or reconfiguring a building.
- If you are planning to reduce or remove or reconfigure a service.
- If you are consulting on a policy or a strategy.
- If you are bringing in a change to a process or procedure that involves other stakeholders and the wider community as well as particular groupings

*Carry out and record your equality and social inclusion approach:*

- If you are setting out how you expect a contractor to behave with regard to equality, where you are commissioning a service or product from them.
- If you are setting out the standards of behaviour that we expect from people who work with vulnerable groupings, such as taxi drivers that we license.
- If you are planning consultation and engagement activity, where we need to collect equality data in ways that will be proportionate and non-intrusive as well as meaningful for the purposes of the consultation itself.
- If you are looking at services provided by others that help the community, we need to demonstrate a community leadership approach

**3. Council wide and service area policy and practice on health and wellbeing**

This is an area to record within our overall assessments of impacts, for which we ask service area leads to consider health and wellbeing impacts, and to look at these in the context of direct and indirect impacts for individuals and for communities.

A better understanding across the Council of these impacts will also better enable the Public Health colleagues to prioritise activities to reduce health inequalities in ways that are evidence based and that link effectively with equality impact considerations and climate change mitigation.

**Health in All Policies – Health Impact Assessment**

Health in All Policies is an upstream approach for health and wellbeing promotion and prevention, and to reduce health inequalities. The Health Impact Assessment (HIA) is the supporting mechanism

- Health Impact Assessment (HIA) is the technical name for a process that considers the wider effects of local policies, strategies and initiatives and how they, in turn, may affect people's health and wellbeing.
- Health Impact Assessment is a means of assessing both the positive and negative health impacts of a policy. It is also a means of developing good evidence-based policy and strategy using a structured process to review the impact.
- A Health Impact Assessment seeks to determine how to maximise health benefits and reduce health inequalities. It identifies any unintended health consequences. These consequences may support policy and strategy or may lead to suggestions for improvements.
- An agreed framework will set out a clear pathway through which a policy or strategy can be assessed and impacts with outcomes identified. It also sets out the support mechanisms for maximising health benefits.

The embedding of a Health in All Policies approach will support Shropshire Council through evidence-based practice and a whole systems approach, in achieving our corporate and partnership strategic priorities. This will assist the Council and partners in promoting, enabling and sustaining the health and wellbeing of individuals and communities whilst reducing health inequalities.

## Individuals

**Will the proposal have a *direct impact* on health, mental health and wellbeing?**

For example, would it cause ill health, affecting social inclusion, independence and participation?

Will the proposal directly affect an individual's ability to improve their own health and wellbeing?

This could include the following: their ability to be physically active e.g., being able to use a cycle route; to access food more easily; to change lifestyle in ways that are of positive impact for their health.

Provision or change to a service that allows greater reach to those most in need, this can involve relocation, pooling of resource/efficiency changes, or digitisation of some provision. It may also involve greater opportunities for employment, decreasing socio-economic inequality. Physical alternatives to be made available (where practical) to be offered wherever possible to avoid digital exclusion and reduce social isolation. These changes can be either positive or negative depending on the proposal.

An example of this could be that you may be involved in proposals for the establishment of safer walking and cycling routes (e.g., green highways), and changes to public transport that could encourage people away from car usage. and increase the number of journeys that they make on public transport, by foot or on bicycle or scooter. This could improve lives. It could also involve virtual support sessions/appointments to avoid unnecessary travel and provide greater flexibility with individuals work schedules. It may involve greater internet connectivity, to improve remote working opportunities and air pollution concerns, or improved communications coverage through closer partnership working – targeting those most in need of specific information.

**Will the proposal *indirectly impact* an individual's ability to improve their own health and wellbeing?**

This could include the following: their ability to access local facilities e.g., to access food more easily, or to access a means of mobility to local services and amenities? (e.g. change to bus route)

Similarly to the above, an example of this could be that you may be involved in proposals for the establishment of safer walking and cycling routes (e.g. pedestrianisation of town centres), and changes to public transport that could encourage people away from car usage, and increase the number of journeys that they make on public transport, by foot or on bicycle or scooter. This could improve their health and wellbeing.

## Communities

Will the proposal directly or indirectly affect the physical health, mental health, and wellbeing of the wider community**?**

A *direct impact* could include either the causing of ill health, affecting social inclusion, independence and participation, or the promotion of better health.

An example of this could be that safer walking and cycling routes could help the wider community, as more people across groupings may be encouraged to walk or engage in active travel. Increasing physical activity and minimising the time spent sitting down helps to maintain a healthy weight and reduces the risk of cardiovascular disease, type 2 diabetes, cancer, and depression. The UK Chief Medical Officers recommend that adults should do at least 150 minutes of moderate activity, or 75 minutes of vigorous activity, each week. At a wider level, reductions in vehicular emission lead to better air quality, and a reduction in $NO_2$ in the atmosphere.

An *indirect impact* could mean that a service change could indirectly affect living and working conditions and therefore the health and wellbeing of the wider community.

An example of this could be: an increase in the availability of warm homes would improve the quality of the housing offer in Shropshire and reduce the costs for households of having a warm home in Shropshire. This can reduce the risks of cold related health effects, as well as reduce the financial burden on the population, whose ability to shoulder these costs can vary. Often a health promoting approach also supports our agenda to reduce the level of Carbon Dioxide emissions and to reduce the impact of climate change.

Please record whether at this stage you consider the proposed service change to have a direct or an indirect impact upon communities.

**Demand**

**Will there be a change in demand for or access to health, local authority and social care services?**

For example: Primary Care, Hospital Care, Community Services, Mental Health and Social Services?

An example of this could be: a new housing development in an area would affect demand for primary care and local authority facilities and services in that location and surrounding areas. If the housing development does not factor in consideration of availability of green space and safety within the public realm, further down the line there could be an increased demand upon health and social care services as a result of the lack of opportunities for physical recreation, and reluctance of some groupings to venture outside if they do not perceive it to be safe.

***For further advice: please contact***
***Lois Dale via email Lois.Dale@shropshire.gov.uk***
***or***
***Phil Northfield via email Phillip.Northfield@shropshire.gov.uk***

| | |
|---|---|
| **Committee** | Audit & Governance Committee<br>26 November 2026<br><br>Cabinet<br>2 December 2026<br><br>Council<br>10 December 2026<br><br>Public |

# Treasury Strategy 2026/27 Mid-Year Review

| | |
|---|---|
| **Cabinet Member:** | Councillor Roger Evans – Portfolio Holder for Finance |
| **Lead Director:** | Duncan Whitfield, Section 151 Officer |
| **Service Area:** | Finance |
| **Report Author** | Cheryl Sedgley, Head of Finance Management & Reporting |
| **Officer contact details** | cheryl.sedgley@shropshire.gov.uk |
| **Electoral Divisions Affected** | All Divisions |
| **Key Decision?** | Key Decision |
| **Cabinet Forward Plan** | Yes – 12 May 2026 |
| **Report considered by** | Audit & Governance Committee – 26 November 2026<br>Cabinet – 2 December 2026<br>Full Council – 10 December 2026 |

## 1. Purpose of Report

1.1. This mid-year Treasury Strategy report has been prepared in compliance with CIPFA's Code of Practice on Treasury Management (revised 2021) to provide members with the following:

- An economic update for the first half of the 2026/27 financial year;
- A review of the Treasury Management Strategy Statement and Annual Investment Strategy;

- The Authority's capital expenditure, as set out in the Capital Strategy, and prudential indicators;
- A review of the Authority's investment portfolio for 2026/27;
- A review of the Authority's borrowing strategy for 2026/27;
- A review of any debt rescheduling undertaken during 2026/27;
- A review of compliance with Treasury and Prudential Limits for 2026/27.

## 2. Recommendations

2.1. Audit and Governance Committee, Cabinet and Council are recommended to:

Agree the Treasury Strategy activity as set out in the report.

## 3. Background

3.1. The Council defines its treasury management activities as "the management of the authority's borrowing, investments and cash flows, its banking, money market and capital market transactions, the effective control of the risks associated with the activities, and the pursuit of optimum performance consistent with those risks." Broadly, cash received by the Council raised during the year will meet its cash expenditure. Treasury Management operations ensure this cash flow is planned and managed. Temporary surplus balances are invested in low-risk counterparties (providing security), ensuring cash availability (liquidity), and only considering investment return (yield) last.

3.2. Cash flow management covers in-year (revenue) costs as well as the funding of the Council's long term (capital) plans. Capital plans provide a guide to the future borrowing need of the Council and may involve arranging long or short-term borrowing. Occasionally existing debt may be restructured as opportunities allow.

3.3. To secure specialist advice on long-term borrowing and investment, the Council works with MUFG Corporate Markets (MUFG), who provide the detailed analysis set out in this report.

## 4. Summary of Main Proposals

4.1. The Treasury Management Strategy (TMS) for 2026/27 was approved by Full Council on 26 February 2026. There are no policy changes, or any changes required to the prudential and treasury indicators previously approved. The details in this report update the position in the light of the updated economic position.

4.2. Since the Council's Treasury and Capital strategies were agreed in February 2026, there have been further changes in terms of the economic environment. Inflation, particularly relating to fuel and energy costs have increased as a direct consequence of the conflict in the Middle East. Whilst the Bank Rate remained static during the first six months of the year at 3.75% it was suggested that if the Middle East conflict remained, the Bank of England may need to consider rate increases later in the year. A detailed commentary can be found in Appendix D.

4.3. The Council's Annual Investment Strategy, which is incorporated in the TMS, outlines the Council's investment priorities as the security and liquidity of its capital. In the current economic climate, it is considered appropriate to keep

investments short term to cover cash flow needs, but also to seek out value available in periods up to 12 months with high credit quality financial institutions, using the MUFG suggested creditworthiness approach, including a minimum sovereign credit rating and Credit Default Swap (CDS) overlay information.

4.4. The average level of funds available for investment purposes during the first half of the financial year was £57.307m. These funds were available on a temporary basis, and the level of funds available was mainly dependent on the timing of precept payments, receipt of grants and progress on the capital programme.

4.5. In the first six months of 2026/27 the internal finance team's return achieved was marginally higher than its benchmark by 0.091%. The gross investment return was 3.821% compared to the benchmark of 3.730%. As cash balances held are lower than in previous years, the Council need to ensure cash balances are highly liquid, resulting in lower interest rates on short term deals. However, during August and September cash balances have enabled some investments to be made with other local authorities or banks spanning a full month, which have resulted in a better interest return.

4.6. A full list of investments held as at 30 September 2026, compared to MUFG's counterparty list, and changes to Fitch, Moody's and Standard & Poor's credit ratings are shown within MUFG's Monthly Investment Analysis Review at Appendix A. None of the approved limits within the Annual Investment Strategy were breached during the first half of 2026/27. Officers continue to monitor the credit ratings of institutions on a daily basis. Delegated authority has been put in place to make any amendments to the approved lending list.

4.7. The interest receivable budget has delivered net income of £1.081m in the first six months of the year. Projections on income are reviewed monthly and estimates for the remainder of the year will be dependent on the value of investment balances available and interest rates available for investments.

4.8. Details of the Council's borrowing activity can be found within Appendix D.

## 5. Key risks and Opportunities

5.1 The assessment and management of risk are key considerations for any Treasury Management approach. Compliance with the CIPFA Code of Practice on Treasury Management, the Council's Treasury Policy Statement and Treasury Management Practices and the Prudential Code for Capital Finance together with the rigorous internal controls will enable the Council to manage the risk associated with Treasury Management activities and the potential for financial loss.

| Risk | Mitigation | Link to Strategic Risk |
|---|---|---|
| Security of funds | The Council maintains an Annual Investment Strategy which ensures that minimum acceptable credit criteria is applied for all investments to ensure that only highly creditworthy counterparties are used which enables | Governance and performance |

| | | |
|---|---|---|
| | diversification across all investments. The Council uses a treasury advisor, MUFG Corporate Markets/Link Asset Services to provide a creditworthiness service of all potential investment counterparties, which is continuously monitored and updated as needed | |
| Managing liquidity | The Council undertakes cash flow monitoring which highlights anticipated cash transactions for the upcoming 18 months. All departments are requested to provide details of large value income and expenditure transactions that may impact on the authority's cash flow position. This is tracked daily and continuously updated to ensure appropriate liquidity to match this profile. | Impact of financing Exceptional Financial Support (EFS) |
| Achievement of investment benchmark | Investments undertaken by the Finance team are benchmarked against the 3 Month Sterling Overnight Index Average (SONIA). The key factors in tracking performance of investments, is the cash balance available to invest and the return that is achieved on investments made. When interest rates are rising in the economy, it may be that previous investments that were fixed have now become less favourable, and so there is a higher risk that the benchmark may not be achieved. The availability of cash for investing has also become a key factor, especially in a period where reserves and hence cash balances have reduced. During the months of February and March the Council does not collect Council Tax and so cash balances reduce during | Effective and transparent decision making and scrutiny arrangements |

| | | |
|---|---|---|
| | these months. To manage this period, cash is held in call accounts or highly liquid investments rather than being placed into longer term fixed interest investments. The main priority for the Council is always to maintain security and liquidity of funds in preference to investment returns. | |

## 6. Council Priorities

6.1. The requirement to manage the Council's cashflow position, treasury investments and borrowing efficiently and effectively is a key requirement in helping to deliver a financially sustainable council. By ensuring that any surplus monies are invested, this will generate essential additional income for the Council. Also by carefully managing the timescale and need to borrow funds, this can keep associated borrowing costs to a minimum for the Council.

## 7. Financial Implications

7.1. The Council makes assumptions about the levels of borrowing and investment income over the financial year. Reduced borrowing because of capital receipt generation or delays in delivery of the capital programme will both have a positive impact of the council's cash position. Similarly, higher than benchmarked returns on available cash will also help the Council's financial position. For monitoring purposes, assumptions are made early in year about borrowing and returns based on the strategies agreed by Council in the preceding February. Performance outside of these assumptions results in increased or reduced income for the Council.

7.2. The 2026/27 six-month performance is marginally above benchmark and has delivered net income of £1.081m.

## 8. Legal and HR implications

8.1. The Local Government Act 2003 and supporting regulations require the Council to determine and keep under review the Prudential and Treasury Indicators as set out in the CIPFA Prudential Code and CIPFA Treasury management Code of Practice.

8.2. The s151 Officer, as the Council's Chief Financial Officer, has a wide range of obligations set out in Part 8 of the Council's Constitution – Shropshire Scheme for Officer Decision Making, to ensure that the Council's finances are well managed, and to uphold the highest standards of governance, probity, audit and risk management are upheld. This report is but one demonstration of the discharge of these duties, and allow the Council to demonstrate it is adhering to the requirement of the Local Government Finance Act 1992 to appoint an Officer responsible for the good financial administration of the authority.

## 9. Electoral Division Implications

9.1. None.

## 10. Health, Social (including “Child Friendly Shropshire”) and Economic Implications

10.1. None

## 11. Equality and Diversity Implications

11.1. None

## 12. Climate Change, Biodiversity and Environmental Implications

12.1. There are no direct climate change consequences arising from this report.

## 13. Background Papers

1. Treasury Strategy 20206/27 – Council, 26 February 2026

## 14. Appendices

Appendix A – Investment Report as at 3- September 2026
Appendix B – Prudential Limits
Appendix C – Prudential Borrowing Schedule
Appendix D – Economic Background and Borrowing Update

# Shropshire Council

## Monthly Investment Analysis Review

September 2026

Shropshire Council

# Monthly Economic Summary

**General Economy**
The UK economic outlook was mixed through September, with continued private-sector expansion and firmer household indicators alongside higher inflation and a loosening labour market. Meanwhile, the Bank of England left Bank Rate at 3.75% and announced that it will reduce its holding of gilts by £368bn over the next eight years through revisions to its Quantitative Tightening programme. While Bank Rate was unchanged, the result was a "hawkish hold", with the Bank raising its own inflation forecasts to a peak over 4% in the first quarter of next year. The tone and contents of the meeting's minutes suggested that unless energy prices fall back and a resolution to the Middle East occurs, the Committee could see a majority voting for tighter monetary policy despite the current lack of second-round effects, given how elevated energy costs could see these develop.

Business surveys remained resilient, although momentum softened. The Composite and Services PMIs both fell to 51.7 in September from 52.5 in August, while Manufacturing PMI rose to 51.9 from 51.7 - matching expectations. Contrasting this, construction activity continued to contract, with its PMI falling to 44.3 in August from 44.7, the twentieth successive month below 50.

Headline consumer-level inflation rose to 3.1% in August from 2.9% in July, while prices increased 0.5% m/m after 0.3% previously, driven mainly by a 6.9% increase in fuel which alone added 0.2%. On a more positive note, core inflation held at 2.6% and services inflation at 3.4%.

Growth data was stronger than expected, rising 0.4% in July after 0.3% in June to leave the annual rate at an improved 1.4%. Within the headline reading, services improved 0.4%, production 0.2% and construction 0.1%. Alongside the July figures, there was also an upward revision to GDP growth in Q2, from 0.4% q/q to 0.5% q/q, suggests that the economy has been a bit more resilient to higher energy prices in the first half of the year than previously thought. Elsewhere, the trade deficit narrowed to £3.45 billion from £5.54 billion as exports rose 2.1% m/m and imports to the UK edged down 0.4% m/m to a five-month low of £85.37 billion in July 2026. The figures pointed to firmer activity at the start of Q3, although elevated inflation and subdued new orders continue to cloud the outlook.

The labour market continued to loosen as although unemployment remained at 4.9% in the three months to July, HMRC payrolled employment fell by 26,000 in August after a revised 19,000 decline previously. Meanwhile, vacancies decreased to 702,000 in the three months to August and wage data showed total pay slowing to 3.9% y/y from 4.2% with that excluding bonuses unchanged, as were private sector earnings.

Retail sales rose 0.5% m/m in August after a 0.5% fall in July, beating expectations for a 0.2% decline, and were 2.4% higher y/y. Consumer confidence improved for a third month, rising to -13 in September from -14, its strongest reading since August 2024.

Public finances remained constrained, with net borrowing of £18.3 billion in August, above £15.4 billion a year earlier and expectations of £15.7 billion. Public Sector Net Debt to GDP in the United Kingdom decreased to 93.80% of GDP in August from 94%. The figures reinforced market concerns over the government's fiscal headroom, with attention now moving towards the 28th October Budget.

**US Economy**
The US economy remained resilient through September, despite inflation remaining firmly above target and GDP growth slowing. Non-farm payrolls rose by 162,000 in August after an upwardly revised gain of 23,000 in July, well above expectations of 56,000. Headline inflation rose 0.4% on the month in July, with the annual rate unchanged at 3.4%. However, core inflation eased to 2.4%. The US economy expanded at an annualised rate of 2.2% in Q2 2026, revised up by 0.7 percentage point from the 2nd estimate, following an upwardly revised 2.5% growth in Q1. The Federal Reserve' Open Market Committee unanimously voted to raise its target range by 25 basis points to 3.75%–4.00%, responding to persistent above target inflation and a resilient economy.

**EU Economy**
Eurozone economic releases showed continued expansion alongside higher headline inflation. For the latter, annual headline inflation rose to 3.2% in August from 2.9%, although the core reading eased to 2.4%. Meanwhile, Q2 GDP rose 0.6% q/q and annual growth accelerated to 1.2% from the 0.6% seen in the first quarter of the year. The ECB raised its Main Refinancing Rate by 25 basis points to 2.65% and the Deposit Rate to 2.50%, with President Lagarde describing the decision as a "no brainer" as the recent developments in the Middle East conflict threatens to keep inflation above target for a prolonged period and thus raised the risk of second-round wage and price effects.

**Housing**
UK Housing data was mixed in the latest releases. The UK Nationwide House Price Index rose by 0.8% y/y in September, slowing from a 1.6% increase in August and falling short of the expectations for a 1.3% rise. On a monthly basis, prices fell by 0.2%. Meanwhile, the Lloyds House Price Index (rebranded from Halifax) reported an average house price of £298,468 in August, representing a 0.4% decline compared with a year earlier. Overall, the unexpected monthly decline, alongside the prospect of a further rise in mortgage rates and uncertainty over possible tax increases in the Budget, suggests that house price growth could remain subdued in the coming months.



**Currency**
Over the month, Sterling rose against the Euro and fell against the USD

| September | Start | End | High | Low |
|---|---|---|---|---|
| **GBP/USD** | $1.3516 | $1.3267 | $1.3547 | $1.3219 |
| **GBP/EUR** | €1.1657 | €1.1708 | €1.1708 | €1.1617 |

**Interest Rate Forecast**
Whilst Capital Economics altered their Bank Rate forecasts on 17/09/2026. MUFG Corporate Markets altered their Bank Rate forecasts on 21/09/2026.

| Bank Rate | Now | Dec-26 | Mar-27 | Jun-27 | Sep-27 | Dec-27 | Mar-28 | Jun-28 | Sep-28 | Dec-28 | Mar-29 | Jun-29 | Sep-29 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **MUFG Corporate Markets** | **3.75%** | 4.00% | 4.00% | 4.00% | 3.75% | 3.50% | 3.25% | 3.25% | 3.25% | 3.25% | 3.25% | 3.25% | 3.25% |
| **Capital Economics** | **3.75%** | 4.00% | 4.25% | 4.25% | 4.25% | 4.00% | 3.75% | 3.75% | 3.50% | 3.50% | - | - | - |

# Shropshire Council

## Current Investment List

| Borrower | Principal (£) | Interest Rate | Start Date | Maturity Date | Lowest LT / Fund Rating | Historic Risk of Default | Expected Credit Loss (£) |
|---|---|---|---|---|---|---|---|
| MMF Aberdeen Standard Investments | 15,000,000 | 3.86% | | MMF | AAAm | | |
| MMF Insight | 15,000,000 | 3.88% | | MMF | AAAm | | |
| DMO | 4,400,000 | 3.71% | 29/09/2026 | 06/10/2026 | AA- | 0.000% | 0 |
| DMO | 9,400,000 | 3.73% | 30/09/2026 | 15/10/2026 | AA- | 0.001% | 0 |
| Bournemouth, Christchurch and Poole Council | 10,000,000 | 4.90% | 28/09/2026 | 30/10/2026 | AA- | 0.002% | 0 |
| **Total Investments** | **£53,800,000** | **4.02%** | | | | | £0 |

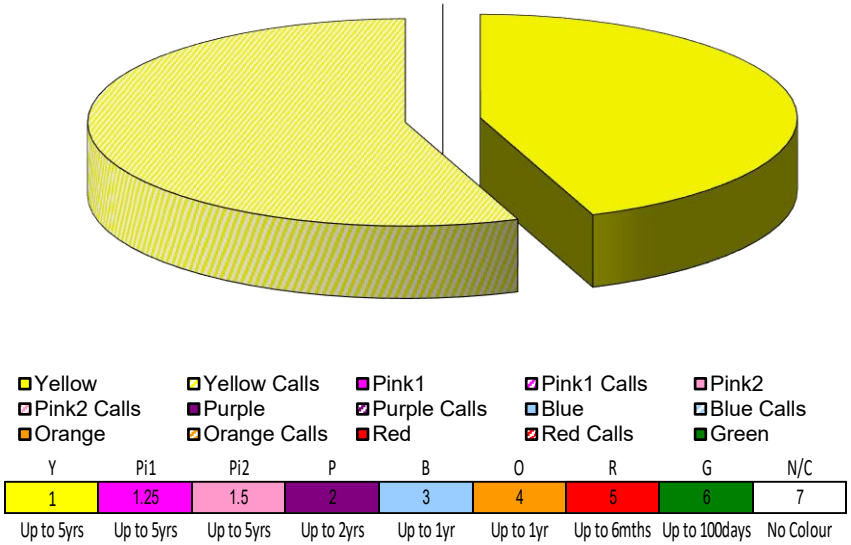
Note: An historic risk of default is only provided if a counterparty has a counterparty credit rating and is not provided for an MMF or USDBF, for which the rating agencies provide a fund rating. The portfolio's historic risk of default therefore measures the historic risk of default attached only to those investments for which a counterparty has a counterparty credit rating and also does not include investments which are not rated.

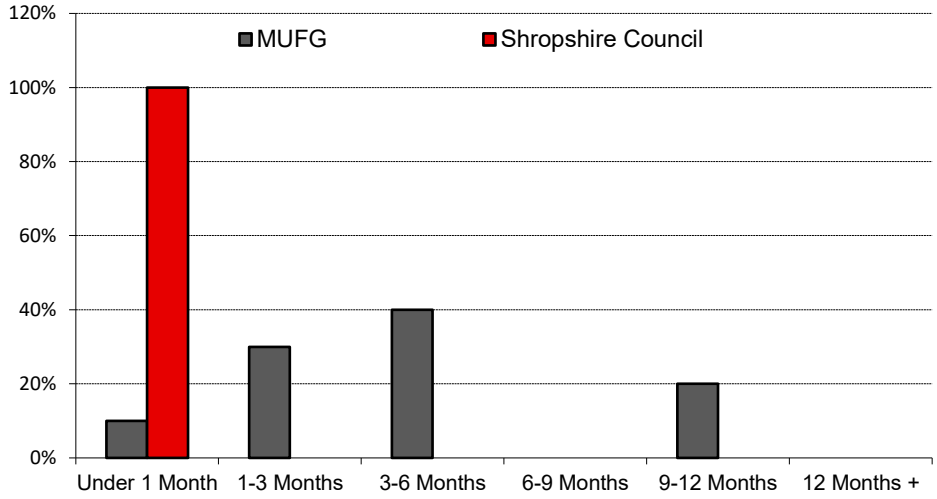
The Historic Risk of Default column is based on the lowest long term rating. If clients are using this % for their Expected Credit Loss calculation under IFRS 9, please be aware that the Code does not recognise a loss allowance where the counterparty is central government or a local authority since relevant statutory provisions prevent default. For these instruments, the Expected Credit Loss will be nil. Please note that we are currently using Historic Default Rates from 1990-2025 for Fitch, 1983-2025 for Moody's and 1981-2025 for S&P.

Where MUFG Corporate Markets have provided a return for a property fund, that return covers the 12 months to June 2026, which are the latest returns currently available.

# Shropshire Council

## Portfolio Composition by MUFG's Suggested Lending Criteria



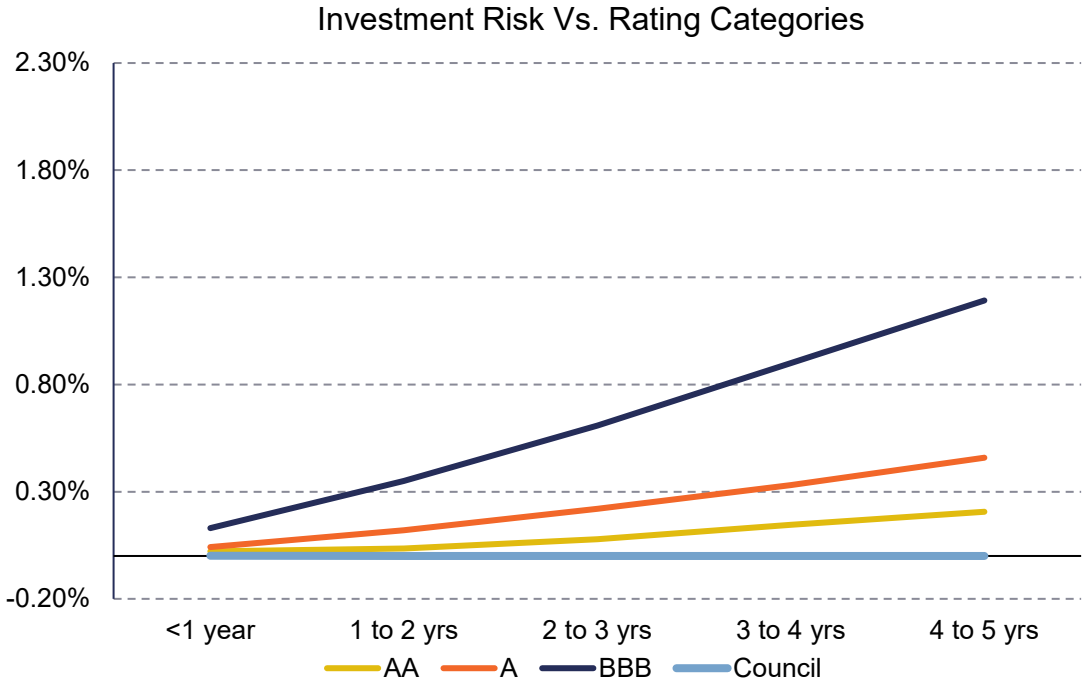

**Portfolios weighted average risk number = 1.00**

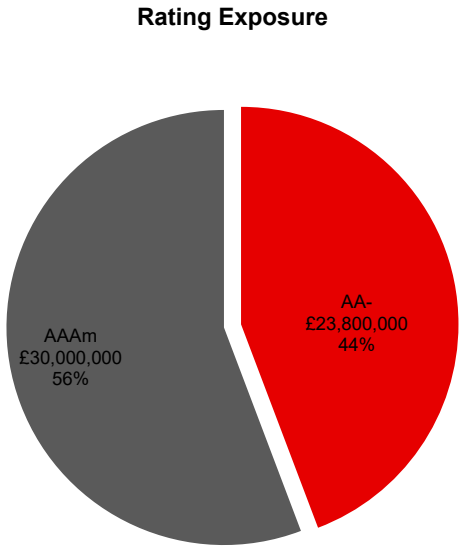
WARoR = Weighted Average Rate of Return
WAM = Weighted Average Time to Maturity

| | % of Portfolio | Amount | % of Colour in Calls | Amount of Colour in Calls | % of Call in Portfolio | WARoR | WAM | WAM at Execution | Excluding Calls/MMFs/USDBFs WAM | WAM at Execution |
|---|---|---|---|---|---|---|---|---|---|---|
| **Yellow** | 100.00% | £53,800,000 | 55.76% | £30,000,000 | 55.76% | 4.02% | 9 | 9 | 20 | 21 |
| **Pink1** | 0.00% | £0 | 0.00% | £0 | 0.00% | 0.00% | 0 | 0 | 0 | 0 |
| **Pink2** | 0.00% | £0 | 0.00% | £0 | 0.00% | 0.00% | 0 | 0 | 0 | 0 |
| **Purple** | 0.00% | £0 | 0.00% | £0 | 0.00% | 0.00% | 0 | 0 | 0 | 0 |
| **Blue** | 0.00% | £0 | 0.00% | £0 | 0.00% | 0.00% | 0 | 0 | 0 | 0 |
| **Orange** | 0.00% | £0 | 0.00% | £0 | 0.00% | 0.00% | 0 | 0 | 0 | 0 |
| **Red** | 0.00% | £0 | 0.00% | £0 | 0.00% | 0.00% | 0 | 0 | 0 | 0 |
| **Green** | 0.00% | £0 | 0.00% | £0 | 0.00% | 0.00% | 0 | 0 | 0 | 0 |
| **No Colour** | 0.00% | £0 | 0.00% | £0 | 0.00% | 0.00% | 0 | 0 | 0 | 0 |
| | **100.00%** | **£53,800,000** | **55.76%** | **£30,000,000** | **55.76%** | **4.02%** | **9** | **9** | **20** | **21** |

# Shropshire Council

## Investment Risk and Rating Exposure




Historic Risk of Default

| Rating/Years | <1 year | 1 to 2 yrs | 2 to 3 yrs | 3 to 4 yrs | 4 to 5 yrs |
|---|---|---|---|---|---|
| AA | 0.02% | 0.04% | 0.08% | 0.15% | 0.21% |
| A | 0.04% | 0.12% | 0.22% | 0.33% | 0.46% |
| BBB | 0.13% | 0.35% | 0.61% | 0.90% | 1.19% |
| Council | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |

**Historic Risk of Default**
This is a proxy for the average % risk for each investment based on over 30 years of data provided by Fitch, Moody's and S&P. It simply provides a calculation of the possibility of average default against the historical default rates, adjusted for the time period within each year according to the maturity of the investment.

**Chart Relative Risk**
This is the authority's risk weightings compared to the average % risk of default for "AA", "A" and "BBB" rated investments.

**Rating Exposures**
This pie chart provides a clear view of your investment exposures to particular ratings.

Note: An historic risk of default is only provided if a counterparty has a counterparty credit rating and is not provided for an MMF or USDBF, for which the rating agencies provide a fund rating. The portfolio's historic risk of default therefore measures the historic risk of default attached only to those investments for which a counterparty has a counterparty credit rating and also does not include investments which are not rated.

# Shropshire Council

## Monthly Credit Rating Changes
## FITCH

| Date | Update Number | Institution | Country | Rating Action |
|---|---|---|---|---|
| 07/09/2026 | 2146 | Qatar (Sovereign) | Qatar | The Negative Watch on the Sovereign Rating was removed and the Sovereign Rating was placed on Negative Outlook. |
| 10/09/2026 | 2147 | Qatar National Bank | Qatar | The Negative Watch on the Long Term Rating was removed and the Long Term Rating was placed on Negative Outlook. |
| 17/09/2026 | 2148 | Coventry Building Society | United Kingdom | The Long Term Rating was downgraded to A from A+. |
| 17/09/2026 | 2148 | Co-operative Bank PLC (The) | United Kingdom | The Long Term Rating was downgraded to A from A+. |

# Shropshire Council

## Monthly Credit Rating Changes
## S&P

| Date | Update Number | Institution | Country | Rating Action |
|---|---|---|---|---|
| 01/09/2026 | 2145 | Danske A/S | Denmark | The Outlook on the Long Term Rating was changed to Positive from Stable. |
| 17/09/2026 | 2149 | Cooperatieve Rabobank U.A. | Netherlands | The Outlook on the Long Term Rating was changed to Positive from Stable. |
| 30/09/2026 | 2151 | Clydesdale Bank PLC | United Kingdom | All ratings were withdrawn. |

# Shropshire Council

## Monthly Credit Rating Changes
## MOODY'S

| Date | Update Number | Institution | Country | Rating Action |
|---|---|---|---|---|
| 18/09/2026 | 2150 | HSBC Bank PLC (NRFB) | United Kingdom | The Outlook on the Long Term Rating was changed to Positive from Stable. |
| 18/09/2026 | 2150 | HSBC UK Bank Plc (RFB) | United Kingdom | The Outlook on the Long Term Rating was changed to Positive from Stable. |

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## APPENDIX B – PRUDENTIAL INDICATORS FOR QUARTER 2, 2026/27

| Prudential Indicator | 2026/27 Indicator £m | Quarter 1 – Actual £m | Quarter 2 – Actual £m | Quarter 3 – Actual £m | Quarter 4 – Actual £m |
|---|---|---|---|---|---|
| Non HRA Capital Financing Requirement (CFR) | 602 | 352 | 367 | | |
| HRA CFR | 136 | 103 | 118 | | |
| Gross borrowing | 738 | 455 | 485 | | |
| Investments | 50 | 23 | 54 | | |
| Net borrowing | 688 | 432 | 431 | | |
| Authorised limit for external debt | 929 | 455 | 485 | | |
| Operational boundary for external debt | 831 | 455 | 485 | | |
| Limit of fixed interest rates (borrowing) | 929 | 455 | 485 | | |
| Limit of variable interest rates (borrowing) | 464 | 0 | 0 | | |
| Internal Team Principal sums invested > 364 days | 70 | 0 | 0 | | |
| | | | | | |
| **Maturity structure of borrowing limits** | % | % | % | % | % |
| Under 12 months | 25 | 19 | 22 | | |
| 12 months to 2 years | 25 | 16 | 16 | | |
| 2 years to 5 years | 50 | 16 | 15 | | |
| 5 years to 10 years | 75 | 19 | 15 | | |
| 10 years to 20 years | 100 | 15 | 14 | | |
| 20 years to 30 years | 100 | 14 | 14 | | |
| 30 years to 40 years | 100 | 2 | 2 | | |
| 40 years to 50 years | 100 | 1 | 0 | | |
| 50 years and above | 100 | 2 | 2 | | |

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# APPENDIX C -PRUDENTIAL BORROWING APPROVALS

**Capital Financing Summary**

| Prudential Borrowing Approvals | Date Approved | Amount Approved | Applied (Spent) 2006/07 - 2025/26 | Budgeted 2026/27 | Budgeted 2027/28 | Budgeted 2028/29 | Budgeted 2029/30 | First year MRP Charged | Asset Life | Final year MRP Charged |
|---|---|---|---|---|---|---|---|---|---|---|
| | | £ | £ | £ | £ | £ | £ | | | |
| Monkmoor Campus | 24/02/2006 | 3,580,000 | | | | | | | | |
| Capital Receipts Shortfall -Cashflow | 24/02/2006 | 5,000,000 | | | | | | | | |
| Applied: | | | | | | | | | | |
| Monkmoor Campus | | | 3,000,000 | | | | | 2007/08 | 25 | 2031/32 |
| William Brooks | | | 3,580,000 | | | | | 2011/12 | 25 | 2035/36 |
| Tern Valley | | | 2,000,000 | | | | | 2010/11 | 35 | 2044/45 |
| | | **8,580,000** | **8,580,000** | **0** | **0** | **0** | **0** | | | |
| Highways | 24/02/2006 | 2,000,000 | 2,000,000 | | | | | 2007/08 | 20 | 2026/27 |
| Accommodation Changes | 24/02/2006 | 650,000 | 450,000 | | | | | 2007/08 | 6 | 2012/13 |
| Accommodation Changes - Saving | 31/03/2007 | (200,000) | | | | | | | | |
| | | **450,000** | **450,000** | **0** | **0** | **0** | **0** | | | |
| The Ptarmigan Building | 05/11/2009 | 3,744,000 | 3,744,000 | | | | | 2010/11 | 25 | 2034/35 |
| The Mount McKinley Building | 05/11/2009 | 2,782,000 | 2,782,000 | | | | | 2011/12 | 25 | 2035/36 |
| The Mount McKinley Building | 05/11/2009 | 0 | 0 | | | | | 2011/12 | 5 | 2015/16 |
| Capital Strategy Schemes - Potential Capital Receipts shortfall | 25/02/2010 | 187,600 | 0 | | | | | | 25 | |
| - Desktop Virtualisation | | | 187,600 | | | | | 2010/11 | 5 | 2014/15 |
| Carbon Efficiency Schemes/Self Financing | 25/02/2010 | 1,512,442 | 1,512,442 | | | | | 2011/12 | 5 | 2017/18 |
| Transformation schemes | | 92,635 | 92,635 | | | | | 2012/13 | 3 | 2014/15 |
| Renewables - Biomass - Self Financing | 14/09/2011 | 92,996 | 92,996 | | | | | 2014/15 | 25 | 2038/39 |
| Solar PV Council Buildings - Self Financing | 11/05/2011 | 56,342 | 56,342 | | | | | 2013/14 | 25 | 2038/39 |
| Oswestry Leisure Centre Equipment - Self Financing | 04/04/2012 | 124,521 | 124,521 | | | | | 2012/13 | 5 | 2016/17 |
| Leisure Services - Self Financing | 01/08/2012 | 711,197 | 711,197 | | | | | 2013/14 | 5 | 2016/17 |
| Mardol House Acqusition | 26/02/2015 | 4,160,000 | 4,160,000 | | | | | 2015/16 | 25 | 2039/40 |
| Mardol House Adaptation and Refit | 26/02/2015 | 3,340,000 | 3,340,000 | | | | | 2016/17 | 25 | 2041/42 |
| Oswestry Leisure Centre Equipment - Self Financing | 01/08/2012 | 290,274 | 290,274 | | | | | 2018/19 | 5 | 2022/23 |
| Car Parking Strategy Implementation | 17/01/2018 | 590,021 | 590,021 | | | | | 2020/21 | 5 | 2024/25 |
| JPUT - Investment in Units re Shrewsbury Shopping Centres | 13/12/2017 | 55,299,533 | 55,299,533 | | | | | 2018/19 | 45 | 2042/43 |
| JPUT - SSC No 1 Ltd | 13/12/2017 | 527,319 | 527,319 | | | | | | | |
| CDL Shareholding | 28/02/2019 | 1 | 1 | | | | | 2021/22 | | |
| Children's Residental Care | 28/02/2019 | 1,999,999 | 1,999,999 | | | | | 2020/21 | 25 | 2044/45 |
| Pride Hill Shopping Centre Reconfiguration - LEP Match | 19/12/2019 | 1,928,978 | 1,928,978 | | | | | AUC | 45 | 2070/71 |
| Pride Hill Shopping Centre Reconfiguration - Feb 22 approval | 01/02/2022 | 1,863,045 | 1,530,270 | | 332,775 | | | AUC | 45 | 2070/71 |
| Pride Hill Phase 1 Enabling Works | 01/02/2022 | 13,955 | 13,955 | | | | | AUC | 45 | 2070/71 |
| Multi Agency Hub - Feb 22 approval | 01/02/2022 | 3,364,961 | 0 | 2,364,961 | 1,000,000 | | | AUC | 45 | 2070/71 |
| Bishops Castle Business Park | 19/09/2019 | 2,874,695 | 2,874,695 | | | | | 2023/24 | 25 | 2044/45 |
| Whitchurch Medical Practice (Pauls Moss Development) | 26/07/2018 | 3,778,229 | 3,540,979 | 237,250 | | | | 2023/24 | 25 | 2047/48 |
| Oswestry Castleview - Site Acquisition | 19/12/2019 | 3,256,241 | 3,256,241 | | | | | 2020/21 | 25 | 2044/45 |
| Former Morrisons Site, Oswestry | 19/09/2019 | 3,390,145 | 3,390,145 | | | | | 2021/22 | 25 | 2045/46 |
| Meole Brace Pitch & Putt | | 5,400,000 | 4,013,702 | 1,386,298 | | | | AUC | 25 | |
| Maesbury Solar Farm | | 2,100,000 | 128,097 | 1,971,903 | | | | AUC | 25 | |
| Commercial Investment Fund | Fin Strat 19/20 | 0 | 0 | 0 | 0 | | | 2021/22 | 25 | 2044/45 |
| The Tannery Development Block A - Land Acqusition | | 657,253 | 657,253 | | | | | 2022/23 | 25 | 2045/46 |
| The Tannery Development Block A | | 6,356,606 | 12,735 | 4,293 | 6,339,578 | | | AUC | | |
| The Tannery Development - Block B & C | | 7,471,561 | 7,471,561 | | | | | 2019/20 | 25 | 2045/46 |
| Oswestry Property Acquisition | 12/05/2022 | 3,332,304 | 3,332,304 | | | | | 2023/24 | 25 | 2047/48 |
| Shrewsbury Property Acquisition | | 3,837,012 | 3,837,012 | | | | | 2023/24 | 25 | 2047/48 |

| Prudential Borrowing Approvals | Date Approved | Amount Approved | Applied (Spent) 2006/07 - 2025/26 | Budgeted 2026/27 | Budgeted 2027/28 | Budgeted 2028/29 | Budgeted 2029/30 | First year MRP Charged | Asset Life | Final year MRP Charged |
|---|---|---|---|---|---|---|---|---|---|---|
| | | £ | £ | £ | £ | £ | £ | | | |
| Biochar Pyrolysis - Project 2 | | 3,296,000 | 2,731,880 | 564,120 | | | | 2026/27 | 25 | |
| Biochar Pyrolysis - Project Framework | | 4,000 | 4,000 | | | | | 2025/26 | | |
| Recycling Bin Roll Out Programme | | 2,029,778 | 2,029,778 | | | | | 2022/23 | 10 | 2032//33 |
| Highways Investment Programme | Capital Strat Feb 22 | 22,954,755 | 22,954,755 | | | | | 2022/23 | 25 | 2046/47 |
| Oswestry Innovation Park | | 10,028,332 | 8,097,063 | 894,976 | 1,036,293 | | | 2022/23 | 25 | 2046/47 |
| Cambrian Building Oswestry - UKSPF | | 270,107 | 258,039 | 12,068 | | | | 2022/23 | 25 | 2046/47 |
| Whitchurch Swimming & Leisure Facility | 22/09/2022 | 13,100,282 | 13,078,251 | 22,031 | | | | 2026/27 | 40 | 2065/66 |
| Previous NSDC Borrowing | | 955,595 | 955,595 | | | | | 2009/10 | 5/25 | 2065/66 |
| Capital Receipts Released By Additional Borrowing | | 8,226,507 | 8,226,507 | | | | | 2024/25 | 25? | 2048/49 |
| Shrewsbury Sports Village - Swimming Pool | 26/09/2024 | 2,047,999 | 1,907,760 | 140,239 | | | | AUC | | |
| Ptarmigan Building FRA & Refurbishment Works | | 415,306 | 415,306 | | | | | 2025/26 | 10 | 2035/36 |
| Transformation Programme 2024-25 Expenditure Funded Through Borrowing Under EFS Approval | | 26,819,527 | 26,819,527 | | | | | 2025/26 | 20 | |
| Transformation Programme 2025-26 Expenditure Funded Through Borrowing Under EFS Approval | | 61,857,070 | 61,857,070 | | | | | 2025/26 | 20 | |
| Transformation Programme 2026-27 Expenditure Funded Through Borrowing Under EFS Approval | | 121,000,000 | 0 | 121,000,000 | | | | 2025/26 | 20 | |
| | | **226,300,096** | **269,864,337** | **128,598,139** | **8,708,646** | **0** | **0** | | | |

**Appendix D**

## Economic Background and Borrowing Update

### Economic Background

The first half of 2026/27 (April to September) saw:

- Continued resilience in the face of the ongoing energy shock, with real GDP up 0.4% m/m in July, following on from GDP of 0.5% q/q (1.4% y/y) for the quarter ending 30 June 2026.
- The 3myy rate of average earnings growth excluding bonuses remained stable throughout the period under review, initially stagnating at 3.4% in April and more latterly holding steady at 3.5% in July.
- CPI inflation stuck at 2.8% in May, but is now ticking upwards, standing at 3.1% in August and forecast to rise to 4.3% by January 2027.
- The Bank of England left interest rates unchanged at 3.75% although it intimated in its September meeting that rates will be hiked in November or December if a resolution to the conflict in the Middle East is not forthcoming before then.
- The 10-year gilt yield fluctuated between 5.43% and 4.69%, ending September at 5.43%.

The economy has continued to surprise to the upside, with real GDP growth of 0.6% q/q for the period January to March, followed by a resilient 0.5% q/q rise through to the end of June. That has been followed by another strong monthly increase of 0.4% m/m in July. That marked the biggest rise since the Middle East conflict started and suggests the resilience of the economy in the first half of the year continued into the early stages of the second half. That rise in July was broad-based with services output up by 0.4% m/m, industrial production 0.2% m/m higher and construction output rising by 0.1% m/m. The Office for National Statistics also noted that businesses reported stronger activity related to AI and cloud computing.

If real GDP were flat in both August and September, a further healthy rise of 0.6% q/q is anticipated. However, the economy's prolonged resilience is unlikely to last as the drag from rising energy prices (the January energy cap is projected to increase by c20%) and borrowing costs will be felt before long.

The fall in the composite Purchasing Manager Index (PMI) from 49.7 in May to a 14-month low of 49.4 in June was entirely driven by services activity. Indeed, the services activity PMI fell from 49.3 to a 41-month low of 48.7 due to rising costs and political uncertainty weighing on consumer confidence. That weakness was partly offset by a rise in the manufacturing output for a third consecutive month but that was due to fears of shortages causing businesses to build stocks. Overall, the composite PMI suggested the strong start to the year would be followed by tepid growth at best.

By September, the composite PMI stood at 52.0. While this was still indicative of expanding activity, it was weaker than August's 52.5 and the lowest level in three months, suggesting the latest leap in energy prices and the prospect of another tax-

raising Autumn Budget are weighing on activity. Within the composite report, employment contracted (i.e., a reading below 50) for the twenty-fourth consecutive month while higher fuel and payroll costs contributed to the sharpest rise in prices charged since May. The services PMI fell from 52.5 to 52.1, reportedly due to subdued domestic economic conditions and ongoing geopolitical uncertainty. Meanwhile, weak consumer demand constrained production, bringing the manufacturing output subcomponent balance down from 52.1 to a six-month low of 51.5. The press release also noted that weaker consumer demand was partly offset by AI investment and greater defence spending.

With regard to retail sales, the 0.5% m/m rise in volumes in August was the third such rise in a row and was driven by gains in all the major categories except fuel sales, which fell by 2.0% m/m. Sales may have been supported by the warmer-than-usual weather. If sales were just flat in September, then in Q3 sales volumes would be up 0.7% q/q compared to the 0.2% q/q gain in Q2.

Retail sales volumes were up in every major category except “other stores” and fuel in August, leaving the headline figure up 0.5% m/m. That fully reversed the 0.5% m/m decline in July and left the level of retail sales 2.4% higher than last August. Even if retail sales volumes were flat in September, volumes for the quarter as a whole would still rise by 0.5% q/q, higher than the 0.2% q/q rise in the previous quarter. August’s figure suggests that other factors are offsetting the drag on real incomes from higher energy prices and borrowing costs, or that households remain able and willing to reduce their saving rate to sustain recent spending growth. That said, with inflation yet to peak, the biggest drag on households’ real income has yet to come.

The public finances have been challenged for several months now. Public sector net borrowing of £23.3bn in May was above the Office for Budget Responsibility’s (OBR’s) forecast of £17.7bn and £5.4bn above the corresponding figure last year. The weak performance in May was mainly due to the strength of government spending, as the rise in Retail Prices Index inflation in March meant debt interest payments were £4.1bn higher than in May 2025, £3.3bn higher than the OBR anticipated in March and the highest in any May on record. Tax receipts of £85.5bn were also below OBR predictions.

More recently, public sector net borrowing of £18.3 billion in August was once again higher than the OBR’s forecast of £14.8 billion. It also marked the second highest August borrowing figure since records began in 1993. At £12.4 billion, current borrowing (i.e., excluding investments) which is important for the Chancellor’s fiscal mandate, was also above the OBR’s forecast of £10.4 billion. Higher central government tax receipts were not enough to offset the effect of higher government spending. Central government expenditure overshot the OBR’s forecast by £2.3 billion, partly due to higher inflation pushing up debt interest payments and government spending on public services.

Regarding employment, the latest PAYE employment figure for August saw a 26,000 fall, leaving employment 95,000 lower than before the start of the Iran War in February and 0.5% lower than a year ago. The number of job vacancies continued to fall, edging down from 706,000 in the three months to July to 702,000 in the three months to

August. While alternative measures of employment show a slightly stronger picture, the unemployment rate stayed at 4.9% in July for the fourth consecutive month.

That recent further weakening of the labour market continues to weigh on pay growth. The 3myy growth rate of average earnings including bonuses eased from 4.2% in June to 3.9% in July entirely off the back of a slowdown in private sector bonus growth. By contrast, a jump in public sector bonus growth meant that total public sector pay growth rose from 6.2% to 6.6%. The timelier HMRC median PAYE measure of pay tells a similar story, with the 3myy growth rate falling from 4.5% in July to a seven-month low of 4.1% in August. That points to a further fall in average earnings growth from 3.9% to around 3.6%.

The knock-on impact from surging energy prices is now being felt, pushing CPI inflation up from 2.9% in July to 3.1% in August. That increase was entirely due to the 6.9% m/m rise in fuel prices, which lifted annual fuel inflation from 15.3% to 23.0%. Even so, higher energy costs do not yet seem to be boosting other items of the CPI just yet. For example, food and drink inflation stayed at 1.3%. That said, the combination of the current levels of energy prices, with brent crude still around $100pb, and the eventual “first-round” effect of businesses passing on some of their higher energy costs will likely result in CPI inflation rising to around 3.6% in September and to a peak of about 4.3% in January based on forecasts from Capital Economics.

April through to September brought more volatility for the gilt market. For example, after ending March at 4.92%, the 10-year Gilt shot up to 5.18% in mid-May, its highest level since 2008. Its movement since has reflected sentiment in the Middle East, falling back to 4.7% in June but finishing September at 5.43% as US/Iran relations remain sour.

The FTSE 100 started April below 10,200, below its record high of around 10,900 in late February. Nonetheless, the index surged to just shy of that level in late July. More recently, it has struggled, ending September at 10,606. Moreover, it materially underperformed the broader more domestic-focused FTSE 250 and most other international indices over this period, weighed down by weightings towards energy, mining, financials and pharmaceuticals and lack of exposure to tech stocks which generally outperformed globally.

**A summary overview of the future path of Bank Rate**

There were four Monetary Policy Committee (MPC) meetings held in the first half of the financial year. In April, the Committee voted 8-1 to keep rates at 3.75%, with one dissenter voting for 4%. By June, the split had become 7-2, with concerns that rising energy prices, emanating from the conflict in the Middle East, would lift inflation and potentially give rise to second round inflation effects reflected in higher wages.

As the year has progressed, the split has grown further. The July and September meetings both recorded a 6-3 split, with 3 members voting for a hike in rates to 4% at both meetings. As noted, several other members of the committee have intimated that they are likely to vote for an increase in November or December if there is no resolution to the conflict in the Middle East.

**Borrowing**
The Authority's capital financing requirement (CFR) for 2026/27 is £660m. The CFR denotes the Authority's underlying need to borrow for capital purposes. If the CFR is positive the Authority may borrow from the PWLB or the market (external borrowing), or from internal balances on a temporary basis (internal borrowing). The balance of external and internal borrowing is generally driven by market conditions.

It is a statutory duty for the Council to determine and keep under review the "Affordable Borrowing Limits". The Council's approved Treasury and Prudential Indicators (affordability limits) are included in the approved Treasury Management Strategy. A list of the approved limits is shown in Appendix B. The Prudential Indicators were not breached during the first half of 2025/26 and have not been previously breached. The schedule at Appendix C details the Prudential Borrowing approved and utilised to date.

Due to the overall financial position and the underlying need to borrow for capital purposes (the CFR), new external borrowing of £75m was undertaken. The capital programme is being kept under regular review due to the effects of on-going budgetary pressures. Our borrowing strategy will, therefore, also be regularly reviewed and then revised, if necessary, to achieve optimum value and risk exposure in the long-term.

**General Fund**

| Lender | Principal | Date | Type | Interest Rate | Maturity |
|---|---|---|---|---|---|
| PWLB | 10,000,000 | 30/04/26 | Fixed Interest Rate | 4.97% | 12 months |
| West Yorkshire Combined Authority | 5,000,000 | 27/05/26 | Fixed Interest Rate | 4.40% | 10 months |
| West Yorkshire Combined Authority | 10,000,000 | 29/05/26 | Fixed Interest Rate | 4.40% | 10 months |
| Liverpool City Region Combined Authority | 10,000,000 | 29/05/26 | Fixed Interest Rate | 4.40% | 10 months |
| South Derbyshire District Council | 5,000,000 | 29/05/26 | Fixed Interest Rate | 4.40% | 9 months |
| PCC for West Mids | 10,000,000 | 30/07/26 | Fixed Interest Rate | 4.35% | 8 months |

**HRA**

| Lender | Principal | Date | Type | Interest Rate | Maturity |
|---|---|---|---|---|---|
| PWLB | 15,000,000 | 30/07/26 | Fixed Interest Rate | 4.72% | 18 months |
| Liverpool City Region Combined Authority | 10,000,000 | 31/07/26 | Fixed Interest Rate | 4.30% | 8 months |

Gilt yields and PWLB Certainty Rates have remained volatile throughout the six months under review, but the general trend has been for the whole curve to shift higher on the back of inflation concerns and a pessimistic outlook for fiscal aspects, both domestically and internationally.

At this juncture, forecasts predict rates to fall back over the next one to three years as inflation dampens, but in the near-term there are upside risks should the second-round effects of inflation, primarily from energy price shocks emanating in the Middle East, become embedded. That scenario could lead to wage increases becoming more challenging from an inflation-management perspective, resulting in monetary policy tightening further than currently forecast (one increase in Bank Rate of 0.25% in either November or December 2026). Conversely, a swift resolution to the conflict in the Middle East could see energy prices fall back swiftly and, therein, an easing in inflation concerns and monetary policy respectively. Currently, the CPI measure of inflation is expected to hit a high of 4.3% in early 2027 before falling back towards the 2% target rate by 2028.

The table below shows the high/low/average PWLB rates for the first six months of the financial year.

| | 1 Year | 5 Year | 10 Year | 25 Year | 50 Year |
|---|---|---|---|---|---|
| **01/04/2026** | 4.93% | 5.16% | 5.62% | 6.20% | 6.00% |
| **30/09/2026** | 5.29% | 5.80% | 6.17% | 6.67% | 6.37% |
| **Low** | 4.74% | 5.04% | 5.50% | 6.09% | 5.89% |
| **Low date** | 06/07/2026 | 08/04/2026 | 08/04/2026 | 08/04/2026 | 08/04/2026 |
| **High** | 5.35% | 5.85% | 6.21% | 6.70% | 6.48% |
| **High date** | 15/09/2026 | 15/09/2026 | 15/09/2026 | 15/09/2026 | 14/09/2026 |
| **Average** | 4.98% | 5.34% | 5.81% | 6.40% | 6.19% |
| **Spread** | 0.61% | 0.81% | 0.71% | 0.61% | 0.59% |

## Debt Rescheduling

Debt repayment and rescheduling opportunities have increased over the course of the past six months and will be considered if giving rise to long-term savings. The Council has also taken the decision to repay one of its Lender Option Borrower Option Loans at a value of £5.7m. These loans were taken out a number of years ago and allow the lender the option to increase the interest rate charged on the loan at a predetermined reset date. Theis was enacted by the bank to a level much higher than the current market rates, so a decision was taken by the Council to repay this loan.

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| | |
|---|---|
| **Committee** | Cabinet |
| **Date and Time** | 2 December 2026<br>10:30<br>Public |

# Director of Public Health – 2026 Annual Report

| | |
|---|---|
| **Cabinet Member:** | Councillor Ruth Houghton – Portfolio Holder for Adult Social Care & Public Health |
| **Lead Director:** | Rachel Robinson – Corporate Director – Population, Wellbeing and Neighbourhoods (DPH) / Deputy Chief Executive |
| **Service Area:** | Population, Wellbeing & Neighbourhoods |
| **Report Author** | Rachel Robinson – Director of Public Health<br>Phillip Northfield – Public Health Integration & Inequalities Officer |
| **Officer contact details** | 01743 252694 - Phillip.Northfield@shropshire.gov.uk |
| **Electoral Divisions Affected** | All Divisions |
| **Key Decision?** | Non-Key Decision |
| **Cabinet Forward Plan** | Not Applicable |
| **Report considered by** | Cabinet – 2 December 2026 |

## 1. Purpose of Report

1.1. Directors of Public Health (DPH) have a statutory duty to write an annual report on the health of their population and the Local Authority a requirement to publish it. The Director of Public Health Annual Report is an evidence-based vehicle for informing local people about the health of their community, as well as providing necessary information for decision makers in local health services, authorities and communities on health gaps and priorities that need to be addressed

1.2. The Director of Public Health Annual Report 2026, "**More Than Money**: *How Poverty Shapes Lives, Places and Health*", examines poverty, hardship and deprivation in Shropshire and their relationship with health inequalities. The report particularly considers the often-hidden nature of poverty, especially rural poverty and the additional pressures associated with transport, energy, housing, access to services and lower earnings.

1.3. The report concludes that reducing poverty and health inequalities requires a continued shift towards prevention and early intervention alongside crisis support. Seven recommendations are proposed covering the best start in life, household financial resilience, a "No Wrong Door" approach, reducing fuel poverty, good-quality employment and skills, rural inequalities and improved identification of hidden poverty. The report recognises we all have a part to play in recognising poverty and its impacts on our residents today in Shropshire, supporting residents and reducing the stigma associated with poverty.

## 2. Recommendations

Cabinet is recommended to:

2.1. Consider the contents of the attached DPH 2026 annual report – "**More Than Money**: *How Poverty Shapes Lives, Places and Health*" and its assessment of poverty, hardship and health inequalities in Shropshire.

2.2. To endorse the seven recommendations set out within the report.

2.3. To support continued partnership working across the Council, its services, NHS, VCSE sector, education partners and communities to address the wider determinants of poverty and health inequalities.

2.4. To support a continued focus on prevention and early intervention, alongside appropriate crisis support, through the emerging Health and Wellbeing Strategy and wider partnership activity.

2.5. To continue to advocate for, promote and support access to cost-of-living support through the council, it's partners and the wider resilience landscape.

## 3. Background

3.1. Directors of Public Health (DPH) produce annual reports providing an independent assessment of the health of their local population. This 2026 report focuses on poverty, hardship and deprivation, building an understanding of how these issues affect health and wellbeing within Shropshire and how the challenges associated with rurality can make poverty less visible.

3.2. The report brings together local and national evidence and describes activity being undertaken by Shropshire Council and partners to address both immediate financial hardship and its wider causes. The report identifies several interconnected challenges:

- **Rurality:** 57.4% of Shropshire's population live in rural locations.

- **Fuel poverty:** around 18,500 households, or 12.8%, are estimated to be in fuel poverty.
- **Child poverty:** 23.4% of children are identified as being in relative poverty after housing costs in 2025.
- **Financial resilience:** approximately 16,000 households in Shropshire are described as being in a negative budget.
- **Employment and earnings:** median gross weekly pay for full-time workers in Shropshire was £727 in 2025, compared with £769.50 for England
- **Access to services:** the report highlights transport and access to housing and services as particularly important dimensions of rural inequality.

3.3. Taken together, the findings demonstrate why poverty in Shropshire cannot be understood through income or geographically concentrated deprivation alone. The report highlights the importance of recognising hidden poverty and the additional costs and access barriers experienced by rural communities.

3.4. Significant activity is already underway. The Crisis & Resilience Fund (CRF) provides a major component of the local response, with Shropshire's annual allocation identified in the report as £3.7 million. Its four strands comprise Crisis Payments, Housing Payments, Community Coordination and Resilience Services, with an emphasis on linking immediate financial assistance to advice and longer-term support.

3.5. Wider activity includes Best Start in Life and the Family First Partnership Programme, affordable warmth and energy-efficiency activity schemes, employment and skills programmes, local food resilience initiatives, financial skills support, community-based provision and the development of Health in All Policies. Alongside this we continue to raise awareness around the existence and challenge of poverty in Shropshire at a national level.

3.6. The overall direction is towards earlier intervention, simpler referral pathways, reduced stigma, improved access and stronger coordination between the Council, VCSE organisations and wider system partners.

3.7. The annual report proposes seven areas for continued action, with delivery extending across Council services and wider system partners. These focus on giving children the best start in life, improving financial resilience, strengthening “No Wrong Door”, reducing fuel poverty, improving employment and skills, addressing rural inequalities and improving the identification of hidden poverty.

3.8. These priorities provide an opportunity to connect poverty reduction more clearly to the wider prevention and health inequalities agenda and to the development of Shropshire's future Health and Wellbeing Strategy.

## 4. Summary of Main Proposals

4.1. This annual report and subsequent work being undertaken by the Crisis & Resilience Fund (CRF) network aim to address, target and support the underlying factors identified within this annual report. Continued promotion of this scheme, and the available support provided by both the Council and partners will be crucial to

targeting the wider determinants of health impacted by poverty, hardship, and financial insecurity.

4.2. The annual report identifies and proposes endorsement of the seven recommendations set out within the report:

- **Give every child the best start in life.**
  - *Poverty in childhood influences educational attainment, future employment opportunities and health throughout life.*

- **Improve household financial resilience.**
  - *Many households are one unexpected expense away from crisis.*

- **Strengthen a "No Wrong Door" approach.**
  - *People experiencing poverty often require support from multiple organisations.*

- **Reduce fuel poverty.**
  - *Fuel poverty is one of the most significant poverty-related challenges facing Shropshire.*

- **Improve access to good-quality employment and skills.**
  - *Secure employment remains one of the strongest protections against poverty.*

- **Address rural inequalities.**
  - *Poverty can be less visible in rural areas but may be intensified by transport costs, housing costs and limited-service access.*

- **Improve identification of hidden poverty.**
  - *Many residents do not recognise themselves as being in poverty or may not seek support.*

4.3. Support continued partnership working across the Council, NHS, VCSE sector, education partners and communities to address the wider determinants of poverty and health inequalities and to tackle the stigma cause by poverty.

4.4. Support a continued focus on prevention and early intervention, alongside appropriate crisis support, through the emerging Health and Wellbeing Strategy and wider partnership activity.

## 5. Alternative Options

5.1. Not applicable to this report.

## 6. Key risks and Opportunities

6.1. **Risk:** Poverty and financial hardship are associated with poorer physical and mental health outcomes and wider inequalities. Rurality can make need less visible and create additional barriers in relation to transport, housing, energy and access to

services. Failure to identify and support households' early risks problems escalating and increasing demand for crisis and statutory services.

6.2. **Opportunity:** The report provides an evidence base for strengthening preventative and partnership approaches to poverty and health inequalities. Opportunities exist through improved referral pathways, "No Wrong Door", community-based provision, better identification of hidden poverty and action on wider determinants through Health in All Policies.

## 7. Council Priorities

7.1. **"Early Intervention & Prevention" –** The main aim of the programmes identified within the annual report is to move from crisis support to a targeted preventative resilience support model. This supports to reduce downstream, costlier pressures, such as emergency housing, council tax write-offs and expensive (and largely inefficient) crisis payments for utilities or other debts.

7.2. **"People live in safe, inclusive places with homes that meet their needs" –** In addition to direct Housing Payments assisting with rent arrears, several support programmes directly relate to improving household quality, such as replacement of white goods, energy efficiency schemes (such as boiler schemes and more). More broadly, support around financial resilience and better education or income maximisation will also help residents remain in their homes for longer, in a more stable environment.

7.3. **"Everyone has the opportunity to be healthy and thrive at every stage of life" –** work outlined within the annual report does not restrict support based on age and is open to all cohorts of residents living within Shropshire. Poverty, and cost-of-living concerns are not restricted to the elderly, people with disabilities, families, or single individuals.

7.4. **"A thriving economy that benefits everyone" –** individuals who have greater handling of their finances, increased income through benefit entitlement, or improved budgeting are better placed to spend money within the local Shropshire economy.

## 8. Financial Implications

8.1. There are no direct financial decisions arising from publication of the Director of Public Health Annual Report. The report describes a range of existing programmes and interventions, including activity supported through external grant funding such as the Crisis & Resilience Fund (CRF). Shropshire's CRF allocation is identified within the annual report as £3.7 million per year for 2026-29.

8.2. Any future financial implications arising from implementation of specific programmes or recommendations would be considered through the appropriate governance and decision-making arrangements.

## 9. Legal and HR implications

10. The Director of Public Health has a statutory duty to prepare an annual report on the health of the people in the area of the local authority pursuant to section 73B of the National Health Service Act 2006 (as amended.) The reports must be published by

the local authority as per s73B(6) of the Act. By doing so, the Director of Public Health is meeting their statutory responsibilities.

## 11. Electoral Division Implications

11.1. The Crisis & Resilience fund & subsequent programmes are county-wide. Payment support schemes (Crisis, Housing, and Heating Oil cash awards) can be accessed or applied for irrespective of location within the county (*though applicants must be a Shropshire resident, and eligibility criteria may apply*).

11.2. Where possible and practical, in-person programmes are (and will be) run from a range of locations across the county to ensure coverage, avoiding exclusion and ensuring reach of Shropshire's rural communities. Phone calls and digital support is available for more rural areas where Resilience support programmes may be limited.

## 12. Health, Social (including "Child Friendly Shropshire") and Economic Implications

12.1. **Health in all Policies (HiAP)** - The work on reducing poverty (of all kinds) within Shropshire both by internal council teams, and external partners represents a practical, real-world example of Health in All Policies in action within Shropshire.

By investing in income maximisation, housing stability, debt reduction, food security, fuel poverty interventions and community organisation resilience, the programme addresses several wider determinants of health across multiple council services and partner organisations, reducing siloed working and providing greater opportunity and staffing capacity for referrals across the county.

The Crisis & Resilience Fund demonstrates how financial, housing and community policy decisions can contribute directly to improving health outcomes, preventing ill-health and reducing health inequalities across Shropshire particularly in the areas of, (though not limited to) fuel poverty, food insecurity, debt management, and income maximisation.

These factors reduce potential future demand on Council and partner services by improving financial resilience and skills and providing direct cash (or in-kind) support to low-income households. This represents a shift from reactive crisis response to proactive, preventative support.

12.2. A lot of the impacts of poverty occur early in life. Targeted support to families and children will provide a strong foundation for later life. Programmes such as the Best Start in Life (BSIL) & Family First Partnership Programme (FFPP) intervene early, helping to reduce childhood poverty and adverse health impacts.

12.3. Through valued partners, income maximisation, improved budgeting and support to reduce debts will lead to an increase in discretionary and disposable income, improving financial resilience, increasing savings, and providing more money to spend in the local economy.

## 13. Equality and Diversity Implications

13.1. Poverty affects a wide range of groups and places and can intersect with age, disability, childhood disadvantage, rurality and other circumstances. The report

emphasises accessible routes to support, reducing stigma and reaching residents whose needs may otherwise remain hidden.

## 14. Climate Change, Biodiversity and Environmental Implications

14.1. The report recognises the relationship between poverty, climate change, housing quality and energy costs. Lower-income households can have less capacity to adapt to extreme temperatures, flooding and increased energy costs, while Shropshire's older housing stock and reliance on off-grid heating contribute to fuel-poverty risks.

14.2. Existing activity highlighted in the report includes energy advice, affordable warmth and energy-efficiency programmes, boiler upgrades and retrofit activity. Improving household energy efficiency can therefore contribute both to reducing financial hardship and supporting environmental objectives.

## 15. Background Papers

15.1. Crisis & Resilience Fund (CRF) – Delivery Plan Proposals

15.2. Crisis & Resilience Fund Initial Delivery Plan – Year 1

15.3. Crisis & Resilience Fund – 6-month Progress Update

## 16. Appendices

**Appendix A** – Director of Public Health – 2026 Annual Report: "**More Than Money:** *How Poverty Shapes Lives, Places and Health"*

**Appendix B** - "Worrying about Money?" Leaflet – Digital Version

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Shropshire Council



# Shropshire's Director of Public Health Annual Report 2026

## More Than Money: *How Poverty Shapes Lives, Places and Health*

*A review of rural poverty, hardship, and the normalisation of deprivation*

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# Acknowledgements and thanks:


Acknowledgements to the fantastic team who have led and supported the development of this report, in particular: **Phil Northfield, Mark Trenfield, Wendi Shepherd and Ellen Tracey**

With Special Thanks to: **Jackie Jeffrey, Catherine Devaney and Citizens Advice Shropshire**

Designed by: **Phil Northfield and Mark Trenfield**


**Data sources:** *This report utilises the most recently available published information from a variety of data sources, these are available on the council's website. References are listed at the back of this report.*

**www.shropshire.gov.uk** - If you would like this information in a different format, please contact **0345 678 9000**



citizens advice Shropshire

# Introduction & Foreword

***Foreword from Rachel Robinson (DPH)***

Hello and welcome to Shropshire's Director of Public Health Annual Report for 2026.

My Annual Report provides a vehicle for informing people about the health and wellbeing of our communities as well as providing information for local and national decision makers on health gaps and priorities that still need to be addressed. The report also provides us an opportunity to pause and reflect on the improvements that can be made when we work collaboratively.

While this report again describes current patterns of health and wellbeing across Shropshire, its main focus is **poverty**: an issue that is too often overlooked, particularly in rural areas such as Shropshire, but one that is vitally important to our health and wellbeing and very close to my own heart.

*"Growing up in poverty in one of the most deprived areas of North-East England, I witnessed first-hand the profound impact that deprivation can have on us as individuals, our families and communities. I experienced daily the pressures poverty places on relationships, on our mental wellbeing and physical health, from the constant worry about making ends meet, to not always having access to the right food, not having the basics for your healthcare needs, the list goes on. Although those experiences are part of my past, their influence remains very real and continue to shape who I am today and similarly for the lives of many 1,000s across Shropshire living with poverty daily.*

*Despite these challenges, I feel incredibly fortunate. My mam often told me that while she had very little to give, she would ensure I received an education. That commitment changed the course of my life. Through education, I was able to move beyond poverty and create different opportunities for my own children. For that, I will always be grateful.*

*Those early experiences taught me valuable lessons about resilience, inequality, opportunity and the importance of giving people the support they need to succeed and the importance of the wider determinants of health in influencing outcomes at all stages of life. They also inspired my commitment to public service and led me to a career that I continue to love and feel deeply passionate about today."*

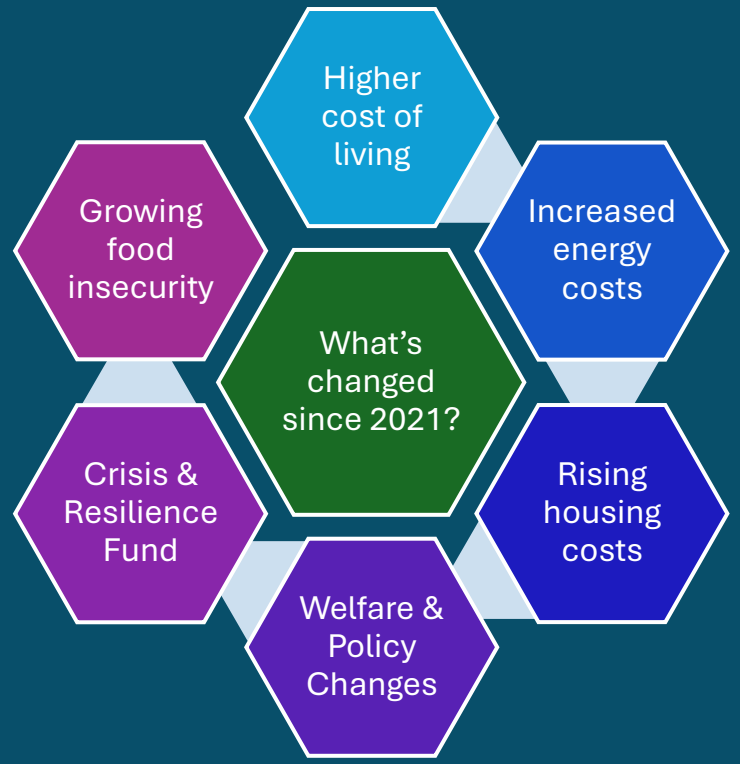


As the Director of Public Health, my colleagues and I are dedicated to improving and enriching the lives of everyone living in Shropshire. Poverty or the absence of it, is an essential aspect of our overall health and wellbeing. In my previous report, I once again highlighted that as little as 10-20% of our health is determined by access to health services. The majority of our health and wellbeing is shaped by our economic, social and environmental conditions as our income, the education we receive, our housing and transport. **Poverty has severe consequences for individuals, communities, our Council, care system, and the wider economy.**

Rachel Robinson

*(Director of Public Health)*








# Introduction/Foreword continued




## Introduction from Cllr Ruth Houghton and Wendi Shepherd (DDPH)

Poverty affects every aspect of life. It influences our health, our opportunities, our relationships and our ability to plan for the future. While Shropshire is often seen as a prosperous county, this report highlights an important reality: poverty and hardship exist in every community, including those where they may be less visible.

The challenges faced by people experiencing poverty in rural areas can often be hidden. Higher transport costs, rising energy bills, limited access to services and the increasing cost of everyday essentials can place significant pressure on individuals and families. Many people experiencing these challenges are working, caring for loved ones, or contributing to their communities, yet still struggle to make ends meet. In this report it is therefore critical to understand that poverty is a major public health issue, particularly in rural areas where the costs of everyday life increases, food insecurity is a particular concern and rising housing prices, transport and energy are major challenges.

This report aims to improve our understanding of poverty in Shropshire, shining a light on the experiences behind the data and exploring the factors that contribute to financial hardship. It also highlights the fantastic work already taking place across the county, with local organisations, communities and partners working together to support residents and build resilience.

In addition, in rural areas poverty is often hidden because of small numbers, stigma and bias. In this report we seek to understand the patterns and types of poverty within our County to identify who is most impacted, determine how levels have changed over time and understand what future trends are likely to be. We also acknowledge demographic trends in Shropshire and how we avoid digitally excluding older residents or those without internet access by offering in-person or phone routes to support where possible, particularly a risk in more rural areas of the county.

Since the publication of the previous Director of Public Health Annual Report, we have continued to strengthen our partnership approach through programmes such as **Healthy Neighbourhoods, Family Hubs**, the **Family First Partnership Programme** and the **Crisis and Resilience Fund**. These initiatives recognise that improving health and reducing inequalities requires action on the wider factors that shape people's lives.

We also recognise the important work done to date with communities and partners to tackle this issue and make recommendations around what more can be done to make a difference together through our partnerships to quite literally transform lives and improve outcomes for individuals.

There is no single solution to poverty, and no organisation can tackle it alone. However, by listening to our communities, working collaboratively and focusing on prevention and early intervention, we can make a meaningful difference. We hope this report helps to inform future action and encourages all of us to play our part in creating a healthier, fairer and more inclusive Shropshire.



Cllr. Ruth Houghton

*(Portfolio Holder: Public Health & Adult Social Care)*

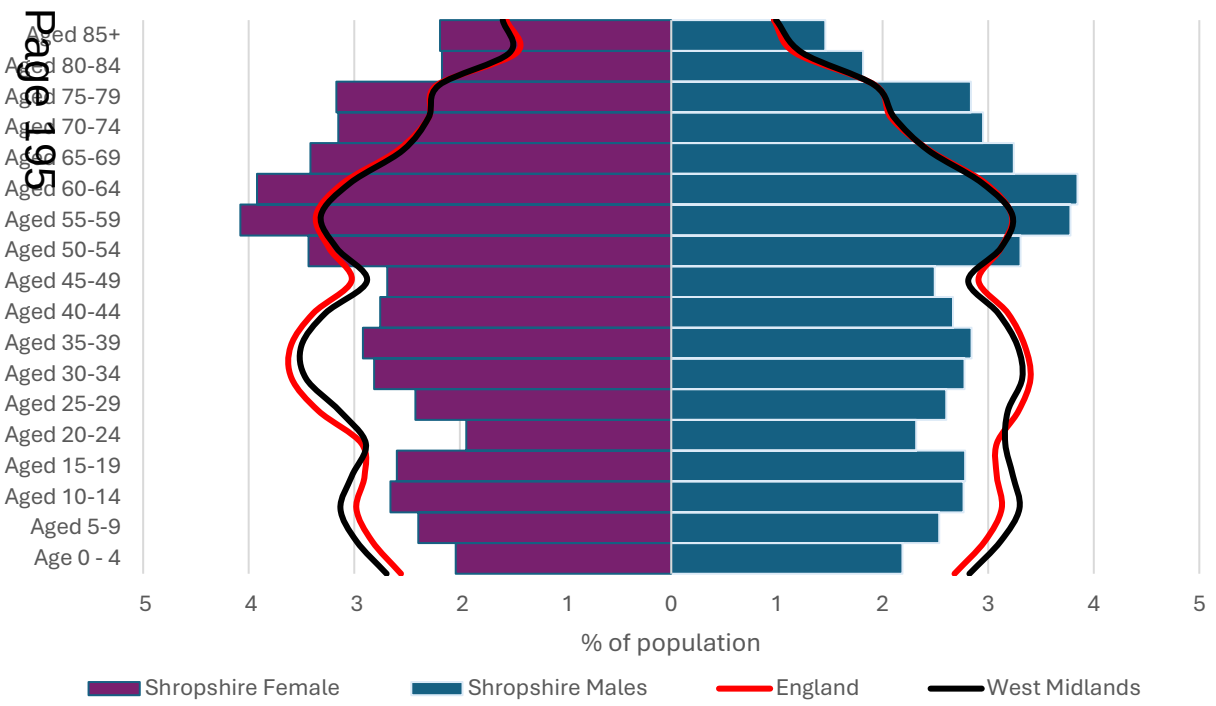


Wendi Shepherd

*(Deputy Director of Public Health)*

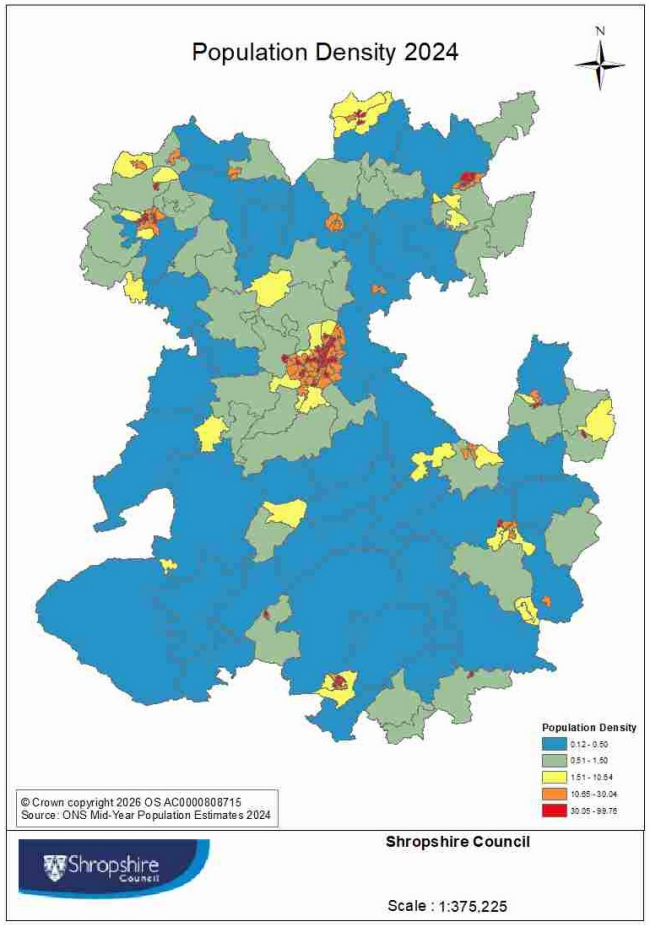
# A profile of Shropshire

- Shropshire is a diverse, large, predominantly rural inland county with a wide range of land use, economic activities, employment and social conditions.
- The total population in Shropshire stood at **332,500** in 2024 having risen by an average of 0.7% per annum over the last decade.
- **Over half (57.4%) of Shropshire's population live in rural locations**. Therefore, Shropshire is classified as "Rural: Majority nearer to a major town or city". Given the rural nature of Shropshire, the ease with which people can access services such as work, healthcare, education and shopping is an important and challenging issue.
- Shropshire's population has a relatively high concentration of people in the older age groups. In 2024, 54.0% of the County's residents were aged 45 or over, compared to only 43.7% nationally (ONS 2024 Mid-year Estimates). 26.4% were aged 65 and above (18.7% in England), while 3.6% were 85+ (2.5% in England). **The median age of the population in Shropshire is 48 compared with 40 in England**
- Shropshire, like many parts of the country, has an ageing population. **The 65+ population has risen by 23.6% since 2014, while the 85+ population has grown by 31.2%**. In contrast, the 40-54 age band has declined, and there has also been a reduction in the number of people aged 0-4 and 15-29.




Demographic change will be one of the defining challenges for Shropshire in the coming decades. A growing older population, combined with a relatively smaller working-age population, may increase demand for affordable housing, social care and financial support, while also creating workforce shortages that could affect local economic resilience and inequalities.

## Where do people live in Shropshire?



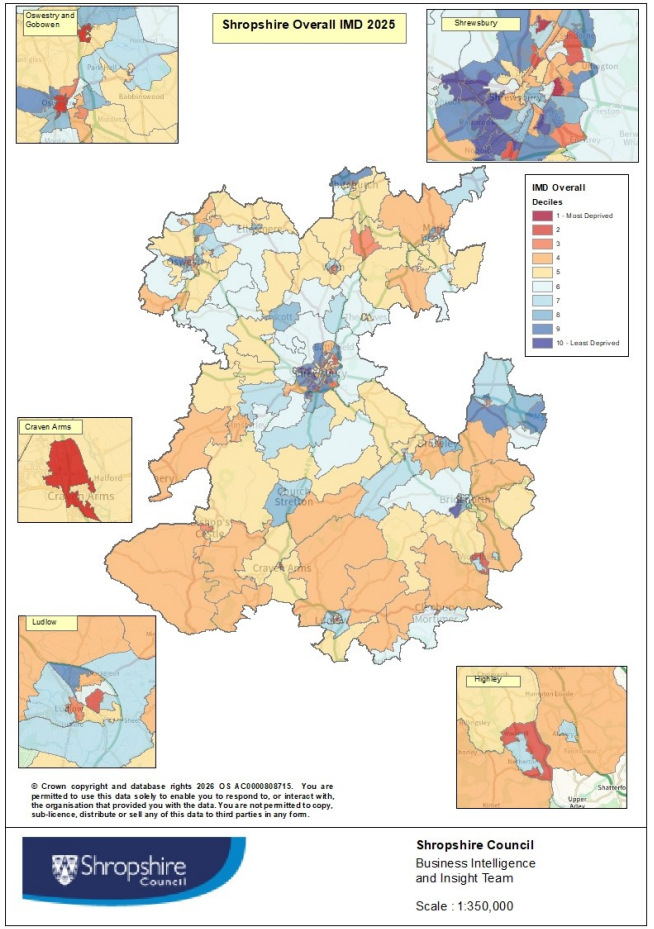

## Populations of largest place plan areas *(as of 2024)*

| Town | Average Age | Population |
|---|---|---|
| Shrewsbury | 44 | 108,093 |
| Oswestry | 48 | 43,482 |
| Bridgnorth | 52 | 24,361 |
| Market Drayton | 46 | 24,005 |
| Wem | 48 | 16,758 |
| Ludlow | 54 | 16,340 |

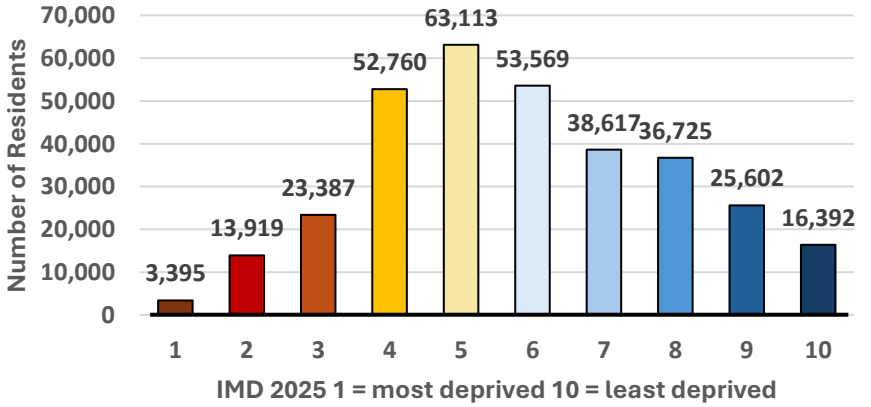
# A profile of Shropshire continued

## Index of Multiple Deprivation (IMD) 2025 for Shropshire

- The IMD was published on 31 October 2025 by the Ministry of Housing Communities and Local Government (MHCLG). The previous IMD was published in 2019. The IMD is the official measure of deprivation in England.
- Each of the 33,755 Lower- Layer Super Output Areas (LSOA) in England are scored against various indicators. LSOAs are non-political geographies that typically have around 1,700 residents in them. Once the scores of these LSOAs have been collected, the areas are ranked, with the bottom 10% considered the most deprived LSOAs in England and the top 10% are the least deprived 10%.
- Overall, **Shropshire ranks as the 154th out of 296** lower tier local authority in overall deprivation. However, there are areas of the county that are more deprived – two LSOAs in Shropshire are in the most deprived 10% in England (dark red on the map on the right) and nine areas are in the most deprived 20%
- In total, **1% or (3,395) people live in the most deprived 10% of LSOAs** nationally compared to 10.2% people in England. 5.3% or 17,314 people live in the 20% most deprived nationally (10.4%) in England.
- The various indicators are grouped into 'domains' that added together make up the overall score, The table below shows how Shropshire ranks against the other lower tier local authorities in each of these domains. The lower the score, the more deprivation.
- While Shropshire is towards the third least deprived of local authorities for income deprivation, Shropshire is in the lowest quarter of local authorities for the 'barriers to services' domain (which includes the physical proximity of local services and amenities as well as issues relating to access to housing i.e. affordability) and the 'Living environment' domain (includes measures about the quality of housing). These are important as it means Shropshire residents need to spend more time and money getting to places, find it harder to buy houses, and are more likely to be living in poor quality housing which might mean higher bills or more expenditure on repairs.
- In my last report, we also highlighted the challenges of using the IMD in a rural County such as Shropshire and other measures of deprivation, where smaller numbers can mask inequalities and issues such as poverty and more broadly deprivation.




| 2025 IMD Domain | Shropshire's Rank (out of 296) – Lower = more deprived |
|---|---|
| Overall | 154 |
| Income | 193 |
| *- Income sub-domain: Children in Income Deprivation (IDACI)* | 173 |
| *- Income sub-domain: Older People in Income Deprivation (IDAOPI)* | 190 |
| Employment | 189 |
| Education | 165 |
| Health | 169 |
| Crime | 255 |
| Barriers to Services | 37 |
| Living Environment | 75 |



# Poverty in Shropshire at a glance...

## INFLATION

27.6% between Jan 2021 and Jun 2026

57.4%

live in rural areas in 2022 – 187,931 people. Rural areas account for 97.3% of Shropshire's land mass

12.8%

of households are in fuel poverty (18,500 homes)

16,000

households are in a negative budget

30%

households without a broadband connection *(22)*

36%

of households are in Transport Poverty

68%

of children (1,865) achieved a good level of development before starting school in 24/25.

For children on FSM this is only 43.7% (135 children)

23.4%

of children (12,249) in relative poverty after housing costs in 2025

£2,210 lower gross average earnings per year than England average

14%

of households are in food poverty/food insecurity

*(2021 UoS Study)*

Only 63% of residents can access a GP practice within 15 minutes using public transport. Over 88,993 can't

£113.90 average weekly transport spend in rural Shropshire Vs £76.20 in Urban areas

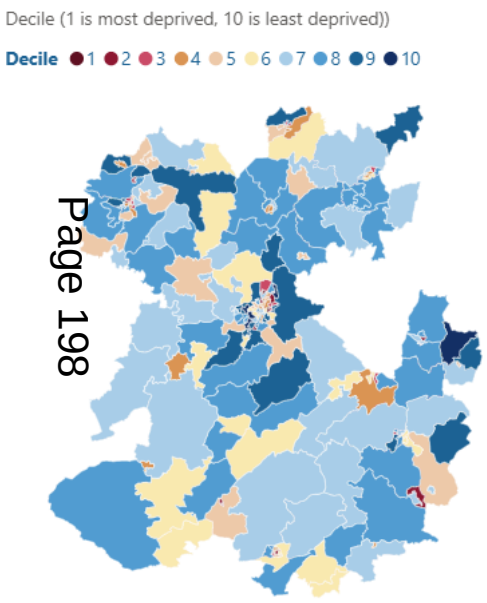
# A profile of Shropshire + Infographics

*A "decile" refers to a 10% group, with 1 being the lowest 10%, and 10 being the top 10%*

*These are calculated the same way nationally, allowing comparison between different areas across England*

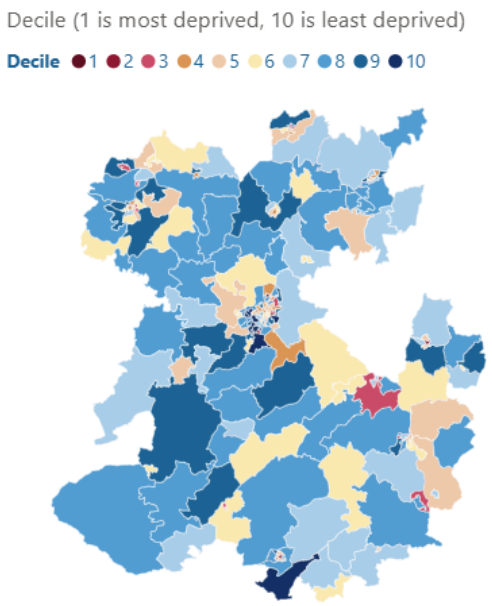
## Index of Multiple Deprivation (IMD) 2025 for Shropshire

### Income Deprivation



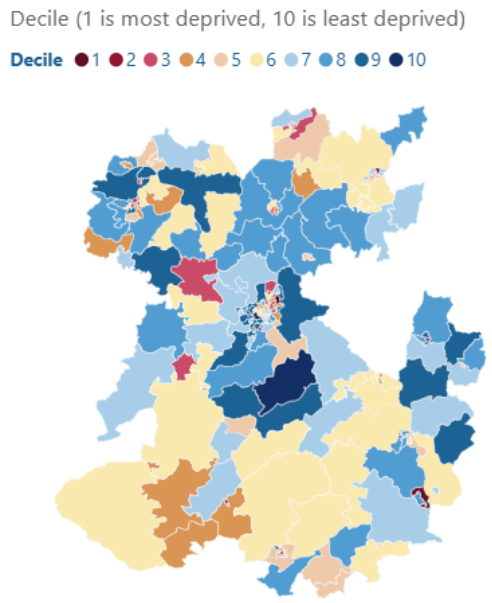

Income deprivation measures the proportion of people living with low incomes or receiving income-related benefits. This map shows how levels of income deprivation vary across Shropshire, helping us understand where financial hardship is most concentrated.

### Income Deprivation affecting older people (IDAOPI)



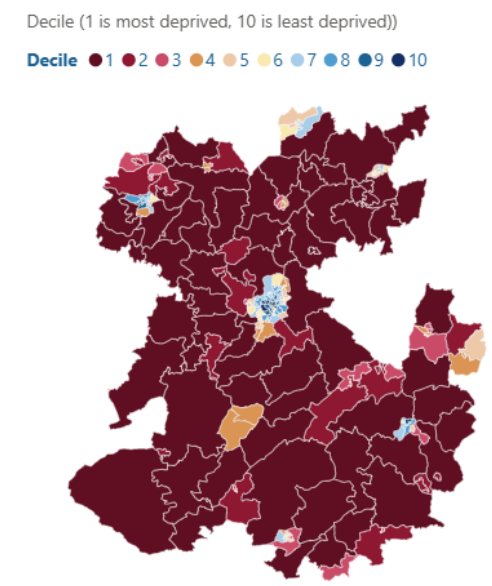

The Income Deprivation Affecting Older People Index (IDAOPI) highlights areas where older residents are more likely to be living on low incomes or relying on income-related benefits. It helps identify communities where older people may be at greater risk of financial hardship.

### Income Deprivation affecting children (IDACI)



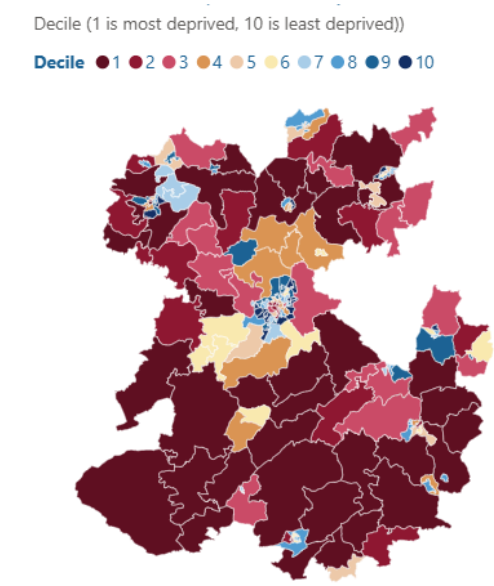

IDACI measures the proportion of children aged 0 to 15 living in income-deprived families. This map shows how child income deprivation varies across Shropshire, helping to identify areas where children may be at greater risk of poorer outcomes linked to poverty.

### Barriers to Housing and Services




The Barriers to Housing and Services map highlights communities where finding affordable housing or accessing everyday services is more difficult. In rural areas, this can reflect the extra time, cost and distance involved in reaching key services.

### Living Environment




This measure looks at the quality of people's homes and local surroundings. It helps identify areas where housing conditions or environmental factors may create additional challenges for residents and contribute to poorer health outcomes.

# Chapter 1: What is poverty and what causes it?

### What is poverty?

The Joseph Rowntree Foundation defines poverty as a person's resources being insufficient to meet their minimum needs. It is a complex, multifactorial, national problem that is difficult to define, especially as much of the poverty in the UK is hidden *(1)*. This is especially true in rural, affluent appearing areas, such as Shropshire.

*"People may be living in poverty if they lack the financial resources to meet their needs, whereas people can be regarded as deprived if they lack any kind of resources, not just income. In the IoD [Index of Deprivation], '**deprivation**' refers to people's unmet needs, whereas '**poverty**' refers to the lack of resources required to meet those needs or socially perceived necessities. These needs and necessities may change and evolve over time, but relative deprivation remains" (2)*

### What is Hardship?

Hardship is the day-to-day experience of going without essentials or struggling to make ends meet. It can be a result of poverty, low income, debt, high living costs, or a sudden financial shock. It is **not** restricted to those who are not in work, have disabilities, or are retired.

### What is Deprivation?

When we talk about deprivation, we mean more than a lack of money. It describes the range of challenges that can make life harder for people and communities, including poor health, limited job opportunities, lower educational attainment, difficulties accessing housing or services, and the quality of the local environment. The Index of Multiple Deprivation (**IMD**) combines these factors to show where disadvantage is most concentrated and where additional support may be needed.

### What causes it?

Poverty, hardship and deprivation are caused by a wide range of social, economic and political factors, including low incomes, rising costs, poor housing, limited access to services, and unexpected life events. These pressures can build up over time, making it difficult for people and families to afford essentials and maintain their health and wellbeing. This report looks at these causes that are particularly prevalent within Shropshire, such as rurality, access to services, lower average wages, fuel poverty, food insecurity, and what work is being undertaken to address them.

*Poverty is not always obvious. In Shropshire, many people experiencing hardship may be working, living in rural communities, or appear financially secure from the outside. Understanding and addressing hidden poverty is critical to improving health and wellbeing across the county.*

**Relative Poverty**

Relative poverty occurs when a household's income is significantly below the average income of the society in which they live, limiting their ability to participate fully in everyday life.

**Absolute Poverty**

Absolute poverty occurs when a household does not have enough income to afford necessities such as food, clothing, heating and shelter, regardless of how wealthy the rest of society is.

**Poverty is not <u>one</u> thing.** It can be experienced in different ways.

**In-work Poverty**

In-work poverty occurs when people are employed but their earnings are still insufficient to meet their basic living costs.

**Rural Poverty**

Rural poverty describes poverty experienced in countryside and sparsely populated areas, where additional costs and reduced access to services create challenges.

**Hidden Poverty**

Hidden poverty occurs when people experience financial hardship, deprivation or poor living conditions that are not immediately visible to others and may not be reflected in traditional measures of deprivation.

### How does poverty manifest/how is this report structured?

- **Fuel Poverty & Energy Costs**
- **Transport and Rurality**
- **Food Insecurity and Cost of Essentials**
- **Housing & Population Inequalities**
- **Employment & Earnings**
- **Welfare and Policy changes**
- **Demographic & Environmental change**

# Health & Wellbeing Strategy 2027-2030 – Marmot Approach

Almost everything in our lives affects our health and how long we live. This includes our jobs, living conditions, access to education and transport, and whether we face poverty or discrimination. Health is influenced by lots of influences, not just visits to the hospital or a GP or any medical ailments we may suffer from.

For example, having a secure and well-paid job, living in a warm and safe home, having good schools nearby, being able to access reliable public transport, and living in a community where people feel safe and included can all improve health. On the other hand, unemployment, poor housing, low income, limited access to services, and experiences of discrimination can harm health.

Together, these influences are known as the wider determinants of health and can **influence as much as 90% of our health outcomes**.

Poverty has a significant impact on health and wellbeing, often leading to significantly worse outcomes in a range of wider determinants. Improving rates of poverty and supporting people to become more financially stable directly improves both physical and mental health and wellbeing.

Tackling inequalities, both health and otherwise, will directly support to reduce some of the influences and drivers of poverty as well as improve health and wellbeing.

As part of the Health & Wellbeing Board (HWBB) priority setting workshop, moving towards making Shropshire a **"Marmot Place"** was agreed and will be part of the next Health & Wellbeing Strategy informing all Public Health and wider strategies across the organisation. This strategy is currently under development, but is due to launch in 2027, and cover the next 5 years of policy within Shropshire.

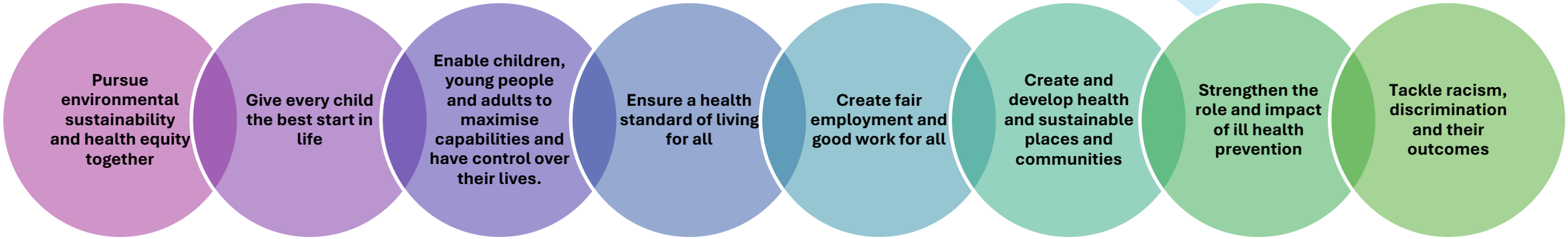
The Marmot Review (2010) *(3)* – sets out key ideas to improve health and reduce inequalities. These 8 "principles" are below and will be embedded within this new strategy.

A key mechanism for embedding these principles across the Local Authority will be through implementing a **Health in All Policies (HiAP)** approach across the council, considering health impacts (positive and negative) in all council policies and strategies, and mitigating negatives, or enhancing positives where appropriate. This moves from a reactive style, into a preventative, and early intervention approach. The rollout of this policy is a key priority for the Council moving forward.

Ultimately, dealing with health issues before they escalate is better for residents, the health & care sector, and the local authority, freeing up capacity and finance to provide more specialised and targeted support.

**Good health is everyone's responsibility.**

## The 8 Marmot Principles



# Fuel Poverty and Energy Costs

## What is fuel poverty?

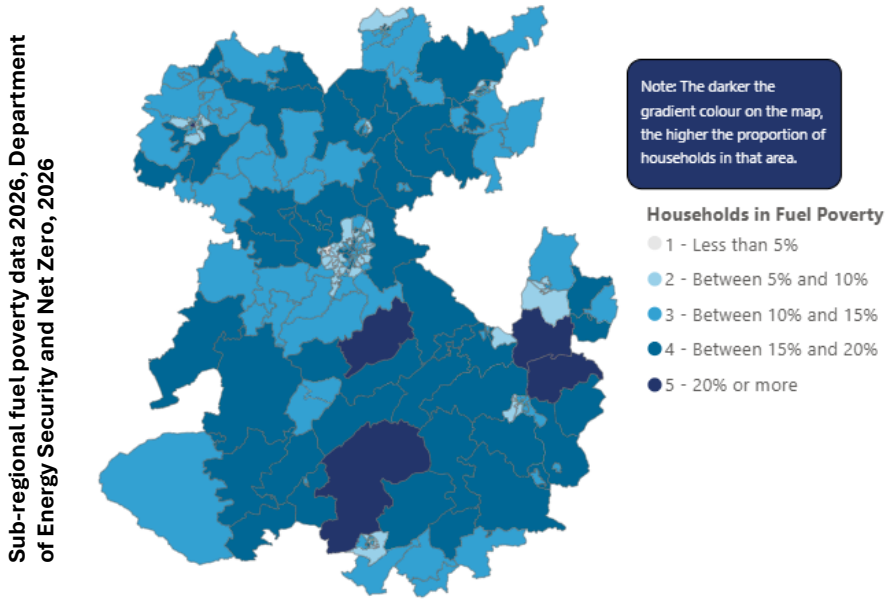
Fuel poverty occurs when a household cannot afford to keep its home warm, safe and healthy at a reasonable cost. Shropshire faces specific additional challenges increasing rates of fuel poverty due to:

- A high number of households fuelled by heating oil or otherwise off-grid (LPG etc) combined this is around 21,400 properties. Recent price-spikes in the cost of oil due to geopolitical issues has seen the price of an average fill increase by around **£350**. A support programme has been implemented to assist the most vulnerable with financial support.
- Older housing stock, which is less energy efficient and insulated. EPC data held by the Council shows that almost 108,000 dwellings (75%) have an EPC with a Band D, E, F or G. The average Standard Assessment Procedure (SAP) score across Shropshire is just under 58, which equates to an EPC Band D *(4)*
- Lower average earnings due to a lower-wage economy (see **Employment & Earnings**)

The sub-regional fuel poverty data 2026, based on 2024 data shows that around **18,500** (12.8%) of households within Shropshire *(4)* are believed to be in fuel poverty, this is worse than the England average of 9.9%, and one of Shropshire's most pressing concerns. These are predominantly focused in the south, and more rural parts of the county.



### Households in Fuel Poverty by LSOA




Fuel poverty has a direct and devastating impact on public health and causes thousands of hospital admissions. In a Fuel Poverty Action UK *(5)* survey of UK healthcare workers:

**7 in 10** health workers surveyed said that they regularly see patients going without energy in their homes because they are unable to afford bills.

**68%** of UK health workers say high energy bills contribute to avoidable hospital admissions.

**45%** have sent patients home knowing that their housing situation would make them ill again.

Homes in the UK are generally older and less energy efficient than most of Europe, losing more heat over a shorter time when compared to other European countries after heating is switched off. When combined with expensive energy costs this becomes a significant driver of poverty.

To compensate, UK households may elect to disconnect from supplies, fail to pay bills, or risk not using heating during colder months, leading to:

## Impacts on health:

Fuel poverty can lead to or worsen several health issues.

- **Respiratory illness**: Cold, damp homes are associated with increased rates of asthma, bronchitis, chest infections, and pneumonia.
- **Cardiovascular disease** (CVD): Exposure to low indoor temperatures can increase blood pressure and the risk of heart attacks and strokes.
- **Mental health impacts**: Financial stress, anxiety about bills, and living in an inadequately heated home can contribute to poor mental wellbeing, anxiety, and depression
- **Worsening existing health conditions**: Cold homes can aggravate long-term conditions, including musculoskeletal (MSK) disorders and respiratory diseases
- **Impacts on children**: Children in cold homes may experience poorer physical health, increased school absence, and reduced educational attainment. Poverty and poor housing conditions can affect health throughout life
- **Impacts on older people**: Older adults are more vulnerable to cold-related illness, falls, and excess winter deaths. Shropshire's older population makes this a particularly important issue locally

# Transport and Rurality

## Why does transport matter?

Transport is a crucial **determinant** (or influence) on health. In a county as rural, large, and as sparsely populated as Shropshire, transport, whether private or public allows access to work, education, healthcare, shopping, and more.

The cost of driving can often be prohibitive (particularly for younger people), as well as older people or those on low-incomes or in poverty. Lack of affordable, reliable and timely public transport can lead to people becoming more isolated, developing mobility, or mental health issues, and a feeling of being 'trapped' within their homes or local communities.

**29%**
Of Shropshire is within a 30-minute walk of a train station
*West Midlands average = 48%*

**81.8%**
Households within Shropshire have access to gigabit broadband *(FTTH/FTTP)**

**37%**
Of Shropshire cannot access a GP within a 15-minute public transport journey

**57.4%** of people in Shropshire live in Rural Areas

**Average broadband speeds by place plan area are included on page 14.*
*30% of homes do not have a broadband connection as of 2024 (22).*

## Why does rurality matter?

Rurality leads to what is often called a "rural premium" *(6)*. Residents may face additional costs worsened by being rural because of: Longer commutes, higher fuel spending, limited public transport, higher energy costs, digital connectivity challenges and more.

Access to in-person support services is also amplified by the rural nature of Shropshire. This also extends to younger and working-age residents struggling to get to employment opportunities if they do not have access to private transport, limiting their earning capacity, and increasing the chance of being in poverty. Digital services can mitigate this to some extent, and ensuring a strong digital front door and skills training for residents is a key council plan moving forward whilst balancing against the need to avoid digital exclusion.

Within Shropshire, placement of new services or facilities is informed by this access data amongst other information on need, ensuring an evidence-based approach. A key example of this being the Highley Health & Wellbeing centre opened in April 2024.

*Data & map: Bus Service Improvement Plan (2024) (7)*

**36%**
**Households in Transport Poverty**

**£113.90**
**Average weekly transport spend (Rural)**

**£76.20**
**Average weekly transport spend (Urban)**

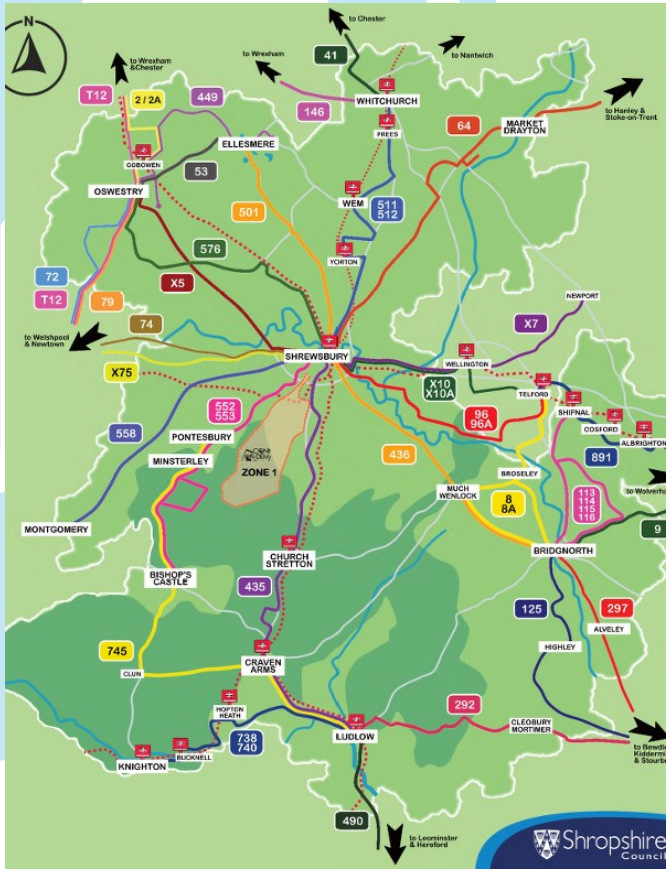
**12%**
**Lower wages than urban areas**

***Transport poverty** means not being able to get where you need to go safely, affordably and when you need to.*

### England Rural Buses

Nationally, across England, in hamlets and isolated dwellings, **buses account for less than 1% of journeys**. Bus usage in rural areas is seen to be at a historic low in terms of service use and coverage as of 2025.

Findings show that only **50%** of eligible pensioners in the most rural areas now use concessionary bus passes (nearly 70% in Urban Conurbations). They have faced reductions in the concessions being provided, as well as declines in overall bus service provision.




*Map (right) – Shropshire Public Transport map, as of 2024 – gaps in provision, particularly in the south of the county are noticeable. Shropshire's next Local Transport Plan (LTP4) is currently in development.*

# Food Insecurity and Cost of Essentials

## What is food poverty?

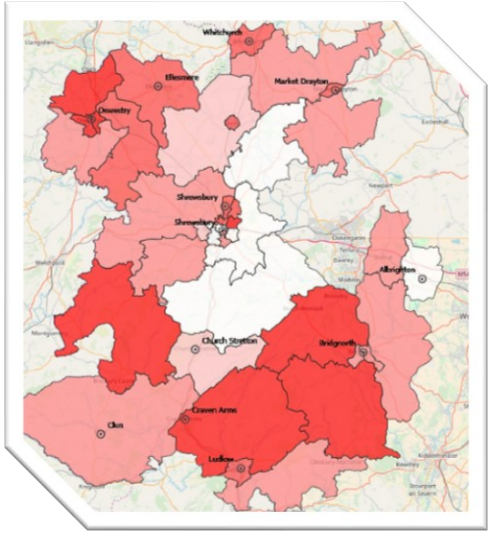
Food poverty is the inability of individuals or households to access enough healthy and nutritious food because of a lack of financial resources or access to affordable grocery stores. It may occur as a short-term crisis or persist over longer periods as a chronic issue.

There are currently **14** foodbanks located within Shropshire. With demand primarily focused on Shrewsbury, Bridgnorth, and Oswestry. The map to the right showss areas at risk of food poverty across the county, however it can (and does) occur anywhere within Shropshire.

## What causes food poverty?

The causes of food poverty are complex and often interconnected. For people with limited financial resilience, an unexpected life event such as illness, job loss, or a household emergency can quickly lead to financial hardship and difficulty accessing food. In many cases, food poverty results from a combination of factors, including low income, rising living costs, barriers to accessing food, and wider economic pressures.

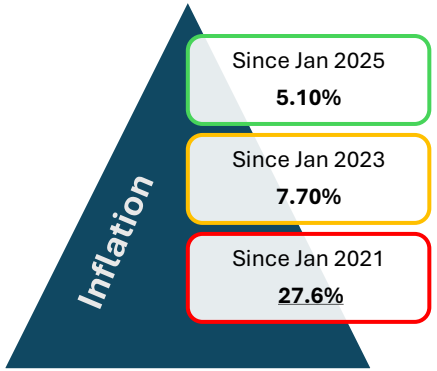
The cost of essentials is not static, and changing or dynamic prices mean that household costs can rise overall over relatively short periods. The figures in this report therefore provide a snapshot in time, while recognising that the financial pressures experienced by households may continue to change.



*Areas at risk of food poverty:*
*For more info, click here (10)*

## General inflation in the last 5 years...

Inflation is when the price of things goes up over time, so the same amount of money buys less than it used to. For example, if a chocolate bar costs £1 today and £1.10 next year, that price increase is inflation.



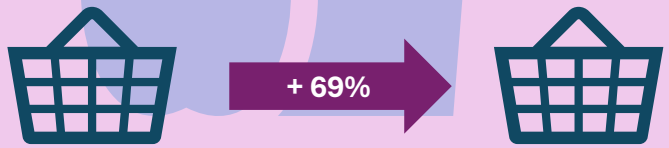

**Inflation figures provided by the Bank of England, calculated between Jan of each year and Jun 2026 (9)*

## Agriculture and food production – impact on nutrition

- In 2023/24, **11% of the UK population were living in food insecure households** (defined as a household which cannot "...acquire an adequate quality or sufficient quantity of food in socially acceptable ways" *(10)*
- According to a University of Sheffield study *(21)* conducted in 2021, in Shropshire, this figure was **14%, or around 19,500 households.**
- We know there is a negative relationship between income and access to cooking facilities **" 8% of households with an income below £10,000 per year have no cooker and 16% have no freezer"** and a positive relationship between low income and availability of fast-food, "nearly one in three food outlets in the most deprived areas are fast food, compared to one in five in the least deprived areas". The relationship between deprivation and poor diet is propagated in this way, which we know leads onto diet related health problems such as heart disease and diabetes *(11)*.
- Given the food chain instability globally at present, the forecast for food insecurity in the UK looks set to rise. The BBC report that it can take 7-13 months for the increased food supply chain costs to be reflected supermarket pricing *(13)*.

Citizens Advice Shropshire compared the cost of the same basket of basic food in rural shops in south Shropshire in 2022 and then again in 2026. This shows how local prices have changed and the extra challenge faced by residents who have limited choice about where they shop. **69% average price increase for local South Shropshire grocery store** *(Appendix 1.)*

- 37% **average price increase** for ASDA online
- Ludlow Tesco experienced the **highest price increase since 2022 of 87%**, closely **followed by Craven Arms Tuffins at 83%**
- Clun Spar again is the costliest grocery store assessed with a food basket total of £68.18




**2022 Cost = £35.43** **2026 Cost = £59.81**

*Citizens Advice Shropshire updated what was formerly a Shaping Places research project evaluating the cost of a basic shopping basket for Shropshire households. The results of this analysis are included at the back of this report as Appendix 1.*

# Housing and Population Inequalities

*Housing Data: Office for National Statistics (8)*

Averages in Shropshire:



### House price - £281,000

The average (median) house price in Shropshire was **£281,000** in May 2026 (provisional), up 3.1% from May 2025. This was higher than the rise in the West Midlands (2.7%) over the same period where the average price was £248,000.

### Monthly rent - £817

Private rents rose to an average of **£817** in June 2026, an annual increase of 3.9% from £786 in June 2025. This was lower than the rise in the West Midlands (4.4%) over the year.

**Average rent by number of bedrooms:**

- One bedroom: **£603**
- Two bedrooms: **£763**
- Three bedrooms: **£946**
- Four or more bedrooms: **£1,390**

### First-time buyers - £227,000

The average price paid by first-time buyers was **£227,000** in May 2026 (provisional). This was 3.2% higher than the national average of £220,000 in May 2025 (revised).

### Housing Affordability Ratio

Ratio of median house price to median gross annual residence-based earnings, April 2025. How many years average salary are required to buy a house outright.

- Shropshire – **7.4**
- West Midlands Average – **6.8**

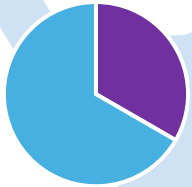
### Number of Social Properties in Shropshire at start of 25/26

- **16,668** properties considered rental stock for general needs
- **280** properties considered rental stock for supported housing
- **2,421** properties for older people
    - Total of **19,369** rental stock
- **1,233** homes low-cost home ownership
- **A total of 20,602** social houses in Shropshire owned by registered providers

## Housing & Health

Housing is a **major** determinant of health. When housing is too expensive, overcrowded, or in poor condition it can increase the risk of physical illness, poor mental health, financial stress, and wider inequalities. Poor quality, badly located housing or having insufficient nearby support services can also make it harder for people to access employment, education and essential services, leading to a cycle that contributes to, and is worsened by poverty. Local Authorities can influence several of these factors for the better, including better planning policy, greater transport connectivity, better access to facilities and more. Public Health aims to influence the wider council on their plans & strategies through a process known as "**Health in All Policies**"

The Marmot- '10 years on executive summary' reports on the risks of air pollution, and that its impacts are worse for: *"...deprived communities and places, showing these places had 'a higher exposure to air pollution and a greater burden of poor health increasing susceptibility to the impact of pollution."*



**1 in 3 households in the private rental sector fall into poverty because of their housing costs.**

Unaffordable housing also damages health: "**21 percent of adults in England said a housing issue had negatively impacted their mental health, even when they had no previous mental health issues, and housing affordability was most frequently stated as the reason**. The stress levels resulting from falling into arrears with housing payments are comparable to unemployment.....**one-third of households in the private rental sector fall into poverty as a result of their housing costs**" *(14)*

At present, **England's most deprived populations can expect to live almost one decade less, than if they had been born into England's least deprived communities** (3) . This is further exacerbated when the systems that support our communities are stretched ; The King's fund reported that in 2022,Covid-19 mortality "...was 2.6 times higher in the most deprived than the least deprived tenth of areas" *(14)*

# Housing and Population Inequalities

*A "place plan" is one of 18 places used to differentiate the various areas across Shropshire, allowing for greater analysis than if data were collected and averaged county-wide.* "Median House Affordability" refers to how many years average wages (in that area) are required to buy an average house (in that area) outright.

**Red = higher than England affordability average (2025) of 7.6.**

**Orange = higher than West Midlands affordability average (2025) of 6.8**

| Place Plan | Median House price sales 2024 | Median Gross household income 2024 | Median House affordability 2024 | Average Broadband Speed (Mbit/s) |
|---|---|---|---|---|
| Albrighton | £306,500 | £43,910 | 7.0 | *433.2* |
| Bishop's Castle | £304,500 | £40,843 | 7.5 | *113.0* |
| Bridgnorth | £278,975 | £45,382 | 6.1 | *326.3* |
| Broseley | £225,000 | £40,015 | 5.6 | *387.0* |
| Church Stretton | £442,500 | £45,443 | 9.7 | *187.0* |
| Cleobury Mortimer | £295,000 | £46,228 | 6.4 | *128.4* |
| Craven Arms | £317,500 | £41,221 | 7.7 | *165.2* |
| Ellesmere | £257,748 | £40,479 | 6.4 | *361.5* |
| Highley | £212,500 | £36,646 | 5.8 | *447.5* |
| Ludlow | £230,000 | £39,216 | 5.9 | *385.7* |
| Market Drayton | £251,250 | £41,485 | 6.1 | *368.8* |
| Much Wenlock | £270,500 | £45,540 | 5.9 | *154.2* |
| Oswestry | £387,500 | £42,470 | 9.1 | *211.5* |
| Pontesbury and Minsterley | £221,250 | £40,464 | 5.5 | *406.6* |
| Shifnal | £262,250 | £44,815 | 5.9 | *414.9* |
| Shrewsbury | £255,000 | £43,005 | 5.9 | *439.2* |
| Wem | £247,500 | £43,047 | 5.7 | *317.6* |
| Whitchurch | £240,000 | £38,483 | 6.2 | *405.2* |
| **Shropshire Average (2024)** | **£265,000** | **£42,238** | **6.3** | ***209.5*** |

*Data as of August 2024, apart from Average Broadband Speed from 2025*



## Population Inequalities – *graphic data correct as of 31st August 2026*

Housing is often a household's largest expense. When housing costs consume a significant proportion of income, families have less money available for food, energy, transport and other essentials. High housing costs can therefore increase the risk of financial hardship, even among people in employment. Housing costs across Shropshire vary dramatically within the county.

Demand for affordable housing continues to exceed supply in many areas. While **Shropshire has over 20,000 registered provider homes**, access to affordable housing remains challenging for many residents, particularly in rural communities where new housing delivery can be limited.

**Shropshire's population is projected to age significantly, increasing demand for suitable, accessible and affordable housing.** Without sufficient housing options, older residents may face higher costs, difficulties maintaining their homes, fuel poverty and social isolation.

| | |
|---|---|
| Households in temporary accommodation | **246** (of which 172 are single-person households) |
| Houses of Multiple Occupancy | **78** Registered HMO's, PRS registration not active until 2027/8 |
| Households owed a duty | **521** (of which, 306 are single-person households) |

Hidden homelessness is often overlooked in rural areas because it is less visible than rough sleeping. Rough sleeping levels in Shropshire are relatively low, and primarily focused in the larger towns (particularly Shrewsbury). Many people may be staying temporarily with friends or family ("sofa surfing"), living in overcrowded homes, remaining in unsuitable accommodation, or delaying leaving unsafe living situations because there are few affordable alternatives. In rural counties such as Shropshire, homelessness can be dispersed across villages and market towns, making it harder to identify and support those affected.

HMOs can provide an important source of lower-cost accommodation for people on low incomes, younger adults, and those experiencing housing insecurity. However, some HMOs can be associated with overcrowding, limited privacy, poorer housing conditions and increased pressure on physical and mental wellbeing if standards are not maintained.

**A shortage of suitable housing can force families to live in homes that do not meet their needs.** This may include children sharing bedrooms for longer than intended, multi-generational households, or families living in properties that are too small for household size.

# Employment and Earnings

*Income & Employment*

Poverty and hardship are not limited to those who are on benefits, unemployed or retired. A household may be in work but still struggle due to: Low wages, part-time hours or underemployment, rising living costs, childcare costs, transport and housing costs or caring responsibilities.

These factors also lead to a lot of hidden poverty and deprivation within the county. Shropshire is a relatively low-wage economy, lower incomes, insecure employment and lower benefit uptake can leave households financially vulnerable, even where communities appear relatively affluent.

Additionally, stigma (from friends, family, colleagues and wider community) around needing to rely on support leads to a lot of support going unclaimed, or unreported.

**78.8%**

16 -64-year-olds are in employment

*West Midlands = 75.2%*

**18%**

Economically inactive

*West Midlands = 21.2%*

**2.4%**

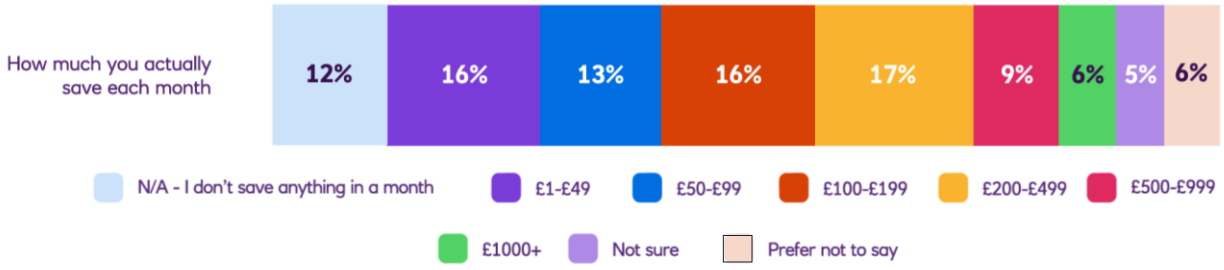
16- to 64-year-olds who are claiming unemployment-related benefits

*West Midlands = 5.3%*



## Savings

**NatWest Saving Index 2026 (*16*) – National Survey of 2000 people**




**Average people save per month: £288**

**Average people think they should save per month: £384.70**

*43% said that rising food costs were behind their inability to save, with 35% blaming high energy costs*

**Employment and working conditions**; Employment not only predicts life expectancy and quality of life; it also has knock-on effects for the next generation. Children growing up in workless households are *"almost twice as likely to fail at all stages of education compared with children growing up in working families" (10)*

We can see this effect persisting and influencing the rest of a child's life;

- being from lower working-class background is associated with the highest rate of young people Not in Education, Employment or Training (NEETs), at 22%, which is a big discrepancy when compared to the 9% rate seen with those from higher professional backgrounds. This clear social gradient in unemployment extends into adulthood and has implications for social mobility *(12)*.
- Shropshire is significantly better in this area than the national average, with a NEET (including "not-knowns") rate of approximately **3.2%** as of June 2026. *(15)*
- This has a direct impact on an individual's income; The proportion of the population in England not reaching the minimum income standard has risen from 25.7 (2008 - 2009) to 30.2% (2014 – 2015), and the figure rises to 45.7% among children. For children in lone parent families in Britain, the figure is 74.5%. *(10)*

## Self Employment:

Self-employment levels within Shropshire are relatively high at 12.9%, above the national average of 9.4%. This is likely due to the large number of agricultural businesses and workers present within the county. Self-employment can potentially lead to less job security, reduced pensions, sick pay and more.

## Shropshire Average Earnings

**Median Hourly Pay for full-time Workers – excluding overtime (2025) - £18.41**

This was in comparison to West Midlands (£18.47) and England (£19.78). **The hourly rate in Shropshire was £1.37 lower than the England average in 2025**

**Gross Median Weekly pay for full-time Workers (2025) - £727**

This was in comparison to West Midlands average *(£731)* and England average *(£769.50)*. **Shropshire full-time workers earn £42.50 a week less than England average, equivalent of £2,210 a year (£37,804 vs. £40,014)**

*Data: NOMIS, 2025*

# Employment and Earnings

*Education & Qualifications*

Education can help people develop and build the skills and qualifications needed to access stable and well-paid employment. Lower levels of educational attainment are associated with lower incomes (though not the sole cause), higher unemployment, and an increased risk of poverty and financial hardship.

Lack of financial skills (often not taught in education) can directly lead to people taking on high-interest loans (such as buy-now, pay later **BNPL**), failing to understand debts, or mismanaging their budgeting. Where unavoidable expenditure outstrips income, this is referred to as a **negative budget, impacting around 16,000 households in Shropshire.**

**72.2%**

Have Maths/English GCSEs by 19

*West Midlands average = 70.6%*

**7.7%**

Of 16-64-year-olds have no qualifications

*West Midlands average = 7.3%*

**1,497**

Apprenticeship starts per 100,000 people

*West Midlands average = 1,012*

**68%** of children achieved a good level of development before starting school in 24/25.

For children on FSM this is only **43.7%**

Strong foundations of good health, wellbeing and future prospects are established early in life. Children who start school with strong communication, language, social and emotional skills are more likely to achieve well in education, gain qualifications, access employment and experience better health throughout adulthood. Conversely, children experiencing poverty are less likely to be school-ready, increasing the risk of poorer outcomes across the life course.

Good quality employment is one of the strongest protections against poverty, improving income, health, wellbeing and future opportunities for families. Through the Get Marches Working programme and wider employment support services, local partners are helping residents overcome barriers to work by providing careers advice, skills development, training opportunities and personalised support into employment. Recent national reforms are also placing greater emphasis on joined-up employment, health and skills support, recognising that many people face multiple challenges when seeking work.

In a rural county such as Shropshire, accessible employment support is particularly important, helping residents overcome barriers linked to transport, caring responsibilities, digital exclusion and limited local job opportunities.

## Education + employment

A higher educational attainment correlates with a decreased incidence of chronic health conditions and self-reported poor health. UK Government figures demonstrate that, of the 14% of children eligible for free school meals across the UK, only a third achieved 5 good GCSEs. When compared with 60.9% of children not eligible for free school meals attaining this level, we can see the pattern of poverty and worse health outcomes repeating. This can be traced back to 'school readiness', which is the assessment for a 'good level of development' (**GLD**) at age 5. This involves the ability to pay attention, do simple sums and toilet and dress with a degree of independence. This poverty and low educational attainment can negatively reinforce one another across generations, making social mobility more difficult.

*"From 2015 to 2016, 14.0% of children in England were eligible to receive free school meals (a proxy for low household income). Of these children, 45.6% did not reach a good level of development compared with 28.3% of children not eligible for free school meals" (11)* ***Figures for Shropshire GLD are in the graphic to the left.***

## Best Start in Life (BSIL) / Family First Partnership Programme (FFPP)

The Best Start in Life Programme **(BSIL)** aims to improve child development, strengthen support for families and increase the proportion of children reaching a Good Level of Development **(GLD)** before they leave nursery. The programme recognises that supporting children and families during the earliest years offers one of the greatest opportunities to reduce health inequalities and poverty over the longer term.

Investment in early years support can help improve speech and language development, parental confidence, school readiness and educational outcomes. These benefits extend beyond childhood, supporting future employment opportunities, financial resilience and health throughout adulthood.

The Family First Partnership Programme **(FFPP)** focuses on working with families earlier to address challenges before they escalate into crisis. By improving coordination between services and strengthening support for children and parents, the programme aims to improve child development, educational attainment, family wellbeing and long-term life chances, helping to tackle some of the underlying causes of poverty and inequality.

# Welfare & Policy Changes

*Since 2021*

Many of the levers to address poverty are implemented at a national level by central government.

The removal of the two-child limit in Universal Credit means that eligible families can now receive support for all children in the household. The UK Government estimates this change **could lift around 450,000 children out of poverty** and provide additional financial support to families. As poverty is a key driver of poor health outcomes, this policy change has the potential to improve health and wellbeing for many children.

The UK Government's **Pathways to Work** programme includes significant reforms to disability and health-related benefits, alongside increased employment support for people with health conditions and disabilities. The reforms aim to help more people move into work, but concerns have also been raised about the potential impact on income and financial security for some disabled households. Given the strong links between disability, poverty and health inequalities, the effects of these changes will be important to monitor locally.

From September 2026, eligibility criteria for access to Free School Meals (FSM), has been expanded to all families on Universal Credit. This is an increase in coverage. At the time of writing, the exact numbers affected are unknown, however, this is a positive change in terms of support. Free School Meals during school terms are funded by the Department for Education (DfE).

From 1st October 2026, VAT on electricity bills *(currently 5%)* will be removed from household bills until 31st March 2027. For households on the price-cap, this is expected to save approximately **£45** a year. **This does not cover non-electricity energy bills, such as LPG and heating oil, which is commonly used in Shropshire.**

From 1st January 2027, the £2 bus fare cap will be reintroduced nationally across England, through to the end of the calendar year. For residents making a bus trip twice daily, 5 days per week, working 48 weeks per year, this represents a saving of **£480** over a working year

As of April 1st, 2026, a new cost-of-living support package, titled the Crisis & Resilience Fund (**CRF**) was launched by UK Government, providing Local Authorities funding to provide targeted financial support and resilience schemes to at-risk groups, working closely with external partners. Details on this fund, including the plans within Shropshire are outlined on following pages.

**Shropshire Council** was one of a small handful of authorities across England selected to participate in the co-design and development of this fund.

**Minimum & National Living Wage Changes 2021 to 2026**

| April 2021 | April 2026 | % Increase |
|---|---|---|
| 23 and over = **£8.91** | 21 and over = **£12.71** | 21 and over = **42.7%** |
| 21 to 22 = **£8.36** | 18 to 20 = **£10.85** | 18 to 20 = **65.4%** |
| 18 to 20 = **£6.56** | Under 18 = **£8** | Under 18 = **73.2%** |
| Under 18 = **£4.62** | Apprentice = **£8** | Apprentice = **86%** |
| Apprentice = **£4.30** | | |

Inflation 2021 – 2026 = 27.6%

*Between 1 April 2021 and 31 March 2024 the National Living Wage was for those aged 23 and over. Since 1 April 2024, the National Living Wage has been for those aged 21 and over. (17)*

Rising National Living Wage rates have increased incomes for many lower-paid workers and may help reduce the risk of in-work poverty. However, **wage growth alone does not guarantee improved living standards**. For some households, increases in earnings have been outweighed by rising essential costs (not necessarily reflected in inflation figures), while fiscal drag resulting from frozen tax thresholds has reduced the amount of additional income retained by workers. Some people may have potentially suffered redundancies or a reduction in hours because of these rises in smaller businesses.

**This highlights the importance of considering disposable/discretionary income, rather than earnings alone, when assessing financial wellbeing.**

# Citizens Advice Data

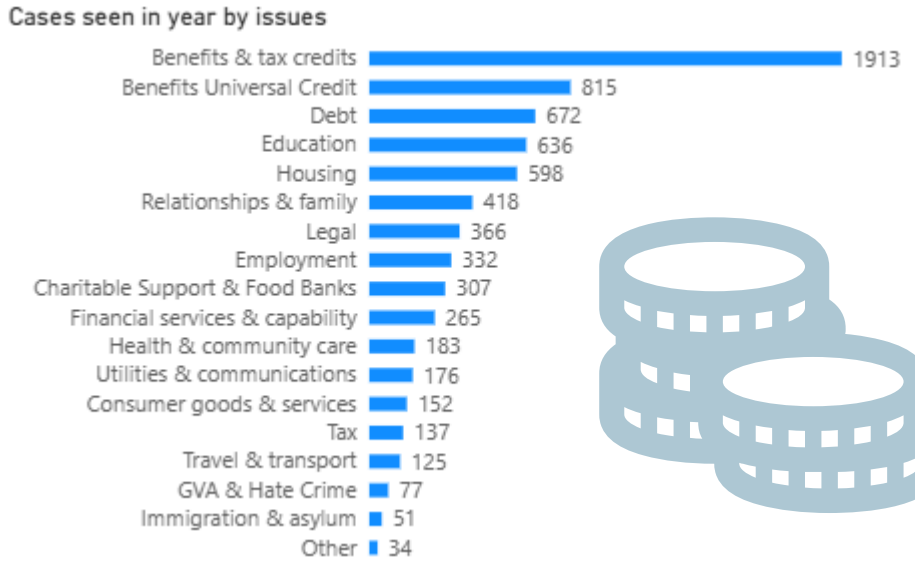
*What are people struggling with?*

Between 6th August 2025 and 5th August 2026, Citizens Advice Shropshire had contact with **3,678 unique clients**, and a total of 4,783 cases – one client had 7 different cases in this period, with some of these cases resulting in more than one contact.

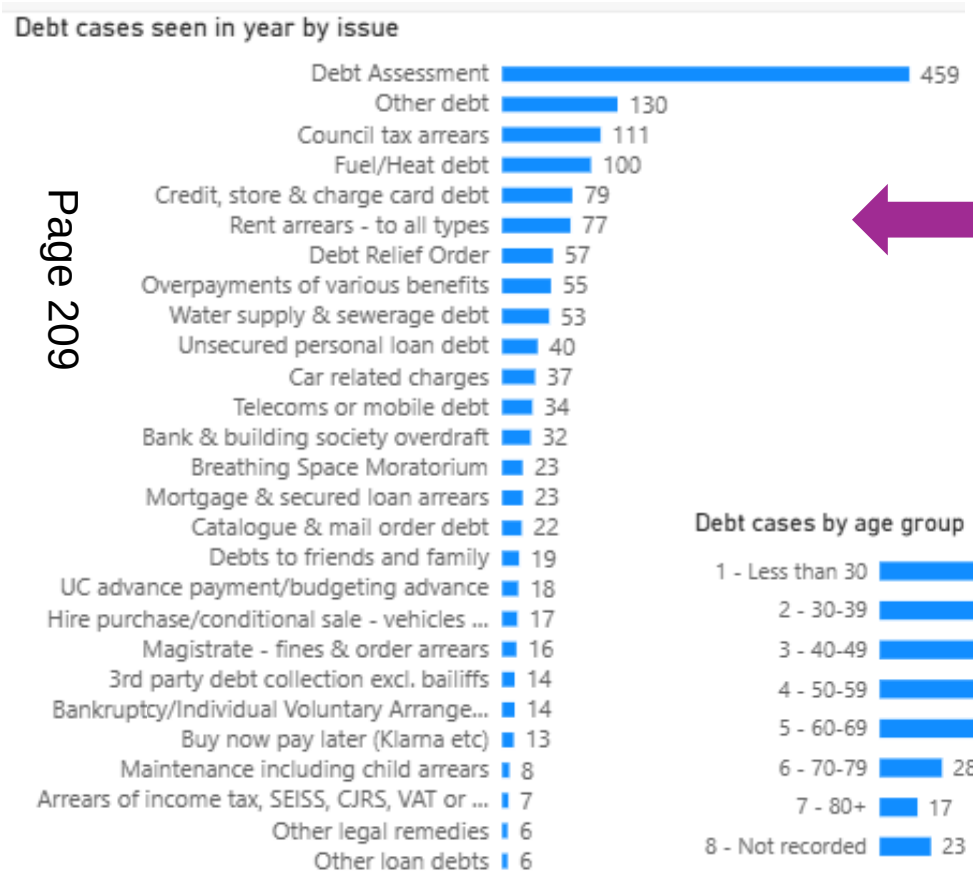
Within most of these cases, multiple issues were bought up and of the 4,783 cases, there were:

- **1,913 (40%) that were about benefits & tax credits**
- **815 (17%) about benefits, particularly Universal Credit**
- **672 (14%) that were about debt.**





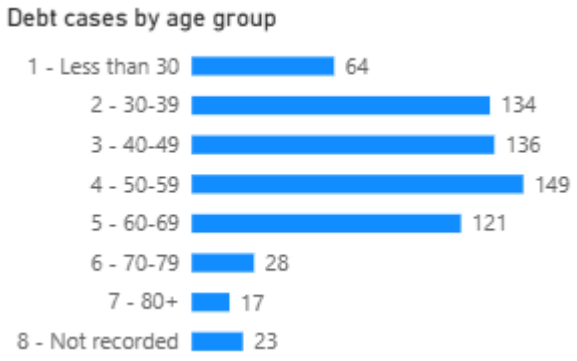


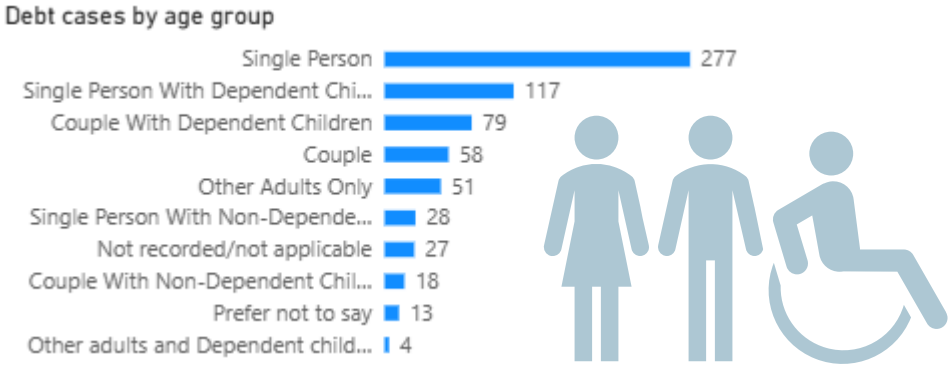



Of the 672 cases where debt was an issue, the graph on the **left** shows which aspect of debt came up during the contact – once again multiple aspects may have been bought up during each case. A debt assessment was carried out in just over two thirds of cases (459 out of 672). Other debts included, debts to gyms, vets, NHS, insurance, TV licence, student loans, gambling and social fund debts.

Of the people coming to Citizens Advice Shropshire about debt, around 50% were women and 46% men. **The average age was 48 years old**, with people ranging between 20 and 97 years old. **Most cases were single people**, be it without children, with dependent children or with non-dependent children.





# Community Insights: *"the faces behind the data"*

*All cases included are representative of true client stories that Citizens Advice Shropshire have supported. Client information has been anonymised for their privacy.*

## Case Study 1

**Stan and Marie**, a retired couple living on a low fixed income, sought advice after Stan's long-term health conditions and dental problems created significant financial strain. A **Citizens Advice Shropshire** Community Adviser helped them successfully claim Attendance Allowance and supported subsequent applications for Pension Credit and Council Tax Reduction. When their Pension Credit claim was wrongly closed, the adviser continued to advocate on their behalf, challenging decisions and escalating the case.

After almost two years of persistence, their complaint was upheld, resulting in a backdated Pension Credit payment of £14,086.14 and a Council Tax refund of £1,900. The financial support enabled Stan to access essential dental treatment and brought much-needed stability to the couple's finances, demonstrating the life-changing impact of dedicated advice trained organisations in assisting Shropshire residents to acquire all eligible benefit support.



## Case Study 2

**Henry**, a single man of working-age with long-term health conditions and depression, was struggling on a low-income earning a standard allowance from Universal Credit while managing priority debts such as utility arrears and parking fines totalling £1,887.00. He felt unable to afford the existing repayment arrangements and sought support from **Citizens Advice Shropshire** Debt Caseworker team.

Through specialist debt advice and partner collaboration, Henry received local foodbank support, guidance on accessing pension entitlements with **AgeUK Shropshire, Telford and Wrekin**, and following a referral by **Citizens Advice Shropshire**, was awarded a £900 contribution towards his energy debt from **Marches Energy Advice. Citizens Advice Shropshire** Debt Caseworker team also helped Henry organise his debts, negotiate with debtors, and supported him towards an affordable repayment plan, improving his financial stability and reducing the pressure of Henry's accrued debt.

## Case Study 3

**Kai**, a nonbinary, working-aged person is a council tenant living with multiple long-term health conditions including Autism, ADHD, Dyslexia, OCD and chronic back pain, was struggling with a monthly budget deficit of £215.60. Living on a low-income of Personal Independence Payment and Universal Credit, rising energy costs and benefit deductions left them unable to manage their arrears, accruing utility debts of over £2,872.

**Citizens Advice Shropshire (CAS)** provided Kai with debt advice and practical support, including referrals to a local foodbank, **Marches Energy Advice (MEA)** and **Community Resource.** With support from CAS Debt Caseworkers, Kai secured a £500 Essential Support Fund grant from Community Resource towards energy arrears, in addition to securing a "Breathing Space" period to prevent an escalation of enforcement action while CAS Debt Caseworkers continued to negotiate with Scottish Power on Kai's behalf. As a result of consultation with MEA, CAS Debt Caseworkers were also directed to available energy debt funds with utility providers to help reduce Kai's arrears as well as being informed of MEA debt support of arrears below £2,000.

The intervention helped reduce financial pressure and protected Kai from further debt escalation while their case is ongoing. Kai's story demonstrates the significant impact of available collaborative voluntary sector partner support in Shropshire.

# Demographic & Environmental change

**Currently:**




**By 2050, current data and trends suggest that:**

*(Data, Shropshire 2050)* *(18)*

- Shropshire's population will increase by more than **61,000** people
- The size of the 80+ population will more than double to **48,000** people
- There will be an additional **11,800** people of working age
- There will be an additional **3,700** children between 0-15, and **44,500** people aged 65+
- Almost **40,000** extra homes will need to be built

These changes to the demographics (population categories) of the county will have several potentially significant risks on poverty across Shropshire.

As Shropshire's population ages, and the number of 65+ residents increases, more people will be living on fixed incomes. Whilst a lot of older people are financially secure (with lower poverty rates than working-age households), others may become more vulnerable to fuel poverty, rising living costs and unexpected financial shocks, with less, or no ability to increase their income. Where these residents live alone or have long-term health conditions these problems will be worsened.

An ageing population can also magnify existing rural inequalities, unless strong plans are implemented around transport, digital inclusion and localised services. Additionally, families may need to reduce working hours to care for elderly relatives, potentially lowering their income.

The projected increase in single-person households (18,000 more between 2021 and 2050) is highly likely to increase the number of residents facing financial pressure as housing, energy, food and other costs cannot be shared across multiple earners.

## Environmental & Climate Change

Climate change doesn't affect everyone equally. Households that have lower incomes are less able to adapt to rising temperatures, flooding, increased energy costs and other environmental changes.

The interdependence of planetary health with human health is becoming increasingly apparent; given the UKs ageing population and the changes to our weather patterns associated with global warming, it is likely we will see an increase in deaths associated with extremes in temperatures among the most vulnerable. (Murage et al. "... the annual UK heat-related mortality could rise from 2.5 per 100,000 people to 6 per 100,000 in the 2030s, 15.1 per 100,000 in the 2050s and 29.4 per 100,000 in the 2070s." *(23)*

**High temperatures** where air conditioning or suitable cooling is not available (or affordable) can lead to severe heatstroke, dehydration or other health issues including loss of life. During the May and June 2026 heat events there were an estimated total of **2,877** heat-associated deaths in England.

Increased temperatures also exacerbate the issue of food insecurity through reduced crop yields and drive up the price of supermarket products.

2025 was the worst year for wildfires on record in the UK and is the most recent data from a worsening trend since 2019 *(24),* with nearly 48,000 hectares burning - this is concerning for a rural county such as Shropshire with many arable farms and woodlands.

Due to its geography, Shropshire is particularly susceptible to flooding. Flooding has several negative health impacts, including mental and physical stress, potential exposure to contaminants in floodwater, and potential loss of life. Flooding can cause financial shocks that worsen financial resilience, increase insurance premiums, and costs related to repairs or relocation.

# Poverty & Health

*Direct impacts*

Smoking is **directly** correlated with areas of poverty and deprivation. Nationally:

Increase 2017 - 2021

Approximately one-third (33.1%) of all smoking adults in England lived in the two most deprived deciles in 2021, up from 29.5% in 2017

Just over one-tenth (10.9%) of all smoking adults in England lived in the two least deprived deciles in 2021, down from 12.1% in 2017

Decrease 2017 -2021

**284**
Shropshire residents reached 4 weeks quit in 25/26

Using ONS data, an average smoker can be expected to spend **£265** per month on cigarettes, or about **15% of a national minimum wage take home salary**.

Where finances are a challenge, people may trend towards cheaper and more dangerous alternatives such as counterfeits, or cigarettes or cigars that have been mixed with items hazardous to health.



**Stopping smoking completely can save around £3,000 per year**

**If you need help to quit, Shropshire Council run a stop smoking service, click here for more information.**

### Nationally (Data from Action on Smoking & Health, ASH) *(19)*

- When spending on tobacco is taken into account, tobacco forces **417,000** households, who wouldn't otherwise be, below the poverty line
- In addition, it pushes **955,000** households already living below the poverty line into even deeper financial hardship
- In total, **1.37** million households are living in poverty once smoking costs are factored in
- One in four people who smoke (**24%**) went hungry last year after skipping meals, compared to one in ten (**10%**) of those who have never smoked
- **Those who smoke are nearly three times as likely to use food banks as non-smokers (20% vs 7%)**

### Alcohol & Poverty

Alcohol-related harm remains a major public health issue, but it does not affect everyone equally. People living in the most deprived areas often experience much higher levels of alcohol-related harm than those in the least deprived areas, even though they may drink the same amount of alcohol or less. This is known as the alcohol harm paradox.

In 2023, people living in the most deprived areas of England were far more likely to experience alcohol-related harm, including hospital admissions and deaths. The alcohol-specific mortality rate was more than twice as high in the most deprived areas than in the least deprived areas (20.9 deaths per 100,000 population compared with 9.8 per 100,000). These inequalities are seen not only in physical health outcomes, but also in people's experiences of alcohol-related problems and harms.

*The inverse care law was coined in 1971, by* , Julian Tudor Hart

***"The availability of good medical care tends to vary with the need for it in the population served."***

In other words, as a community's deprivation and poverty increase, so too do their health needs; however, they inversely receive less health care than less deprived populations. Inequity in healthcare provision is an enduring phenomenon, despite efforts to tackle its fundamental drivers *(14)*.

### For example;

- The fall in childhood vaccination rates across England has seen the resurgence of previously eradicated diseases, such as measles and pertussis. The Royal College of Paediatrics and Child Health published a report on 2025, which demonstrated that the core challenges lay with access, hidden costs (such as transport and time off work), difficulty in booking appointments and a lack of continuity of care. The populations most at risk of missing out on their childhood vaccinations are those from ethnic minority groups.
- The King's Fund has observed a worrying trend , which is that the prevalence of certain health conditions, such as dementia and heart conditions, is lower in the most deprived areas; yet deaths contributed to these conditions is higher. This suggests that delayed diagnosis and lack of early intervention leaves these populations susceptible to more advanced disease, with associated increased mortality rates *(12)*.
- "**30% of people living in the most deprived areas have turned to 999, 111, A&E or a walk-in centre because they were unable to access a GP appointment, compared to just 10% of people in the least deprived areas**."*(12)*

# Chapter 2: How are we tackling poverty in Shropshire - Current activity



## Financial investment in resilience services

- We have invested approximately £1,000,000 into the VCSE sector to improve their capacity to provide support. Referrals will be made to appropriate services at the earliest opportunity to avoid escalation into crisis across the entire CRF network of partners.

## Localised, evidence-driven proposals from communities

- Listening to proposals for localised plans, understanding that need changes based on area.
- Funding community organisations to deliver this support independently.

## Strengthening and simplification of referral pathways

- Providing uniform referral pathways that are shared across the wider CRF network. Ensuring accurate, up to date information on council webpages and communications.
- Rollout of a single point of access email for referring into council support services.

## Refreshed, simplified and easier to use access routes

- We have developed multi-access routes for residents, including online, in-person, and via phone or email to ensure support is available.
- Webpages will be simplified, use easier language, and have been made more accessible. Offline routes will avoid digital exclusion.

## Reducing stigma

- Provision of multiple access routes enabling residents to choose the one that is easier, and most beneficial for them. Whether online, over the phone/email, in person or through a trusted community partner.
- Clear communications on support available, with careful and considered language.

## Cost-of-Living communications campaign

- We have merged all available cost-of-living support (blue badges, council tax relief, bus passes etc) into a single council resource for simplicity.
- Promotion of available support through the press, our social media and through partners, members and MPs.

## Coproduction with the VCSE sector

- Our CRF delivery plan was co-developed with partners through workshops and regular meetings, taking on board the voice of the community and providing the resources required to support.
- We meet regularly to identify and address problems, and opportunities for improvement.

## Embedding of No Wrong Door approach

- Planned rollout of training to appropriate public-facing council staff, VCSE partners and community venue volunteers on how to have conversations that delve deeper to identify underlying issues.
- Uniform referral routes, that all appropriate parties are aware of, so any route to accessing support is correct.

*In addition to the above, through CRF funded partners, we work closely with other organisations who provide a wide range of support, ranging from gambling and substance misuse to training providers. The council would like to extend its gratitude and appreciation for all organisations who accept referrals across the wider resilience landscape to support the people of Shropshire.*

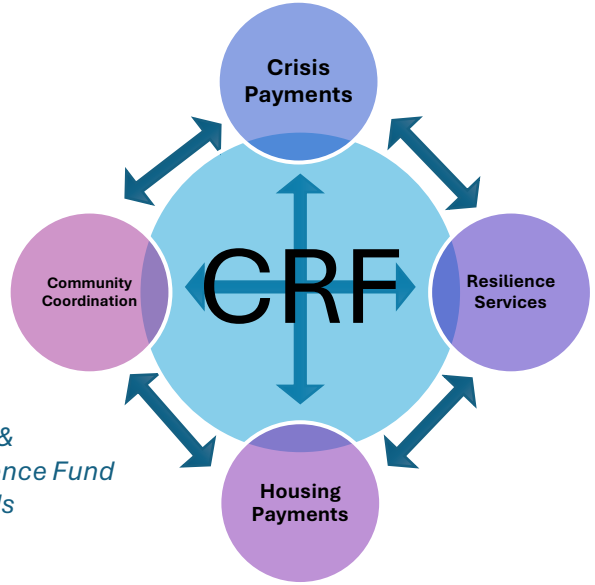
# Crisis & Resilience Fund [CRF] (2026 – 2029)

Funded by UK Government

On 1st April 2026, the UK Government launched the Crisis & Resilience Fund [**CRF**], a three-year grant to local authorities in England, designed to tackle poverty, and the underlying causes through both direct, cash-first payments, and targeted advice and support referrals.

The allocation for Shropshire is **£3.7m** per year. These plans need to cover four areas, each connected and able to refer across to each other for support.

- **Crisis Payments:** Financial (cash-first where possible) support for a wide range of cost-of-living related issues or financial shocks.
- **Housing Payments:** Support with housing costs, such as rent arrears, or deposits to secure accommodation in crises.
- **Community Coordination:** Funding to community initiatives, based on local need.
- **Resilience Services:** Investment in advice and support services




*Crisis & Resilience Fund Strands*

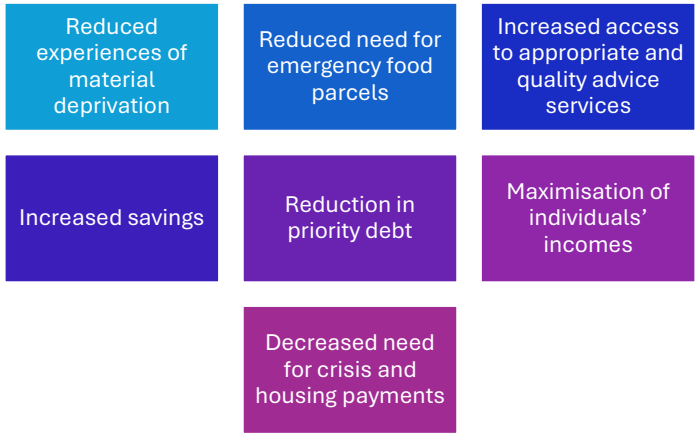
*Outcomes drive the strand programmes, and the strands support the outcomes.*

The CRF will tackle poverty and inequality through ensuring that support programmes support one or more of the 7 outcomes outlined below.

The CRF aims to move away from direct, blanket payments, to targeted support. This support will by default come with a warm referral into appropriate advice services, delivered by partners. These partners have been funded through investment in their staffing, providing such advice as debt management, income maximisation, tariff support and much more.

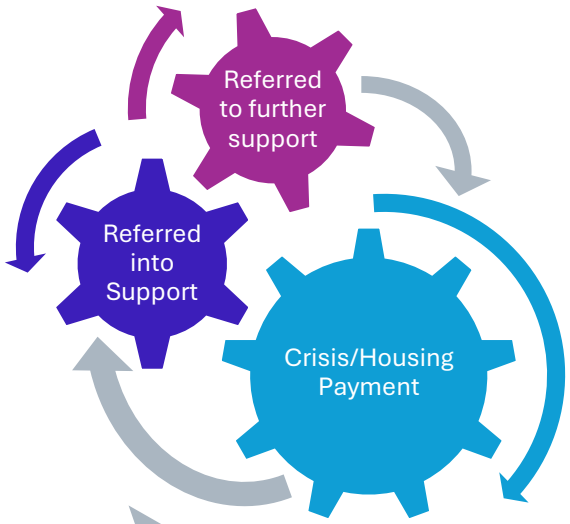
Local Authorities are required to produce a delivery plan for this funding, which, in Shropshire, was developed alongside partners in the VCSE sector. In 2026, an additional £758,558 was awarded to support households reliant on heating oil, of which over 21,000 exist within Shropshire due to its rurality.

As already identified, fuel poverty is a crucial problem within the county, which various schemes are aiming to address.




*Crisis & Resilience Fund Outcomes*

*Crisis & Resilience Fund: Referrals & Partners*




Marches Energy Advice
citizens advice Shropshire
SFPA Shropshire Food Poverty Alliance
COMMUNITY RESOURCE
Shropshire Telford & Wrekin age UK

# Root causes being addressed

## Fuel Poverty & Energy Costs

- Application based, cash-first financial support for heating oil price rises.
- Energy Debt, advice and grant support/signposting programmes.
- Energy Advice Phoneline – delivered by Marches Energy Advice
- Sustainable Warmth Programme
- Home retrofitting and boiler upgrade scheme (BUS)

## Housing & Population Inequalities

- Housing & Health Action Plan
- Local Plan, reviewing how to embed health into planning policy.
- High-Quality Design and Design of New Dwellings Supplementary Planning Documents (SPDs)
- National Neighbourhood Health Implementation Programme (NNHIP)
- Place Universal Offer, improving physical activity within 3 “places”

## Transport and Rurality

- Full Health Impact Assessment completed for the next Local Transport Plan
- Rurality impacts have been incorporated into Equality, Social Inclusion and Health Impact Assessments (ESHIAs) since 2014, in social inclusion impact assessments and socio-economic and environmental considerations.
- Continued evidence and advocacy for fairer funding to rural Local Authorities, emphasising equality and equity.
- Digital-first transition(not digital-only) methods for reaching rural communities.

## Employment & Earnings

- Digital Skills Programme
- Financial skills courses run through Shropshire Libraries.
- Apprenticeships & Upskill Shropshire
- Shropshire Economic Growth Strategy
- Get Marches Working
- Enable Employment Support

## Food Insecurity and Cost of Essentials

- Locally led, evidence-based foodbank resilience programmes funded by CRF
- Increased funding for Holiday Activities & Food (HAF) Programme over the 2026 summer holidays
- Exploring rollout of Free School Meal (FSM) autoenrollment system for all eligible pupils in Shropshire.

## Welfare and Policy changes

- Crisis and Resilience Fund [CRF] (2026 – 2029)
- Launch of new Council Tax support schemes
- Families First Partnership Programme – Community Hubs
- Embedding of Inequalities through the next Health & Wellbeing Strategy and Health in All Policies (HiAP)

***and much, much more...***

# What are we doing?

*Shropshire Council*

*The three "Cash-first"* schemes administered by Shropshire Council*




**Schemes are cash-first, not cash-only. Where cash is not appropriate, e.g. in cases of substance misuse, or gambling, vouchers or in-kind support may be provided instead.*

Continuing from the **Household Support Fund** [HSF] (2021-2026), our successful Crisis payments scheme provides person-centred, cash-first (where appropriate) support to people at risk of financial shock.

We continue to provide support on housing costs for at-risk individuals through our Housing Payments scheme (formerly DHPs)

To ensure continuity and support, these schemes were implemented by the same, experienced teams who previously delivered the HSF. Additionally, any applications that were in train before the launch of the replacement fund (01.04.26), were carried forward onto the new programme, avoiding the need for residents to reapply.

A one-year top-up to the **Crisis & Resilience Fund** was awarded to Shropshire Council to support in the increase in the price of heating oil caused by global instability. Working collaboratively with partners **Community Resource**, a means-tested scheme was launched in June 2026, with online, phone, and in-person access routes to support people currently on heating oil supplies.

Communications around these schemes, including other council support on the cost-of-living continue to be shared across the wider council, as well as partners and in the media. Additionally, VCSE partners can refer any residents into these direct payment schemes for support, and in the opposite direction, residents may be referred to VCSE partners for advice, guidance, training and any other support that they specialise in such as budgeting, applying for benefits, or dealing with debts.



## Other programmes

### Libraries Financial Skills Workshops

Lack of financial skills and understanding is a key driver of poverty. Being able to budget, manage debts, and handle personal finances are crucial to becoming more financially resilient and lowering the risk of falling into debt or needing crisis support. Working closely with Libraries in Shropshire, training sessions will be offered to teach these skills to the public.

### Targeted support for Care Leavers

In alignment with Shropshire Council's decision to identify care leavers as a local grouping, alongside compliance with support for national groupings through Equality Act 2010 and the Armed Forces legislation, various schemes will be launched to support care leavers to access training, support them against financial shocks, and more. This will be handled with a dedicated budget to our in-house care leaving team.

### Affordable Warmth & Energy Efficiency (AWEE) Schemes

Using investment from CRF, and other grant-funded schemes, alongside advice and support through Marches Energy Advice, our in-house AWEE team provide retrofitting, hazard removal, and support with boiler upgrades, heat pumps and more.

### Economic Abuse Workshops

Financial control is one of the key mechanisms by which people can abuse their partners. The council's domestic abuse prevention team will run workshops on economic abuse across the county and continue to support those who are at-risk.

### Direct Council Tax Award

Based on evidence from Citizens Advice Shropshire identifying council tax arrears as the primary priority debt of residents within Shropshire, a direct award of up to £80 was paid to working-age residents in Shropshire at risk of failing to meet the 20% minimum payment required by law. This was paid in April 2026 for the 2026/27 FY.

# What are we doing?

*Partners – Resilience Services & Community Coordination*

## Citizens Advice Shropshire

Working closely with the Shropshire Food Poverty Alliance (SFPA) – funding was provided to foodbanks across Shropshire to run local, needs-driven resilience programmes. Grants were administered and managed by Citizens Advice, with decisions made by a cross-organisation panel. These schemes are expected to launch from **September 2026**.

Capacity within the local Citizens Advice team was identified as an issue during a collaborative workshop, and so funding of posts was provided to increase the workforce and enable extra advice and support, as well as accept referrals from both Shropshire Council and other CRF partners.

## Marches Energy Advice

Continuing from our successful "Warm Welcome" – programme from the last few years, a new CRF focused programme is being managed by Marches Energy Advice to create community-led initiatives aimed at increasing resilience and supporting around a wide range of cost-of-living issues. These sites will be focused on local need, and proposals will be put forward by charities, community interest groups and others. Details on these venues and their offers will be publicised once the programme is fully launched in **Winter 2026**.

Additionally, Marches Energy Advice provide advice, support and guidance around debts, grant schemes, tariffs and more. Working closely with the council's Affordable Warmth & Energy Efficiency (AWEE) team to provide support to residents struggling with fuel poverty.

## Community Resource

Rollout and delivery of Ask, Assist, Act training. A conversational framework for partners and charities to maximise opportunities to identify underlying issues and refer to appropriate support. Reduces the risk of future crisis by connecting with resilience services as soon as possible.

Co-delivered and co-produced Heating Oil scheme for vulnerable, at-risk households. Providing cash, direct oil deliveries and subsidised memberships to a community oil buying scheme, embedding resilience and cheaper prices in the long term.

Delivery of hardship grant awards where appropriate, upon referral, to enable support to those in need who might not wish to engage with the Local Authority for various reasons.

## Age UK Shropshire, Telford & Wrekin (STW)

Rurality, digital exclusion and complicated financial documentation can make moving into care or handling social care support residents may receive difficult. Working closely with both Age UK STW and the Council's Financial Assessment Team (FAT) – a new developmental post has been created to help residents with this potentially difficult process.

Alongside Citizens Advice, at the same development workshop, Age UK STW also identified lack of capacity as a serious issue for their organisation. A year's funding was initially agreed and provided to increase their capacity to replace loss of previous funding, and to accept warm referrals from both the Council and other CRF partners.

## Community Wellbeing Outreach Team

The **Community Wellbeing Outreach Team** (CWOT) supports the Crisis Resilience Fund (CRF) and helps to reduce the risk of further hardship by working with foodbanks, community organisations and local partners to identify gaps in support, particularly in rural and remote communities. The team helps people access the right services through signposting and referrals, connecting residents to health, wellbeing, social care and community support. CWOT also strengthens partnership working between foodbanks, Citizens Advice, health services and VCSE organisations, ensuring support is better coordinated and informed by local need to build longer-term community resilience.

# Tackling stigma

Many individuals and families feel a sense of shame or embarrassment when seeking help, often viewing it as a personal failure rather than a response to wider economic pressures. This can be particularly true in communities where there is a strong culture of self-reliance, or where negative narratives around welfare and debt have become embedded over time. As a result, people may delay seeking support until their situation becomes more severe, leading to increased financial hardship, stress, and negative impacts on health and wellbeing.

Concerns about being judged, not believed, or treated differently can act as powerful barriers, especially for those who have not previously engaged with support services. Importantly, this stigma does not reflect the reality that many factors contributing to financial difficulty—such as rising living costs, insecure employment, and unexpected life events—are outside an individual's control. Global and national issues have caused significant impacts on people from all walks of life.

Normalising conversations around financial support, promoting dignity-based services, and ensuring access routes are simple and discreet are crucial steps in reducing these barriers. Addressing stigma requires a compassionate, system-wide approach that reframes support as a positive and proactive step, helping people to maintain independence, stability, and resilience.

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## Shropshire Approach




*Reducing stigma in Shropshire*

# Promoting Support

Many people in Shropshire are worried about rising costs. Across the county, a strong, well-connected network of partners can support on a wide range of issues in a safe, confidential and judgment free space.

**You are not alone, and there is no shame in accessing help.**




If you cannot view this video, click here

## Key messages

- If you or someone you know is worried about money or is struggling right now, you're not alone
- There may be simple steps you can take to cut costs or maximise your income
- If you're getting into debt or your mental health is suffering, don't wait to get help
- Support is confidential, non-judgmental and free
- With your permission, partners may also refer you on to other, additional support

# Chapter 3
# Summary and recommendations

This annual report highlights that poverty continues to be one of the most significant public health and socio-economic challenges affecting residents across Shropshire. Poverty is well known to be closely linked to both poorer physical and mental health outcomes, while financial insecurity increases stress, anxiety and social isolation while reducing opportunities to live healthy lives. As a result, many of the health inequalities seen across the population are rooted in deprivation and wider social and economic disadvantage.

## What England Can Learn from Shropshire: Tackling Hidden Poverty in Rural Communities

Shropshire's work on poverty highlights an issue often overlooked in national policy discussions: **poverty in rural areas looks different, but it is no less severe**. While urban deprivation is often concentrated and visible, rural poverty can be dispersed, hidden behind employment, home ownership and attractive landscapes.

A key lesson is that poverty cannot be measured through income alone. Rural residents often face a "**rural premium**" of lower earnings alongside higher essential costs. Transport, heating, housing maintenance and access to services typically cost more, yet these pressures are poorly reflected in national funding formulas and poverty measures. As a result, hidden poverty can remain invisible until households reach crisis point. Many people may be employed, own their homes, or live in desirable villages, yet still struggle to afford food, energy, transport or participation in community life/access services.

## Key Takeaways for England

- **Rural areas within England contain millions of people. This is not a niche issue.**
- **Poverty exists across all communities, including affluent appearing rural areas.**
- **Rural poverty is often hidden from traditional measures and under-recognised.**
- **Living costs are frequently higher due to transport, energy and housing pressures. This is on top of lower incomes on average.**
- **Prevention and early intervention deliver better outcomes and value than crisis responses.**
- **Improving health requires coordinated action across housing, transport, employment, education and planning.**
- **Rural demographic change requires long-term investment and planning. Local authorities need flexibility to develop solutions that reflect local circumstances.**

### Key Issues/Changes

- **Higher cost of living**
- **Increased energy costs**
- **Rising housing costs**
- **Welfare & policy changes**
- **Crisis & Resilience Fund launched**
- **Growing food insecurity**

Shropshire's experience also demonstrates the continued importance of addressing **the wider determinants of health**. We know that health outcomes are shaped not only by healthcare services but also by housing, transport, employment, education, fuel costs, access to healthy food and community infrastructure and other wider determinants of health (as much as 90%). Poverty policy must therefore be integrated across government rather than viewed solely as a welfare issue. This aligns with the council's **Health in All Policies** approach, embedding health and inequality considerations across decision-making.

Another important lesson is the need to recognise demographic change. Rural counties such as Shropshire face an ageing population, increasing demand for services, workforce shortages and growing pressure on unpaid carers.

**National approaches focused primarily on urban deprivation risk overlooking the interaction between ageing, rurality and poverty.**

# The way forward...

Many of the actions needed to tackle poverty and reduce inequalities are already underway across Shropshire. However, there remains more to do.

We will continue to work with valued partners to intervene earlier, prevent problems from escalating into crisis, and address the wider determinants of health such as housing, employment, education, transport and financial resilience through **Health in All Policies.**

1

### Start Earlier

Poverty can affect outcomes before a child has even started school. Improving early childhood development, supporting families and giving every child the best start in life offers one of the greatest opportunities to reduce poverty and health inequalities across future generations. Continued investment in programmes such as **Best Start in Life** and the **Family First Partnership Programme** will be key to improving life chances.

2

### Prevent Problems Escalating

Financial hardship often develops gradually before reaching crisis point. By identifying concerns earlier and improving access to advice, income maximisation, debt support and practical assistance, more residents can be supported **before** problems become entrenched. **Prevention should remain at the heart of future activity.**

3

### Tackle the Drivers of Poverty

Long-term progress will depend on addressing the factors that contribute to poverty, including low income, insecure employment, poor housing, fuel poverty, transport barriers and limited access to opportunities. A stronger focus on financial resilience, good quality employment, affordable housing and healthy places will help improve outcomes across the county.

4

### Recognise Rural Poverty

Rural poverty is often less visible than deprivation in urban areas, but the additional costs associated with transport, energy, housing and access to services can create significant hardship for residents, leading to inequities. **Future policy and service design should continue to recognise the unique challenges faced by rural communities and ensure support reaches those who need it most.**

5

### Continue Working Together

No single organisation can tackle poverty alone. The progress made in recent years has been achieved through strong partnerships between Shropshire Council, the NHS, schools, community organisations, employers and residents. Continued collaboration, shared learning and collective action will be essential if we are to reduce inequalities and improve outcomes for future generations.

6

### Make Support Easier to Access

Residents should not need to navigate complex systems to get help. Strengthening **"No Wrong Door"** approaches, improving referral pathways and increasing awareness of available support can help ensure people receive timely assistance regardless of where they first seek help.

---

Reducing poverty is **not** solely about increasing income. It is about creating the conditions that enable people to live healthy, secure and fulfilling lives. By focusing on **prevention and early intervention, partnership working and tackling the wider determinants of health**, Shropshire has an opportunity to reduce inequalities, strengthen community resilience and enable all residents to live healthy, secure and fulfilling lives.



## A Vision by 2029

*"What Success Looks Like"*

- Fewer households in crisis
- Reduced food insecurity
- Reduced fuel poverty
- Better access to support
- Improved health outcomes
- Stronger communities

Original

# Next Steps & Recommendations

| Who? | What? | When? |
|---|---|---|
| • ***Shropshire Council (Early Help)***<br>• ***System Partners***<br>• ***Education Partners***<br>• ***National Government*** | **1. Give Every Child the Best Start in Life**<br>*Poverty in childhood influences educational attainment, future employment opportunities and health throughout life.*<br>• Continue implementation of Best Start in Life (BSIL).<br>• Support delivery of the Family First Partnership Programme (FFPP).<br>• Improve school readiness and GLD outcomes.<br>• Target support towards children eligible for Free School Meals.<br>• Strengthen Family Hub and community-based provision. | FFPP – **launches 2027**<br><br>Best Start in Life – **Ongoing**<br><br>Public Health Nursing Service Refresh – **2027 – 2032.** |
| • ***VCSE Partners*** | **2. Improve Household Financial Resilience**<br>*Many households are one unexpected expense away from crisis.*<br>• Expand income maximisation support.<br>• Improve access to welfare and benefits advice.<br>• Support residents not claiming their full entitlement.<br>• Increase awareness of available support. | Rollout of referral scheme **April 2026 onwards.** |
| • ***Residents***<br>• ***Shropshire Council***<br>• ***VCSE Partners***<br>• ***System Partners*** | **3. Strengthen a "No Wrong Door" Approach**<br>*People experiencing poverty often require support from multiple organisations.*<br>• Improve referral pathways between the council and VCSE.<br>• Improve appropriate information sharing between partners, in line with data protection requirements.<br>• Improve signposting and warm referrals to appropriate support.<br>• Develop more integrated support services. | Over course of CRF delivery, **now through to 2029 and beyond.** |

| Who? | What? | When? |
|---|---|---|
| • ***Shropshire Council (Affordable Warmth, Housing)***<br>• ***VCSE Partners*** | **4. Reduce Fuel Poverty**<br>*Fuel poverty is one of the most significant poverty-related challenges facing Shropshire.*<br>• Continue delivery of the Sustainable Affordable Warmth Strategy.<br>• Expand retrofit and energy-efficiency measures.<br>• Improve access to heating oil and energy support schemes.<br>• Enhance affordable warmth advice services. | Sustainable Warmth Strategy – **now through to 2030**<br><br>Heating Oil Scheme – **Winter 2026.** |
| • ***Shropshire Council (Economic Growth)***<br>• ***System Partners*** | **5. Improve Access to Good Quality Employment and Skills**<br>*Secure employment remains one of the strongest protections against poverty.*<br>• Support Get Marches Working.<br>• Strengthen skills and training programmes.<br>• Improve opportunities for disadvantaged groups.<br>• Support progression into higher-paid employment. | Get Marches Working – **ongoing.** |
| • ***Shropshire Council***<br>• ***System Partners***<br>• ***National Government*** | **6. Address Rural Inequalities *(and Inequities)***<br>*Poverty can be less visible in rural areas but may be intensified by transport costs, housing costs and limited-service access.*<br>• Design services that reflect rural challenges.<br>• Improve access through community hubs and outreach.<br>• Continue to develop rural transport (Local Transport Plan - LTP4) and digital inclusion initiatives.<br>• Continue to advocate for fairer rural funding settlements. | LTP4 - **2026 – 2036**<br>Digital Skills Programme – **till March 27**<br>Local Plan – **2027 onwards.** |
| • ***Shropshire Council***<br>• ***System Partners***<br>• ***VCSE Partners***<br>• ***Residents*** | **7. Improve Identification of Hidden Poverty**<br>*Many residents do not recognise themselves as being in poverty or may not seek support.*<br>• Use data to identify vulnerable households earlier.<br>• Improve understanding of hidden poverty.<br>• Reduce stigma associated with asking for help.<br>• Increase community awareness of support services. | Over course of CRF delivery, **now through to 2029 and beyond.** |

# Conclusion/ Closing Summary

This report has shown that poverty remains one of the greatest challenges to health and wellbeing in Shropshire. It affects people of all ages and backgrounds, influences outcomes across the life course and contributes significantly to health inequalities.

Whilst Shropshire is often viewed as an affluent county, this report has highlighted the hidden nature of hardship and deprivation that exists within our communities. Rurality, housing costs, transport barriers, fuel poverty and rising living costs can combine to create significant challenges for residents and families.

There is no single solution, but there is a clear direction. By giving every child the best start in life, improving financial resilience, tackling fuel poverty, supporting good quality employment and strengthening our communities, we can reduce the impact of poverty and create opportunities for people to thrive.

Our challenge now is not simply to respond to poverty when it becomes visible, but to prevent it wherever possible, identify it earlier and work collectively to address the wider conditions that allow it to persist.

Together, we can help ensure that **everyone** in Shropshire can achieve better outcomes.



Rachel Robinson
*(Director of Public Health)*

Wendi Shepherd
*(Deputy Director of Public Health)*

Cllr. Ruth Houghton
*(Portfolio Holder, Adult Social Care & Public Health)*

*Poverty is preventable and not inevitable. While no single organisation can solve poverty alone, every organisation has a role to play in reducing its causes and consequences.*

*Over the coming years, partners across Shropshire will continue working together to tackle both the symptoms and root causes of poverty, reducing health inequalities and supporting residents to live healthy, independent and fulfilling lives.*

## What are the next steps?

- Give Every Child the Best Start in Life
- Improve Household Financial Resilience
- Strengthen a "No Wrong Door" Approach
- Reduce Fuel Poverty
- Improve Access to Good Quality Employment and Skills
- Address Rural Inequalities
- Improve Identification of Hidden Poverty

# What support is available?

*Where do I get help?*

| Where? | What? |
|---|---|
| Click here | **Cost of Living Support** including:<br>• Crisis & Resilience Fund<br>• Council Tax Support<br>• Blue Badges<br>• Free School Meals<br>• Holiday Activities & Food<br>• Library Cards<br>• Bus Passes<br>• & more... |
| Click here | **Citizens Advice Shropshire**<br>Advice, guidance and support:<br>• Debt advice<br>• Budgeting<br>• Advocacy<br>• Income Maximisation<br>• Consumer rights<br>• & more... |

| Where? | What? |
|---|---|
| Click here | **AgeUK Shropshire, Telford & Wrekin**<br>Advice, guidance and support for older people:<br>• Income maximisation<br>• Benefit advice<br>• Social care<br>• Financial Assessments<br>• & more... |
| Click here | **Marches Energy Advice**<br>Advice, guidance and support:<br>• Debt arrears<br>• Grant schemes<br>• Tariffs<br>• Home upgrades & EPC<br>• & more... |

Or call Shropshire Local on **0345 678 9000** or visit in person at one of their many locations.

## Can't get online?

## Shropshire Local

**Shrewsbury:**
Guildhall, Frankwell Quay, Shrewsbury, England SY3 8HQ
**Mon to Fri:**
**09:30 – 17:00**

**Ludlow:**
Ludlow Library, 7-9 Parkway Lane, Ludlow SY8 2PG
**Mon to Fri (no Weds):**
**09:30 – 17:00**

**Oswestry:**
Free public phone access, regular library opening times apply.

# Resources

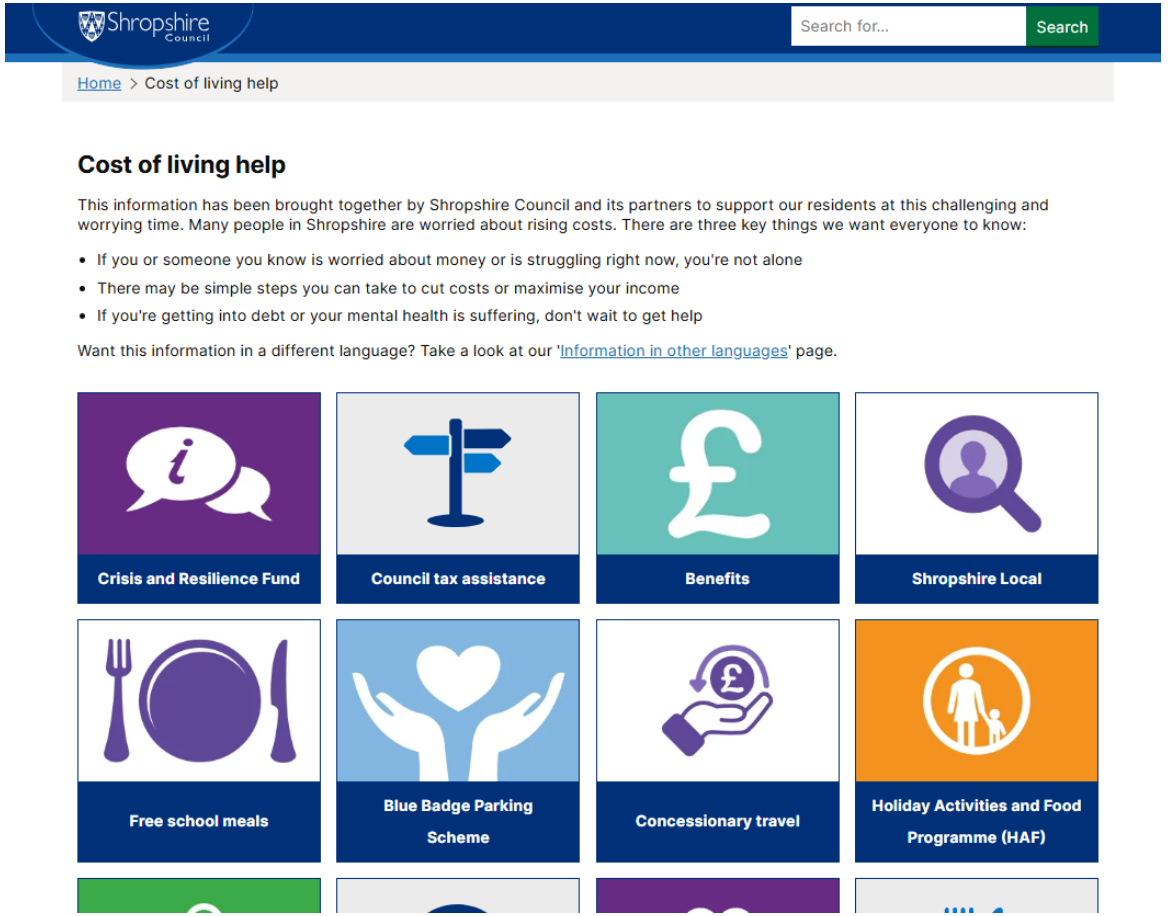



*Produced by the Independent Food Aid Network (IFAN) – and informed by Shropshire Council, Citizens Advice Shropshire and CRF Partners. Leaflets were produced on available support and shared in key locations across the county.*

**https://worryingaboutmoney.co.uk/shropshire**

## Cost of living help | Shropshire Council

*Refresh and rebranding of cost-of-living support available through Shropshire Council, simplifying access and promoting all opportunities including, but not limited to the Crisis & Resilience Fund.*



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Marches Energy Advice

Shropshire Telford & Wrekin age UK

RAFOS COMMUNITY RESOURCE

citizens advice Shropshire

SFPA Shropshire Food Poverty Alliance

## Appendix 1: Citizens Advice Shropshire - Shopping Basket Data

**Summary**

Citizens Advice Shropshire updated what was formerly a Shaping Places research project evaluating the cost of a basic shopping basket for Shropshire households. Following the previous research design, prices were collected from 5 local stores in the South of Shropshire and contrasted with previous years findings. As a new addition to the project, online shopping prices were obtained from the leading 5 supermarket companies: Sainsburys, Tesco, Morrisons, Aldi and ASDA to capture alternative cost implications for households utilising online ordering platforms. While prices were substantially cheaper when ordering from leading retailer's online platforms, there are several barriers that may prevent access to these options for Shropshire residents.

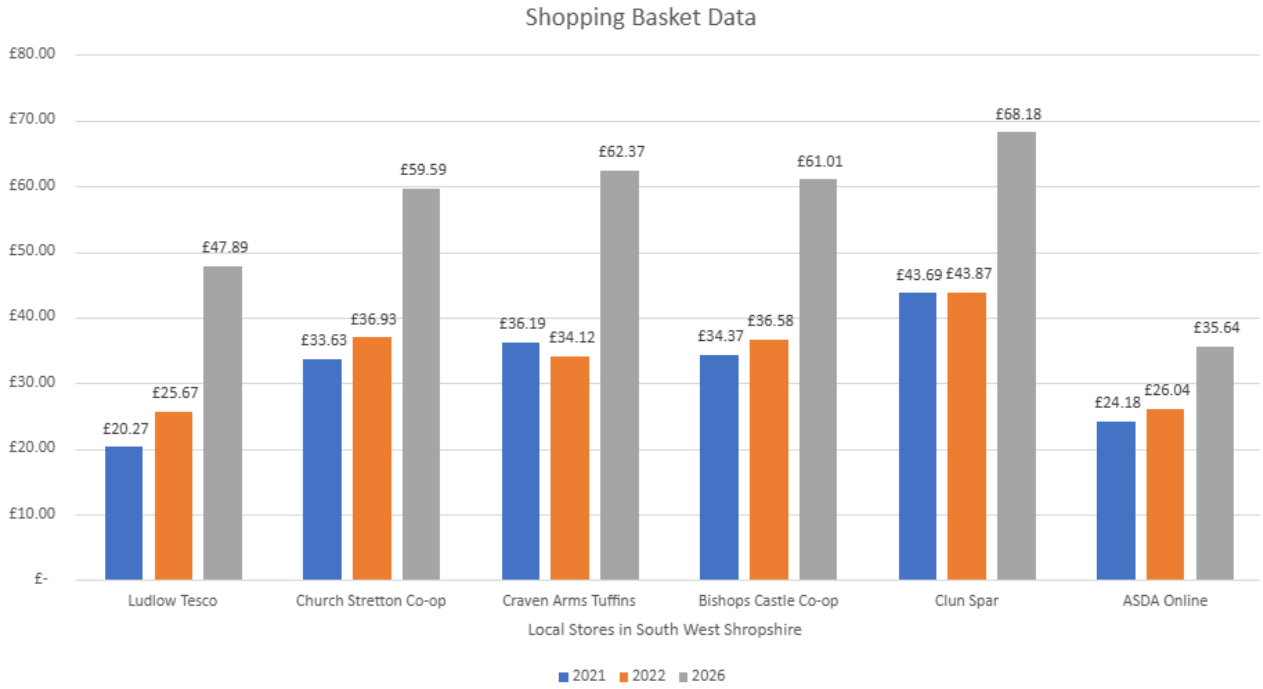
In 2026, Aldi was found to be the cheapest major food retailer for this shopping basket but does not offer online ordering and therefore delivery to rural locations. Other major providers often have a minimum purchase of **£40** for delivery, alongside charging additional delivery fees that can be up to **£7** depending on the time slot selected, which are often more expensive for times when working adults would be available. As a result, households are often better off travelling to do their grocery shopping in-person which presents further barriers for households in rural areas, especially when combined with the transport issues previously identified. For many households across Shropshire, local grocery stores are the only manageable option, but the privilege of proximity does then come at a **price premium**.

The results of this research demonstrated substantial increases in prices from 2022 to 2026, both for online retailers and localised grocery stores. **Keeping ASDA online as the control variable, food basket prices from 2022 to 2026 increased by just under 37%. Yet at the local level for South Shropshire stores, the average price increase was just under 69%, an enormous inflation from 2022.** Rising food prices place a massive pressure on household budgets across Shropshire, coupled with sometimes complex access barriers to affordable grocery retailers -- keeping food on the table for many, comes at a premium.

**Summary Findings**

- **69% average price increase** for local South Shropshire grocery store
- **37% average price increase** for ASDA online
- Ludlow Tesco experienced the **highest price increase since 2022 of 87%**, closely **followed by Craven Arms Tuffins at 83%**
- Clun Spar again is the costliest grocery store assessed with a food basket total of **£68.18**
- Average food basket price in South Shropshire in 2026 is **£59.81** an increase of **£24.38** from 2022

While prices have starkly increased, a reduction in quantity within products (called shrinkage) also means households are paying more for products they are getting less of.




As shown, **the most rural locations in South Shropshire face the highest price implications**. Alongside increasing food prices, households in these areas face multiple cost penalties: living further from major retailer options that often require travel by car or if utilising online options, are met with additional costs to their basket purchases to both meet the minimum order requirements and added delivery costs.

While Ludlow residents benefit from having the lowest **actual** price increase **(£22.22)** for their shopping basket between 2022 and 2026, when compared with other rural locations across South Shropshire, this was the highest **percentage** price increase across these retailers since 2022 at almost **87%**. Consequently, this significant increase places an enormous cost implication to household budgets in Ludlow that many would have been unprepared to financially plan for.

While not perhaps exceeding Ludlow's basket percentage increase, household's budgets across South Shropshire will undoubtedly have felt the financial burden of price inflation over the last 4 years. **Each rural grocery store researched experienced a percentage price increase on this sample food basket of at least 55% since 2022**. For working households since 2022, wages have only increased by around 33.8% and for residents receiving welfare support, benefits have increased by approximately 30.3% in large part due to high inflation. As indicated, wage and welfare increases are not matching the inflation levels of food prices across South Shropshire, consequently presenting persisting budgetary constraints for this necessity.

Shropshire Council

Appendix 2: Glossary of terms/acronyms



| Acronym | Meaning |
|---|---|
| ASH | Action on Smoking and Health |
| AWEE | Affordable Warmth & Energy Efficiency |
| BSIL | Best Start in Life |
| BUS | Boiler Upgrade Scheme |
| CAS | Citizens Advice Shropshire |
| CRF | Crisis & Resilience Fund |
| CWOT | Community Wellbeing Outreach Team |
| DfE | Department for Education |
| DHP | Discretionary Housing Payment |
| DPH | Director of Public Health |
| EPC | Energy Performance Certificate |
| ESHIA | Equality, Social Inclusion and Health Impact Assessment |
| FAT | Financial Assessment Team |
| FFPP | Family First Partnership Programme |
| FSM | Free School Meals |
| GCSE | General Certificate of Secondary Education |
| GLD | Good Level of Development |
| HAF | Holiday Activities and Food Programme |
| HiAP | Health in All Policies |
| HMO | House of Multiple Occupancy |
| HSF | Household Support Fund |
| IFAN | Independent Food Aid Network |
| IMD | Index of Multiple Deprivation |
| MEA | Marches Energy Advice |
| NEET | Not in Education, Employment or Training |
| NNHIP | National Neighbourhood Health Implementation Programme |
| NOMIS | National Online Manpower Information System |
| ONS | Office for National Statistics |
| SAP | Standard Assessment Procedure |
| SFPA | Shropshire Food Poverty Alliance |
| SPD | Supplementary Planning Document |
| UC | Universal Credit |
| VCSE | Voluntary, Community and Social Enterprise |

| Term | Plain-English explanation |
|---|---|
| Absolute poverty | Not having enough income to afford basic necessities such as food, clothing, heating and housing. |
| Cash-first support | Providing money directly where appropriate, rather than only providing vouchers or goods. |
| Decile | One of ten equal groups used to compare areas. In the IMD, decile 1 represents the most deprived 10% of areas. |
| Deprivation | A wider lack of resources and opportunities, which can include income, employment, education, health, housing and access to services. |
| Food insecurity | Not always having reliable access to enough affordable, nutritious food. |
| Fuel poverty | When a household struggles to afford the energy needed to keep its home warm, safe and healthy. |
| Health inequalities | Unfair and avoidable differences in health between different groups of people. |
| Hidden poverty | Financial hardship or deprivation that may not be obvious to others or captured well by conventional measures. |
| In-work poverty | Experiencing poverty despite someone in the household being in employment. |
| Income maximisation | Helping someone make sure they receive all the income, benefits and financial support they are entitled to. |
| Negative budget | Where essential household spending is greater than the household's income. |
| No Wrong Door | An approach where someone seeking help should be connected to appropriate support regardless of which service they approach first. |
| Place Plan area | One of the local geographical areas used within Shropshire for planning and analysis. |
| Relative poverty | Having an income substantially below typical household incomes, limiting participation in everyday life. |
| Rural poverty | Poverty experienced in rural areas, where costs and access barriers can create additional pressures. |
| Rural premium | The additional costs people may face because they live rurally, including transport, energy and accessing services. |
| Wider determinants of health | The social, economic and environmental circumstances that shape health, such as income, housing, education, employment and transport. |

| | |
|---|---|
| **Committee** | Cabinet |
| **Date and Time** | 2 December 2026 |
| | Public |

# Social Care Market Quality Assurance Framework

| | |
|---|---|
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| **Electoral Divisions Affected** | All Divisions |
| **Key Decision?** | Not Key Decision |
| **Cabinet Forward Plan** | Not Applicable |
| **Report considered by** | |

## 1. Purpose of Report

1.1. The Council under the Care Act 2014, has a duty to support and develop a diverse high-quality market and respond in case of market failure. For children's services, the Children Act 1989 places separate duties on the Council, including securing sufficient suitable accommodation for the looked-after children covered by the sufficiency duty.

1.2. This Framework sets out how the Council will check the quality and safety of commissioned care and support services in a consistent and managed approach.

1.3. It explains how concerns will be identified, managed and followed up, and how learning will be used to improve services for people who use them.

1.4. Good quality care and support is paramount. This Framework sets out how the Social Care Contracts and Quality Assurance Team will work with key stakeholders to support its delivery.

1.5. This framework supports delivery of the priorities set out within the Shropshire Council Corporate Plan 2026-2030, ensuring commissioned services contribute to safe, inclusive communities; improved health and wellbeing outcomes; a thriving economy; environmental sustainability; and a financially sustainable council with a high-performing workforce. It supports collaborative system working with NHS partners through the Integrated Care System and the Staffordshire, Shropshire, Telford and Wrekin Integrated Care Board (ICB), among other integral partner agencies and Local Authority Peers.

1.6 Formal approval will establish a shared Council-wide approach to setting quality expectations, gathering and assessing intelligence, identifying and responding to concerns, supporting provider improvement and escalating risks. It will provide a clear basis for accountability and partnership working.

## 2. Recommendations

Cabinet is recommended to:

2.1. Approve the Quality Assurance Framework in Appendix A.

2.2. Agree that the Framework is used across commissioned care and support services to provide a consistent approach to quality assurance, monitoring, escalation and improvement.

2.3. Note that the Framework will be reviewed annually so that it remains up to date, reflects learning, and supports continuous improvement.

## 3. Background

3.1. The Care Act 2014 sets out the law around market development in adult social care. It details legislative duties and responsibilities for market-related issues for the Department of Health and Social Care, the Care Quality Commission (CQC) and local authorities.

- Section 5 - sets out duties on local authorities to facilitate a diverse, sustainable high-quality market for their whole local population, including those who pay for their own care and to promote efficient and effective operation of the adult care and support market.
- section 48 to 56 - ensures that no one goes without care if their provider's business fails and their services cease. It covers:
  - CQC market oversight

- local authority duties for ensuring continuity of care in the event of provider failure and service cessation

3.2. Previously, the Council has not had a single standardised approach to quality assurance across commissioned social care. The Council has therefore drawn on learning from existing quality assurance activity and worked with Partners in Care (PIC), our local care association, to develop a more consistent framework. This provides greater clarity and transparency for providers about how the Council monitors quality, responds to concerns and supports improvement.

3.3 Shropshire has a large and diverse social care market. Within Shropshire, the Council currently contracts with 74 older people's residential and nursing homes, 81 domiciliary care agencies, 38 Live Well residential homes supporting people with learning disabilities and/or mental health needs, 67 supported living providers operating more than 197 individual services or schemes, 26 Live Well day services and 29 Age Well day services. The Council also commissions placements and services outside Shropshire where this is required to meet individual needs, or personal choice; relevant quality assurance arrangements extend to these commissioned out-of-county services

3.4. For children's services, the local market includes 89 registered children's homes operated by 25 providers, five registered supported accommodation providers and one locally based independent fostering agency, alongside a significant volume of out-of-county provision.

3.5. These services are delivered by external providers and play an important role in helping people to live safely, independently and with dignity.

3.6. Intelligence is drawn from a range of sources including safeguarding and Organisational Quality Concerns, complaints and compliments, feedback from people using services and their families, information from operational and commissioning teams, contract monitoring, provider self-assessments, quality assurance visits, regulatory information from CQC and Ofsted, incident information and notifications, workforce and leadership information, and wider market intelligence. Historically, much of this intelligence has been recorded in isolation. Drawing on lessons learned, this Framework aims to bring intelligence together to strengthen oversight of the market.

3.7. The Council has a statutory duty to make sure that commissioned services are safe, effective, well led and focused on the people who use them. This includes checking that providers meet contract requirements, legal duties, safeguarding responsibilities and expected standards of care.

3.8. This Framework primarily concerns externally commissioned care and support services. Council directly delivered services are subject to separate operational management, quality assurance, safeguarding and governance arrangements and,

where the activity is regulated, the relevant regulatory requirements. The Council's wider statutory responsibilities remain applicable across its care and support functions.

3.9. Quality assurance is the way the Council checks how well services are performing. It includes looking at information from different sources, such as contract monitoring, safeguarding concerns, complaints, compliments, provider conversations, visits, audits, feedback from people who use services and information from partner organisations.

3.10. The Quality Assurance Framework brings this work together into one clear approach. It helps staff, providers, partners and decision-makers understand what will be checked, how concerns will be managed, and how improvement will be supported.

3.11. The Social Care Contracts and Quality Assurance Team carried out around 350 provider reviews last year. This consisted of a mix of provider contract reviews, reactive quality assurance visits and planned quality assurance visits. New procurement routes under development are expected to expand the market and increase demand for quality assurance, making a dedicated, consistent approach to market oversight more important than ever.

3.12. Shropshire has generally maintained a stable and good-quality market; however, an increase in quality concerns has been identified over the last six months. These have included concerns relating to medication management, safeguarding, staffing levels, leadership and management, care planning, clinical practice and compliance with contractual or regulatory requirements. This reinforces the importance of a consistent approach to identifying concerns early, supporting improvement and taking proportionate action where standards are not met.

3.13. For children's services, section 22G of the Children Act 1989 requires the Council to take steps, so far as reasonably practicable, to secure sufficient accommodation within its area that meets the needs of the looked-after children covered by the duty, where a local placement is consistent with their welfare. The statutory sufficiency guidance supports strategic planning and commissioning of an appropriate range of provision.

3.14. Ofsted inspects children's homes, independent fostering agencies and supported accommodation for looked-after children and care leavers aged 16 and 17. This does not replace the placing local authority's responsibilities for assessing needs, selecting suitable placements, care planning, visits and reviews. The Framework brings regulatory information together with contract monitoring, safeguarding intelligence and feedback from children to support oversight of commissioned services.

## 4. Summary of Main Proposals

4.1. The Framework provides a clear and consistent way to monitor the quality of commissioned services. It supports early identification of concerns and helps ensure that action is taken in a timely and proportionate way.

4.2. The Framework is based on the following principles: people who use services should be safe and treated with dignity and respect; quality assurance should be fair, consistent and based on evidence; concerns should be identified early and acted upon quickly; providers should be supported to improve where this is appropriate; serious or repeated concerns should be escalated through clear routes; and learning should be used to improve services and reduce future risk.

4.3. The Framework will help the Council monitor commissioned services in a consistent way, use information from different sources to understand quality and risk, identify good practice and areas for improvement, take action where services fall below expected standards, and provide clearer reporting to senior managers and Members.

4.4. The Framework will support stronger links between commissioning, contract management, safeguarding, operational teams, finance, legal services and partner agencies. This will help ensure that concerns are not looked at in isolation and that decisions are based on a full understanding of risk and impact.

4.5. The Framework will use a proportionate approach. This means that services with higher levels of concern, higher risk, or greater impact on people will receive closer monitoring and more structured improvement oversight.

4.6. Monthly operational meetings will bring together safeguarding, contract monitoring and other quality intelligence to identify concerns, agree actions and review progress. A quarterly Quality and Performance meeting, chaired by the Service Director for All Age Commissioning, will review themes, oversee implementation of the Framework and inform commissioning priorities. These arrangements will support coordinated use of resources and expertise across teams and partners.

**Quality assurance and escalation pathway**



4.7. Where concerns are not resolved, are repeated or increase the risk to people, the Council will escalate its response proportionately. This may include enhanced monitoring, formal improvement plans, contractual action, multi-agency oversight, restrictions on new placements, partial or full suspension of commissioning and, where necessary, ceasing to commission a service or terminating contractual arrangements. Decisions will be based on the level of risk, the evidence available, the impact on people and the need to maintain continuity of care.

4.8. The Council supports workforce development through Joint Training, working with Partners in Care and other partners. Jointly delivered adult safeguarding training is one example of support for quality care. Providers remain responsible for ensuring staff have the skills, training and supervision needed for their roles. For CQC-regulated services, these responsibilities are set out in Regulation 18; Council support does not replace them.

## 5. Alternative Options

5.1. One option would be to continue with current quality assurance arrangements without adopting a single Framework. This is not recommended because it may lead to different approaches being used across services. This could make it harder to identify risk, compare information, escalate concerns and evidence improvement.

5.2. The Council could develop separate quality assurance approaches for each part of the service. This is not recommended because it could create duplication and reduce consistency.

5.3. The Council could rely on the Care Quality Commission (CQC) and Ofsted, the national independent regulators of quality across social care. This is not recommended because regulatory oversight complements, rather than replaces, the Council's commissioning and contract-monitoring responsibilities. Local teams and partners also gather intelligence through their ongoing contact with providers.

5.4. The preferred option is to approve and use one Quality Assurance Framework, giving a clearer and simpler approach while still allowing flexibility for different service types and working to best practice expectations not just minimum standards.

## 6. Key risks and Opportunities

6.1. Without a single Framework, the Council's approach to supporting the market may be applied inconsistently and quality concerns may not be identified early enough. This increases the risk that providers do not make the required improvements, with

potential consequences for staff, market capacity and people receiving care and support.

6.2. Through adopting the new framework, these risks will be managed through clear guidance, staff briefings, risk-based prioritisation, improvement plans, regular monitoring and escalation routes.

6.3. The Framework also creates opportunities. These include earlier action on concerns, better use of evidence, stronger provider relationships, clearer reporting, improved learning and better outcomes for people who use services.

| Risk | Mitigation | Link to Strategic Risk |
|---|---|---|
| The Framework is not applied consistently across services. | Clear guidance, staff briefings and management oversight will support consistent use. | Governance and performance; Effective internal control framework |
| Concerns about provider quality are not identified early enough. | The Framework brings together information from a range of sources so that concerns can be spotted earlier. | Governance and performance; Breakdown of critical contracts, providers or strategic partnerships |
| Providers do not make required improvements. | Improvement plans, regular monitoring and escalation routes will be used where progress is not made. | Breakdown of critical contracts, providers or strategic partnerships |
| Staff capacity affects the ability to carry out quality assurance activity. | Activity will be prioritised using risk, with higher-risk services receiving closer oversight. | Workforce capacity and capability |
| Information is not shared effectively between teams. | The Framework supports joint working between commissioning, contracts, safeguarding, operational teams and partners. | Governance and performance; Effective internal control framework |
| Poor quality services affect people who use care and support. | The Framework focuses on safety, experience, outcomes and timely action where standards are not met. | Breakdown of critical contracts, providers or strategic partnerships; Governance and performance |

## 7. Council Priorities

7.1. The Framework supports the Council's priorities by helping people to remain safe, well and supported in their communities.

7.2. It supports good quality care, better use of resources, stronger provider oversight and improved confidence in commissioned services. It also supports prevention by

helping the Council identify concerns earlier, before they become more serious or harder to resolve.

## 8. Financial Implications

8.1. The Framework is intended to support better use of existing resources by helping the Council identify quality issues early and manage risk more effectively.

8.2. There may be financial implications where poor quality services lead to increased monitoring, service disruption, provider failure, alternative care arrangements or contract action.

8.3. Poor quality services can contribute to service failure and increase costs where concerns remain unresolved. Additional expenditure may arise from enhanced monitoring, safeguarding interventions, urgent alternative care arrangements and disruption to existing services. Inconsistent information-sharing and limited capacity can delay the identification of concerns, increasing the risk that more intensive and costly intervention is needed. The Framework is intended to support earlier identification, coordinated improvement action and proportionate escalation, helping to reduce these risks and protect continuity of care. Any financial benefits will need to be evidenced rather than assumed.

Separately, the SPOT monitoring growth report records a 4.34% increase in the average rate paid for spot-purchased care in 2025–26, excluding the annual uplift. The gross budget for SPOT expenditure in 2026–27 is £164,888,600. These figures provide context for existing financial pressures; they do not demonstrate costs attributable to quality concerns or savings expected from the Framework.

## 9. Legal and HR implications

9.1. The Framework supports the Council in meeting its legal duties in relation to commissioning, safeguarding, contract management, equality and care quality.

9.2. It supports good governance by setting out clear processes for monitoring, recording, escalation and decision-making. Legal advice may be needed where there are serious provider concerns, contract breaches, safeguarding issues, enforcement action or decisions that may affect service continuity. HR implications are expected to be limited unless changes to roles, responsibilities or capacity are required to implement the Framework.

9.3. Section 5 of the Care Act 2014 requires the Council to promote the efficient and effective operation of the adult care and support market, with a view to ensuring access to a choice of high-quality services. In carrying out this duty, the Council must have regard to the importance of market sustainability so that services remain available to meet care and support needs, including for people who fund their own care. The Framework supports these responsibilities through coordinated market

intelligence, early identification of quality concerns and proportionate action to support improvement and continuity of care.

9.4. For children's services, section 22G of the Children Act 1989 and the statutory sufficiency guidance provide the basis for planning sufficient suitable local accommodation for the looked-after children covered by the duty. Ofsted inspection complements, rather than replaces, the Council's placement, safeguarding and commissioning responsibilities.

## 10. Electoral Division Implications

10.1. The Framework applies to all Council-commissioned care and support services across Shropshire and, where relevant, to the Council's oversight of care and support commissioned outside the county on behalf of Shropshire residents.

10.2. People who arrange their own support through a direct payment, including those who directly employ a Personal Assistant, are not subject to contract monitoring in the same way as Council-commissioned providers. However, the Council continues to have responsibilities around Care Act assessment and review, safeguarding, information and advice, and supporting people to use direct payments safely and effectively. Intelligence from the experiences of people arranging their own care also contributes to the Council's wider understanding of quality, sufficiency and the social care market.

10.3. The experience and voice of people receiving care, their families and carers form an important part of quality assurance and are used alongside monitoring, safeguarding, complaints, regulatory information and provider data to understand the quality and impact of services. The Council will continue to develop opportunities for people with lived experience to contribute directly to quality assurance activity and the ongoing development of the Framework.

10.4. Some quality concerns may relate to services in a specific local area. Where this happens, local impacts and any need to brief local Members will be considered in line with Council protocols.

## 11. Health, Social (including "Child Friendly Shropshire") and Economic Implications

11.1. The Framework is expected to have a positive impact on health and wellbeing because it supports safe and good quality care and support.

11.2. Good quality care can help people remain independent, reduce harm, support families and carers, and improve people's experience of services. Where services support children, young people or care leavers, the Framework will support consideration of their needs, rights, voice and outcomes.

## 12. Equality and Diversity Implications

12.1. The Framework supports equality by helping the Council check whether commissioned services are accessible, fair and responsive to different needs of both residents and providers.

12.2. Quality assurance activity will consider whether people with protected characteristics may be affected differently by service quality, access, communication, location or outcomes. Where equality impacts are identified, the teams will respond to these and take appropriate action.

## 13. Climate Change, Biodiversity and Environmental Implications

13.1. The Framework itself is not expected to have direct negative climate, biodiversity or environmental impacts.

13.2. Where relevant, quality assurance and contract monitoring officers will support consideration of environmental responsibilities, such as efficient travel, sustainable service delivery, waste reduction and responsible use of resources.

## 14. Background Papers

*None*

## 15. Appendices

Appendix A - Quality Assurance Framework.

# QUALITY ASSURANCE FRAMEWORK

Children and Adults – Commissioned Care and Support Services

QAF001 April 2026

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# Introduction

## Purpose

This framework sets out Shropshire Council's approach to assuring, improving and sustaining the quality and safety of all commissioned *and* Shropshire based noncommissioned care and support services for adults, children and young people, in and out of the Shropshire county boundary. It applies to regulated and non-regulated provision and forms part of our contractual and statutory arrangements with providers and partners.

## Scope

This document applies to all commissioned care and support services for adults and for children and young people, including but not limited to: adult mental health; adult residential and nursing care (including learning disability and autism services); children's residential homes; domiciliary care for adults and children; extra-care; supported accommodation (16–17 and 18+); short breaks and adult respite; day opportunities; fostering and adoption support; internal regulated care and support services; mother and baby services and specialist therapeutic and youth services. Providers delivering services solely via direct payments are expected to meet this framework, noting the level of Council oversight may differ.

| Service Category | Description / Examples |
|---|---|
| Children and Adult Mental Health Services | Commissioned mental health care and support for children and adults |
| Adult Residential and Nursing Care | Includes care homes for adults with or without dementia, including adults with a Learning Disability, with Autism and with Mental Health support needs; Soley commissioned or jointly commissioned with NHS ICB |
| Children's Residential Homes | Homes providing care and support for children and young people |

| Service Category | Description / Examples |
|---|---|
| Domiciliary Care Agencies | Home care and specialist support services for adults and children/young people (CYP) |
| Extra Care Housing Settings | Housing with on site care and support for older adults or those with additional needs |
| Residential Educational Settings | For looked-after children requiring education with care and support |
| Independent Fostering Agencies | External fostering provision commissioned by the Council |
| Supported Accommodation | For children, young people and adults aged 18+ (including Supported Living, Shared Lives, Supported Lodgings) |
| Adult Respite Services | Residential and nursing care or replacement care respite care and support for adults |
| Day Services | Community-based day opportunities for adults and young people |
| Internal Regulated Care Services | Council-operated regulated care and support provision |
| Adoption and Family Support Services | Support for adoptive families and family networks |
| Short Break Services | Planned short-term breaks for children, young people and families |

| Service Category | Description / Examples |
|---|---|
| Specialist Therapeutic Services | Targeted therapeutic interventions for children and adults |
| Youth Services | Services supporting young people's development and wellbeing |
| Mother and Baby Family Assessment | A structured service to evaluate a mother's ability to safely and adequately care for their baby, usually in a supported setting. |
| Voluntary, Community and Social Enterprise sector. | Contracts held with charities, community organisations, and social enterprises to deliver services that support Shropshire residents' wellbeing. |
| Early Intervention and Prevention. | Contracts held with services designed to prevent or delay the need for higher-level health or social care interventions. |
| Advice, Advocacy and Welfare Benefits (AAWB) | Contracts held with a consortium of Voluntary, Charity and Social Enterprise partners to provide residents with accessible, high-quality advice, advocacy, and welfare benefit support. |
| Independent Mental Health Advocacy (IMHA) | A commissioned statutory service required under the Mental Health Act (1983). |

## Roles and responsibilities

- Providers: responsible for delivering safe, effective, well-led services that meet contractual and regulatory standards, undertaking self-assessment and delivering improvement plans.
- Shropshire Council's social care market Contracts Team manages contracts that social care services are procured under and leads on proportionate Quality Assurance activity, triangulation of intelligence, undertakes visits and issues recommendations/contract notices and any service improvement activity resulting from contract management.

- Commissioners in Shropshire Council ensure that services commissioned for children, young people, and adults are safe, effective, and person-centred.
- The social care market Quality and Performance Group (QPG): multi-agency forum providing oversight, scrutiny and decision-making for Amber/Red concerns, chaired at Head of Service level across the Council.
- Regulators (CQC/Ofsted): regulate and inspect registered services and share intelligence.
- Safeguarding partners: coordinate safeguarding enquiries and multi-agency responses.
- People with lived experience, families and carers: provide feedback and co-produce improvements.

## Strategic context

This framework supports delivery of the priorities set out within the Shropshire Council Corporate Plan 2026-2030, ensuring commissioned services contribute to safe, inclusive communities; improved health and wellbeing outcomes; a thriving economy; environmental sustainability; and a financially sustainable council with a high-performing workforce.

It supports collaborative system working with NHS partners through the Integrated Care System and the Staffordshire, Shropshire, Telford and Wrekin Integrated Care Board (ICB), among other integral partner agencies and Local Authority Peers.

**Residential Care**

The Social Care Contracts and Quality Assurance Team provides oversight of a mature and generally sufficient residential care market across Shropshire. Current market intelligence identifies 75 CQC-registered care homes offering 3,221 beds for people aged 65 and over. This includes 41 residential care homes and 34 nursing homes, with provision available both with and without dementia care.

Given Shropshire's large rural geography, residential and nursing care services are distributed across the north, south and central areas of the county, supporting local choice and reducing the need for individuals to move away from their communities. Through ongoing quality monitoring, provider engagement, CQC intelligence and market oversight activity, the Council is able to maintain assurance regarding both the quality and resilience of these services.

For adults under 65, there are 37 CQC-registered care homes providing 339 beds, predominantly supporting people with learning disabilities and autistic people. Current placement intelligence indicates that only a small proportion of people require out-of-county placements, providing assurance that the local market is largely meeting assessed needs and demonstrating continued sufficiency alongside quality provision.

**Supported Living**

The team also provides oversight of a diverse supported living market comprising 140 services supporting approximately 200 individuals across Shropshire.

The supported living offer includes a mixture of shared accommodation and individual tenancies, with varying levels of care, support and specialist provision designed to meet a wide range of needs. Quality assurance activity focuses on ensuring services promote independence, choice and control, whilst delivering safe, person-centred support and achieving positive outcomes for individuals.

Through contract monitoring, provider quality visits, stakeholder feedback, safeguarding intelligence and market engagement, the Council maintains ongoing assurance regarding service quality, sustainability and the ability of providers to respond to changing demand and complexity.

**Domiciliary Care**

Shropshire's domiciliary care market has developed over a number of years and is characterised by a significant number of small and medium-sized local providers. There are currently 81 CQC-registered domiciliary care providers operating across the county.

The Quality Assurance Framework recognises the importance of a diverse home care market in supporting people to remain independent within their own homes and communities. As a large rural authority, ongoing quality oversight is essential to ensure providers can deliver safe, effective and responsive care across geographically dispersed locations.

Quality assurance arrangements draw upon performance information, quality monitoring activity, stakeholder feedback, safeguarding concerns, contract compliance and regulatory intelligence to assess provider performance, identify emerging risks and support continuous improvement. This enables the Council to maintain assurance that commissioned services remain sustainable, accessible and focused on delivering positive outcomes for people who draw on care and support.

## Legal and regulatory context

This document is underpinned by legislation and statutory guidance including (non-exhaustive):

| Legislation / Framework | Key Focus |
|---|---|
| Care Act 2014 and Care and Support Statutory Guidance | Duties on local authorities, market shaping, managing provider failure, continuity of care |
| Health and Social Care Act 2008 (Regulated Activities) Regulations 2014 – Fundamental Standards | Minimum standards for regulated health and social care services |
| CQC Single Assessment Framework | Five key service areas and quality statements for assessing care quality |
| Working Together to Safeguard Children 2023 | Statutory guidance on multi-agency safeguarding for children |
| Children Act 1989 and 2004; Children and Families Act 2014; Childcare Act 2006 | Legal duties for safeguarding, family support, SEND, and childcare provision |
| Children's Homes (England) Regulations 2015 and Quality Standards; Ofsted SCCIF | Regulatory standards and inspection framework for children's homes and fostering agencies |
| Mental Capacity Act 2005 and Code of Practice; DoLS / Liberty Protection Safeguards | (Aged 16+) Decision-making for people lacking capacity; safeguards for deprivation of liberty |
| Equality Act 2010 (Public Sector Equality Duty) | Duty to eliminate discrimination and advance equality of opportunity |

| Legislation / Framework | Key Focus |
|---|---|
| Data Protection – UK GDPR and Data Protection Act 2018 | Legal framework for processing and protecting personal data |
| Health and Care Act 2022 | Duties of Integrated Care Boards and CQC system assessments |
| The Procurement Act 2023 | Legal framework that aims to create a simpler, more transparent and fair public procurement system that delivers value for money and strengthens integrity and equal treatment. |

# Quality Matters

### Vision

Our vision is to ensure that every Shropshire resident receives high-quality, person-centred care and support that upholds the Care Act 2014's core principles of wellbeing, prevention, and personal choice. We will fulfil our duties as a local authority by using the Quality Assurance Framework to help drive and shape a high quality, diverse, sustainable and safe social care market.

We are committed to offering services that deliver value for money, empower individuals to direct their own care, respect their rights, protect them from harm, and continually improve by listening to their feedback and acting upon the voices and experiences of the people and communities we serve.

In Shropshire, we want to ensure that the quality of our care and support services becomes everyone's responsibility, where information and intelligence are routinely and consistently shared and effectively responded to so that Supported People, family members and carers can be confident that the care and support being delivered is of good quality.

The Quality Assurance Framework fosters and embeds a high-quality culture and encourages continuous improvement in our care and support services across Shropshire and beyond. It fully embeds a whole system approach where quality standards and expectations are clearly communicated and owned, and key stakeholders work collaboratively to ensure that quality is delivered.

Central to this is the need for a collaborative approach in the way quality is driven and delivered in our care and support services, where positive and supportive relationships are built between the range of agencies, care and support providers and people of all ages and demographics using services to foster a culture of quality and continuous improvement.

Through supportive partnership-based working, continued quality improvement can be delivered with better, innovative and cost-effective outcomes that promote the well-being of people who need care and support.

## Aims

The framework aims to set out our expectations for meeting a good level of quality that focuses on the delivery of outcomes for supported children, young people, adults, and families in receipt of care and support.

It establishes a contractual framework for assuring consistent, clear and transparent quality for those delivering services.

The framework outlines our commitment and approach to assuring quality, how standards and outcomes will be monitored and the action that will be taken to improve standards and outcomes where required.

It provides a consistent and coordinated means of responding to concerns where quality thresholds are not being met and where there is a clear need for service improvement to minimise risks to Supported People and the overall provider market.

This framework will:

- Set clear, outcome-focused quality standards for commissioned services.
- Assure quality using proportionate, risk-based monitoring that triangulates evidence from multiple sources, including lived experience.
- Provide consistent routes for escalation and de-escalation where concerns arise, with timely support for improvement.
- Protect people's safety and rights through robust safeguarding and contractual mechanisms.
- Promote market sustainability, innovation and workforce capability.

## Key Principles & Values




The Quality Assurance Framework reflects Shropshire Council's PROUD values by promoting strong Partnerships across the health and care system; demonstrating Respect through person-centred and inclusive approaches; creating Opportunities for learning, innovation and continuous improvement; developing a deeper Understanding of quality, risk and lived experience through intelligence-led assurance; and adopting a Can Do approach that is proactive, solution-focused and committed to achieving positive outcomes for Shropshire residents. These values underpin all assurance, monitoring, improvement and governance activities undertaken through the framework.

The voices, experiences and outcomes that matter to people are central to planning, delivery and assurance activities. We celebrate good practice and support services to deliver person-centred care that promotes independence, dignity, choice and control.

Our Quality Assurance is informed by intelligence from providers, people who use services, carers, regulators, operational teams and partners. We use this information proactively to identify emerging risks, support early intervention and enable preventative action.

We work transparently and constructively with providers, our local health partners, regulators, safeguarding, people with lived experience and neighbouring authorities. We promote shared accountability, open communication and a culture where concerns can be raised and addressed promptly.

Our approach recognises the challenges facing providers and aims to support improvement through constructive challenge, guidance and partnership working. We seek to understand local contexts while maintaining a focus on safe, effective and high-quality services.

Assurance activity is responsive to changing circumstances and tailored according to risk, complexity and provider performance. Resources are targeted where they can have the greatest impact, ensuring oversight remains proportionate and effective.

Equality, diversity, inclusion and human rights principles are embedded throughout the framework. We actively promote fairness, tackle inequalities and support services that meet the diverse needs of Shropshire's communities.

We foster a culture of continuous learning, sharing good practice and encouraging innovation. Excellence is recognised and celebrated, whilst learning from challenges is used to drive improvement across the market.

A high-quality provider market is essential to ensuring sustainability, resilience, choice and availability of care. Our quality assurance activity actively supports provider development, strengthens market resilience, promotes continuous improvement and protects the capacity of services to meet current and future demand.

### Setting standards

Quality standards are expressed through an outcomes-focused Quality Outcomes Framework that aligns with the Care Quality Commission's five key questions and quality statements, and with Ofsted's inspection frameworks for children's social care (Appendix 1). For regulated services, the minimum standard expected from partner providers is "Good" overall and in relevant domains, with continuous improvement towards "Outstanding". For non-regulated services the same expectations of safe, effective, person-centred practice apply and will be assessed proportionately.

# Quality is Everyone's Business

## Quality assurance approach

We operate a single, end-to-end, collaborative QA cycle covering:

- intelligence gathering
- monitoring and review; and
- response and action

Activities include due diligence (in- and out-of-county), provider self-assessment, desktop analysis, pre-monitoring questionnaires, quality concerns trend review, focused QA visits, routine monitoring visits (18–24 months as a guide), reactive activity in response to intelligence (including safeguarding), contract/performance reviews and review of regulator reports.

Supported people and carers' feedback is integral, alongside staff views, observations of practice and environment, and review of records and governance. Findings inform improvement actions, and the quality threshold level that is assigned. (Appendix 4)

## Monitoring, thresholds and governance

After initial Quality Assessment, Providers are assigned to one of three quality threshold levels (Green – no/minor concerns; Amber – moderate concerns; Red – major concerns) known commonly as a RAG rating. Threshold assignment determines the frequency and intensity of monitoring and the governance route for decisions, including review by the multi-agency Quality Planning Group (QPG) meeting for Amber/Red cases and urgent escalation as required. (Appendix 2)

## Collaborative approach

Quality oversight is delivered with partners across commissioned provision. For jointly commissioned services the Council and commissioning partners share intelligence, agree the lead organisation for Quality Assurance activity and undertake joint monitoring as appropriate. For out-of-area placements we liaise with host authorities and regional Quality Assurance networks to share intelligence and coordinate oversight. Quality assurance is also shared with all statutory regulators across both adults and children's services. Supported people are encouraged to participate in Quality Assurance to ensure their unique perspective is considered when assuring the quality of the social care market.

## Contractual relationship and enforcement

All commissioned services are subject to contractual terms, specifications and performance measures. Quality concerns are considered in the context of contractual compliance and commissioned service specifications. Proportionate responses to noncompliance to contract terms and service specifications range from recommendations and service improvement action plans, through to default notices, placement suspension, and (where necessary) termination and/or cessation of commissioning in line with procurement law and contractual provisions as outline in Shropshire Councils Contract management guidance and other related policies and processes (Appendix 5).

## Safeguarding

Any information indicating risk of harm or abuse will be acted upon in accordance with Shropshire Safeguarding Community Partnership procedures for adult safeguarding, and the statutory guidance Working Together to Safeguard Children (2023).

## Information governance, confidentiality and equality

Quality assurance activity will comply with UK GDPR and the Data Protection Act 2018. Personal data will be collected and processed lawfully, minimally and securely. The Council will meet the Public Sector Equality Duty (section 149 Equality Act 2010), including completing Equality Impact Assessments where relevant, and will ensure accessible engagement and reasonable adjustments for providers and quality partnerships where required.

## *Appendix 1: Quality Outcomes Framework (Standards)*

The Council's Quality Outcomes Framework supports providers to evidence continuous improvement towards "Outstanding". It aligns to the CQC's five key questions and quality statements and to Ofsted frameworks for children's services. The table below summarises strategic aims, outcomes for people and example measures.

| Strategic Aim | Individual Outcome | Measure |
|---|---|---|
| Strategic Aim 1: To improve the health and wellbeing of everyone in Shropshire by enabling people to take greater control over their own health and the health of their families and helping people to remain independent within their own homes and communities. | Facilitates and empowers people to make choices about health and wellbeing and how it should be monitored and managed | All assessment of needs and care/support planning, service delivery and reviews are based on:<br>• Respecting Individuals strengths and abilities (before need).<br>• Care and support plans being person centered and reflect the Individuals aspirations.<br>• Care and support delivery supporting Individuals to build, maintain their skills, abilities, identity, religious and spiritual needs, cultural beliefs, and autonomy.<br>• Supporting Individuals to retain control of their health and wellbeing.<br>• End of life care and support needs and wishes are known and respected.<br>Individuals are:<br>• Confident that they are listened to and that their views are taken into consideration when planning for their own care and support.<br>• Enabled to improve beyond their baseline abilities, supported to facilitate choice and control over their own outcomes and goal setting.<br>An Individual's care and/or support has:<br>• A continuum of enabling independence by using assistive technology i.e., aids, adaptations, textures, flash cards.<br><br>Services support and encourage Individuals with: |

| | | |
|---|---|---|
| | | • Positive management of health conditions to engage and promote and support healthy lifestyles i.e., nutrition, hydration, exercise, immunisation programs, sensory checks, mental health, socialisation.<br>Where the service is responsible for medicines, staff work creatively with Individuals:<br>• To actively involve them in the management and administration of their medicines, including non-prescribed medication, and<br>• To evidence regular medication reviews that are appropriate and effective.<br>Supporting and encouraging Individuals to:<br>• Maintain relationships that are important to them within their own familiar groups and the wider community.<br>• Continually engage with the wider community and actively encourage Individuals to access local support.<br>• Look for new ways to promote independence and work closely with other agencies and advocates and in doing so Individuals participate in hobbies, activities and meaningful occupation with the experiences being recorded and evaluated. |
| Strategic Aim 2: To reduce inequalities in health (both physical and mental) across and within communities in Shropshire, resulting in additional years of life for citizens with treatable mental and physical health conditions. | I have access at the right time to services that supports my healthcare and social support needs. | Individuals have:<br>• Choice in how and where their care and support is delivered.<br>• Access to the information they need in the most appropriate medium to support an informed choice.<br>• Supported access to appropriate health professionals.<br>• The environment in which care and support is delivered is appropriate to the needs of the individual and reasonable adjustments are in place to support Individuals to access health and wellbeing services.<br>Service providers:<br>• Facilitate and support Individuals to have regular opportunities to access health and leisure facilities. |

| | | |
|---|---|---|
| | | • Engage in proactive and supportive key professional relationships to enhance care and support delivery.<br>• The Individual is the decision maker with appropriate access to information through a planned and collaborative (MDT) approach to ensure health, emotional, psychological, and social care needs are supported.<br>• Communication and information sharing is safe, appropriate, and timely.<br>• Staff are competent with all relevant legislation e.g., MCA, and use innovative ways to make sure that Individuals participate in decisions about their health and wellbeing, so their human and legal rights and protected characteristics are respected and protected but best interest decisions are undertaken where appropriate.<br>• Services recognise that everyone is different, and everyone has the right to be treated with dignity and respect. |
| Strategic Aim 3: To improve the quality and safety of health and care services thereby improving their positive contribution to improve wellbeing and enhancing the experience of Individuals. | It is safe to be me. I am valued as an individual, for the experiences I have and for the person I am. | Service Providers:<br>• Have appropriate and robust security systems in place including but not limited to environment, information governance and health & safety policies.<br>• Have preventative measures in place to minimise risk for Individuals, staff, visitors, and location. There is overall awareness of everyone to promote quality and safety with an enabling culture and ethos.<br>• Where appropriate, service providers use “champions” to promote good practice in all areas. These champions will be proactive and put into practice new and emerging guidelines.<br>• Build and support active engagement and value relationships including those with advocates and volunteers and has a shared learning ethos. |

| | | |
|---|---|---|
| | | • Have service improvement plans aligned with and go further than the regulatory framework.<br>• Have a care management system that gives a comprehensive overview of the care provided.<br>• Ensure that Individuals have a clean, safe and homely environment for people to live in free, from risks.<br>• Actively involve Individuals in contributing, designing, creating and refurbishing the environment they are living in.<br>• The service actively monitors incidents and events and facilitates shared learning to enhance care delivery.<br>• Measures are in place and information is accessible to support Individuals to make informed decisions about health and wellbeing and keeping safe.<br>Staff:<br>• Are highly skilled at recognising when people are at risk of abuse or feel unsafe and are comfortable and proactive when challenging and reporting unsafe practice. Organisations have an "Identify, act, report" ethos.<br>• Have time to build respectful and trusting relationships with individuals.<br>• Participate in being "a resident for a day" or "a day in the life of…" Evaluate the experience to make improvements to service delivery.<br>• The service culture actively encourages and empowers Individuals to raise concerns, acts positively to manage the risk and opportunities. These activities include whistleblowing policies, key worker meetings and supportive staff performance processes and training.<br>• Individuals have autonomy and knowledge to raise concerns when practice is not right or inappropriate. |

| | | |
|---|---|---|
| | | • Individual opportunities are optimised using proactive, creative thinking to enable a balance between safety and positive risk taking through activity plans, 1:1's with Individuals and risk assessments.<br>Individuals are:<br>• Supported to understand what keeping safe means.<br>• Encouraged to keep themselves safe and are empowered to raise any concerns.<br>• Supported to keep safe with services using proactive ways to involve Individuals e.g., through accessible information, training, and promotion with staff.<br>• Assistive technology is made available to enable opportunities, reduce risk and maximise safety for Individuals. Evidenced in care plans and observation of its use in practice, used 'for' the Individuals as well as 'with them' approach. |
| Strategic Aim 4: To ensure that we have sufficient workforce that is appropriately trained to provide the services our population requires. | Confidence and trust that my support is provided by people who understand my health and care needs and can deliver through a "look after me for me" value-based approach. | Services have:<br>• An active platform to share appropriate and relevant information with Individuals e.g., meetings, forums.<br>• Effective communication systems and current information (e.g., leaflets) is in a medium that is understandable to individuals and staff i.e., visual, audio, appropriate to level of understanding, sit down with time – inclusivity, easy read.<br>• Have a "valuing staff with a proud to care" ethos: Through safe recruitment practices, induction programs, retention incentives, which promote wellbeing of staff, ongoing training over and above core requirements, well informed and committed teams.<br>• Invest in workforce development through proactively promoting a career pathway of progression, recognising individuals and team who go over and above their role, succession planning using a variety of methods including mentoring and shadowing, nurturing and Continuing Professional Development. Evidence how this improves the quality-of-service provision. |

| | | |
|---|---|---|
| | | The workforce is:<br>• Trained and supported to be compassionate, caring, creative and responsive.<br>• Seen, visible, approachable, and responsive to needs of Individuals, evidenced through feedback and observation.<br>• Within the staff group there are specific and designated thematic "champions" i.e., dignity champions, infection control champions, dementia champions, nutrition champions.<br>• Services support staff and individuals through change and transitional programs.<br>• Leaders ensure that staff in all roles are highly motivated and offer care and support that is exceptionally compassionate and kind.<br>• Services have a strong, visible person-centred culture.<br>• Service providers proactively engage with and contribute to local and national forums, recognised industry standards associations, educational events, other associated organisations, relevant guidance, legislation and resources, and use this to inform best practice and evidence-based care and support delivery.<br>• Specialist services link into and access external professionals and experts and practice is endorsed by them.<br>• Service recognises good practice and supports the improvement of things that are not working so well.<br>• Organisations have an open culture, constantly adopt and adapt best practice guidance throughout systems and processes to ensure that all Individuals are safe and achieve best outcomes for them.<br>• Service providers enable Individuals and staff to push boundaries and affect change. |

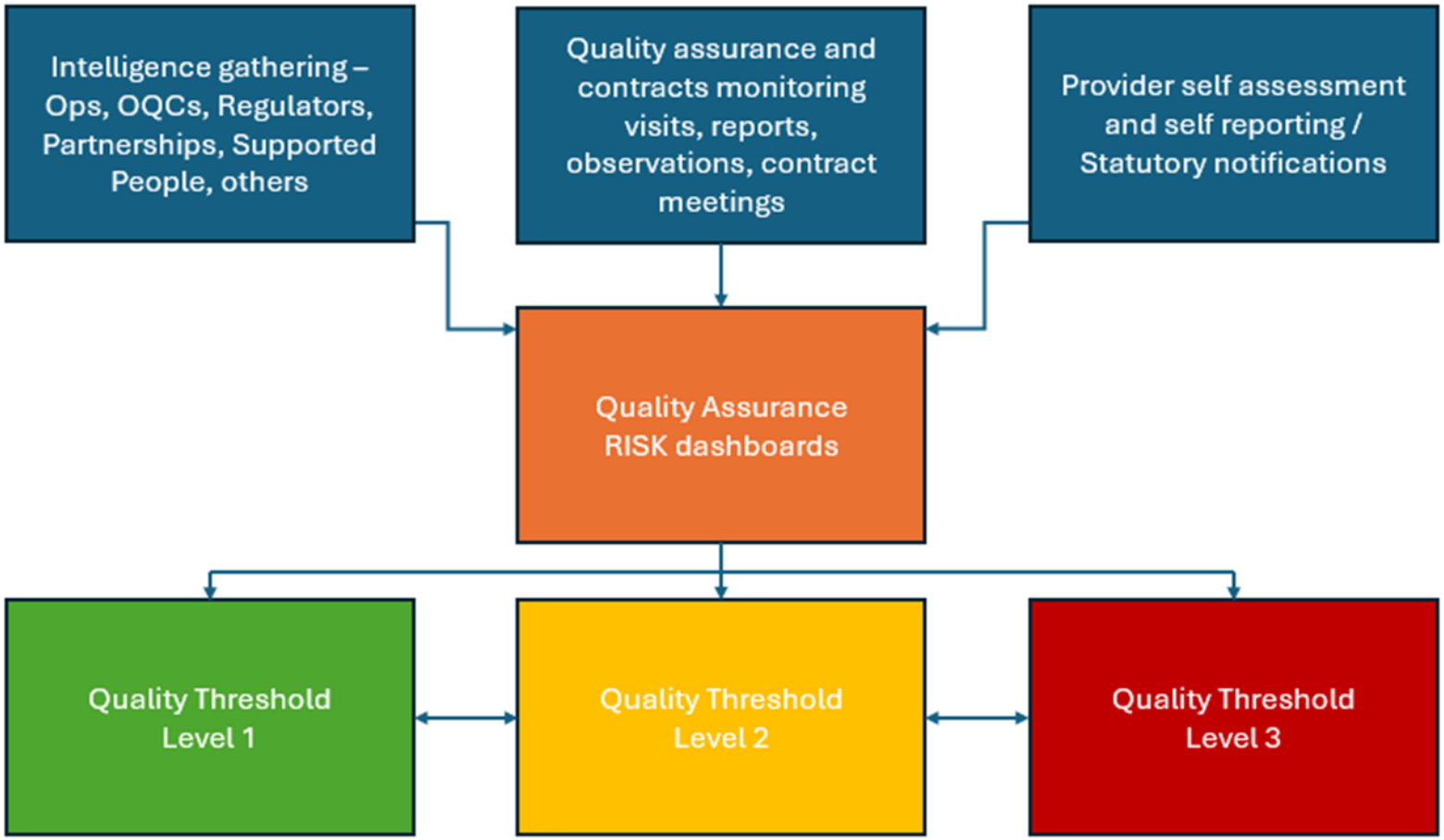
## *Appendix 2: Quality Assurance Thresholds or Areas of Concern*

| Level | Description | Indicators (illustrative) | Intervention (illustrative) |
|---|---|---|---|
| 1 (Green) | No or minor concerns | Good/Outstanding regulator ratings; generally positive feedback; minor isolated concerns; safeguarding at expected levels; improvement actions on track; monitoring information submitted as requested. | Desktop and routine monitoring. |
| 2 (Amber) | Moderate concerns | Requires Improvement in some domains; warning notices/compliance actions; repeated safeguarding or quality concerns; slippage on improvement plan; failure to submit monitoring; advisory notice or placement suspension. | Routine and/or reactive monitoring; discussion at QPG; improvement/action plan; possible default notice. |
| 3 (Red) | Major concerns | Inadequate or widespread Requires Improvement; proposals to cancel/conditions imposed; persistent concerns; failure to improve; unwillingness to engage; extended suspension of placements. | Reactive monitoring; large-scale intervention; frequent multi-agency reviews; Improvement plans; Breach notices; consider contract termination. |

## *Appendix 3: Quality Assurance Monitoring and Measures*

| Level | Description | Monitoring and measures | Intervention |
|---|---|---|---|
| 1 (Green) | No or minor concerns | Annual self-assessment; proportionate QA visits/contacts and contract meetings; quarterly monitoring returns; feedback; recognition and sharing of best practice. | Desktop and routine monitoring. |
| 2 (Amber) | Moderate concerns | Unannounced and focused visits; improvement/action plan; monthly multi-agency quality review; potential noncompliance notice and/or placement suspension. | Routine and/or reactive monitoring. |
| 3 (Red) | Major concerns | Large-scale intervention; frequent multi-agency and contract monitoring meetings; repeated default notices; consider suspension/cessation of commissioning. | Reactive monitoring. |

*Appendix 4: Quality Assurance Process Overview (planned/business as usual):*



## *Appendix 5: Related Policies and Processes*

- **QAF2 Quality Assurance Framework Statement**
- **QAF3 Care Market Contract Management Guidance**
- **QAF4 Quality Assurance Monitoring Guidance**
- **QAF5 Due Diligence Guidance**
- **QAF6 Visit Guidance for Monitoring Officers**
- **QAF7 Organisational Quality Conern (OQC) Guidance**
- **QAF8 Provider Service Interuption Policy**
- **Shropshire Adults Safeguarding Policy**
- **Shropshire Childrens Safeguarding Policy**
- **Shropshire Whistleblowing Policy**

## *Appendix 6: Definitions*

| | |
|---|---|
| QA / QAF | Quality Assurance / Quality Assurance Framework. The systematic process and set of standards used by Shropshire Council to monitor, assure, and improve the quality and safety of commissioned care and support services. |
| CQC | Care Quality Commission. The independent regulator of health and social care services in England, responsible for registration, inspection, and rating of providers. |
| Ofsted | Office for Standards in Education, Children's Services and Skills. Regulates and inspects services that care for children and young people, including children's homes and fostering agencies. |
| ICB | Integrated Care Board. A statutory NHS organisation responsible for planning and commissioning health services in a local area, including partnership working with local authorities. |
| SEND | Special Educational Needs and Disabilities. Refers to children and young people who require additional support due to learning difficulties or disabilities. |
| GDPR / UK GDPR | General Data Protection Regulation (UK version). The legal framework governing the processing and protection of personal data in the UK. |
| BAU | Business as Usual. Refers to routine, planned activities and processes, as opposed to reactive or exceptional actions. |
| RAG Rating | Red-Amber-Green Rating. A system for categorising providers or services based on quality thresholds: Green (no/minor concerns), Amber (moderate concerns), Red (major concerns). |
| QPG | Quality and Performance Group. A multi-agency forum within Shropshire Council providing oversight, scrutiny, and decision-making for quality concerns in social care services. |
| MDT | Multi-Disciplinary Team. A group of professionals from different partnership disciplines working collaboratively to support decision making in the health and social care market. |
| Safeguarding Partners | Organisations (including local authority, police, NHS) that work together to protect adults and children from harm, abuse, or neglect. |
| Supported People | Individuals (adults, children, young people) receiving care and support services commissioned by the Council. |
| Providers | Organisations or individuals contracted to deliver care and support services to adults, children, and young people. |
| Commissioners | Council staff responsible for planning, procuring, and overseeing the health and social care market to ensure they meet local need. |

| | |
|---|---|
| Contractual Compliance | Adherence to the terms, specifications, and performance measures set out in contracts between the Council and service providers. |
| Self-Assessment | Process by which providers evaluate their own service quality and compliance against set standards, often as part of quality assurance activity. |
| Statutory Guidance | Official instructions issued by government departments that local authorities must follow in delivering health and social care services. |
| Regulated / Non-Regulated Provision | Services that are subject to statutory regulation and inspection (regulated) versus those that are not (non-regulated) but still expected to meet Council standards. |
| Direct Payments | Funds provided directly to individuals by the Council to arrange and pay for their own care and support services. |
| Equality Impact Assessment | A process to assess how policies or decisions may affect people differently, ensuring compliance with the Public Sector Equality Duty. |
| Safeguarding | Protecting people's health, wellbeing, and human rights, enabling them to live free from harm, abuse, and neglect. |
| Contract Notice / Default Notice | Formal notifications issued to providers regarding breaches of contract or required improvements. |
| Placement Suspension | Temporary halt to new placements with a provider due to quality or safety concerns. |
| Market Shaping | Local authority activity to develop and sustain a diverse, high-quality care market that meets local needs. |
| Continuous Improvement | Ongoing efforts to enhance service quality, safety, and outcomes for supported people. |
| Local Authority Peers | Other local councils (and their relevant officers) who work collaboratively with Shropshire Council to share learning, compare practice, exchange intelligence, and support improvement across adult and children's social care services. |

## *Appendix 7: Useful Information and Links*

Key legislation, statutory guidance, regulator frameworks and local safeguarding procedures (hyperlinked below).

**References and key links:**

Care Act 2014: Care and Support Statutory Guidance

CQC Assessment Framework (Single Assessment Framework)

Health and Social Care Act 2008 (Regulated Activities) Regulations 2014

Working Together to Safeguard Children 2023

SCCIF: Children's Homes

SCCIF: Independent Fostering Agencies

Children's Homes (England) Regulations 2015 – guidance

Mental Capacity Act 2005 Code of Practice

Equality Act 2010 – Public Sector Equality Duty (guidance)

Data protection (UK GDPR and DPA 2018)

Health and Care Act 2022 – ICB functions

CQC Market Oversight

Shropshire Safeguarding Community Partnership – Adult procedures

The Shropshire Plan 2022–2025

Public Contracts Regulations 2015

SEND strategy – Shropshire 2024 - 2029

## *Appendix 8: Version Table*

| | |
|---|---|
| **Version** | 6 |
| **Implementation date** | April 2026 |
| **Last review** | August 2026 |
| **Next scheduled review** | March 2027 |
| **Owner** | Social Care Market Quality Assurance & Contract Manager |
| **Author** | Contracts and Quality Assurance Team |

| Review | Date | Section(s) Updated | Reason for Change | Author | Approved By |
|---|---|---|---|---|---|
| 1 | April 2026 | | Creation of document | Carlo Ferri | QPG |
| 2 | August 2026 | Key Principles and Values | Update to corporate values PROUD | Carlo Ferri | |
| 3 | | | | | |
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# Our Quality Assurance Framework

**Handbook for Providers**

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## Who this handbook is for

This handbook is for all providers delivering care and support services commissioned by Shropshire Council, for children, young people and adults.

## Why this handbook exists

It explains, in plain language:

- What good quality looks like
- What Shropshire Council expects from providers
- How quality is checked and monitored
- What happens if there are concerns

This handbook sits alongside your contract, service specification, and regulatory requirements (for example CQC or Ofsted).

## Our shared commitment to quality

Our vision is simple:

**People in Shropshire receive safe, high-quality, person-centred care that supports them to live the best life they can.**

Quality is **everyone's responsibility**. This includes:

- Providers
- Shropshire Council
- Partners (including health and safeguarding partners)
- People who use services, families and carers

We work best when we work **together**, share information early, and focus on learning and improvement.

## Who the Quality Assurance Framework applies to

The QAF applies to **all commissioned and non-commissioned services**, including (this is not a full list):

- Residential and nursing care
- Domiciliary care
- Supported living and supported accommodation
- Children's residential homes, fostering and supported accommodation
- Mental health and learning disability services
- Day services, respite and short breaks
- Voluntary, Community, and Social Enterprises, prevention services, advocacy and other social care specialist services

If you deliver services funded through **direct payments**, you are still expected to meet the principles of this framework, although how we oversee quality may differ.

## What good quality looks like

We expect all services to be:

**Person-centred**

- People are treated with dignity and respect
- Care and support is based on individual needs, strengths and wishes
- People are involved in decisions about their lives

**Safe**

- Risks are identified and managed well
- Safeguarding concerns are recognised and acted on promptly
- People feel safe and are supported to understand how to keep safe

**Effective**

- Support helps people achieve meaningful outcomes
- Staff have the right skills, training and support
- Care is reviewed and improves over time

**Well-Led**

- Leaders create a positive, open and learning culture
- Staff feel supported to speak up
- Good practice is recognised and shared

For regulated services, we expect a minimum of CQC or Ofsted "Good", with ongoing improvement towards "Outstanding".

## Roles and responsibilities (who does what)

**Providers**

- Deliver safe, effective and high-quality care
- Meet your contract and regulatory requirements
- Complete self-assessments and reconcilliation activity when asked
- Work with us on improvement plans where needed

**Shropshire Council**

- Monitors quality in a planned, proportionate and risk-based way
- Uses information from many sources, not just inspections or visits
- Works with providers to support improvement
- Takes action where quality or safety concerns arise

**Regulators and partners**

- CQC and Ofsted regulate and inspect services
- Safeguarding partners lead on safeguarding enquiries
- Information is shared to protect people and improve services

## How we monitor quality

Quality monitoring follows a simple cycle:

- Information gathering (for example feedback, safeguarding concerns, inspections, self-assessments)
- Monitoring and review (desktop reviews, visits, meetings, and analysis of trends)
- Response and action (support, improvement plans, or formal action if needed)

We look at **the whole picture**, including:

- Feedback from people using services and carers
- Staff views
- Observations of practice and environments
- Records, governance and assurance systems

## Quality ratings (Green, Amber, Red)

After review, services are placed into one of three quality levels:

**GREEN** (No or minor concerns)

- Quality is good and risks are low
- Routine monitoring continues

**AMBER** (moderate concerns)

- Some concerns that need improvement
- More frequent monitoring
- Improvement plan agreed
- Discussed at multi-agency quality meetings

**RED** (major concerns)

- Serious or ongoing quality or safety issues or services that hold a high risk to the council
- Close and frequent monitoring
- Formal action may be taken where required
- Focus is on protecting people and stabilising services

Your quality level affects how often we monitor and what actions are taken.

## What happens if there are concerns

If concerns are identified, we will:

- Share concerns clearly with you
- Explain what needs to improve
- Agree actions and timescales where possible

Actions may include:

- Support and guidance
- Improvement or action plans
- Contractual notices (where needed)
- Placement suspensions or other formal steps (only when necessary and last resort)

Our aim is always to work with you to improve quality and keep people safe, not to punish you.

## Safeguarding

Safeguarding is everyone's responsibility.

If we receive information suggesting someone may be at risk of harm:

- It will be acted on immediately
- Relevant safeguarding procedures will be followed
- Information will be shared appropriately with our safeguarding partners

Providers must:

- Know safeguarding procedures
- Train staff to recognise and report concerns
- Act quickly and transparently

## Information sharing and equality

Quality assurance activity will:

- Follow UK GDPR and data protection law
- Use only relevant and necessary information
- Respect confidentiality

We also expect services to:

- Promote equality and inclusion
- Make reasonable adjustments
- Ensure people can take part in quality processes in accessible ways

## Working together

We are committed to:

- Open and honest relationships
- Early conversations about risk or pressure
- Learning from what works well
- Supporting a strong, sustainable care market

Good quality services protect people, support choice, and strengthen the whole system.

## Where to get help

If you have questions about quality assurance, monitoring or expectations:

- Contact your usual Contracts or Quality Assurance lead
- Raise concerns early – we would rather know sooner than later

*This handbook is a simplified guide. Full details sit within the Quality Assurance Framework statement and our related policies.*

## What providers often ask

This section answers common questions we hear from providers. It is designed to give clear, practical reassurance about how the Quality Assurance Framework works in practice.

**Is this the same as a CQC or Ofsted inspection?**

No. Quality Assurance activity by Shropshire Council does not replace or duplicate regulatory inspections.

- CQC and Ofsted remain responsible for formal inspection and ratings
- We use inspection outcomes as one source of information, alongside others
- We focus on how quality is experienced day-to-day and how risks are being managed

For regulated services, we expect at least a 'Good' rating and ongoing improvement.

**How often will you monitor our service?**

This depends on your **quality level (Green, Amber or Red)** and the level of risk.

- **GREEN**: routine, proportionate monitoring anything from annually to two yearly
- **AMBER**: increased monitoring while improvements are made
- **RED**: frequent and close monitoring to protect people and stabilise services

Monitoring is **risk-based**, not one-size-fits-all.

**What information do you use to judge quality?**

We look at the **whole picture**, not one issue in isolation. This may include:

- Feedback from people using services and carers
- Safeguarding concerns and trends
- CQC or Ofsted reports
- Provider self-assessments
- Visits to services, meetings and observations of practise
- Contract monitoring information

Positive practice and improvement are taken into account, not just problems, and risk ratings will often be influenced by risks separate from service delivery, such as cost of the service or the social impact a service has on the community.

**What happens if concerns are raised about your service?**

If concerns are identified, we will:

- Tell you clearly what the concerns are
- Explain what needs to improve
- Agree actions and timescales where possible

Most concerns are resolved informally through support and improvement planning. Formal action is used only when necessary to keep people safe.

**Will concerns affect placements or referrals?**

Sometimes, yes – but only where this is needed to manage risk.

- **GREEN** services: no impact on placements
- **AMBER** services: placements usually continue, with closer oversight
- **RED** services: placements may be paused or restricted until risks are reduced. In extreme circumstances, placements may be ended if there is a clear safety risk to a person Shropshire Council have placed.

Any decision about placements is proportionate and focused on safety.

**Can we challenge or discuss our quality rating?**

Yes. We expect open and honest discussion.

- Quality ratings are based on evidence from multiple sources
- You will have opportunities to discuss findings and provide additional information and context
- Ratings can change as improvements are made

Our aim is transparency, not surprise.

**How does safeguarding fit into quality assurance?**

Safeguarding is a priority.

- Safeguarding concerns are acted on immediately
- Patterns and themes are considered as part of quality monitoring

- Safeguarding concerns do not automatically mean poor quality, but repeated or unmanaged issues may raise risk

Providers must continue to follow safeguarding procedures at all times.

**What do we expect from you as providers?**

We expect providers to:

- Deliver safe, person-centred and effective care
- Be open about challenges or pressures
- Share concerns early
- Work with us on improvement when needed
- Learn from feedback and good practice

Early conversations help prevent issues from escalating.

**Does this apply to non-regulated or VCSE services?**

Yes.

- The principles of quality, safety and good outcomes apply to all commissioned services
- Monitoring will be proportionate to the type of service and level of risk
- Expectations are aligned to good practice, even where services are not regulated
- The way we monitor some of these services may be bespoke and not be consistent with the way other services are monitored.

**Who do we contact if we are worried about quality or risk?**

If you are concerned about quality, safety or service pressure:

- Contact Contracts@shropshire.gov.uk
- Log an Organisational Quality Concern (OQC) through our First Point of Contact (FPoC) front door service on 0345 678 9044
- Raise concerns early, support is available

We would always rather have an early conversation than respond to a crisis later.

# Quality Assurance Monitoring Policy

**April 2026**

**Shropshire Council – Commissioned Care & Support Services**

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# Introduction and Background

The Council monitors commissioned services to ensure that all children, young people, adults and families receive safe, effective and high quality care and support. Monitoring provides the assurance that providers are delivering services in line with contractual, regulatory and statutory requirements, and that risks to people's wellbeing are identified and addressed promptly.

Monitoring is essential because it:

- **Assures Quality and Safety:** Monitoring enables the Council to verify that care is being delivered safely, consistently and in accordance with expected standards. It ensures the experiences and outcomes of people who use services are at the centre of our commissioning responsibilities.
- **Identifies and Responds to Risk:** Systematic monitoring allows early identification of emerging concerns, safeguarding issues, and operational or cultural risks within providers. It enables proportionate intervention and escalation before risks escalate or cause harm.
- **Ensures Contractual and Regulatory Compliance:** Monitoring provides the evidence needed to confirm that providers are meeting their contractual

obligations and complying with statutory requirements, including those set by CQC, Ofsted and other regulatory bodies.

- **Supports Continuous Improvement:** Monitoring provides constructive feedback to providers and informs Service Improvement Plans where required. It helps providers understand what good looks like, share best practice and address areas for development.
- **Strengthens Market Oversight and Stability:** Monitoring gives the Council insight into provider capacity, workforce stability, service performance, financial stability and market pressures, supporting effective market management and reducing the risk of provider failure.
- **Promotes Transparency, Accountability and Good Governance:** Monitoring ensures that decisions about quality, risk and commissioning actions are evidence based, recorded and subject to appropriate oversight. This supports the Council's statutory duties, public assurance and organisational integrity.

Through monitoring, the Council fulfils its responsibility to protect the wellbeing of people who rely on commissioned services, maintain high and consistent standards of care, and uphold the effectiveness and sustainability of the local care market.

This policy aims to provide a clear, consistent and defensible process for monitoring support services. Commissioned services operate in a complex environment involving statutory duties, regulatory oversight and contractual obligations; therefore, the Council must have a unified approach to monitoring providers that ensures risks are identified early, assessed proportionately and escalated appropriately and timely.

This Policy aims to standardise monitoring practice across all sectors and service types, ensuring that officers apply the same risk based approach, thresholds and processes regardless of service area as well as strengthen governance, oversight and accountability by providing a clear route for scrutiny of all provision and ensuring decisions relating to provider risk and safety are documented and defensible.

## Scope

This Policy encompasses all care and support services for adults and children that have been commissioned and are delivered on behalf of the Council. It includes every aspect related to the monitoring of these services, specifically focusing on ensuring quality, safety, effectiveness, and adherence to contractual requirements for both in and out of county providers. Through this comprehensive approach, the Council seeks to maintain high standards and consistent practices across all commissioned provision, safeguarding the interests of service users and assuring the reliability of its providers.

The Policy applies to the following groups:

**People Receiving Services**

All individuals who receive care or support through commissioned provision, including:

- Adults supported in residential care, supported living, domiciliary care, day opportunities and community based services
- Children and young people placed in external residential care, fostering, supported accommodation, therapeutic services or other commissioned settings
- Families receiving commissioned family support or specialist interventions

**Providers and Provider Staff**

All commissioned providers and their employees, including:

- Registered managers
- Operational and frontline staff
- Agency and sessional staff
- Senior provider representatives responsible for service quality and compliance

Monitoring includes direct engagement with staff and validation of provider supplied information.

**Families, Carers and Advocates**

Individuals who support or represent people using services, including:

- Families and kinship networks
- Carers and personal representatives
- Independent advocates

Their views and feedback may form part of the monitoring process.

**Professionals Involved in Care and Support**

Professionals whose input contributes to quality assurance, including:

- Social workers
- Health professionals
- Independent Reviewing Officers (IROs)
- Education and SEND professionals

Feedback from partner agencies forms part of the Council's intelligence gathering approach.

**Shropshire Council Staff Responsible for Monitoring and Oversight**

The Policy applies to all Council staff involved in monitoring, market oversight and commissioning, including:

- Social Care Contracts and Quality Assurance Team
- Commissioning officers and managers
- Safeguarding partners (Adults and Children)
- Governance and market oversight groups (e.g., QPG)

These roles have specific responsibilities in assessing quality, managing risk and escalating concerns.

**People with Lived Experience**

The Policy also applies to engagement with people who provide lived experience insight, whose feedback is essential to understanding service quality and outcomes.

# Definitions

| Term / Abbreviation | Definition |
|---|---|
| **All Age Portfolio** | Shropshire Council's unified commissioning and quality assurance remit covering *all* externally commissioned care and support services for children, young people, adults, and older people. It includes both regulated and non-regulated provision across the full life course, ensuring that the OQC process, risk management, monitoring, and QA standards are applied consistently regardless of the age group served. |
| **Brokerage** | Internal team that sources placements and provides intelligence related to capacity, delays or service pressures. |
| **CQC (Care Quality Commission)** | Regulator for adult health and social care; regulatory findings form part of provider risk assessment. |
| **Contract Default Notice** | Formal notification issued when a provider fails to meet contractual requirements, requiring corrective action. |
| **De-escalation** | Reduction in monitoring intensity following sustained provider improvement and reduced risk. |
| **Desktop Monitoring / Desktop Analysis** | Off-site review of documents, data and intelligence to assess risk and compliance. |
| **Digital Dashboards** | Council systems used to record monitoring activity, track risk, and maintain oversight of provider performance. |

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| **Due Diligence** | Process for assessing the suitability, governance, and stability of providers prior to or during commissioning. |
| **Escalation** | Formal process for increasing oversight when risks or concerns rise beyond acceptable thresholds. |
| **Governance Forums (e.g., QPG)** | Oversight groups that scrutinise risk, escalation decisions and provider improvement progress. |
| **Healthwatch** | Independent consumer champion providing service user feedback and intelligence to support monitoring. |
| **Incident Data** | Reports of incidents, safeguarding issues or errors that contribute to provider risk assessment. |
| **Intelligence** | All data, reports, feedback, incidents, regulatory information and performance data used to assess quality and risk. |
| **Market Intelligence** | Information on provider capacity, workforce, financial health or wider market issues used to inform monitoring decisions. |
| **Market Oversight** | Council responsibility to ensure the local care market is stable, safe and able to meet demand. |
| **Mandatory Training** | Required training for monitoring officers to ensure competency in QA, risk assessment and governance. |
| **Monitoring Report** | Formal report summarising monitoring findings, evidence and risk level. |
| **Multi-Disciplinary Team (MDT)** | A group of professionals from different partnership disciplines who work collaboratively to support decision making in the health and social care market. |
| **OQC (Organisational Quality Concern)** | Significant systemic concerns relating to provider quality, safety or compliance requiring Council assessment or escalation. |
| **Ofsted** | Regulator for children's social care; inspection findings inform children's services monitoring. |
| **Placement Suspension** | Temporary pause on placing people with a provider due to concerns about quality or safety. |

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| **Provider Failure** | Situation where a provider becomes unable to operate safely or sustainably, triggering the failure protocol. |
| **Provider Risk Review meeting** | A formal internal governance meeting convened by the Council to review and assess identified quality, safeguarding, operational, financial, or contractual risks associated with a care and support provider, bringing together relevant commissioning, contracts, quality assurance, safeguarding, and other appropriate officers to consider available intelligence, determine the level of risk, and agree proportionate, auditable actions and maintain effective market oversight |
| **QA (Quality Assurance)** | Systematic process to ensure commissioned services are safe, effective, compliant and delivering good outcomes. |
| **QA Monitoring Cycle** | Framework covering intelligence gathering, monitoring activity and response/action. |
| **QPG (Quality Planning Group)** | Governance forum that oversees Amber/Red-rated providers and scrutinises risk and improvement plans. |
| **Quality Threshold Levels** | A risk-based categorisation that enables the systematic identification and assessment of concerns, ensuring appropriate responses are triggered according to the severity and recurrence of issues.<br>• **Level 1 – Green:** No/minor concerns<br>• **Level 2 – Amber:** Moderate, emerging, or repeated themes<br>• **Level 3 – Red:** Major concerns requiring intensive intervention |
| **Reactive Monitoring** | Unplanned or urgent monitoring triggered by serious risks, concerns or regulatory actions. |
| **Regulator Updates** | Notifications, inspection findings or enforcement actions from CQC, Ofsted or other regulatory bodies. |
| **Regulatory Compliance** | Requirement for providers to meet legal, contractual and regulatory obligations. |
| **Risk Levels (Green / Amber / Red)** | The Council's three monitoring thresholds reflecting levels of concern and required oversight. |

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| **Risk Review Meeting** | A formally convened, multidisciplinary internal meeting held to assess, evidence and determine the Council's response to identified organisational failure, unsafe practice, or high-risk activity within a social care provider. |
| **Routine Monitoring** | Planned monitoring visits for providers with low–moderate risk or ongoing oversight needs. |
| **Safeguarding Concern** | Information indicating possible risk or harm to an adult or child that may influence monitoring action. |
| **SCCIF (Social Care Common Inspection Framework)** | Ofsted's inspection framework for children's social care settings. |
| **Self-Assessment** | Provider-completed documentation summarising compliance, performance and risk. |
| **Service Improvement Plan (SIP)** | Formalised set of improvement actions, responsibilities and timelines issued when significant concerns exist. |
| **Service Interruption Policy** | Council framework for responding to disruption or closure of commissioned services. |
| **Service Specification** | Document defining required standards, expectations and contract requirements used to assess compliance. |
| **Strategy Meeting** | Multi-agency meeting called in response to significant concerns to determine immediate actions and risk level. |
| **Triangulation** | Validating evidence by comparing multiple intelligence sources to ensure accuracy and reliability. |

# Principles

- Risk Based and Proportionate Monitoring – Monitoring activity is determined by the assessed level of risk and the potential impact on people receiving services. Resources are targeted where concerns are greater or emerging.
- Intelligence Led Assurance – Monitoring is triggered, informed, and prioritised based on safe, timely and accurate intelligence from multiple sources, including service user feedback, professional concerns, safeguarding alerts, self assessment returns, and regulatory data.

- Collaboration – The Council will work closely with providers, commissioners, safeguarding partners, health agencies, regulators, host authorities (where relevant) and regional/local QA networks.
- Transparency and Accountability – Findings, improvement actions, and escalation decisions are recorded, traceable and available to governance forums.
- Continuous Improvement – Monitoring outcomes support improvements in practice, contract compliance, service quality, and market stability.
- And is underpinned by Shropshire's values: PROUD




# Roles and Responsibilities

**The Social Care Contracts & Quality Assurance Team**

- Lead and coordinate all contract monitoring and QA activities
- Conduct desktop, routine and reactive monitoring
- Triage concerns and Organisational Quality Concerns (OQCs)
- Produce assurance reports and oversee improvement plans
- Provide market intelligence and assurance to governance groups
- Recommend escalation measures where required

**Commissioners**

- Supply relevant intelligence to inform monitoring and risk assessment
- Support the implementation of contractual actions
- Engage with providers on strategic issues, service development and improvements

**Providers**

- Cooperate fully with the Council's monitoring processes
- Submit required information within specified timescales
- Implement improvement actions within agreed deadlines
- Maintain compliance with legislation, regulation and contract requirements

**Regulators / Partners**

- Share intelligence and participate in joint assurance activities where appropriate
- Support multi-agency approaches to quality and safety

## The QA Monitoring Cycle

Monitoring activity follows a single, end-to-end cycle: commencing with the systematic gathering and evaluation of intelligence from a variety of sources to establish a comprehensive understanding of quality, safety, effectiveness and potential risks. This intelligence is then used to inform the subsequent monitoring and review stage, where ongoing assessment takes place to ensure standards are maintained and that any necessary improvements are identified and actioned in a timely manner.

**Stage 1: Intelligence Gathering**

Collection, analysis and triangulation of intelligence to assess quality, safety, effectiveness and risk.
Sources include (but are not limited to):

- Provider self-assessment returns
- Contractual documentation
- Due diligence records
- Feedback from people and carers
- OQCs, safeguarding concerns, incident reports
- Health partners, regulators, regional QA groups
- Performance, workforce and environmental data

**Stage 2: Monitoring and Review**

Monitoring may take the form of (but is not limited to):

- Relationship building meetings

- Desktop review
- Routine/planned monitoring visit
- Reactive/targeted quality review
- Multi-agency assurance activity

Outcomes may include (but are not limited to):

- Confirmation of sustained quality
- Recommendations for improvement
- Service improvement plans
- Contractual actions

**Stage 3: Response and Action**

Actions may include (but are not limited to):

- Implementation and monitoring of improvement plans
- Advisory notices or contract breach notices
- Increased monitoring
- Placement suspension or provider failure process
- Multiagency escalation

# Threshold Levels

The Council applies three threshold levels which determine the monitoring approach. Each level reflects the degree of risk and necessary oversight, ranging from light-touch monitoring for low-risk providers to more intensive, reactive scrutiny in high-risk circumstances. This graduated framework ensures that intervention is proportionate and targeted, allowing the Council to address concerns promptly, support improvement where possible, and escalate actions appropriately when provider performance or compliance fails to meet required standards.

- **Level 1 – Desktop / Light-Touch Monitoring - Low risk (GREEN)**; minor or isolated concerns; positive feedback; CQC/Ofsted “Good” or “Outstanding”.
- **Level 2 – Routine / Enhanced Monitoring - Moderate risk (AMBER)**; repeated concerns; inconsistent improvement; regulatory actions; missed deadlines; reduced provider engagement.
- **Level 3 – Reactive Monitoring - High risk (RED)**; serious concerns; failures to improve; safeguarding patterns; “Inadequate” or widespread “Requires Improvement”; persistent contractual breaches; provider instability.

# Escalation and Governance Framework

The Council’s escalation and governance processes are integral to the effective monitoring of commissioned care and support services. These organisational

controls are designed to identify, manage, and oversee both emerging and actual risks related to service quality, safety, contractual compliance, and market stability. By ensuring that risks are recognised early and handled proportionately, these mechanisms promote accountability, transparency, and consistency across all services.

## Escalation Triggers and Pathways

Escalation is initiated when the assessed level of risk surpasses the threshold of the current monitoring approach, or when persistent concerns remain unresolved despite previous support or interventions. The Council utilises a graduated response model, closely aligned to the three quality assurance (QA) threshold levels. This model ensures that responses are proportionate to the nature and severity of the risk.

A range of escalation pathways are available, including:

- Issuing advisory notices or contract default notices
- Increasing the frequency of monitoring
- Convening strategy meetings
- Implementing placement suspensions
- Holding Provider Risk Assessment Review Meetings
- Escalating concerns to the Quality Planning Group (QPG) for moderate or major issues
- Activating provider suspension (Appendix 4) or provider failure and service interruption processes (Appendix 5)

All decisions arising from the escalation process are systematically recorded within the Council's contract monitoring and quality assurance systems. These records are then shared with the relevant governance forums to ensure comprehensive oversight.

## Governance Oversight

Governance bodies play a crucial role in overseeing escalated concerns, challenging risk management decisions, and maintaining a consistent approach. The level of oversight is determined by the severity of the concern, and may involve several forums, including:

- Quality Planning Group (QPG): Responsible for receiving and scrutinising providers rated as Amber or Red. The QPG ensures that risk ratings, improvement plans, and subsequent actions are appropriate to the level of concern.
- Strategic Commissioning Leadership Groups: These groups review summary assurance reports and endorse decisions relating to provider suspension, major contractual interventions, or significant commissioning risks.

- Multi-agency and Regulatory Partners: Joint oversight is provided when concerns pertain to safeguarding, clinical governance, or instances of regulatory non-compliance.
- Regional Quality Assurance and Commissioning Partnership Networks: These networks contribute to oversight by facilitating collaborative learning, sharing best practice across local authorities, and supporting consistent approaches to provider performance and risk management.

These structures collectively ensure that decision-making is robust, consistent with statutory duties, and properly embedded within the Council's wider commissioning and governance frameworks.

## De-escalation Process

De-escalation is initiated when the provider has shown sustained improvement and the associated risks have been mitigated. The governance bodies are responsible for confirming that all actions set out in the Service Improvement Plan (SIP) have been satisfactorily completed. Additionally, they must ensure that quality and safety concerns have stabilised, indicating that risks have been effectively managed and reduced to an acceptable level.

Once these criteria have been met, it is determined that monitoring can revert to the appropriate routine level. The decision to de-escalate will be formally communicated to the provider, and all relevant details of the decision will be recorded within the established monitoring systems to ensure transparency and continuity.

# Supporting SOPs

This Policy is supported by Standard Operating Procedures: Desktop Analysis (Intelligence Gathering), Routine Monitoring (Planned Monitoring), and Reactive Monitoring (Trigger-Based Response),Out of county Monitoring and ISF monitoring, each detailed in the subsequent appendices. These SOPs outline the processes for gathering intelligence, conducting both scheduled and responsive provider monitoring, and establish clear ownership and purpose for each stage, ensuring that provider risk is assessed and addressed through defined, systematic actions overseen by the Social Care Contracts & QA Team. The SOPs describe the scope and procedural steps for monitoring.

- SOP 1: Desktop Analysis (Intelligence Gathering) Appendix 1
- SOP 2: Routine Monitoring (Planned Monitoring) Appendix 2
- SOP 3: Reactive Monitoring (Trigger-Based Response) Appendix 3

# Training Standards

All Quality Assurance (QA) and contract monitoring officers are required to complete a comprehensive role-specific induction, as well as all mandatory training relevant to their position. This ensures that each officer possesses a clear understanding of the expectations and responsibilities associated with their role.

Officers must maintain up-to-date knowledge of applicable regulatory frameworks. This ongoing commitment to learning ensures that practices remain compliant with current legislation and sector standards, thereby supporting the Council's governance and commissioning objectives.

Furthermore, officers are expected to demonstrate competency in several core areas: risk assessment in social care, report writing, and effective provider engagement. These competencies are essential for the accurate identification and management of provider-related risks, the production of reliable and informative reports, and the establishment of constructive relationships with service providers.

# Associated Documents

- Quality Assurance Framework (QAF)
- Organisational Quality Concerns (OQC) Guidance
- Provider Failure and Service Interruption Policy
- Contract Management and Enforcement Procedures
- Safeguarding Policies (Adults & Children)
- Complaints, Representations and Whistleblowing Policies
- CQC Single Assessment Framework
- Ofsted Social Care Common Inspection Framework (SCCIF)
- Children's Homes (England) Regulations 2015
- Due Diligence and Provider Approval Processes
- QA Monitoring Templates and Tools

# Policy Review and Scheduling

This Policy shall be subject to review on a two yearly basis to ensure ongoing relevance and effectiveness. In addition to this scheduled review, the Policy will also be revisited in response to any changes in regulatory or legislative frameworks that may impact its content or application. Furthermore, reviews will be triggered by learning outcomes from escalated cases or events involving provider failure, as well as following any modifications to systems, processes, or governance arrangements. This approach ensures that the Policy remains up to date, responsive, and aligned with best practice.

The Quality Assurance (QA) Team holds primary responsibility for leading the process of revising this Policy. Any proposed updates prepared by the QA Team must be formally approved by the Service Manager to ensure they meet operational and strategic requirements. Before the Policy is published, all changes are to be endorsed through the appropriate governance forums, thereby upholding the integrity and transparency of the approval process.

All amendments to this Policy must be documented within the version control table. In line with information governance requirements, previous versions and records of changes must be archived accordingly, ensuring a clear audit trail and supporting organisational accountability.

# Appendix 1

## SOP 1: DESKTOP ANALYSIS

### Purpose

To set out the standardised process for collecting, analysing and recording intelligence to assess provider risk and determine the appropriate monitoring response.

### Process Steps

#### *Documentation Request*

The Monitoring Officer will request the provider complete and return required documentation within defined timescales, including:

- Self Assessment (Microsoft Form or equivalent)
- Due Diligence documentation
- Insurance certificates
- Training matrix
- Policy checklist
- Any other service specific returns

All returned documents must clearly state provider name, year, and document type.

#### *Internal Intelligence Gathering*

Requests for internal intelligence (e.g., Brokerage, Finance, Adult/Children's Social Care teams) will be issued with a 2 week completion deadline.

#### *Desktop Review*

The Monitoring Officer will:

- Verify completeness and accuracy of submitted documentation
- Identify gaps and request clarification or resubmission
- Analyse feedback from internal stakeholders

- Review OQC themes, regulator updates, and incident data
- Assess performance against contract requirements
- Determine initial risk level (Level 1, 2 or 3)

### *Initial Provider Engagement*

Within the first 6–8 weeks for new providers:

- Hold an introductory meeting with provider and professionals (e.g., Brokerage, Finance)
- Review service activity, initial intelligence and contractual expectations

### *Decision and Recording*

The Monitoring Officer will:

- Complete the Desktop Monitoring Report
- Update risk matrix and monitoring spreadsheet / digital dashboards
- Submit findings to QA Manager for confirmation of next steps

Next steps may include:

- No further action (continue Level 1 monitoring)
- Routine Monitoring
- Recommendation for Reactive Monitoring

# SOP 2: ROUTINE MONITORING

## Purpose

To define the process for conducting planned monitoring visits and ongoing review to ensure contractual compliance, service quality and safeguarding.

## Process Steps

### *Pre Visit Preparation*

- Review all desktop intelligence and previous monitoring outcomes
- Confirm scope, including contract requirements and identified themes
- Coordinate with partners where appropriate (e.g., Health, Regional QA colleagues)
- Provide at least 7 days' notice for announced visits

### *Visit Activities*

Monitoring Officers will:

- Conduct environmental and practice observations
- Review records and documentation
- Meet with managers, staff and (where appropriate) people using services
- Triangulate feedback from families and professionals

- Review OQC themes, training, medication, leadership and management indicators
- Gather evidence against the service specification and contract clauses
- Verify safeguarding processes, incident reporting and regulatory compliance

*Post Visit Reporting*

The Monitoring Officer will:

- Provide verbal or written feedback summarising initial findings
- Complete the full Monitoring Report
- Set clear improvement actons where required
- Submit the report to the Delegated Contract Officer/QA Manager for approval

Once approved:

- Issue the report and any actions to the provider
- Set deadlines for provider responses
- Upload all documentation to the Council's digital platform

*Ongoing Monitoring*

- Monthly or quarterly quality visits may be required where risk is elevated
- Continued failure to improve may result in escalation to Reactive Monitoring
- Monitoring Officers will update risk dashboards and maintain oversight of improvements

# SOP 3: REACTIVE MONITORING

## Purpose

To set out the Council's process for responding promptly and proportionately to significant or escalating concerns relating to service quality, safety, compliance or provider viability.

## Triggers

Reactive monitoring may be initiated when:

- A serious Organisational Quality Concern (OQC) is received
- Safeguarding concerns increase or escalate
- CQC/Ofsted place conditions, warnings or enforcement actions
- Serious incidents occur repeatedly or without adequate response
- Provider fails to improve within expected timescales
- Contractual breaches or default notices are issued
- Market intelligence indicates instability or risk

## Process Steps

### *Immediate Intelligence Review*

The Monitoring Officer will gather intelligence from:

- Internal teams (Adults/Children's Social Care, Safeguarding, Brokerage, Finance)
- Health partners
- Healthwatch
- CQC/Ofsted
- Other commissioning authorities

### *Reactive Visit*

- Visit planned within 1–2 working days (risk dependent)
- Visits are normally unannounced
- Use the targeted Reactive Monitoring Forms available to you.
- Focus on the area(s) of concern (e.g., medication, leadership, staffing, safety)

### *Internal Risk Assessment Meeting*

This is often referred to as a Strategy meeting or and MDT and should be held within 5–10 working days, involving:

- Provider senior management
- Commissioners
- QA/Contracts Officers
- Other partners as required

The meeting will determine:

- Findings from the reactive visit
- Risk level and immediate safety measures
- Whether placements should continue, be paused or be suspended (see Appendix 3)

***Shropshire Council acknowledges that, when there is a report or disclosure of significant risk to individuals or to the council, referrals to a provider may be suspended prior to reactive monitoring activity taking place, to protect those using support services while the disclosed risk is assessed (Appendix 3).***

### *Service Improvement Plan (SIP)*

Within 10 working days, a provider SIP will be implemented including:

- Specific actions
- Timescales
- Responsible persons
- Expected outcomes
- Review frequency

Weekly or monthly quality visits may be required.

### *Ongoing Oversight and Escalation*

If insufficient progress is made, the Council may:

- Increase monitoring frequency
- Issue advisory or contract default notices
- Recommend placement suspension (Appendix 3)
- Initiate the Provider Failure or Service Interruption process
- Escalate to QPG/MQA for scrutiny and decision making
- All actions and decisions must be recorded on the Council's monitoring systems.

### *Provider Right to Respond*

Providers have the right to respond to, and where appropriate challenge, the findings set out within a monitoring report before the report is finalised. The provider will be given 10 working days from receipt of the draft report to submit any factual corrections, comments, evidence or representations. Where no response is received within this period, the report will be finalised and issued as the Council's confirmed position. Where the provider submits a response that challenges the findings, the Council will review the additional information and, where required, engage with the provider to clarify, negotiate and agree the final wording of the report. This process should normally be completed within 20 working days of receipt of the provider's response. If agreement cannot be reached, the Council will finalise the report based on the available evidence, ensuring that the provider's position and any unresolved points of challenge are recorded appropriately.

# SOP 4: OUT OF COUNTY MONITORING

## Purpose

To establish a consistent and proportionate approach for quality assurance and monitoring of providers located outside Shropshire Council's geographical boundary where Shropshire Council commissions, funds or arranges placements.

The SOP ensures:

- Monitoring activity is intelligence-led and proportionate.
- Existing quality assurance activity undertaken by the Host Authority is utilised wherever possible.
- Duplication of monitoring is avoided.
- Concerns identified by Shropshire Council are appropriately shared with the Host Authority.
- Learning and intelligence are fed into local, regional and national quality assurance networks.

- Placing authorities work collaboratively to safeguard people and improve service quality.

## Process Steps

### *Initial Intelligence Gathering*

When undertaking desktop analysis, routine monitoring or reactive monitoring of an out of county provider, the Monitoring Officer will first obtain available intelligence from the Host Authority before determining whether additional monitoring activity is required.

Process Steps

Information requested may include:

- Current quality assurance assessment outcomes.
- Monitoring reports.
- Service improvement plans.
- Organisational Quality Concerns (or equivalent).
- Safeguarding intelligence.
- Contract compliance concerns.
- Placement suspensions or restrictions.
- Regulatory engagement.
- Market stability concerns.
- Ongoing improvement activity.

The Monitoring Officer should allow reasonable time for the Host Authority to respond unless urgent safeguarding or quality concerns require immediate action.

### *Review and Risk Assessment*

The Monitoring Officer will:

- Review Host Authority intelligence alongside Shropshire Council intelligence sources.
- Consider feedback from social workers, care managers, brokerage teams, children's services, commissioned services and families.
- Review CQC, Ofsted and other regulatory information.
- Triangulate all available intelligence.
- Assess whether identified risks are being appropriately managed through existing Host Authority arrangements.

Where the Host Authority is already actively managing concerns and appropriate oversight arrangements are in place, Shropshire Council will normally rely on those arrangements and avoid undertaking duplicate quality assurance activity.

### *Additional Assurance Activity*

Additional monitoring activity may be undertaken where:

- Significant concerns affect a person funded or placed by Shropshire Council.
- The Host Authority is unable to provide sufficient assurance.
- Intelligence suggests an immediate risk to safety or wellbeing.
- There is evidence of deteriorating service quality.
- Escalated concerns require direct validation.

Such activity may include:

- Service review meetings.
- Multi-agency discussions.
- Placement specific reviews.
- Joint visits with the Host Authority.
- Reactive monitoring activity.
- Attendance at provider risk meetings.

Whenever possible, monitoring activity should be coordinated jointly with the Host Authority.

### *Communicating Findings to the Host Authority*

Where Shropshire Council identifies concerns relating to an out of county provider, the Monitoring Officer will formally communicate findings to the Host Authority within five working days of confirmation.

Information shared may include:

- Monitoring outcomes.
- Identified risks.
- Safeguarding concerns.
- Contractual concerns.
- Service user experience and feedback.
- Required actions.
- Recommendations for further review.

The communication should explicitly request that the Host Authority consider the intelligence through its own quality assurance, safeguarding or provider oversight arrangements.

The Host Authority retains responsibility for coordinating provider-wide quality assurance activity within its geographical area unless alternative arrangements have been formally agreed.

### *Escalation*

Where concerns are significant or risks continue to increase, the Council may:

- Request a multi-agency meeting led by the Host Authority.
- Seek participation in existing provider oversight arrangements.
- Share concerns with regulators.

- Escalate internally through the Provider Risk Review Process.
- Consider commissioning restrictions or placement suspension decisions in accordance with Appendix 3.

Any escalation should be communicated to the Host Authority and recorded within Council systems.

### *Feedback Into Quality Assurance Networks*

Where there are regional or partner Quality Assurance network arrangements in place, the Social Care Contracts and Quality Assurance Team will ensure that significant learning and intelligence obtained through out of county placements is shared appropriately through:

- Regional Quality Assurance Networks.
- Regional Commissioning Networks.
- Care Market Oversight Forums.
- ADASS Quality Assurance Groups.
- West Midlands commissioning and quality assurance networks.
- Other recognised inter-authority partnership arrangements.

Information shared should focus upon:

- Emerging risks.
- Good practice.
- Learning from provider quality concerns.
- Service interruption risks.
- Provider failure intelligence.
- Market sustainability issues.
- Thematic quality assurance findings.

Information sharing must comply with data protection, confidentiality and information governance requirements.

### *Recording Requirements*

The Monitoring Officer must record:

- Requests made to the Host Authority.
- Intelligence received.
- Risk assessments completed.
- Monitoring decisions.
- Communications issued.
- Escalation activity.
- Follow-up actions and outcomes.

All records must be retained within the Council's approved quality assurance and contract monitoring systems.

*Governance and Reporting*

Out of county provider concerns that meet Amber or Red thresholds will be reported through existing governance arrangements, including Provider Risk Review Meetings and Quality Planning Group processes.

Where significant concerns are identified, summary intelligence should also be shared with relevant regional quality assurance partnerships to support wider market oversight and cooperation duties under the Care Act 2014.

# Appendix 3

## Provider Suspension Process:

This process is designed to outline the actions that need to be taken by the Commissioning and the Social Care Contracts and Quality Assurance Team when referrals to a contracted service from a provider are suspended temporarily.

The circumstances leading up to a suspension, and the associated decision-making processes will vary depending on the reason for the suspension. Suspensions can result from any or all the following:

- Significant safeguarding concerns, where there is evidence or credible intelligence that individuals are at risk of harm and immediate action is required to prevent further exposure to risk.
- Significant performance or quality concerns, including persistent failure to deliver safe, effective, or person centred care, particularly where concerns are repeated, escalating, or remain unresolved despite prior monitoring or action plans.
- Fundamental breaches of contract, such as loss of required regulatory registration, failure to comply with essential contractual conditions, or actions that directly undermine the Council's ability to rely on the provider to deliver commissioned services.
- Contractual non-compliance specific to service delivery, including the handing back of care packages or withdrawal from agreed provision in a manner that contravenes contract terms, particularly within domiciliary care or supported living services.
- Indicators of provider instability or emerging failure, where intelligence suggests that the provider may be unable to deliver services safely or consistently, and suspension is required to prevent further placements while risks are assessed and mitigated.

The Council will apply provider suspension lawfully, proportionately, and consistently, in accordance with contractual provisions, statutory duties, and its Quality Assurance

framework. Suspension is a preventative and protective measure, used to manage risk and safeguard individuals, and is not intended to be punitive.

Suspension decisions will be guided by the following principles:

- **Safeguarding First**
  The safety, wellbeing, and rights of individuals using services are the primary consideration. Where there is evidence or credible intelligence that continuing to place or refer individuals would expose them to unacceptable risk, suspension will be considered as a necessary protective action.
- **Proportionality and Risk Based DecisionMaking**
  Suspension will be applied only where risks cannot be adequately managed through routine monitoring, support, or service improvement activity. The scope and duration of any suspension will be proportionate to the nature, severity, and immediacy of the identified risks.
- **Evidence Led and Defensible**
  Decisions to suspend will be based on a clear and recorded assessment of available intelligence, including quality monitoring findings, safeguarding information, regulatory activity, contractual compliance, and other relevant risk indicators. All decisions must be capable of withstanding internal and external scrutiny.
- **Clear Governance and Authorisation**
  Suspension decisions will follow an internal risk review involving relevant services and will be authorised at the appropriate senior level, in line with delegated authority arrangements. Oversight will be maintained through established quality and market assurance forums.
- **Transparency and Communication**
  Providers will be informed in writing of the reasons for suspension, the expectations placed upon them, and the conditions required for review or lifting of the suspension, unless doing so would compromise safeguarding or legal processes. Relevant internal teams and partner agencies will be notified as required.
- **Review and Time Limitation**
  Suspension will be kept under active review and will remain in place only for as long as necessary to manage identified risks. Progress against required actions will be monitored, and decisions to maintain, amend, or lift a suspension will be formally recorded.
- **Continuity of Care and Market Stability**
  Where a provider is suspended, the Council will take reasonable steps to ensure continuity of care for individuals already placed and will consider the wider

impact on market stability and service capacity, in line with its Care Act market oversight duties.

**Where it is believed Shropshire Council need to suspend referrals to a provider:**

- The final authority to suspend rests with the Service Director at minimum, unless it has been formally delegated to a suitable service manager.
- Recommendations for suspension must come from the Contract manager or their delegated officer following an internal risk review meeting, held involving operational, safeguarding, commissioning, and Social Care Contracts Team colleagues. The Contract Manager or delegated officer will chair the Provider Risk Review meeting. Decisions must be based on shared, tangible evidence. Recommendations should match the level of evidenced risk and aim to improve service delivery through a supportive approach to managing the identified risk. All meetings must be minuited then saved to the provider SharePoint folder and logged on the Risk
- A recommendation to suspend must be made in writing (see appendix 4(b)) by the Contract Manager, or their delegated officer, to the appropriate Service Manager and the relevant Social Care Director.
- The Service Manager will discuss the authorisation of suspensions with the Service Director and communicate any subsequent decision to the Contract Manager or their delegated officer.
- The suspension will also need to be logged and discussed at the monthly Market Quality Planning Meetings (QPG).

In exceptional circumstances of **elevated** risk, a recommendation to suspend can be made directly to the Commissioning Service Manager by a Senior Safeguarding Practitioner; Operational Service Manager Practitioner, or relevant Contracts or Commissioning Lead.

Except in circumstances of high risk where a fast track decision is sought ((d)), a potential suspension should be highlighted to the provider by a Contracts Officer, and where insufficient improvement has not been evidenced after two weeks the suspension warning letter may be issued (setting out the reasons why a suspension is being considered, and explaining next steps that the Council intends to take.

**Where a suspension of referrals is authorised.**

Immediate Actions:

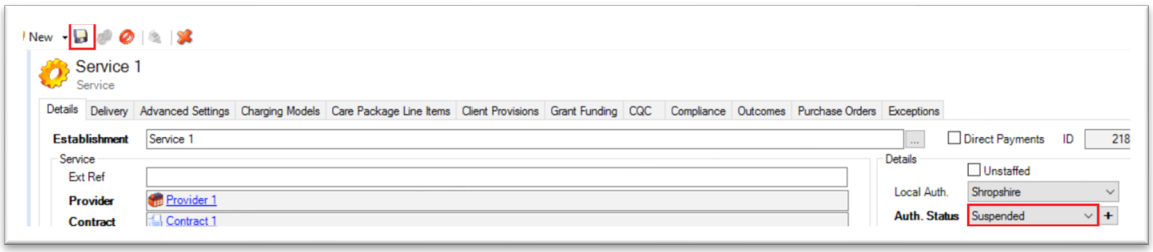
Once a decision has been made to suspend at Assistant Director level the relevant Contract Manager or their delegated officer will complete the following actions.

- The provider is to be contacted via telephone and advised that a suspension letter will be issued in the first instance.

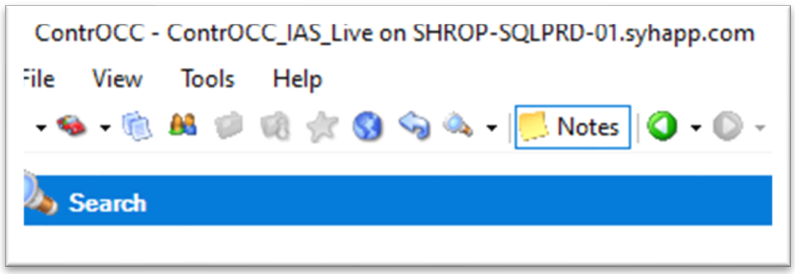
- After the provider has been informed via a phone call. A letter must be sent to the provider within 24 hours of them being informed (Appendix 4a). The suspension letter must include:
    - All the specific reasons for the suspension.
    - Any requirements for sharing of information related to people being supported at the providers service, whether funded by Shropshire council or self funding. It is useful to include a template to secure all the relevant information relating to the individuals. The template should include; name & date of birth; next of kin; details of mental capacity; authorities involved in the placement/funding (with contact details)
    - The actions and improvements required from the provider with a clear time frame for the completion of actions and improvements.
    - A minimum time frame for review of the suspension arrangements including the next steps/arrangements for validation of the improvements made by the provider, how we will check that improvements have been made.
    - Contact details for the contract officer in the council for queries the provider may have regarding the suspension arrangements.
    - The appeals process for providers to appeal the decision.
- If the letter is a requirement under the terms of the contract, it must be sent to the legal entity for that provider. The contract will also set out any requirements for how the letter must be sent to the provider or their legal entity. This letter must be authorised by the Contracts Manager and have their signature block on.
- Information on the suspension must be shared by relevant contract lead with ALL operational/social work and commissioning service team managers (ensuring hospital SW teams and EDT are included) as soon as possible following the decision to suspend.
- The information about the suspension should also be shared with:
    - Adults:
        - Brokerage Brokerage@shropshire.gov.uk
        - ASC Payments & Financial Reconciliation Teams ASCPayments@shropshire.gov.uk.
    - Childrens:
        - Placements Team CPSduty@shropshire.gov.uk
        - Childrens Payments Team: Businessinvoices@shropshire.gov.uk
    - The ICS team:
        - Ruth Bowen ruth.bowen4@nhs.net
        - Wendy Richardson wendy.richardson5@nhs.net
    - Any relevant local authority partner where they also commission placements at the service being suspended.

- After all the communications have been done, all provider trackers, case records will need to be updated and the provider processed for suspended on ContrOCC:
    - For adults: The Contract Manager or their delegated officer should advise Admin staff that a provider has been suspended and request that ContrOCC is updated to reflect this position, and that the Provider Database is also updated to indicate there is a suspension in place with a provider.
    - For Childrens: The Contract Manager or their delegated officer should request that ContrOCC is updated through the children's payments team at businessinvoices@shropshire.gov.uk and then let the team admins know that a suspension is in place so they can update the Provider Database.

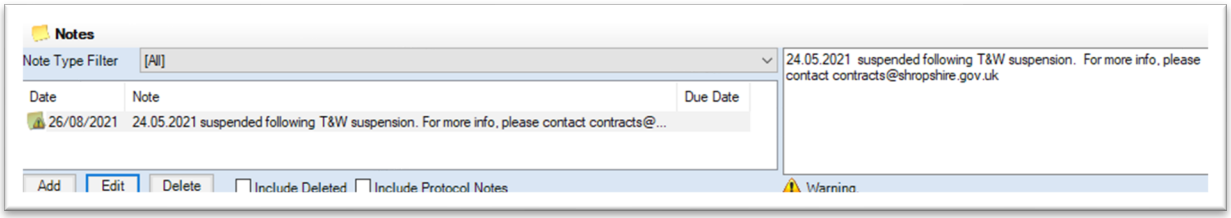
Suspend on ContrOCC: Search for the provider and click on the service. Click on the down arrow by Auth Status and select Suspended.



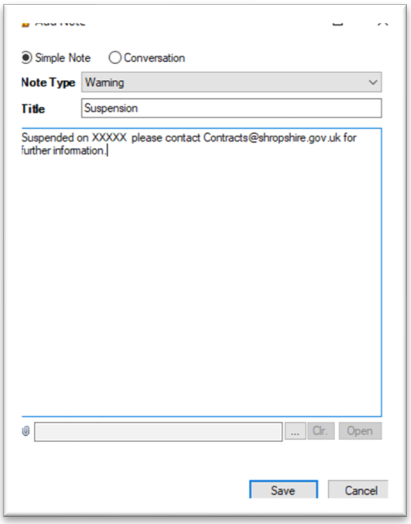

A note will also need to be added to the service by member of Commissioning and Governance Team, to provide more information with regards to the suspension i.e. date suspended, reason and to contact Commissioning and Governance Team for more information. To do this, click on the Notes button on the top left of the ContrOCC screen:




This will then open a notes section at the bottom of the screen. Click on the Add button




This will then allow you to add Note Type, title, and information as below:




Click Save.

Contracts Compliance & Monitoring Officers and relevant Contract Leads will update the Comms Log and Risk Matrix with information about the suspension.

**Follow up actions:**

The following actions will need to be taken forward by relevant staff within social operations and the Commissioning and Governance Team as appropriate:

- Shropshire Council staff involved in the initial recommendation to suspend will agree how they intend to engage with provider, secure information relevant to the actions/improvements required and the process for validating actions/improvements.
    - If the Risk Assessment team is focused on a safeguarding issue, then colleagues in Ops will chair the meeting.
    - If the Risk Assessment team is focused on a provider quality issue, then the Contract Manager or their delegated officer will chair the meeting
- In addition to the Risk Assessment meetings, focused meetings and additional activities may also be required by the Lead Officer.
- A follow up Risk Assessment meeting is to be held within 28 days of the suspension, along with any other relevant meetings addressing issues of the suspension, which will be scheduled and agreed with the provider.

- The Contract Manager or their delegated officer, will need to secure the list of individuals placed with the provider and advise other placing LAs/authorities of the suspension, including the headline information regarding why the suspension has been put in place and any actions agreed for improvement. *To note: Shropshire Council does not routinely contact other local authorities in the region to inform them of the suspension of referrals. However, if any other local authority contacts Shropshire Council about the provider they should be informed of the suspension and the process for its review.*
- The Contract Manager or their delegated officer will share the list of names placed with the provider with the relevant Operational/Social Work Lead. (i.e. giving regard to the location of the home/staff engaged with the suspension).
- Self-funding individuals: The Contracts Officer or their delegated officer will also advise the relevant ASC Operational/Social Work Lead of any self-funding individuals who are receiving care from the suspended provider.
- The Contract Manager or their delegated officer and Contract Monitoring Officers will support the work required on the Service Improvement Plan from provider as appropriate, and will also maintain relevant information in the Commissioning and Governance Team communications Logs. This may involve additional monitoring visits and reporting to the relevant officers on findings.

**Suspension to be Lifted:**

- The Contract Manager may recommend lifting a suspension after a Risk Assessment follow-up meeting, referring this to the Service Manager for Commissioning or Market Oversight. While most recommendations arise from these meetings, Service Managers can also consider relevant staff group input if appropriate.
- The recommendation will outline proposed arrangements for phasing out the suspension, including specific limits on package numbers or types and associated timescales (such as a maximum of two placements per week), and designated service locations. Risk assessment and care home occupancy will be taken into account, and in certain cases, a full suspension lift may be recommended where it is safe to agree.
- If the suspension lift recommendation is agreed the following actions should be carried out by the Contracts Manager or their designated officer:
    - Inform the provider immediately of the decision by sending a letter. The correspondence should outline arrangements for any phased suspension, ongoing monitoring, completion of an action plan, and any further required actions. You may email the letter, but must confirm its delivery, receipt, and opening.
    - Request an updated resident list from the provider.

- Immediately notify ALL operational/social work and commissioning service and team managers (ensuring hospital SW teams and EDT are included) of the decision to lift the suspension (providing details of any phasing of the suspension).
- The decision should also be shared with the appropriate payments and quality assurance colleagues.
- Immediately notify other Local Authorities or partner agencies who have placements with the provider.
- Commissioning and Governance Team records need to be updated and the provider unsuspended on ContrOCC.
    - For Adults: The Contract Manager or their designated officer should advise Admin staff that the suspension of a provider has been lifted and whether this is full or partial; request that ContrOCC is updated accordingly, and that the Provider Database is also updated to indicate that the suspension has been lifted. Please ensure you delete the note which was added to ContrOCC.
    - For Children: The Contract Manager or their designated officer should advise the children's payments team that the suspension of a provider has been lifted and whether this is full or partial; request that ContrOCC is updated accordingly, and then let contract admins know that the Provider Database also needs to be updated to indicate that the suspension has been lifted.

*Appendix 4(b) – Suspension Recommendation Request Form*

Version to view:




Editable Version:

Suspension Recommendation Request Form

*Appendix 4(c) - Example letter to provider confirming suspension*

Dear [INSERT CONTACT]

[INSERT PROVIDER]

I am writing to you to advise that due to [REASON FOR SUSPENSION], the Council is, with immediate effect, placing a suspension of new referrals at [INSERT PROVIDER] in accordance with [INSERT SUSPENSION/TERMINATION CLAUSE] of the Pre-Placement Agreement for [INSERT CONTRACT].

this means that Shropshire Council will not place new [RESIDENTS/PLACEMENTS] for the duration of the suspension and that you are asked not to admit other [RESIDENTS/PLACEMENTS] such as self-funding [RESIDENTS/PLACEMENTS] or [RESIDENTS/PLACEMENTS] from other placing authorities until the suspension of referrals is lifted. Whilst there is no contractual protocol for the home to cease admitting self-funding [RESIDENTS/PLACEMENTS] or [RESIDENTS/PLACEMENTS] funded by other placing authorities to [INSERT PROVIDER], it is regarded as good practice on behalf of the [INSERT PROVIDER].

Council officers, other placing authorities, the CQC and ICS will also be notified of the temporary suspension of referrals to [INSERT PROVIDER].

With regard to residents not funded by Shropshire Council, could I request, also in line with [INSERT CLAUSE] of the contract, that you provide the Council with a list of residents at the home, including details of the placing/funding authority (including any Health funded residents) and relevant contact, and for self-funding residents contact details of their family and/or representatives.

An MDT will be arranged in due course to discuss with you the issues that have led to this suspension.

Please do not hesitate to contact me if you have any questions regarding this letter.

Yours sincerely

**[Signature here]**

Contracts Manager
Commissioning & Governance Team
People Directorate

Tel: 01743 XXXXXX

# Appendix 5

## Transition from Quality Assurance Monitoring to the Provider Failure and Service Interruption Policy

### Purpose

This appendix defines the point at which activity under the Quality Assurance Monitoring Policy must transition into the Provider Failure and Service Interruption Policy. It ensures that escalation is timely, proportionate and auditable, while maintaining clear ownership of quality assurance, contractual, safeguarding, operational and continuity-of-care actions.

The transition is not a closure of quality assurance activity. Monitoring evidence, risk assessments, outstanding provider actions and contractual records remain live and form the evidence base for the response under the Provider Failure and Service Interruption Policy. The two policies therefore operate as a connected pathway: the Quality Assurance Monitoring Policy identifies, validates and escalates risk; the Provider Failure and Service Interruption Policy coordinates the Council response where safe or sustainable service delivery is, or may become, disrupted.

### Principles governing transition

- Safety and continuity first: the immediate safety, wellbeing, rights and continuity of support for children, young people and adults take priority over routine monitoring timescales.
- Evidence-led and proportionate: transition decisions must be based on triangulated intelligence and the nature, severity, scale and immediacy of risk.
- No delay caused by process: the absence of complete information must not prevent urgent protective, safeguarding or continuity action where credible evidence indicates significant risk.
- Clear accountability: a named lead must be identified for the quality assurance response and, on transition, for the service interruption or provider failure response.
- Single record of decision-making: the rationale, authorisation, actions, owners and review dates must be recorded in the Council's approved contract monitoring, risk and governance systems.
- Coordinated communication: information must be shared lawfully and on a need-to-know basis with operational teams, safeguarding, commissioning, brokerage or placements, finance, regulators, health partners, host or placing authorities and the provider.
- Person-centred planning: people receiving services, and where appropriate their families, carers, advocates and corporate parenting representatives, must be involved in decisions affecting their care and support.

## When transition must be considered

Transition must be considered where monitoring identifies that concerns have moved beyond provider improvement and routine contractual oversight and now create a credible risk to continuity, viability or safe delivery. Indicators may arise individually or in combination and include:

- The provider is temporarily unable, or is likely to become unable, to deliver all or part of the commissioned service safely or consistently.
- The provider states an intention to close, withdraw from a service, hand back multiple packages or placements, or cease trading.
- There is actual or threatened loss of essential staffing, premises, utilities, registration, insurance, supply chains, digital systems or other resources necessary for safe delivery.
- Financial, operational or governance intelligence indicates insolvency, administration, unsustainable trading or a material risk that contractual services cannot continue.
- Repeated or serious quality, safeguarding or contractual failures remain unresolved and create a risk that existing packages or placements cannot safely continue.
- The provider cannot demonstrate an adequate business continuity response or fails to activate its business continuity plan effectively.
- Regulatory action, enforcement, imposed conditions or cancellation of registration affects the provider's ability to operate.
- A major incident, emergency, outbreak, environmental event or infrastructure failure materially affects service availability.
- The scale of the issue requires coordinated identification, prioritisation or transfer of people receiving services.
- The cumulative impact across several services, locations or a provider group presents a material market-capacity or system-stability risk.

## Transition thresholds

| Position under the Quality Assurance Monitoring Policy | Required response | Policy position |
|---|---|---|
| Level 1 - Green | Continue desktop or routine monitoring. Record intelligence and review for emerging continuity risks. | Quality Assurance Monitoring Policy remains the lead policy. |
| Level 2 - Amber | Undertake enhanced monitoring and provider risk review. Test business continuity, capacity, staffing, financial and operational resilience. | Quality Assurance Monitoring Policy remains the lead policy, with preparatory continuity planning where indicated. |

| Position under the Quality Assurance Monitoring Policy | Required response | Policy position |
|---|---|---|
| | Establish whether disruption is credible or imminent. | |
| Level 3 - Red, but service remains deliverable | Implement reactive monitoring, safeguarding and contractual action, including suspension where authorised. Maintain active assessment of continuity and viability. | Quality Assurance Monitoring Policy remains the lead policy unless a transition trigger is met. |
| Level 3 - Red with actual, imminent or credible service disruption or provider failure | Initiate the transition process immediately. Convene the appropriate risk response arrangements and protect continuity of care. | Provider Failure and Service Interruption Policy becomes the lead policy. Quality assurance and contract monitoring continue as supporting workstreams. |

## Decision and authorisation

The Contract Manager, or delegated lead officer, will coordinate an immediate review of the available intelligence with relevant commissioning, operational, safeguarding and finance colleagues. The review will determine whether the matter remains within quality assurance escalation or requires activation of the Provider Failure and Service Interruption Policy.

Where the risk is urgent, the decision may be made through an expedited discussion with the relevant Service Manager or senior officer under the applicable delegated authority arrangements. The decision must then be documented retrospectively at the earliest opportunity. Activation of the Provider Failure and Service Interruption Policy does not remove the need for separate authorisation of contractual measures, placement suspension, emergency expenditure or safeguarding action where those decisions require specific approval.

The recorded decision must include:

- the provider, service or location affected;
- the nature, source and date of the intelligence;
- the people or cohorts potentially affected, including funding and placing authorities where known;
- the current quality and continuity risks and any immediate protective measures;
- the transition trigger or triggers met;

- the decision, authorising officer and date and time of activation;
- the named lead officer and governance route;
- actions, owners, deadlines and review arrangements; and
- the communication and information-sharing plan.

## Transition and handover process

### *1. Stabilise immediate risk*

Take urgent action to safeguard people, preserve essential service delivery and address any immediate safeguarding, clinical, environmental or staffing risks. Escalate to emergency planning arrangements where the incident meets relevant emergency or major incident thresholds.

### *2. Validate scope and impact*

Confirm which services, locations and individuals are affected or potentially affected. Obtain current service-user or placement lists, care and support information, funding responsibility, key contacts, staffing and rota information, business continuity arrangements, and the provider's proposed recovery or closure plan.

### *3. Convene the response structure*

The relevant senior lead will establish the Service Interruption and Provider Failure Risk Response Team where the scale or impact requires coordinated management. Membership will be proportionate and may include Contracts and Quality Assurance, Commissioning, Social Care Operations, Safeguarding, Brokerage or Placements, Finance, Legal, Procurement, Emergency Planning, Communications and partner agencies.

### *4. Complete the formal handover*

The Monitoring Officer or Contract Manager will provide the response lead with the current risk assessment, monitoring reports, OQC and safeguarding intelligence, regulatory information, contractual notices, Service Improvement Plan, provider correspondence, placement or package information, financial or market intelligence, key decisions and outstanding actions.

### *5. Agree workstream ownership*

The Risk Response Team will identify leads for individual safety and reviews, service continuity, provider liaison, market capacity, contractual and legal action, finance, communications, information governance, regulatory liaison and governance reporting.

### *6. Confirm communication arrangements*

Agree who will communicate with the provider, people receiving services, families or carers, advocates, social workers, corporate parenting representatives, staff, regulators, health partners, other placing authorities and elected members. Communications must be accurate, coordinated, proportionate and recorded.

### *7. Maintain monitoring and assurance*

Quality assurance officers will continue to validate provider claims, monitor residual services, track improvement or closure actions and report emerging intelligence into the Risk Response Team. Duplicate meetings and records should be avoided through a single coordinated action log.

### *8. Review, de-escalate or close*

The Risk Response Team will review the response at an agreed frequency. It may return lead responsibility to the Quality Assurance Monitoring Policy when continuity risk has stabilised and the provider can safely sustain services, or close following an orderly transfer or cessation once all people are safe, records are complete and learning has been captured.

## Minimum handover information

| **Handover area** | **Minimum information required** |
|---|---|
| Risk and evidence | Current RAG level; risk summary; monitoring findings; OQCs; safeguarding intelligence; regulatory findings; incidents; complaints; whistleblowing; provider representations; unresolved evidence gaps. |
| People affected | Current list of people receiving services; service location; funding or placing authority; allocated practitioner; priority or vulnerability factors; communication, advocacy, capacity and consent considerations. |
| Provider position | Provider legal entity and key contacts; affected services; current staffing; business continuity plan; recovery, sale, transfer or closure proposals; regulator position; administrator or insolvency contacts where applicable. |
| Contract position | Relevant contract and specification; breaches or notices; suspension status; termination or step-in provisions where applicable; outstanding improvement actions and deadlines. |
| Continuity arrangements | Immediate safety measures; alternative provision and market capacity; arrangements for medicines, equipment, records, transport, accommodation and staffing; dependencies on health or other authorities. |
| Governance and communications | Decision log; authorisations; meeting schedule; named workstream leads; |

| Handover area | Minimum information required |
|---|---|
| | stakeholder map; communication plan; confidentiality and information-sharing controls; reporting route. |

## Roles during and after transition

| Role | Responsibility |
|---|---|
| Contract Manager or delegated lead | Coordinates the transition decision, preserves the audit trail, provides the formal handover and continues to advise on contractual and provider-risk matters. |
| Monitoring Officer | Maintains and updates evidence, validates provider information, monitors residual risk and supports person-centred assurance activity. |
| Service Manager or authorised senior officer | Confirms activation where required, appoints the response lead, secures resources and ensures appropriate senior governance and decision-making. |
| Risk Response Team lead | Owns the coordinated response under the Provider Failure and Service Interruption Policy, chairs meetings, allocates actions and maintains oversight of continuity, communication and closure or recovery. |
| Social Care Operations | Leads individual risk assessment, review, safeguarding and care or placement planning, including communication with people and their representatives. |
| Commissioning, Brokerage or Placements | Assesses market capacity, sources alternatives and supports orderly transfer or replacement provision. |
| Finance, Legal, Procurement and other corporate services | Provide specialist advice and action in line with their professional responsibilities and delegated authority. |
| Provider | Activates business continuity arrangements, supplies accurate and timely information, maintains safe services for as long as required and cooperates with transition, recovery or closure planning. |

## Interface with safeguarding, suspension and emergency arrangements

Safeguarding enquiries, child protection processes, contractual action, placement suspension and emergency planning may run alongside either policy. Activation of the Provider Failure and Service Interruption Policy does not replace these

processes. Each workstream must have a clear lead, and decisions must be coordinated through the agreed governance structure to avoid gaps, conflicting instructions or duplicated demands on providers and operational teams.

A suspension of new referrals may reduce further exposure to risk but does not, by itself, constitute activation of the Provider Failure and Service Interruption Policy. Transition is required when there is an actual, imminent or credible threat to continuity or safe delivery for people already receiving services, or where the scale of provider instability requires coordinated continuity planning.

## Return to quality assurance monitoring

Lead responsibility may transfer back to the Quality Assurance Monitoring Policy when the Risk Response Team is satisfied that the immediate continuity risk has been controlled, people are safe, the provider has a credible and sustainable operating plan, and any remaining concerns can be managed through routine or enhanced monitoring, a Service Improvement Plan and normal contractual governance.

The return decision must be formally recorded and must specify the revised risk level, outstanding actions, monitoring frequency, provider reporting requirements, named owner, review date and any conditions attached to continued operation or future referrals. Relevant governance forums and stakeholders must be informed, and the digital risk dashboard, contract record and provider file updated.

## Post-incident learning and assurance

Following recovery, transfer or closure, the lead officer will coordinate a proportionate review. The review should consider the effectiveness of early warning, monitoring, escalation, communication, co-production, safeguarding, continuity planning, market response and governance. Agreed learning must be incorporated into provider risk records, commissioning and market-development activity, training, templates and future reviews of both policies.

## Appendix 5 transition checklist

| Completed | Control |
|---|---|
| ☐ | Immediate safety and safeguarding risks assessed and acted upon. |
| ☐ | Affected services, locations and people identified. |
| ☐ | Provider business continuity arrangements obtained and tested. |
| ☐ | Transition trigger and decision recorded, including authorisation. |
| ☐ | Response lead and workstream owners appointed. |

| Completed | Control |
|---|---|
| ☐ | Formal handover pack completed and shared securely. |
| ☐ | Operational, commissioning, safeguarding, brokerage or placements, finance and relevant partners notified. |
| ☐ | Provider, individuals and representatives communication arrangements agreed. |
| ☐ | Alternative provision and market-capacity options assessed. |
| ☐ | Contractual, legal, regulatory and emergency-planning interfaces confirmed. |
| ☐ | Single action and decision log established with review frequency. |
| ☐ | De-escalation, return to monitoring or closure decision recorded. |
| ☐ | Post-incident learning completed and policy or process changes assigned. |

## Version Table

| | |
|---|---|
| **Version** | 1 |
| **Implementation date** | April 2026 |
| **Last review** | March 2026 |
| **Next scheduled review** | March 2027 |
| **Owner** | Carlo Ferri |
| **Author** | Social Care Market Contracts & QA Team |

# Monitoring Visit Policy for Monitoring Officers

**April 2026**

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# Introduction and Background

Shropshire Council has a statutory and contractual responsibility to ensure that commissioned care and support services deliver safe, effective, and high quality outcomes for the people who rely on them. Monitoring visits are a core element of this assurance framework. They allow the Council to see firsthand how services are operating, verify compliance with contractual and regulatory requirements, and identify emerging risks before they lead to avoidable harm or service failure.

In recent years, the complexity of commissioned services has increased, alongside rising expectations around safeguarding, accountability, workforce stability, and the consistency of care delivery. At the same time, internal intelligence systems, desktop monitoring processes, and market oversight mechanisms have become more sophisticated. As a result, Monitoring Officers now draw on a wider range of evidence, including performance data, provider submitted documents, incident trends, CQC intelligence, and multiagency feedback.

This Visit Policy is therefore required to provide clear, standardised, and transparent guidance on how Monitoring Officers plan, prepare for, conduct, and report on visits. It ensures that visits are undertaken consistently across all commissioned services, regardless of type, risk level, or provider size. It also supports alignment with the wider Quality Assurance Monitoring Policy, the Contract Monitoring Process (Desktop, Routine, and Reactive), and the Organisational Quality Concerns (OQC) pathway.

This policy sets out what Monitoring Officers, providers, and partner professionals can expect when a monitoring visit takes place. Specifically, the policy:

- Explains the purpose and scope of monitoring visits and how they fit into the wider QA and contract management framework.
- Defines visit types, planned (routine), reactive (concern triggered).
- Describes the required steps before, during, and after a visit, ensuring a consistent and evidence based approach.
- Clarifies roles and responsibilities, ensuring Monitoring Officers, Contracts Officers, The Social Care Market Contracts and QA Manager, and providers understand their duties.

- Sets expectations for communication and reporting, including feedback timelines, action planning, and documentation standards.
- Outlines escalation processes, safeguarding considerations, and how visit findings contribute to risk management and improvement planning.

By following this policy, Monitoring Officers will deliver visits that are structured, fair, proportionate, and transparent. Providers will understand what is expected of them during the monitoring process, and the Council will maintain a robust and accountable system of quality oversight that protects supported people and supports continuous improvement.

## Scope of Monitoring Visits

This policy applies to all monitoring visits conducted as part of the quality assurance and contract management framework. Specifically, it covers the following types of visits:

- Relationship visits (Planned or ad-hoc): Initial and ongoing visits to introduce monitoring officers and foster constructive relationships throughout the duration of professional engagement.
- Routine (Planned) Monitoring Visits: Regularly scheduled visits carried out to assess ongoing compliance and quality within in and out of county commissioned services.
- Reactive/Unannounced Visits: Visits prompted by specific concerns or incidents, conducted without prior notice to address immediate risks or issues.

All visits, regardless of type, are subject to the standards and procedures outlined in this policy to ensure consistency, transparency, and accountability throughout the monitoring process.

## Definitions

| Term | Definition |
|---|---|
| ASC | Adult Social Care services within the Council. |
| Action Plan | A formal document outlining required improvements, responsible persons, and timescales. |

| | |
|---|---|
| CQC | The Care Quality Commission, the regulator of health and social care services in England. |
| Evidence-Based Practice | Approach relying on validated information and professional standards to inform findings. |
| Experts-by-Experience | Individuals with lived experience who contribute perspectives to monitoring visits. |
| OFSTED | The Office for Standards in Education, Children's Services and Skills, responsible for inspecting services for children and young people. |
| OQC (Organisational Quality Concern) | A formal process for identifying, escalating, and managing provider quality concerns. |
| Performance Data | Quantitative information used to assess service performance, outcomes, and compliance. |
| Provider Submissions | Documents or data provided by a service provider for monitoring purposes. |
| QA (Quality Assurance) | A systematic process for ensuring services meet required standards and deliver safe, effective care. |
| Reactive/Unannounced Visit | A visit triggered by concerns or incidents, conducted without prior notice. |
| Regulatory Compliance | Adherence to statutory and regulatory requirements such as CQC or Ofsted standards. |
| Risk Thresholds | Defined levels indicating severity or likelihood of risks that guide monitoring intensity. |
| Routine Monitoring Visit | A planned, scheduled visit intended to assess ongoing compliance and quality. |
| Triangulation | Verification of evidence using multiple sources such as observations, documents, and interviews. |

# Principles

The following principles set out the standards and expectations that guide the planning, delivery, and evaluation of monitoring visits across commissioned care and support services. They ensure that visits are consistent, proportionate, evidenced, and aligned to the Council's wider Quality Assurance (QA) and Contract Management frameworks.

- **Risk Based and Proportionate Oversight**
  - All monitoring activity must be proportionate to the assessed level of risk, complexity, and potential impact on people using the service. Monitoring levels and visit types (desktop, routine, reactive) must be selected in accordance with the Council's QA risk thresholds and risk rating processes.
- **Person -Centered and Outcome Focused- Practice**
  - Monitoring visits must prioritise the experiences, voices, and outcomes of children, young people, adults, and families. Evidence should clearly demonstrate how services promote safety, wellbeing, independence, and positive day-to-day experiences for individuals.
- **Evidence Led Decision Making and Triangulation**
  - Monitoring findings must be grounded in verified, triangulated evidence. This includes:
    - environmental and practice observations,
    - review of records and documentation,
    - discussions with managers and staff,
    - (where appropriate) engagement with supported people and families, and
    - crosschecking against intelligence from safeguarding, commissioning, health partners, regulators and any historical monitoring outcomes.
- **Transparency, Fairness and Consistency**
  - Monitoring Officers must apply consistent standards and processes before, during, and after visits. Providers should have clarity about the purpose of visits, the evidence required, reporting expectations, and any actions or improvements identified. Monitoring outcomes must be shared in an open and balanced manner to promote trust and accountability.
- **Collaboration and Shared Accountability**

- Monitoring is a collaborative activity undertaken with providers, internal Council partners (such as ASC, Safeguarding, Public Health, Brokerage and Finance), and relevant external regulators or regional QA groups. Shared responsibility for safety, quality and improvement must underpin all interactions before, during and following visits.
- The Council is committed to strengthening collaborative quality assurance by promoting the meaningful involvement of Experts by Experience in monitoring activity. ***Where appropriate***, individuals with lived experience may participate in monitoring visits to provide insight into the quality, culture, and impact of services from the perspective of those who use them.

- **Timely, Accurate and Action Oriented Reporting**
  - Monitoring Officers must provide timely verbal feedback at the end of the visit and produce written reports within required timescales. Reports must:
    - present clear, factual, triangulated findings,
    - identify strengths and areas requiring improvement,
    - set out requirements/recommendations with timebound expectations, and
    - highlight any escalation triggers or risk indicators quickly.
- **Governance Aligned and Escalation Ready Practice**
  - Monitoring visit outcomes must align with the Council's QA and Contract Management governance arrangements, escalation pathways, and organisational quality concern (OQC) processes. Where concerns arise, the appropriate escalation route, improvement planning, increased monitoring, contractual action, regulatory liaison, suspension, or multiagency escalation, must be applied consistently and proportionately.
- **Statutory, Regulatory and Contractual Compliance**
  - Monitoring visits must assess compliance with statutory duties, CQC and Ofsted frameworks, local policy requirements, safeguarding standards, and the service's contract specification. Any noncompliance should be clearly documented and addressed through appropriate contractual actions.
- **Prepared, Planned and Intelligence Informed Approach**
  - Monitoring Officers must prepare for visits thoroughly by reviewing:
    - self-assessment returns,

- previous monitoring outcomes,
- contract documentation,
- incidents, complaints, OQCs, and safeguarding information,
- performance data, and
- intelligence from internal partners and regional QA groups. Visits should have a defined scope based on identified themes, concerns, or contractual requirements.

- **Respectful, Inclusive and Ethical Conduct**
  - All monitoring activity must be conducted with professionalism, respect, and sensitivity, ensuring fairness, dignity, and inclusivity for individuals and staff. Officers must take account of equality, diversity and human rights considerations and ensure safe and appropriate access to people, staff and records in line with legal and ethical professional standards.
- **Time Critical Circumstances**
  - It is recognised that in certain time critical or high risk circumstances, it may not be possible to undertake planned or prenotified monitoring visits. In such situations, Monitoring Officers may be required to carry out unannounced or expedited visits to ensure organisational practices are not impacting the immediate safety and wellbeing of individuals, where safeguarding threshold has not been met . While the usual planning steps may not be achievable, the core values and principles set out in this policy, including fairness, proportionality, evidence based practice, transparency, and respect, will continue to be upheld wherever it is appropriate and feasible to do so.

**All our contract monitoring and quality assurance activity is underpinned by Shropshire's values: PROUD.**




# Roles & Responsibilities

**Monitoring Officers –** Monitoring Officers are responsible for the operational delivery of the Council's contract monitoring function. They must:

- **Intelligence Gathering & Preparation**
  - Collect and analyse intelligence from multiple sources, including incident data, safeguarding information, CQC reports, complaints, provider self assessments and notifications, and feedback from internal teams.
  - Review previous monitoring outcomes, action plans, and performance themes to identify areas requiring focus during the visit.
  - Liaise with relevant internal partners (ASC, Safeguarding, Public Health, Brokerage, Finance, Commissioning) to gather uptodate context and concerns.
- **Visit Planning & Coordination**
  - Determine the appropriate type of visit (routine, reactive, desktop triggered) based on risk, thresholds, and policy guidance.
  - Provide appropriate notice for routine visits and plan unannounced visits where required.
  - Ensure relevant documentation and assessment tools are prepared in advance.

- **Conducting the Visit**
  - Lead or colead the visit in a professional, objective, and evidence based manner.
  - Carry out environmental, observational, and practice based assessments.
  - Review provider records in accordance with the contract service specification.
  - Engage directly with managers, staff, and, where appropriate, people using the service and families.
  - Triangulate evidence to verify findings and ensure accuracy.
- **Reporting, Communication, and Follow Up**
  - Provide clear, timely verbal feedback at the end of the visit and highlight any immediate risks or improvements required.
  - Prepare a comprehensive written monitoring report within required timescales.
  - Ensuring the provider takes ownership of developing and delivering an action plan to address required improvements.
  - Providing oversight, challenge and assurance against the providers action plan.
  - Submit the report for internal approval and ensure providers receive final documentation within policy deadlines.
  - Monitor provider progress, check completion of actions, and determine whether further visits or escalation are required.
- **Escalation and Risk Management**
  - Identify and escalate concerns promptly through the correct pathways (OQC, safeguarding, CQC notifications, or management escalation).
  - Contribute to risk dashboards and ensure that intelligence is accurate and up to date.
  - Participate in cross service meetings, strategy discussions, or case conferences where a provider's risk level requires multiagency oversight.

**Contracts Officers / Social Care Contract and QA Manager –** Contracts Officers and the Social Care Contract and QA Manager provide oversight, assurance, and decision-making support. They must:

- Approve monitoring reports where needed, agree requirements and recommendations on high risk providers to ensure proportionality, consistency and quality.
- Provide guidance to Monitoring Officers on thresholds, risk classification, and escalation decisions.
- Ensure monitoring activity aligns with the wider commissioning, market oversight, and quality assurance framework.
- Support problem resolution, complex case discussions, and joint work with other internal teams.
- Lead or support escalations such as OQC processes, contract variations, suspensions, or commissioning reviews.

**Service Providers –** Service Providers play a central role in the monitoring process. They must:

- Cooperate fully and transparently with all monitoring activity.
- Provide access to premises, staff, service users (with consent), and all relevant records and documentation.
- Engage constructively with Monitoring Officers and respond to reasonable requests for information within agreed timeframes.
- Participate in feedback discussions and implement required actions promptly.
- Ensure senior management oversight of monitoring outcomes and embed learning into practice and governance processes.
- Notify the Council of significant incidents, concerns, staffing issues, regulatory changes, or other contractual requirements in a timely manner.

**Internal Partners (ASC/Children's services, Safeguarding, Public Health, Brokerage, Finance, CQC/OFSTED Liaison) –** Key internal teams contribute to monitoring by:

- Sharing intelligence that may influence visit planning or risk assessment.
- Participating in joint visits or review meetings where relevant.
- Providing professional expertise (e.g. safeguarding thresholds, clinical practice issues, funding concerns).
- Supporting follow up actions where risks relate to multiagency issues (care management, safeguarding enquiries, operational practice).

**Senior Management / Governance Groups –** Senior leaders ensure appropriate oversight and accountability by:

- Reviewing escalated cases, thematic concerns, or providers requiring enhanced monitoring.
- Ensuring resourcing and strategic support for the monitoring function.
- Overseeing governance pathways such as the Quality Performance Group (QPG), or relevant escalation panels.
- Approving high risk decisions such as contract suspensions, provider closure planning, or service contingency arrangements where required.

## Visit Workflow

This workflow applies to all Quality Assurance Monitoring visits, including Routine, Reactive (concern-triggered), and Desktop-triggered (after document analysis) visits.

### Pre-Visit Planning

- Begin the pre-visit planning process by thoroughly reviewing all available intelligence related to the provider or service. This includes analysis of intelligence received, and any relevant communications.
- Once the intelligence has been reviewed, clearly confirm the scope of the upcoming visit. Define the specific objectives, focus areas, and any key issues that need to be addressed during the visit.
- Coordinate with relevant partner agencies or teams to ensure alignment and collaboration in approach. This may involve sharing information, agreeing on roles, or scheduling joint activities as appropriate.
- **For Planned Visits:** Provide at least 7 days advance notice of the visit to the provider or service, outlining the purpose and scope of the visit to promote transparency and preparedness.
- **For unannounced Visits:** No notice is required to visit after receiving a 'trigger level' Organisational Quality Concern (OQC) about a provider or service being delivered under any of Shropshire Council's contracts. It would, however, still be expected of the Monitoring Officer to outline the purpose and scope of the visit to promote transparency and preparedness, upon arrival at the service's registered address. Visits may be required out of "normal" working hours.

### Visit Execution

Council staff are required to carry their staff identification badge during all visits and must present it prior to entering any service address. Additionally, aspects of the assessment may pertain to service security as an example, the expectation to show

their badge can be used to identify potential areas of good practice or for areas of improvement. During the visit, conduct observations, review documentation, meet with key stakeholders, verify compliance with established standards, and gather supporting evidence as needed to inform your findings. Following the completion of these tasks, move directly into the post-visit reporting process by providing initial feedback to the provider, completing a comprehensive report, developing an actionable plan addressing any identified issues, submitting documentation for approval, issuing finalised materials to the provider, and ensuring all records are uploaded and stored in accordance with established procedures.

### Post-Visit Reporting Process

After the completion of the visit, provide initial feedback to the provider. This feedback should summarise the main observations and findings from the visit, giving the provider a clear understanding of any immediate issues or areas of good practice identified during the review.

Next, complete a comprehensive report that documents all relevant details gathered during the visit. The report should include a summary of activities undertaken, evidence reviewed, and any compliance issues or best practices noted.

Your report should clearly identify and emphasise areas where the provider demonstrates best practice and innovation. Highlighting these achievements acknowledges the provider's commitment to quality and supports a positive working relationship and encourages the continuous improvement of services.

Where practice does not meet the standards detailed in the Quality Assurance Framework commitment (QAF001), set a series of requirements or recommendations for improvement to address any issues that were identified. These requirements or recommendations should outline specific steps, responsible parties, and timelines for implementation.

At this point the report can be issued to the provider and follow up visits arranged to check on progress against the requirements and recommendations.

For more complex or high risk providers, once the report is complete, submit the report and plan to the Contract Officer for approval. This ensures that all requirements and recommendations are reviewed and validated for proportionality, before being shared externally.

After approval, issue the finalised report to the provider. This communicates the outcomes of the visit and the expectations for follow-up arrangements.

Finally, upload all related documentation, including the report and any supporting evidence or documents, to the appropriate SharePoint folder. Ensure that records are maintained in accordance with organisational requirements and data management protocols.

Following the report being issued, a feedback form should be sent to the provider to collect their reflections on the process, including any comments regarding the visit, review, communication, and any subsequent support received. Providers are encouraged to complete the form and return it within a set timeframe. Responses are collated and analysed to identify trends, highlight areas for improvement, and inform future quality assurance visits. Gathering this feedback ensures that the process remains transparent, responsive, and continually develops in line with provider needs. This feedback is managed through Provider Feedback: Shropshire Council Contract Monitoring Microsoft Form and can be accessed by any member of the social care team.

## Escalation and Follow-Up Actions

If persistent risks are identified during the visit or through ongoing monitoring, the provider's status may be escalated to reflect the heightened level of concern. In such cases, the frequency of quality assurance visits may be increased to ensure closer oversight and timely intervention. Additionally, strategy meetings will be convened within defined timeframes to address and manage the ongoing risks, ensuring that appropriate actions are taken to mitigate any issues and support the provider in achieving compliance.

## Recordkeeping & Intelligence Management

All documentation related to the visit, including reports, action plans, and supporting evidence, must be stored in the designated SharePoint folder and Liquid Logic System where available to do so. This ensures that records are maintained securely and can be accessed as needed, in accordance with Shropshire's data management policies.

Intelligence gathered during the visit should be shared appropriately with relevant stakeholders including the providers and operational teams. Information must be

disseminated in line with established GDPR and confidentially procedures to support effective decision-making and maintain compliance with organisational policies.

## Related Documents

- QAF 001 Quality Assurance Framework
- QAF002 Quality Assurance Monitoring Policy
- QAF004 Organisational Quality Concerns (OQC) Process
- Contract Monitoring Process
- Provider Feedback Form

## Version Table

| | |
|---|---|
| **Version** | 1 |
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| **Owner** | Deborah Webster |
| **Author** | Carlo Ferri |

# Shropshire Council – Contract Management & Quality Assurance Due Diligence Guidance for Commissioned Services

**September 2026**

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# Introduction and Purpose

Shropshire Council's responsibility to undertake due diligence is rooted in a wide range of statutory duties that require the Council to ensure that any organisation it commissions is safe, legally compliant, financially stable and capable of delivering high quality services. These responsibilities arise from core legislation including the Care Act 2014, the Children Act 1989 and 2004, the Local Government Act 1999 and the Data Protection Act 2018 (GDPR), all of which place clear duties on the Council to protect children, adults and families, ensure continuous improvement and value for money, and maintain the security and lawful handling of personal data. In addition, the Procurement Act 2023 establishes new obligations for public bodies to verify supplier suitability, check for exclusion grounds, and maintain transparent, defensible decision making throughout the procurement and contract lifecycle.

Alongside these, the Council must ensure ongoing compliance with a wide range of other legal requirements that apply to contracted services, including safeguarding, health and safety, equalities, TUPE, modern slavery, fraud prevention, and serious and organised crime legislation, as well as regulatory frameworks such as CQC and Ofsted. Collectively, these duties require the Council to undertake proportionate, evidence-based and continuous due diligence before awarding contracts, during mobilisation, and throughout the duration of service delivery, ensuring that risks are identified early, public funds are protected, and commissioned services remain safe, lawful and effective.

This policy outlines the requirements established by Shropshire Council for conducting due diligence across all stages of the contracting cycle. The policy aims to ensure the Council's practices are robust, thorough, and consistent in assessing and managing its providers.

## Objectives of the Policy

The due diligence process is designed to achieve the following:

- Appoint providers who are safe, compliant with relevant regulations, financially stable, and suitable for the intended service.
- Maintain continuous oversight of each provider's stability and regulatory compliance throughout the duration of their contract.
- Identify emerging risks at the earliest possible stage to enable timely intervention and risk mitigation.
- Ensure that the Council fulfils its statutory obligations and meets its commissioning responsibilities efficiently and effectively.

## Scope

This policy applies to:

- All officers involved in procurement, commissioning, contract management and market oversight.
- All contracted services commissioned by Shropshire Council, including children's, adults', public health, corporate services, social care, and third-sector contracts.
- All stages of the contract lifecycle; pre-contract, mobilisation, in-contract, and exit.

It applies to all providers, including:

- regulated services (CQC, Ofsted),
- unregulated services,
- small voluntary/community organisations,
- national organisations delivering local services.

## Definitions

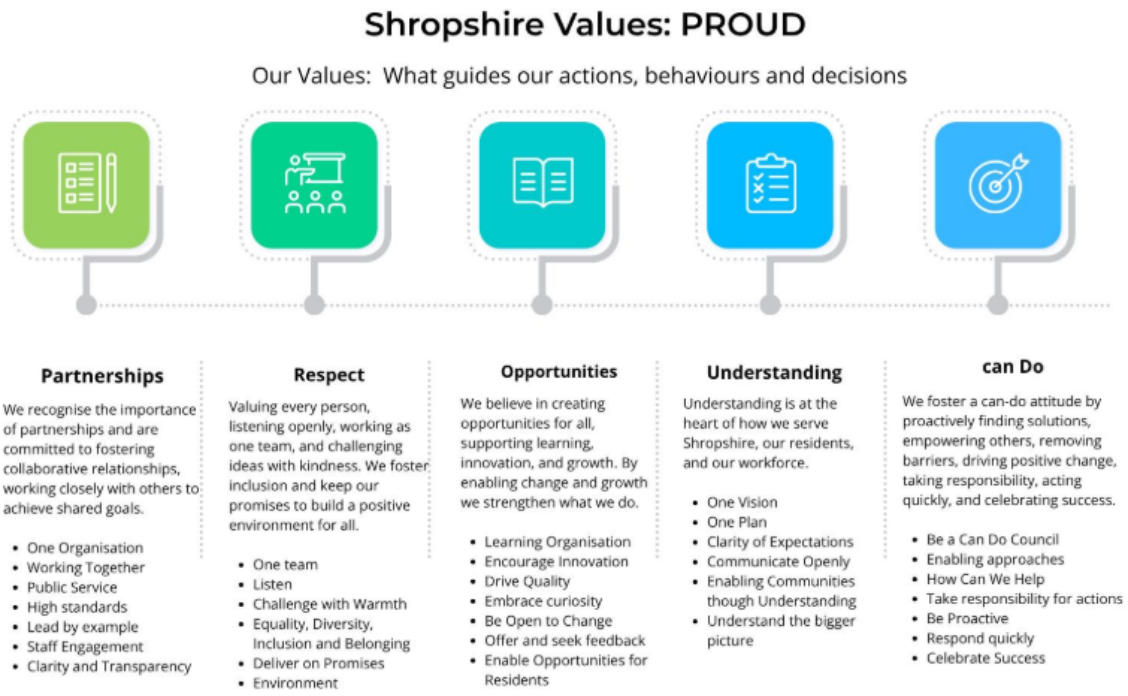
| Term | Definition |
|---|---|
| Adult Social Care (ASC) | Support services for adults with care and support needs. |
| Audited accounts | Financial statements independently reviewed to confirm accuracy and compliance. |
| Business continuity plan | A provider's plan to maintain service delivery during disruption. |
| CCJ | County Court Judgment issued for unpaid debts. |
| CQC | Care Quality Commission, the regulator for health and social care services. |
| CQC Provider ID | Unique identification number assigned to a registered CQC provider. |
| Care Act 2014 | Legislation outlining local authority duties for adult care and support. |
| Children Act 1989 | Legislation governing the safeguarding and welfare of children. |
| Children Act 2004 | Legislation establishing integrated children's services and safeguarding duties. |
| Commissioning | Process of assessing needs, planning, procuring and monitoring services. |

| | |
|---|---|
| Conflicts of interest | Situations where personal or organisational interests could improperly influence decisions. |
| Contingency arrangements | Plans to ensure service continuity during unexpected events. |
| Corporate Due Diligence Declaration | A provider's formal statement confirming compliance with corporate requirements. |
| DPS | Dynamic Purchasing System used for procurement of services. |
| Data Protection Act 2018 | UK law governing data protection and incorporating GDPR. |
| Due diligence | Process of verifying a provider's suitability, safety and compliance. |
| GDPR | General Data Protection Regulation governing data privacy and security. |
| Governance structure | Framework outlining leadership, accountability and decision-making. |
| ICO | Information Commissioner's Office, UK data protection regulator. |
| Illegal Provision | A service that should be regulated (e.g. by CQC or Ofsted) but is operating without the required registration. |
| Intelligence dashboards | Tools used to monitor provider performance and risk indicators. |
| Mobilisation | Preparation period between contract award and service start. |
| Ofsted | Office for Standards in Education, Children's Services and Skills - inspects and regulates services providing education, skills, and care for children and young people. |
| OQC | Operational Quality and Compliance, internal quality oversight process. |
| Operational intelligence | Information from partners or monitoring used to assess service performance. |

| | |
|---|---|
| Procurement Act 2023 | Legislation governing public sector procurement. |
| QA | Quality Assurance processes for monitoring service quality. |
| Regulatory monitoring | Ongoing review of regulatory inspection outcomes and compliance. |
| Regulatory notifications | Mandatory information reported to regulators. |
| Risk rating | Assessment of provider risk based on evidence and monitoring. |
| Safer recruitment | Processes ensuring staff suitability to work with vulnerable people. |
| Service specification | Document outlining required service standards and delivery expectations. |
| SharePoint | Council platform for storing and managing documents. |
| TUPE | Regulations protecting employees when services transfer between employers. |
| Triangulated evidence | Use of multiple independent sources to validate information. |
| Unregulated Provision | A lawful service that does not require registration with a regulator. |
| URN | Unique Reference Number assigned by Ofsted. |
| Winding-up petition | Legal action indicating potential insolvency. |

# Principles

- Alignment with Council Vision: All due diligence activity should be carried out in support of the Council's priorities: Healthy People, Healthy Economy, Healthy Environment, and Healthy Organisation and the council's PROUD Values:




- Proportionate and Risk-Based; The level of due diligence must correspond to the complexity, risk, and statutory nature of the service.
- Evidence-Led and Triangulated; All checks must be based on verifiable information from trusted sources.
- Transparent and Fair; Providers must understand the information required and why it is needed. Officers must apply checks consistently.
- Continuous and Not One-Off; Due diligence is not limited to procurement; it is a continuous activity throughout the contract lifecycle.
- Safeguarding-Centered; Decisions must prioritise the safety, wellbeing and rights of children, adults and families.

# Roles & Responsibilities

**Commissioning & Contracts and QA Monitoring Officers**

- Carry out mobilisation and ongoing due diligence checks
- Maintain intelligence dashboards
- Lead enhanced due diligence when concerns arise

**Contracts Officers**

- Monitor provider compliance

- Ensure due diligence forms are completed and assessed
- Review financial/operational intelligence

**Procurement**

- Ensure pre-contract due diligence is consistently applied
- Support use of procurement questionnaires and corporate due diligence declarations

**Safeguarding/ASC/Children's Services**

- Provide intelligence where required
- Support due diligence checks linked to service delivery, service safety, welfare of people and risk

**Finance**

- Provide financial health assessments when required at each stage of the due diligence process

**Legal**

- Advise where concerns have been raised and require contractual or compliance actions

## Due Diligence Requirements

The Council will undertake due diligence at four key points:

**Pre-Contract Due Diligence (Award Stage) -** To determine whether a provider is safe, legitimate, capable and compliant to be awarded a contract.

- **Required Checks:**
  - **Corporate & Legal**
    - Company registration, trading status
    - Governance structure and leadership
    - Conflicts of interest declarations
    - Professional registrations (e.g., Ofsted, CQC)
    - Required statutory authorisations
  - **Financial Viability**
    - Audited accounts (2–3 years where available)
    - Credit checks/financial risk scoring
    - Evidence of insurance cover
    - VAT registration and tax compliance
  - **Regulatory & Compliance**
    - CQC/Ofsted rating status and enforcement history
    - Regulatory registration numbers (e.g., Ofsted URN, CQC provider ID)
    - Historic non-compliance or restrictions
  - **Quality & Safety**
    - Safeguarding track record
    - Serious incidents/notifications
    - Complaint trends
    - Workforce stability and safer recruitment arrangements
  - **Policies & Governance**
    - Key policies as required in contract scheduling and service specifications
    - Business continuity/resilience plans

        - Data protection compliance (ICO registration)
    - **Past Performance**
        - References from other local authorities
        - Contract history with Shropshire Council
    - **Tools used:**
        - Provider Due Diligence Form
        - Corporate Due Diligence Declaration
        - DPS/Procurement Questionnaire
        - Regulatory portals (CQC, Ofsted, Charity Commission, Companies House)

**Mobilisation Due Diligence (Pre-Go-Live) -** To confirm readiness to deliver the service safely and compliantly.

- **Required Checks:**
    - Staffing levels, qualifications, training
    - Policies and procedures fully in place
    - Premises readiness and safety checks
    - IT, reporting and data-handling capability
    - Service specification compliance
    - Contingency and escalation arrangements
    - Completion of mandatory training (e.g., safeguarding)
    - Verification of new regulatory requirements if applicable
- **Mobilisation may involve joint checks with:**
    - Safeguarding
    - Public Health
    - Commissioning/QA
    - Legal/Procurement

**Contracts and Quality Assurance Ongoing Due Diligence (Throughout Contract) -** To continuously verify provider suitability, stability and risk profile.

- **Required Checks:**
    - **Quality Assurance**
        - QA monitoring visit findings
        - Action plan progress
        - Complaints, incidents and trend data
    - **Regulatory Monitoring**
        - New CQC/Ofsted inspection outcomes
        - Enforcement action
        - Regulatory notifications
    - **Financial Health**
        - Material changes in accounts or credit ratings
        - Evidence of instability (winding-up petitions, director changes, CCJs)
    - **Workforce & Staffing**
        - Staffing shortages or high turnover
        - Safer recruitment breaches
        - Training deficits
    - **Market and Operational Intelligence**

- Feedback and references from partners (health, safeguarding, regional QA groups)
- Changes in service model or structure

**Trigger-Based Due Diligence (Enhanced Checks) -** To provide a targeted and thorough assessment of a provider or organisation when certain risk indicators, illegal activity or contractual concerns arise. These can be triggered by:

  - Safeguarding concerns
  - OQC raised
  - Serious incident
  - Provider financial instability
  - Negative regulatory outcome
  - Complaints patterns
  - Media concerns
  - Change in legal status, ownership or leadership

- Enhanced due diligence may include:
  - Immediate QA visit
  - Intensified monitoring
  - Requesting further evidence (e.g., bank statements, business continuity plans)
  - Multi-agency escalation
  - Legal review
  - Re-assessment of risk rating

## Documentation & Recordkeeping

All due diligence activity must be:

- Recorded on SharePoint or the Contract Management system
- Stored securely in line with data protection standards
- Logged in the provider's risk and intelligence profile
- Shared appropriately with internal partners

## Decision-Making & Escalation

- Due diligence findings will inform:
  - Contract award decisions
  - Risk ratings
  - QA visit frequency
  - OQC escalation
  - Decision to suspend placements or terminate contracts
- Where significant risks are identified, the Council may:
  - Decline to award a contract
  - Delay mobilisation
  - Initiate enhanced monitoring/OQC

- Suspend new placements
- Take contractual enforcement action

## Training and Continuous Professional Development

All staff involved in Due Diligence activity must complete regular training covering legal updates, social value, digital tools, and best practice in line with their contract management training responsibility. The Council will provide access to resources and support to facilitate ongoing professional development.

Each Head of Service must ensure their teams carrying out due diligence complete training related to their role, address skills gaps and resource needs, and utilise the council's training options based on the requirements of this activity.

## Monitoring, Reporting, and Review

This guidance will be reviewed regularly to ensure its ongoing relevance and compliance. Regular evaluation will incorporate feedback from stakeholders, reflect any changes in legislation or best practice, and address emerging needs within contract management processes.

## Related Documents

- Quality Assurance Framework
- Quality Assurance Monitoring Policy
- OQC Guidelines
- Procurement & Tendering Procedures
- New Provider Due Diligence Form
- New Provider (Novation) Due Diligence Form
- Corporate Requirements Due Diligence Declaration
- CQC/Ofsted regulatory guidance

## Version Table

| | |
|---|---|
| **Version** | 1 |
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| **Owner** | Deborah Webster |
| **Author** | Carlo Ferri |

# Appendix 1: Initial Due Diligence Checklist (Pre-Contract / New Provider Approval)

| Area | Evidence Required | Checked (Y/N) | Risk Rating | Comments / Actions |
|---|---|---|---|---|
| Company registered with Companies House (where applicable) | Registration number verified | | | |
| Charity Commission registration (where applicable) | Registration verified | | | |
| Governance structure reviewed | Directors, trustees, senior leadership identified | | | |
| Professional registrations confirmed | CQC, Ofsted, Social Work England etc. | | | |
| Regulatory enforcement action reviewed | CQC/Ofsted warning notices, conditions, restrictions | | | |
| Financial accounts obtained | Previous 2-3 years accounts reviewed | | | |
| Financial health assessment completed | Finance review undertaken | | | |
| Credit checks completed | Credit rating satisfactory | | | |
| Insurance certificates obtained | Public liability, employer liability, professional indemnity | | | |
| ICO registration verified | Current and valid | | | |
| Safeguarding policies reviewed | Current and appropriate | | | |

| | | | | |
|---|---|---|---|---|
| Recruitment policy reviewed | Includes DBS and safer recruitment | | | |
| Business continuity plan reviewed | Current and robust | | | |
| Health & safety arrangements reviewed | Policy and arrangements adequate | | | |
| Equality & diversity policy reviewed | Current and compliant | | | |
| Modern slavery statement reviewed | Applicable organisations | | | |
| References obtained | Minimum two satisfactory references | | | |
| Contract performance history checked | Existing council intelligence reviewed | | | |
| Regional intelligence reviewed | Quality networks / neighbouring authorities | | | |
| Conflicts of interest declaration completed | No concerns identified | | | |
| Overall risk assessment completed | Low / Medium / High | | | |
| Recommendation to proceed | Approved / Conditional / Not Approved | | | |

**Authorisation**

| Role | Name | Signature | Date |
|---|---|---|---|
| Reviewing Officer | | | |

| | | | |
|---|---|---|---|
| Service Manager | | | |
| Head of Service (where required) | | | |

## Appendix 2: Ongoing Due Diligence Checklist (Contract Monitoring)

To be completed at least annually and more frequently where risk levels require.

| Area | Evidence Reviewed | Status (RAG) | Comments / Actions |
|---|---|---|---|
| Latest CQC/Ofsted inspection reviewed | Inspection outcome recorded | | |
| Regulatory notifications reviewed | Significant notifications assessed | | |
| Safeguarding concerns reviewed | Patterns and trends assessed | | |
| OQC concerns reviewed | Open concerns monitored | | |
| Complaints and compliments reviewed | Trend analysis undertaken | | |
| Provider action plans reviewed | Progress satisfactory | | |
| Workforce stability reviewed | Vacancy, turnover and agency usage assessed | | |
| Training compliance reviewed | Mandatory training maintained | | |
| Financial position reviewed | Annual accounts or financial assessment completed | | |
| Companies House changes reviewed | Directors, ownership, insolvency indicators | | |

| | | | |
|---|---|---|---|
| Insurance certificates updated | Current and valid | | |
| Business continuity plan refreshed | Reviewed within last 12 months | | |
| Contract KPIs reviewed | Service performance satisfactory | | |
| QA monitoring outcomes reviewed | Previous visits and findings assessed | | |
| Service user feedback reviewed | Engagement evidence assessed | | |
| Intelligence from partners reviewed | NHS, safeguarding, police, regional groups | | |
| Service model changes assessed | Material changes identified and evaluated | | |
| Placement trends reviewed | Demand and occupancy reviewed | | |
| Risk score updated | Intelligence profile updated | | |
| Required escalation considered | Enhanced monitoring required? | | |

**Outcome**

| Outcome | Tick |
|---|---|
| No Concerns Identified | |
| Routine Monitoring Required | |
| Enhanced Monitoring Required | |
| OQC Required | |
| Legal Advice Required | |

| | |
|---|---|
| Financial Review Required | |
| Contract Enforcement Considered | |

## Appendix 3: Reactive Due Diligence Checklist (Enhanced / Unregulated / Illegal Service Assessment)

**Purpose:** To be completed when considering using, continuing to use, or responding to concerns regarding an illegal, unregulated, emergency placement, unsupported accommodation provider, specialist service, or any provider where standard assurance mechanisms do not exist.

| Area | Evidence Required | Outcome | Comments |
|---|---|---|---|
| Reason for reactive due diligence documented | Referral/concern recorded | | |
| Nature of service understood | Service description obtained | | |
| Regulatory status confirmed | Why service is unregulated documented | | |
| Ownership and legal entity verified | Companies House or equivalent checked | | |
| Identity of responsible persons verified | Directors / proprietors identified | | |
| DBS arrangements confirmed | Relevant staff checked | | |
| Safeguarding arrangements reviewed | Policies and reporting pathways evident | | |
| Staff qualifications verified | Relevant competency evidence obtained | | |
| References obtained | Previous commissioners contacted | | |
| Insurance verified | Current and appropriate | | |

| | | | |
|---|---|---|---|
| Financial viability assessed | Audit evidence reviewed | | |
| Property planning correct | Evidence reviewed | | |
| Premises risk reviewed (where applicable) | Visit completed | | |
| Health and safety arrangements reviewed | Fire, risk assessments, maintenance | | |
| Service user risk assessment completed | Individual risks considered | | |
| Local intelligence reviewed | Social care, QA, safeguarding, police, health | | |
| Internet/media searches completed | Adverse information considered | | |
| Previous incidents or complaints reviewed | Factored into assessment | | |
| FOR ILLEGAL PROVISIONS: Have all placement searches been exhausted that could meet the person's assessed needs? | Evidence observed placement paperwork / MDT and placement meetings | | |
| Benefits outweigh risks assessment completed | Decision documented | | |
| Senior Management Team approval obtained | Required approvals recorded | | |
| Review frequency agreed | Weekly/monthly/quarterly | | |

# All-age provider organisational quality concerns (OQC) guidance

**March 2026**

**Shropshire Council – Commissioned Care & Support Services**

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# Introduction and Background

Shropshire Council is responsible for ensuring that all externally commissioned care and support services for children, young people and adults are safe, effective, and person-centred. As part of this responsibility, the Council operates an Organisational Quality Concern (OQC) process, used to identify, assess and respond to concerns about the quality, reliability or governance of commissioned providers.

The OQC process forms a core component of the Council's all-age Quality Assurance Framework (QAF) and supports our statutory duties under the Care Act 2014, the Children Act, and associated regulatory frameworks. It enables the Council to take a proactive, intelligence-led approach to monitoring the provider market, using information from a wide range of sources to detect patterns of concern that may indicate organisational weakness or the potential for service failure.

Shropshire Council commissions a diverse range of regulated and non-regulated provision, including domiciliary care, supported living, residential care, short breaks, and specialist therapeutic services. This complex market makes it essential that the Council maintains a consistent, risk-based mechanism for gathering intelligence and escalating issues. The OQC process ensures that concerns which go beyond isolated incidents – such as persistent staffing problems, poor leadership, missed calls, unsafe care practices, or repeated complaints – are recognised early and addressed robustly.

By identifying systemic risks at an early stage, the OQC process helps the Council to protect individuals, uphold contractual and regulatory standards, and maintain service continuity across Shropshire's provider landscape. It also supports collaborative working with partners such as the Integrated Care Board (ICB), safeguarding teams, regulators, and other local authorities, ensuring that oversight is coordinated and that providers are held to account when quality falls below acceptable levels.

Ultimately, the OQC process strengthens Shropshire Council's ability to maintain high-quality, stable and resilient care markets, ensuring that those who rely on commissioned services are safeguarded and supported to live the best life possible.

**OQCs:**

- Provide early warning of provider-level risk; OQCs help the council identify trends such as repeated complaints, poor staffing, management instability, or non-compliance – issues that may not be visible when looking at individual incidents alone. This allows earlier intervention and reduces the likelihood of provider failure.
- Protect children, young people, and adults receiving care; Systemic concerns often impact many people, not just isolated individuals. By addressing

organisational issues, Shropshire strengthens safeguarding and reduces the risk of harm or service disruption across its provider market.

- Ensure commissioned services meet contractual and regulatory standards; OQCs form part of the evidence base for contractual action, performance notices, or, if necessary, provider suspension. This supports clear accountability and compliance with regulations such as Care Act duties and Ofsted/CQC requirements.
- Support consistent, intelligence-led quality assurance across the whole market; Shropshire's OQC policy emphasises a unified, all-age QA system, ensuring adults' and children's services are monitored with the same rigour and structure.
- Provide a clear reporting route for internal staff, partners, and external professionals; Providers, practitioners; and provides partners (e.g., health, social workers, ex-employees) with guidance on what an OQC is and when it should be raised, ensuring that concerns reach the right part of the council in a timely manner.
- Support market stability and prevent service disruption; By identifying organisational fragility early, Shropshire can plan contingencies and avoid crises where providers suddenly cannot deliver safe care.

## Scope

This policy applies to all externally commissioned care and support services across Shropshire's children's, young people's, adults', and older people's services. It covers both regulated and non-regulated provision, delivered inside or outside of Shropshire, and includes (but is not limited to):

- Children's residential care, fostering, supported accommodation, domiciliary care, short breaks, and specialist therapeutic services
- Adult residential and nursing care, supported living, domiciliary care, extra care, day opportunities, respite, mental health and learning disability services
- Jointly commissioned or integrated services delivered with the NHS/ICB and regional commissioning partners
- Any provider or organisation delivering contracted support, whether through block contracts, framework arrangements, spot purchasing, or individual placements
- Voluntary and Community Services (VCS)
- Early help and preventative services

This policy applies to all council staff and partner agencies involved in commissioning, contract management, quality assurance, operational social care practice, and partnership working. It covers the identification, reporting, assessment, escalation,

monitoring, and resolution of Organisational Quality Concerns (OQCs) relating to any commissioned service.

***This policy does not apply to concerns about individual cases of care and support that require safeguarding or casework intervention (though such concerns may generate OQCs and organisational learning where they are caused by systemic poor practise).***

## Definitions

| Term | Definition (in the context of this policy) |
|---|---|
| **All Age Portfolio** | Shropshire Council's unified commissioning and quality assurance remit covering *all* externally commissioned care and support services for children, young people, adults, and older people. It includes both regulated and non-regulated provision across the full life course, ensuring that the OQC process, risk management, monitoring, and QA standards are applied consistently regardless of the age group served. |
| **Intelligence** | Information gathered from a range of sources including:<br>• CQC/Ofsted ratings<br>• regulatory notifications<br>• complaints<br>• provider returns<br>• provider audits<br>• Health/ICB input<br>• stakeholder reports<br>• OQCs<br>• performance reports<br>• safeguarding trends<br>• contract meeting outcomes. |
| **Multi-Disciplinary Team (MDT)** | A group of professionals from different partnership disciplines who work collaboratively to support decision-making in the health and social care market. |
| **Organisational Quality Concern (OQC)** | A concern relating to provider practice or organisational capability, not a single individual case. Examples include (but is not limited to):<br>• Poor leadership or management<br>• Staff training/gaps<br>• Poor record-keeping<br>• Staffing levels and turnover of staff<br>• Medication management issues<br>• Environmental concerns<br>• Recurrent missed calls or reliability issues<br>• Failure to follow policies/procedures |

| | |
|---|---|
| | • Persistently poor communication |
| **Quality Assurance (QA)** | The systematic process of assessing and improving the quality, safety, and effectiveness of commissioned services through intelligence, monitoring, and action. |
| **Quality and Performance Group (QPG)** | The Council's formal governance forum for overseeing and managing quality, performance, and risk within the social care provider market, with authority to scrutinise concerns, agree corrective actions, and make decisions on escalation where provider quality or safety is compromised and deemed high risk. |
| **Quality Threshold Levels** | A risk-based categorisation that enables the systematic identification and assessment of concerns, ensuring appropriate responses are triggered according to the severity and recurrence of issues.<br>• **Level 1 – Green:** No/minor concerns<br>• **Level 2 – Amber:** Moderate, emerging, or repeated themes<br>• **Level 3 – Red:** Major concerns requiring intensive intervention |
| **Risk Review Meeting** | A formally convened, multidisciplinary internal meeting held to assess, evidence and determine the Council's response to identified organisational failure, unsafe practice, or high-risk activity within a social care provider. |
| **Service Improvement Plan (SIP)** | A structured, timebound action plan that Shropshire Council requires a provider to implement when an Organisational Quality Concern (OQC) has been substantiated and the provider needs to make demonstrable improvements to address systemic or repeated quality issues. |

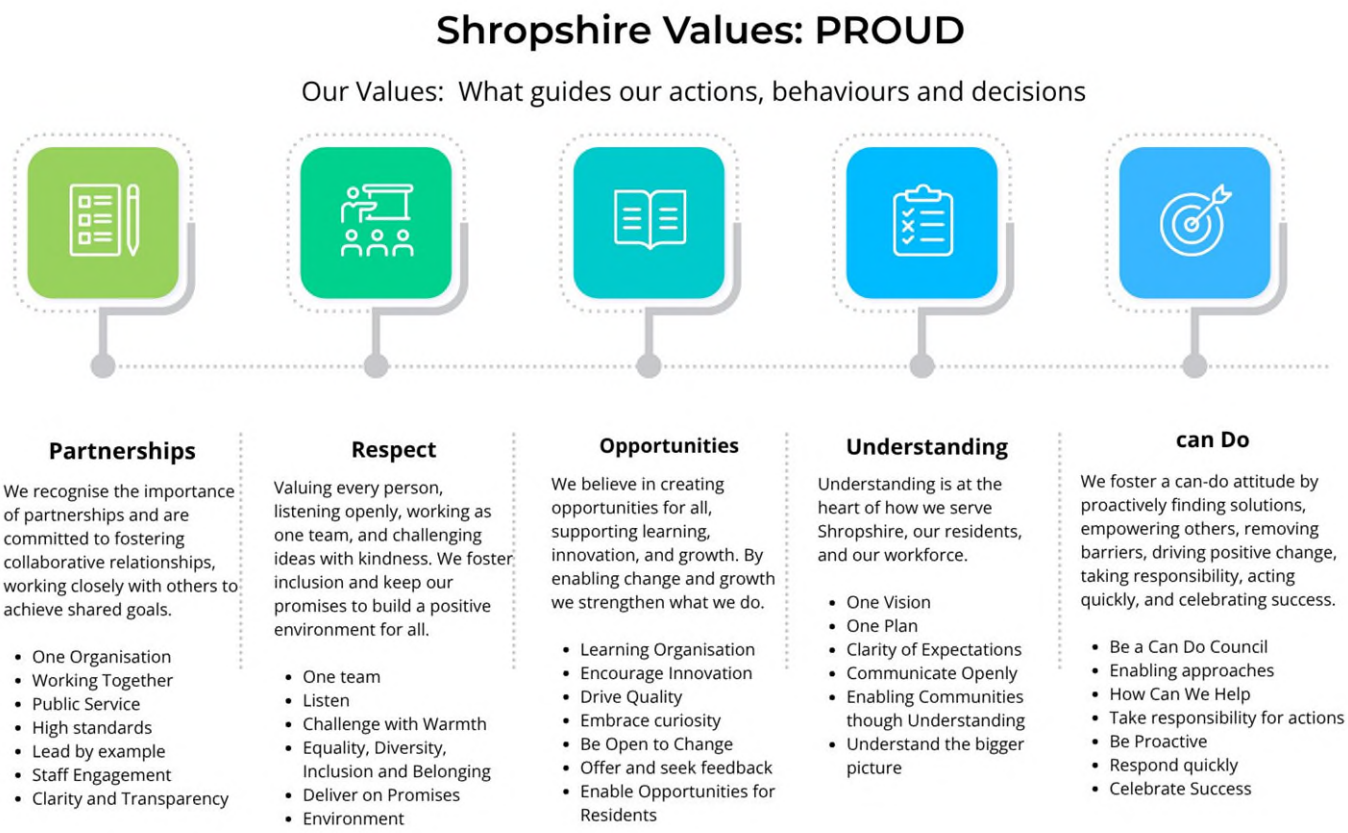
## Principles

This policy is based on the following key principles:

- **All-age consistency:** Adults and children's services follow a unified QA cycle, adapted only where statutory requirements differ.
- **Proportionate monitoring:** The level and frequency of oversight is aligned to risk, complexity, and vulnerability the concern raised presents.
- **Intelligence-led:** Decisions use triangulated, high-quality data.
- **Collaboration:** QA is shared across Council teams, partner agencies, providers, and regulators.
- **Transparency:** Providers are informed of concerns, expectations, and actions required.

- **Continuous improvement:** The system supports providers to improve and sustain positive outcomes for individuals. This also applies to Shropshire Council processes.

And is underpinned by Shropshire's values: PROUD




# Roles & Responsibilities

## Contracts and Quality Assurance Team:

- Lead triage of OQCs
- Conduct reactive quality monitoring visits
- Coordinate SIPs and improvement activity
- Maintain Contract and QA dashboards
- Provide assurance reports to governance
- Provide contract intelligence
- Issue contractual notices where required
- Review compliance with service specifications
- Maintain market provider oversight and report on this when required
- Issue and manage contractual actions (non-compliance, defaults, variations, suspensions).

- Maintain the central contracts register and monitor renewal cycles.

## Commissioners:

- Lead market shaping, sufficiency planning, and strategic commissioning.
- Provide contract intelligence to the Contracts and QA team and support risk-based decision-making.
- Support any reactive monitoring with the Contracts and QA team (visits, SIPs, triangulation) when requested to, to ensure stability of provider relationship through any investigation process.
- Develop service specifications and support procurement processes.
- Facilitate provider engagement, partnership working, and feedback mechanisms.
- Use data and intelligence to influence service improvement and future commissioning cycles.

## Social Care Operational Team:

- Identify and escalate OQCs and provider quality concerns (OQCs, safeguarding, complaints), quickly using the correct systems and processes.
- Provide intelligence to QA/Commissioning to support monitoring and provider oversight.
- Participate in QA visits, audits, and evidence-gathering when required.
- Support risk assessment processes by sharing operational insight.
- Contribute to improvement activity and implement learning from QA findings.
- Collaborate with Commissioning, QA, and partner agencies on service improvement planning and monitoring.

## Safeguarding (Adults & Children):

- Lead case-specific safeguarding processes
- Attend risk/QA meetings where there are safeguarding themes
- Provide advice on thresholds

## Providers:

- Maintain compliance with statutory and contractual requirements
- Cooperate fully with the OQC process and any subsequent monitoring
- Implement required actions within required agreed timeframes
- Notify the Council of significant incidents, changes, or risks

# Organisational Quality Concerns (OQC) Process

The OQC process provides a structured route for logging, triaging, and responding to concerns about systemic poor provider practices.

## When to raise an OQC

Raise an OQC when concerns relate to service-wide or organisational issues, such as:

- Recurrent reliability issues (missed calls, early/late visits)
- Concerns about staff competence, training, or supervision
- Provider culture or management oversight issues
- Persistent record-keeping errors
- Medication administration recurring problems
- Environmental or safety concerns
- High turnover or workforce instability
- Repeated complaints with similar themes

## When NOT to raise an OQC

Do ***not*** use OQC for:

- Named individual's care concerns → follow safeguarding/complaints pathways
- Providers Shropshire Council does not contract with
- Health funded only / Hospitals / acute settings
- Single, isolated incidents unless they form a significant pattern (systemic)

## Logging an OQC

***All OQCs for Adult Services are submitted via Liquid Logic (LAS). Staff must re-allocate completed submissions to the CONTRACTS team so they can be processed accordingly.***

***Children's Services – OQCs are to be completed using the MS Form (OQC), accessible via laptops and optimised for use on smartphones and tablet devices. Submissions will be sent directly to the Contracts and QA team via email for processing.***

***External Agencies, Partners or Providers should log OCQs using out First Point of Contact service (FPOC) on 0345 66779044***

When submitting an OQC, the information must be complete, specific, and factual, so that screening, risk assessment, and triage can be carried out accurately.

**Referrer Information (Who is raising the concern?)**

Include:

- Full name
- Position / job title
- Organisation (e.g., Shropshire Council team, provider, external professional)
- Contact details:
    - Phone number
    - Email address

This is required so QA or FPOC can clarify details and verify legitimacy.

**Provider Information (Who the concern relates to?)**

You must include:

- Name of the provider
- Exact service location / home name (if the provider operates multiple homes or branches)
- Whether the person raising the concern knows any LA-funded individuals currently placed there

This helps avoid errors due to providers appearing under different banners or contract arrangements.

**Category of Concern**

Choose the most accurate concern category (or categories) from the OQC form.
Selecting the right category helps the Contracts/QA team to identify trends across the provider market.

**Description of the Concern**

This is the most important part.
Provide a clear, factual, chronological description covering:

- What happened (facts only: no opinion or assumptions)
- When it happened (include dates/times if known)
- Who was involved (roles, NOT names of service users)
- What harm, risk, or potential risk was observed
- Whether it is:
    - a one-off incident,
    - a repeated pattern,
    - or part of a wider organisational issue

The clearer the narrative, the easier it is for QA/Contracts officers to triage accurately.

**Evidence or Intelligence Available**

State what evidence you have, such as:

- Emails
- Observations
- Visit notes
- Complaints raised
- Conversations with staff
- Agency reports
- Repeated themes in calls/visits
- CQC/Ofsted reports (if relevant)

If you do not have evidence yourself, explain where the information came from (e.g., "reported by multiple professionals", "noted during monitoring visit").

**Whether Other Professionals Have Been Informed**

You MUST state:

- Who else is aware? (e.g., social worker, safeguarding, health professional, commissioning officer)
- Whether the concern has already been reported elsewhere
- Whether the provider has been made aware

This stops duplication and ensures the correct team leads the next action.

**Funding Status**

Confirm:

- Whether the person(s) affected are funded by Shropshire Council
- Whether Shropshire Council arranged the care
- Provision is in or out of county

This determines whether the concern falls within Shropshire Council's remit.

## Triage

Once an OQC has been submitted, the Contracts and QA Team complete an initial screening to determine:

- Severity
- Credibility
- Scope
- Level of risk
- Immediate action required

This is the point where it will be decided at department level, whether the OQC will progress through the formal OQC process or not. Where the OQC is determined not to

meet the scope for formal action, a case note will be added to the OQC and it will be closed down for reference later should further OQCs be submitted for a provider.

If the team needs more information to make a fair decision about progressing the OQC to a formal process, your submission may be reassigned and you must resubmit the OQC with additional details. Sometimes, a team member will contact you for clarification or refer you to another service.

OQCs closed due to lack of scope cannot be used as evidence for future actions.

If an OCQ meets the criteria for formal investigation, it will be documented and proceed to risk assessment and allocation.

## Risk Assessment & Risk Rating Allocation

Once an OQC is accepted as requiring investigating, the concern is evaluated against the provider's current QA risk rating as well as any additional intelligence held by Shropshire Council regarding the provider in question. Following this assessment, a decision will be made to allocate a Risk Rating (RAG rating) to determine next steps and appropriate actions to facilitate improvement for the provider, thereby aiming to reduce the likelihood of future concerns. Risk ratings must be proportionate and fair and are made in line with Shropshire's Quality Assurance Framework (QAF) RAG rating thresholds. Steps to determine a RAG rating are:

**Intelligence Review**

When an OQC is received, the Contracts/QA team gathers and reviews all relevant intelligence, which may include:

- Previous OQCs
- Complaints
- Safeguarding themes
- CQC/Ofsted outcomes
- Staffing/leadership concerns
- Non-compliance notices
- Incident patterns
- Feedback from social workers or health teams

This step ensures concerns are understood in context, not in isolation.

**Initial Risk Screening**

The QA/Contracts team screens the concern for:

- Severity (actual or potential harm to people, provider, markets of Shropshire Council reputation)

- Likelihood (is this isolated, recurring, or worsening?)
- Impact (on supported people, workforce, or continuity of care)
- Scope (one event vs. systemic organisational problem)

Contract and Quality Assurance Officers assess if a concern is low, moderate, or high risk, or refer it on to a more appropriate department, as needed.

**Allocation to a Quality Threshold Level**

The OQC is then assigned one of the Council's three threshold levels:

Level 1 **Green** — Low Concerns

- Minor issues or isolated incidents
- No immediate risk of harm
- Provider has capacity and systems to resolve issues internally
- Managed by the Contracts Team using routine or additional monitoring

Level 2 **Amber** — Moderate Concerns

- Repeated or developing themes
- Emerging patterns (e.g., staffing instability, communication issues, multiple complaints)
- Provider may be struggling to maintain quality
- Reviewed at the Quality Planning Group (QPG) multi-agency meeting

Level 3 **Red** — Major Concerns

- Serious concerns about safety, governance, leadership or compliance
- Evidence of significant failures (e.g., severe staffing shortages, medication safety issues, failed inspections)
- Possible risk of provider failure, suspension, or enforcement
- Automatically escalated to the MQA meeting for urgent review and multi-agency decision-making

**Joint Decision-Making for Level 2 and 3**

For Amber and Red concerns, decisions are not made in isolation.

The case is reviewed at the Quality Performance Group (QPG) Meeting, chaired at Head of Service level, with representation from:

- Contracts & Quality Assurance Team
- Commissioning

- ICB (for jointly commissioned services)
- Safeguarding
- Operations (Children & Adult services)
- Other partners as needed

This group:

- Reviews all intelligence
- Confirms or adjusts the risk level
- Decides on escalation or de-escalation
- Agrees required actions (e.g., SIP, reactive visits, suspensions)

When an urgent risk is identified, the QPG functions as Shropshire Council's joint decision-making forum, with key colleagues to promptly assess the severity of the issue, determine necessary actions, ensure the protection of service users, stabilise the provider, and assign a provisional risk level. In such situations, the QPG may convene in a non-traditional manner, with decisions made by those available to prioritise safety. These decisions should subsequently be reviewed with the wider QPG at the earliest opportunity to provide justification for the actions taken. Typically, the most senior individual present with decision-making authority will make these determinations.

**What Risk Levels Trigger**

Each OQC risk level has defined monitoring and intervention routes:

Level 1 – **Green**

- Routine monitoring
- Provider-led improvements
- May include a low-level action plan
- Saved intelligence to identify patterns forming

Level 2 – **Amber**

- Increased monitoring
- Targeted visits
- Service Improvement Plan (SIP) required
- QPG oversight

Level 3 – **Red**

- Immediate intensified monitoring
- Possible temporary suspension of placements
- Contractual enforcement
- High-level oversight by QPG and senior leadership

- Potential provider failure planning

**Dynamic Review**

Risk levels are not permanent.

They are re-evaluated regularly based on:

- Evidence submitted
- Improvement progress
- Visit findings
- New intelligence
- Regulatory updates

The QPG may escalate or de-escalate a provider each month.

## Decision-Making

Contracts and Quality Assurance meet with Commissioners, Safeguarding (where relevant), and partner agencies monthly as the QPG or as required (depending on severity of the OQC) to agree the required response to OQCs submitted, which may include in-person visits, the necessity for a Service Improvement Plan (SIP), and whether there is justification for considering contract default or suspension. Providers are then given clear information detailing the concerns identified, the actions they must take, specific timeframes, the evidence required to demonstrate compliance, and the consequences should they fail to meet these requirements.

Decisions required arising from provider failure or significant market or business risk will be determined at an internal Provider Risk Management meeting. This meeting will always involve participation from a delegated member of the commissioning or contracts team. Furthermore, these matters must be discussed with the Head of Commissioning and / or Contracts to ensure appropriate oversight and alignment with organisational protocols.

## Provider Communication

Providers receive clear information outlining:

- The concern(s) raised
- Required actions
- Timeframes
- Evidence required
- Consequences of non-compliance

## Response & Action

Where concerns are substantiated and improvement is required, it would be expected in the first instance that the provider will make the required changes through informal means or a service improvement plan, in line with its own quality assurance policies and procedures, however where the Council feels that concerns are not managed by the provider one or more interventions by the council may occur:

### Improvement Support

- Service Improvement Plan (SIP)
- Increased casual visit frequency
- Targeted support from the Council's Operational Team, Health Colleagues or other or other interested partners.
- Official Monitoring meetings (monthly/fortnightly as required)

### Contractual Responses

- Recommendations and contract compliance action plans
- Default Notices / Non-compliance letters
- Placement pause / suspension (temporary halt to new placements)
- Contract variation review
- Escalation to senior management / governance
- In severe cases: termination

### Governance

- Amber/Red cases will be reviewed via our internal QPG team meetings
- Quarterly summary reports shared with our wider Strategic Commissioning Board and commissioning partnerships
- Cross-agency intelligence sharing for jointly-commissioned services including with regulatory bodies
- Learning is fed into market-shaping and sufficiency planning through the council's commissioning processes

Where concerns are unsubstantiated, the investigating officer will update the OQC case record with their findings and close the concern, after which they will communicate their decision to the provider and the professional logging the OQC.

## Communication & Transparency

The Council will:

- Communicate findings and expectations clearly
- Share timescales and consequences of non-compliance
- Ensure providers have opportunity to clarify or challenge information

- Work collaboratively to support improvement

Providers must:

- Maintain open communication
- Share accurate information promptly
- Notify the Council of changes in management, staffing, or service delivery
- Provide evidence of improvement

## Associated Documents

- Quality Assurance Framework Statement (QAF)
- Quality Assurance Policy
- Contract Management Policy
- Provider Failure & Service Interruption Policy
- Planned & Reactive Monitoring Protocols
- Safeguarding Policies (Adults & Children)
- Complaints Policy
- Provider Handbook / Specifications
- OQC Form & Reporting Guidance

## Review Cycle

This policy will be reviewed:

- Annually
- Following significant legislative/regulatory change
- Following learning from escalated OQC or provider failure cases
- Following system change or major policy updates

## Version Table

| | |
|---|---|
| **Version** | 1 |
| **Implementation date** | April 2026 |
| **Last review** | March 2026 |
| **Next scheduled review** | March 2027 |
| **Owner** | Deborah Webster |
| **Author** | Carlo Ferri |

## Provider Concerns

The Social Care Contracts and Quality Assurance Team has a role to play in supporting improvements by care providers, and the submission of Organisational Quality Concern (OQC) forms via LAS to the team is a way in which social work teams, FPOC etc can communicate concerns.

OQCs are to be used to gather intelligence from a variety of sources to ensure that the providers we contract with offer a good quality service of care.

We need staff to ensure they log these issues and refer them via LAS to the Social Care Contracts and Quality Assurance Worktray as soon as they are aware of the issues.

Examples:

- Residential/Nursing Homes - apparent low staff numbers, poor care witnessed, poor environment.
- Domiciliary Care – apparent low staff numbers, poor care, continual examples of missed/late calls
- Supported Living – apparent low staff numbers, poor care, poor environment.
- Day Opportunities – apparent low staff numbers, poor care, poor environment.
- Voluntary Care Sector – apparent low staff numbers, referral times.

**When OQCs should NOT be used:**

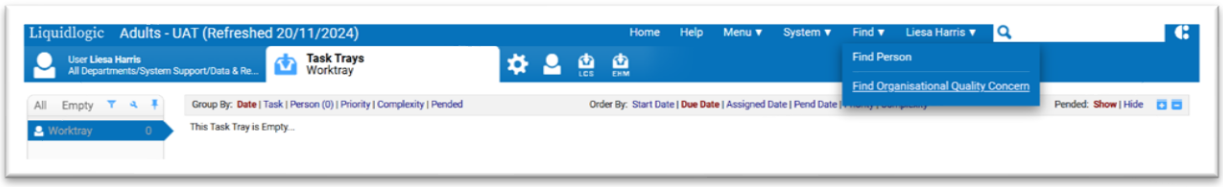
- To raise concerns about the care of named individuals.
- To raise concerns about providers we don't contract with
- For safeguarding concerns
- To report a complaint

In some cases, OQC forms are being used to submit issues that the Social Care and Quality Assurance Team are not able take forward. Our expertise and capacity does not allow the team to investigate concerns that relate to the care that individuals are receiving.

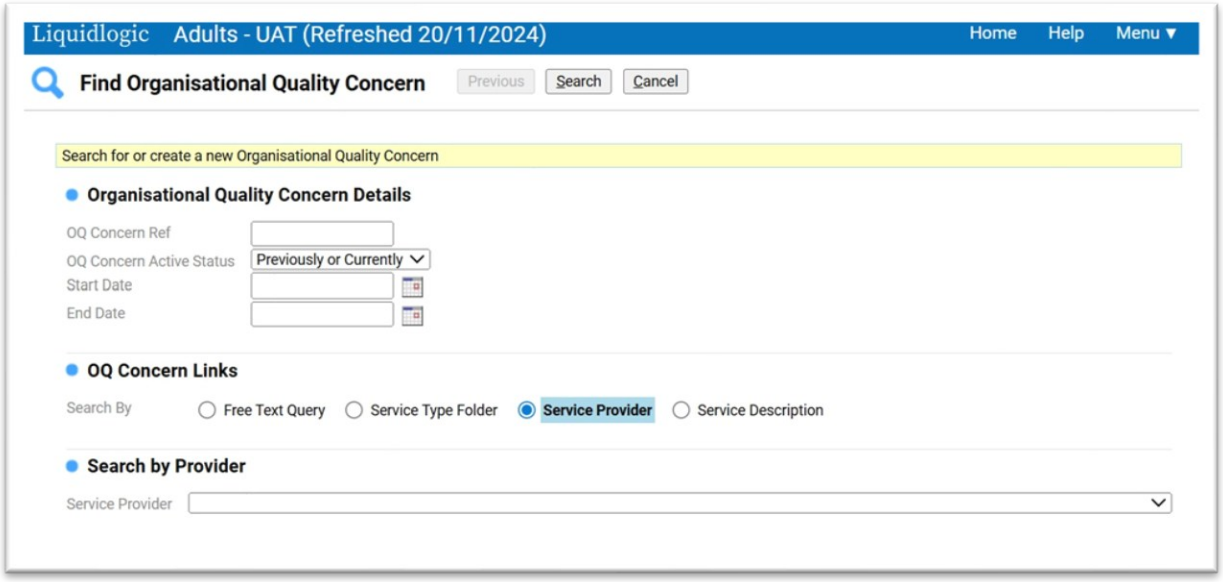
We are also not able to respond directly to individuals or families. The focus of our work is to engage with providers about organisational and operational aspects of their business. For example: the way they recruit; the training that staff receive; the adoption and implementation of policies and procedures; the management arrangements that the provider has in place. This work also involves working to a schedule of care provider visits to check and validate improvements; follow up on requirements made by CQC and Healthwatch and in relation to formal complaints.

## Creating an Organisation Quality Concern in Liquidlogic

1. From the Home screen click **Find** and select **Find Organisational Quality Concern**




The following screen will appear:




2. Complete the required information:

   **Organisational Quality Concern Details**

   **OQ Concern Ref**– if known and existing, otherwise ignore

   **Start Date** – only if searching for an existing concern

   **OQ Concern Links**

   **Search By** - click the **Service Provider** radio button

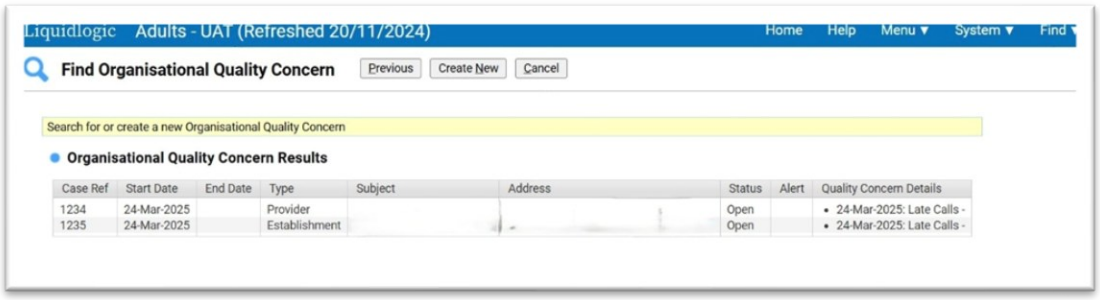
   **Search by Provider**

   **Service Provider** - from the drop-down menu, select the relevant provider

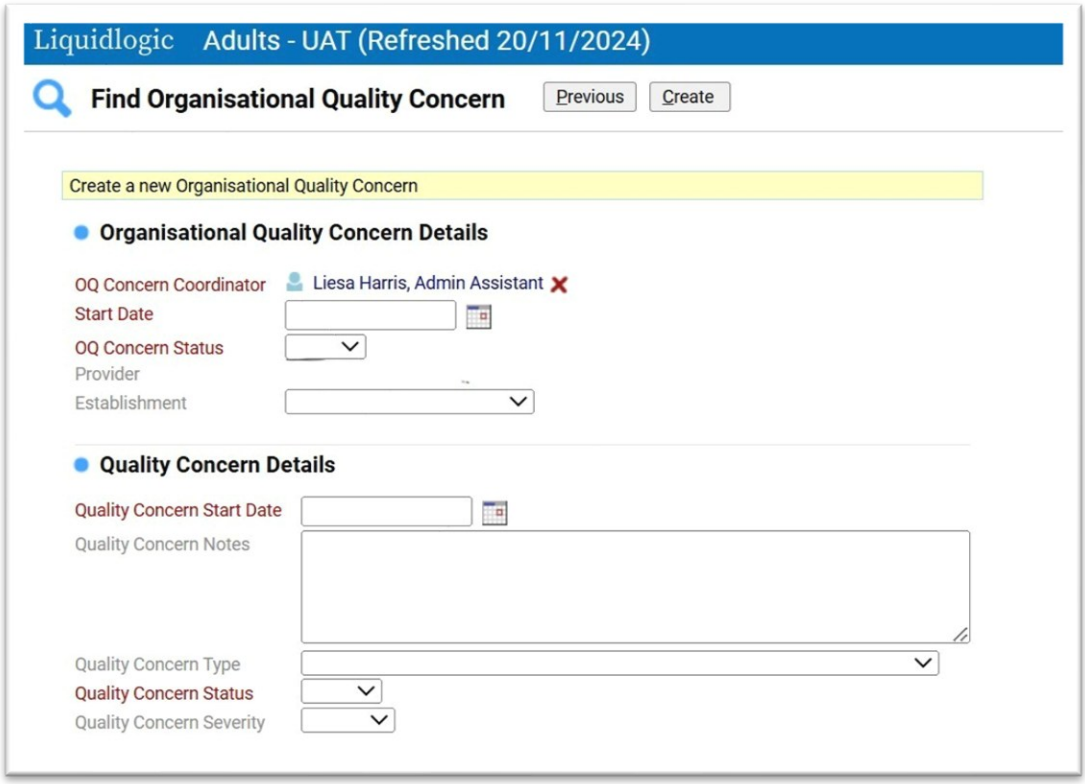
   *Note: Some providers may appear multiple times – each variation relates to the type of contract they are under on ContrOCC. If in doubt, select the first one from the list*

3. Click on **Search** at the top of the screen.

4. The following screen will appear showing any previous concerns for the selected provider. If it is a new concern, click **Create New** or review the details of any previous concerns, then click **Create New**




5. The following screen will appear:




Complete as much information as you have.

**Organisational Quality Concern Details**

**Start Date** - today's date

**OQC Concern Status** – select **Open** from the drop-down menu

**Provider Establishment** – will be pre-populated with the name selected on the previous screen

**Quality Concern Details**

**Quality Concern Start Date** – the date the concern was identified/witnessed

**Quality Concern Status** – select **Open** from the drop-down menu

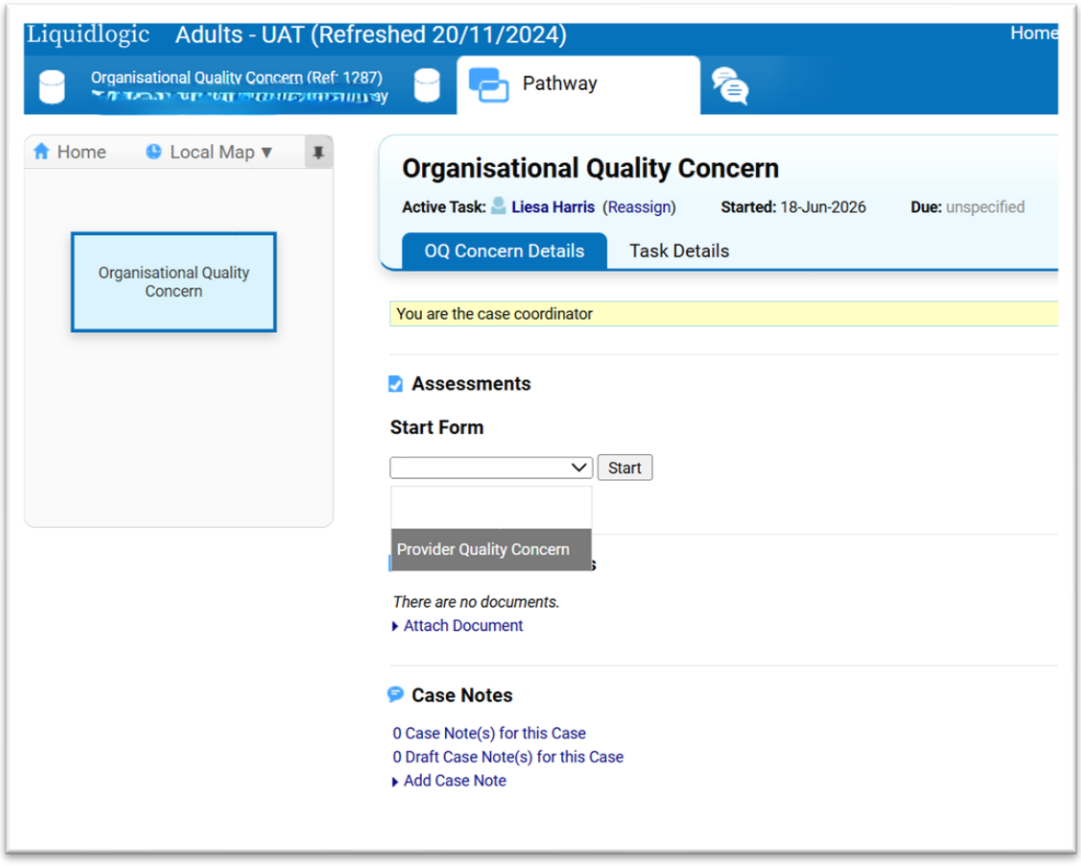
6. Click **Create** A warning message will appear asking if you are sure you want to start a new OQ Concern for your selected provider.



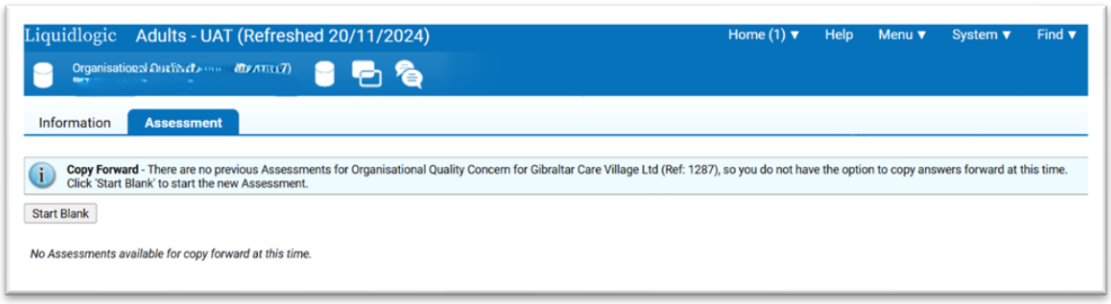

7. Click **OK** if it is the correct provider.

8. The following screen will appear.

   **Start Form -** Select **Provider Quality Concern** from the drop-down list then click **Start**

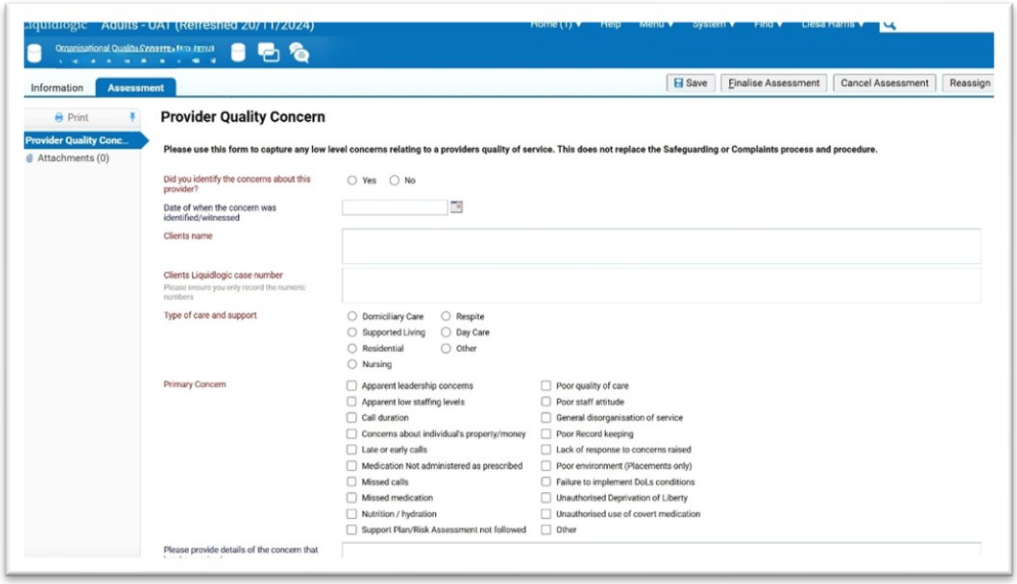



9. The following screen will appear. If you are adding to a previous concern, you can use **Copy Forward**. If you are starting a new OQ concern, click **Start Blank**




10. On the following screen, complete the form with as much detail relating to the concern as possible.

*Note: Certain fields (coloured red) are mandatory: Did you identify the concerns about this provider?; Clients name; Clients Liquidlogic case number; Type of care and support; Primary Concern; Have you contacted the provider?; and Please select the applicable outcome for the concern raised.*



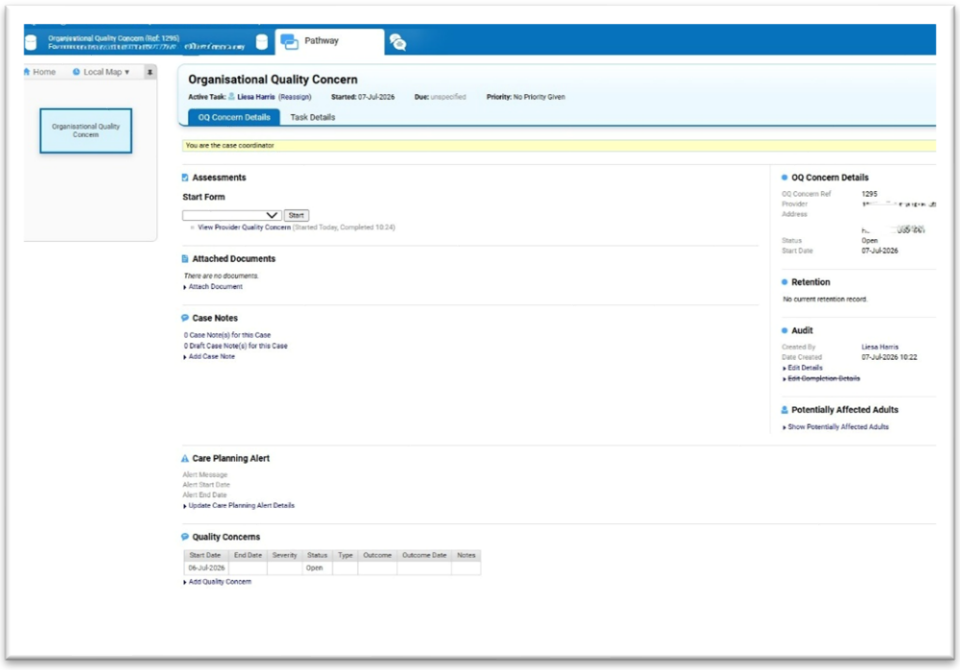

*Note: **Clients name** and **Clients Liquidlogic case number** should be N/A if the concern is intended for the Social Care Contracts and Quality Assurance Team.*

11. Click on **Finalise Assessment** at the top of the screen. The following warning message will appear.



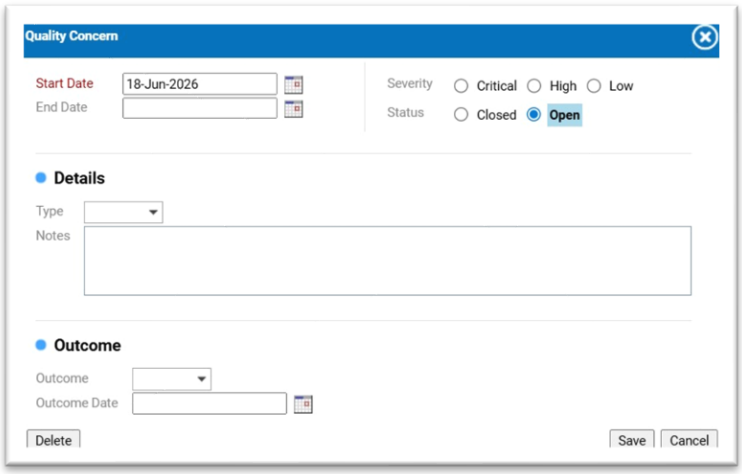

12. Click **OK** if you are happy to finalise the assessment.

13. The screen below will appear.




*If your concern requires action from the Social Care Contracts and Quality Assurance Team.* ***jump to step 20*** *now and continue from there. If you are dealing with the concern yourself (this should be the case if it relates to an individual) continue with this step.*

If you have resolved the concern you need to specify the outcome by clicking anywhere in the table appearing under **Quality Concerns**. The following window will appear:




Complete the necessary information.

**End Date** – enter the date the concern was resolved

**Severity** – click on the appropriate radio button to specify whether the severity is **Critical**, **High** or **Low**

**Status** - click on the **Closed** radio button

**Details**

**Type** – from the drop-down menu select the relevant type of concern e.g. Apparent leaderships concerns, General disorganization of service, Late calls, Medication not administered as prescribed – with symptoms, Support plan not followed etc.

**Notes** – add notes where necessary

**Outcome**

**Outcome** – select the relevant outcome from the drop-down menu e.g. Contracts to carry out reactive visit, No further action, Share with CQC etc

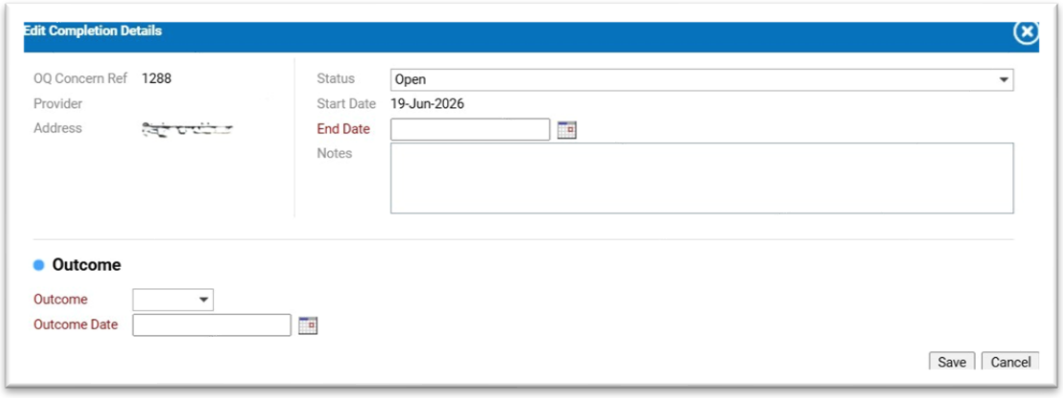
**Outcome Date** – enter the date of the outcome.

14. Click on **Save**

15. Under the **Audit** heading on the right of the screen, click on **Edit Completion Details**




16. The following window will appear:




Complete the necessary information.

**Status** – from the drop-down menu change the status from Open to **Closed**

**End Date** – add date the concern was resolved

**Outcome** – select relevant outcome from the drop-down menu

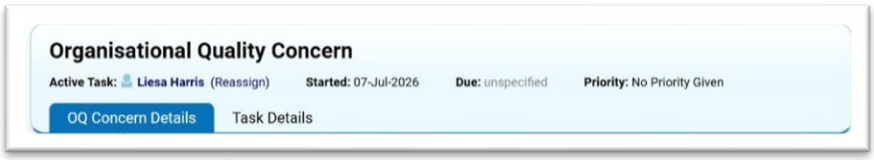
**Outcome Date** – add the outcome date

17. When the form is complete, click **Save**

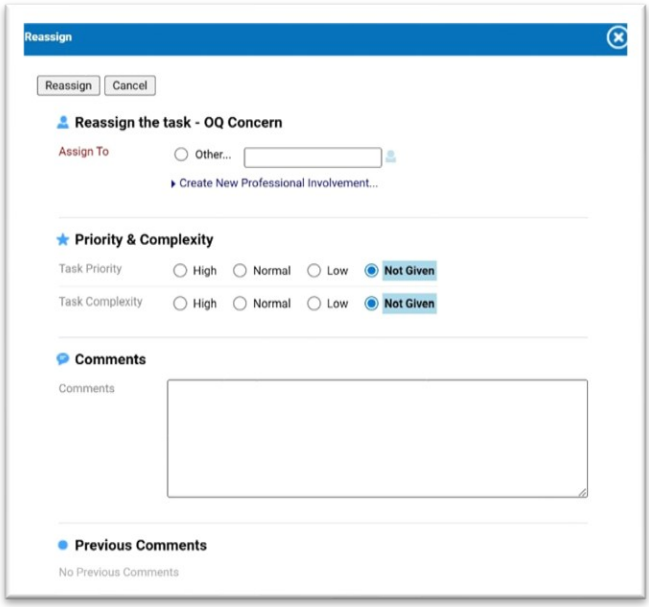
18. You now need to complete the Retention Record. Click on **Open Retention Record** and the following screen will appear

19. Click on **Finalise**

20. If your concern requires action from the Social Care Contracts and Quality Assurance Team (i.e. only if not in relation to an individual) after step 13, click on **Reassign** towards the top of the screen alongside your name.

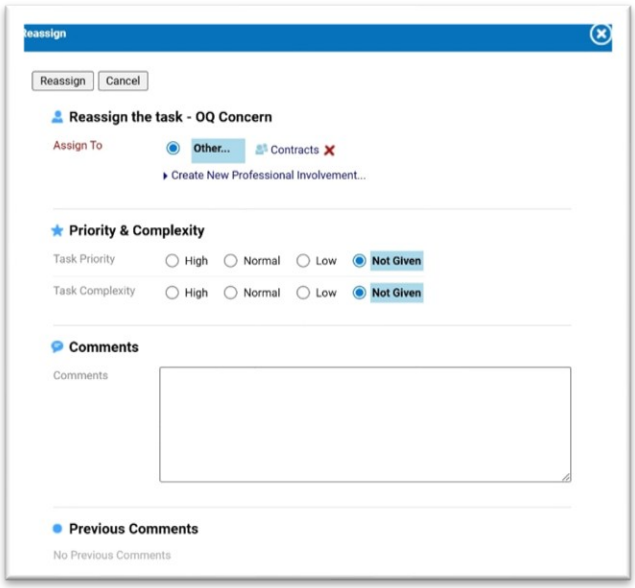



The following window will appear:

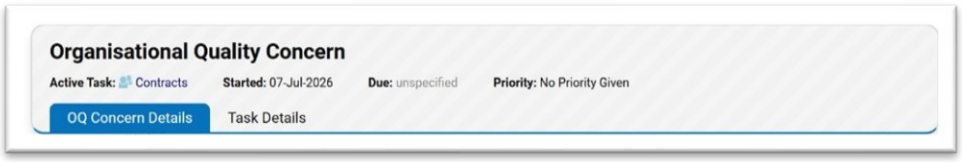



21. Click in the **Other** radio button and type **Contracts** in the box.

22. Click on **Reassign** in the top left of the window.



23. The task has now been reassigned to Contracts and your involvement ends here.




## Social Care Contracts and Quality Assurance Team

Pick up the OQC from the Contracts Worktray

Go to your Worktray and click on the OQ Concern Task

Complete your investigation and then follow the process from step 13.

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| | |
|---|---|
| **Committee** | Cabinet |
| **Date and Time** | 2 December 2026 |
| | PUBLIC |

# Future Options for Biodynamic Carbon Limited and Maesbury Road Solar Farm

| | |
|---|---|
| **Cabinet Member:** | Councillor Roger Evans – Portfolio Holder for Finance<br>Councillor Sarah Marston – Portfolio Holder for Communities and Environment |
| **Lead Director:** | Duncan Whitfield |
| **Service Area:** | Finance |
| **Report Author** | David Pearlman, Interim Head of Service – Commercial Services |
| **Officer contact details** | david.pearlman@shropshire.gov.uk |
| **Electoral Divisions Affected** | All |
| **Key Decision?** | Key |
| **Cabinet Forward Plan** | Yes – 21st October 2026 |
| **Report considered by** | Cabinet – 2 December 2026 |

## 1. Purpose of Report

1.1 This report considers options for the Council's future involvement within the Joint Venture with Carbon Hill (Biodynamic Carbon Limited) and specifically the relationship with regard to the Coder Road, Ludlow site and the Solar Farm Project at Maesbury Road.

1.2 This report seeks Cabinet authority to explore disposal options and undertake non-binding negotiations. Any proposed disposal or termination will return to Cabinet for approval where necessary, with referral to Council where constitutionally required.

1.3 The preferred option to fully explore is the sale to Carbon Hill of the Council's 50% shareholding in Biodynamic Carbon Limited and its separately owned Ludlow facility, subject to valuation, due diligence and the Council's disposal procedures

1.4 For the Solar Farm project, officers would explore a third-party sale and report back on feasibility and proposed terms. Avoidance of approximately £1.9m of further construction expenditure is a potential outcome, dependent on effective contractual arrangements, necessary consents, transaction costs and retained liabilities. No transfer or release from existing commitments is approved at this stage.

1.5 As a key part of this decision, it is critical to reflect on the financial emergency declared by the Council in 2025 and the consequential need for Exceptional Financial Support (EFS) from government.

1.6 Importantly, this report recognises the recent MHCLG report that led to the Non-Statutory Best Value Notice. The report notes that the Council is no longer in a position where it can afford to fund any future activity and needs to recover as much of its investment in the Ludlow manufacturing facility, as possible.

1.7 The options inform the proposed preparatory work and negotiating approach, not a final transaction decision. The further report will evaluate value, deliverability, lawful powers, contractual rights, retained liabilities and alternatives

1.8 While the report does not attempt and is not intended to account for the history of both projects, it does give a timescale of events. There are clearly lessons to be learned from the experience, that need to be avoided in future. These will be addressed separately and as part of a review of financial standing orders and governance with regards to arm's length trading companies and the Council's oversight.

## 2. Recommendations

Cabinet is asked to

2.1 Confirm the understanding of the financial emergency facing the Council and the need to limit capital commitments to reduce the need for borrowing and remove the risk of any future capital investments, at least the short and medium terms.

2.2 Authorise the Chief Executive, in consultation with the section 151 Officer, Monitoring Officer and relevant Portfolio Holders, to coordinate preparatory work and non-binding negotiations concerning the Council's BDC and Solar Farm interests

2.3 Authorise officers to assess sale or lease arrangements for the Council-owned Ludlow land, buildings and plant, subject to the same limitations and the Council's disposal procedures.

2.4 Authorise formal non-binding discussions with Carbon Hill, subject to verification of any rights under BDC's articles and shareholders' agreement. This does not grant exclusivity or waive the Council's disposal procedures for its separately owned assets.

2.5 Authorise non-binding discussions with alternative interested parties as appropriate, subject to applicable transfer restrictions and the Council's disposal procedures.

2.6 Authorise officers, within the arrangements in recommendation 2.2, to undertake proportionate market engagement and non-binding discussions to establish whether a third party could take over the Solar Farm project, noting that any transfer, land arrangement, novation or termination proposal requires a further authorised decision.

2.7 Agree that, if no acceptable purchaser or transfer agreement can be secured for the Solar Farm project, officers should consider the preparation of a termination proposal identifying the contractual basis, notices, accrued liabilities, compensation, site obligations and funding implications.

2.8 Require proposed disposals and any Solar Farm termination proposal to return to Cabinet with valuation, due diligence, financial and legal advice, including the treatment of the Council's loan, security and retained liabilities.

2.9 Support the intended contribution of the proposed disposals to the Financial Sustainability and Recovery Strategy agreed by Cabinet in July 2026, subject to acceptable terms being achieved. The non-statutory nature of the activities, the Council's financial emergency and the reported Non-Statutory Best Value Notice do not dispense with applicable legal duties or make disposal legally compulsory.

## 3. Background

### Biodynamic Carbon Limited and Pyrolysis

3.1 In 2022 Officers received presentations on the use of pyrolysis in producing biochar, a carbon-rich, charcoal-like material, primarily used to improve soil health, retain nutrients and water, and sequester carbon**.** Officers expressed an interest as they believed it would assist the journey to Net Zero by 2030. They also saw a potential commercial opportunity.

3.2 In September 2023, Council approved an investment in pyrolysis technology to produce and sell biochar, Carbon Removal Certificates (CORCs) and renewable/sustainable electricity. The proposal was passed approving £2.0m capital funding, financed from the Commercial Investment Fund. The investment was to be used for the acquisition, installation and commissioning of a fully operational plant capable of producing a minimum 500 tonnes of biochar per annum.

3.3 The Council's Ludlow Anaerobic Digestor site at Coder Road was chosen for the new pyrolysis facility. The site was chosen as the existing freehold building was vacant, the building and yard area was of a sufficient size to accommodate the pyrolysis operation and store supplies of feedstock and biochar on site. There was an existing grid connection, and the site is in an industrial area, has direct access from a major road and sits within Employment land allocation. Planning for the biochar plant at Ludlow was approved in March 2025.

3.4 Following Council approval a Special Purpose Vehicle (SPV) Joint Venture Company, Biodynamic Carbon Limited was incorporated on 21 May 2024. The Council holds a 50% equity stake as does Carbon Hill. Carbon Hill has experience in the use of pyrolysis technology and the production of biochar through its Woodtek

business. Each partner holds 500 x £1 shares and appoints two directors each to the Biodynamic Carbon Limited board.

3.5 The Council provided a direct loan of £520,000 with £490,000 as a secured loan facility for a 5-year term at an annual interest rate of 8%. An additional £30,000 was included for identified setup costs. The business lacked sufficient working capital from the outset.

3.6 The Council holds a Loan Agreement and Debenture signed in May 2024, a Postponement Deed signed in June 2024, and a Mortgage of Chattels agreed in August 2024, against the loan.

3.7 Biodynamic Carbon Limited own the plant at Welshpool with the land owned by The Tree Top Trust. Biodynamic Carbon Limited are charged a monthly rental of £1,000.

3.8 In July 2025 approval was given for additional capital of £1.3m. This was required to cover for site remediation and draining, and clearance of legacy tanks. Additionally, part of this second tranche of capital was needed to cover increased construction and machinery costs.

3.9 The work to remediate the site and install the plant was won by Biodynamic Carbon Limited having bid through a formal tender process compliant with the procurement regulations. Evaluation was compliant but perhaps a little thin, with only one other bidder. A Red Book compliant contract was entered into between the Council and Biodynamic Carbon Limited.

3.10 The Ludlow plant and site is 100% owned by the Council. Revenue generated from the facility is to be split 70% to the Council and 30% to Biodynamic Carbon Limited.

3.11 The initial business case for the Ludlow site shows a net income of £351k in first full year of operation. A draft contract has been agreed, but not signed, with RAFT Energy who use biochar to develop products for various sectors. The two-year contract is valued at approximately £500k for each year. Appendix B shows Biodynamic Carbon Limited's 6-year financial plan produced in early 2025. Revenue for 2025/6 was forecast at £540k, with net profit of £168k. Net profit was expected to rise to £523k by 2030/31.

3.12 Appendix C shows Biodynamic Carbon Limited management accounts and balance sheet to October 2026. The company have recorded a 7-month loss of (£135k). The 2025 financial plan expected a profit for 2026/27 of £372k. The balance sheet shows negative net assets (£49,315).

3.13 The final strand of The Pyrolysis Project resulted from positive feedback received from several local authorities, keen to understand the pyrolysis process.

3.14 The Framework was created with collaboration from external experts, including Klere, Enviroconsult, Biodynamic Carbon Limited, Richardo and Anthony Collins Solicitors. Klere provided most of the support coordinating the work of the other partners. Phase 1 evaluation will cost customers £20,000 of which the Council takes £6,000 and Klere £14,000.

3.15 There are 8 councils that have traded with the Council, including 5 through the Midland Net Zero Hub and a further 9 in discussions, at various stages. Financial results have been limited.

### Solar Farm

3.16 The Maesbury Solar Farm project was approved by Council on 13th January 2022 and has a Capital budget of £2.1m. The project plans to deliver a 2 MW solar farm on a Council owned former landfill site on the Maesbury industrial estate in south Oswestry, making use of an otherwise unusable site and generating green energy. The entrance to the site was used as a Civic Amenity site until the site was closed. For many years the site was monitored for landfill gas emissions and leachate but that was ceased by the Council some years ago.

3.17 The project aims to supply power to a neighbouring business under a Private Power Agreement (PPA). A nearby industrial manufacturer and the Council have entered into a PPA which currently runs for 15 years and will pay the Council £128 per MKW. The PPA fits with the manufacturing company's corporate goal to be a carbon neutral company. The Council would sell the power to the nearby manufacturer, with any excess being exported to the local Grid. The revenue from the PPA would generate sufficient income to repay the borrowing costs and generate a financial surplus. The life of the solar farm is estimated at 25 years.

3.18 Planning permission was granted on 18th September 2024, with conditions. Following a competitive tender exercise in 2025, a leading construction company was selected as the main contractor. In February 2026 the Council entered into a JCT contract to design, deliver and operate the facility for an initial period of 2 years. The design stage has been completed and the planning conditions discharged. The project is therefore ready to commence the construction stage on site.

3.19 Progress on the project has been paused whilst the Council review all major capital projects, and the project faces two critical issues.

- Limitations on Council borrowing. The current financial position of the council makes borrowing for discretionary non-core projects a challenge.

- Changes to Connection Agreement. All solar farms need a Connection Agreement with the local electricity District Network Operator (DNO) before they can operate. The local DNO is Scottish Power, and they had previously agreed a Connection Agreement for the Maesbury Solar Farm to generate up to 2 MW and to allow an export of 1 MW to the local grid with no new grid investment. Following new regulations, the DNO has written to our contractors on 8th September 2026 stating that they wish to see a significant upgrade to the manufacturing company substation before the solar farm can operate. The Scottish Power cost for such an upgrade is £156,688 and the manufacturing company estimate that they will have to make a similar investment.

3.20. Officers have discussed the implications of these issues with our legal advisors, and they have advised on the implications of several options. In particular we have discussed whether the Council has the right to terminate the project and the agreements we have with the parties. Their advice is included in section 4 below.

## 4. Summary of Main Proposals

### Biodynamic Carbon Limited and the Ludlow Site

4.1 Given the current financial position of the council, the overall performance of Biodynamic Carbon Limited since incorporation in 2023 and the Councils £3.3m investment in the Ludlow production facility there is a need to consider the Councils ongoing involvement in Biodynamic Carbon Limited. Four options have been considered and are set out below. The Council's position as shareholder and secured lender is distinct from its ownership of Ludlow and its contractual relationship with Biodynamic Carbon Limited.

4.2 Based on the assumptions presented in this report there is no option that will guarantee a full return on investment. However, option one provides the most commercially appropriate route for the Council. Carbon Hill have worked alongside the Council for three years and have a vast knowledge of the pyrolysis landscape. If agreement is reached with Carbon Hill, it will provide the quickest solution to achieving the sale of the Ludlow plant and the Council shares in Biodynamic Carbon Limited.

4.3 Two of the options considered are likely to require the Council to fund further working capital to Biodynamic Carbon Limited and potentially significant further investment in the Ludlow site. Under the current financial position of the Council, and the Financial Sustainability and Recovery Strategy, additional funding will be unlikely.

4.4 There is a window of opportunity for the Council to affect a disposal of both assets, with Ludlow one step away from commencing production.

4.5 Subject to Cabinet approval and the Council's constitution, the section 151 Officer will lead negotiations, supported by the Monitoring Officer and independent advisers. Actual and potential conflicts must be recorded and managed before participation in negotiation or decision-making. Completion is subject to the conditions in section 9 and the limits of the approved delegation.

### Solar Farm

4.6 Under the original project proposal presented to Council on 13th January 2022, the Council would contract with a Solar Farm operator to design, Build and Operate a solar Farm on the Maesbury Landfill Site. This was conceived as an investment in the Council's goal to address the climate crisis. The site is owned by the Council and until the 1980's was used as a raised landfill site for Domestic and Commercial refuse. The entrance to the site was used as a Civic Amenity site. It was closed for many years with the site being monitored for landfill gas emissions and leachate. Monitoring was ceased by the Council some years ago. The use as a solar farm was seen as a practical use of an otherwise unusable piece of Council land.

4.7 A PPA has been agreed between the Council and a nearby industrial manufacturer for an initial 15-year period which will generate £128 per MKW. Under the terms of the PPA, the industrial manufacturer is responsible for any connection costs to the Grid,

4.8 This original business case is now no longer considered viable because of the two issues outlined above – namely the Council's ability to borrow the £2.1m for discretionary non-core projects, is now significantly restricted and the new Connection Agreement from Scottish Power has increased the costs of the project.

4.9 Whilst the increased connection costs are the responsibility of the industrial manufacturer, they have indicated that they do not have access to the increased funds required and are concerned about the possible disruption to production which would result from implementing the new Connection Agreement requirements. The industrial manufacturer is keen to continue with the project but would prefer that the scale of the project is reduced so that it falls below the threshold which would require the additional connection requirements, 1MW. They would be willing to increase the length of the PPA and increase the PPA rate to the Council if this approach were adopted. This position is discussed in the alternative options below.

## 5 Alternative Options

### Biodynamic Carbon Limited and the Ludlow Site

5.1 **Option One. Preferred option**. To negotiate the sale of the Council's Ludlow plant, buildings and land to Carbon Hill and any partners they engage. On completion Carbon Hill would be responsible for undertaking all outstanding testing and proving. The Council would also offer Carbon Hill the opportunity to purchase it's 50% equity in Biodynamic Carbon Limited. This option offers the Council the best and quickest opportunity of achieving its required outcomes of effecting an orderly and timely transfer of assets.

5.2 **Option Two.** This would come into play if option one failed. The Council would contact other organisations that have expressed an interest in purchasing both the plant, land and buildings at Ludlow and the Councils 50% equity stake in Biodynamic Carbon Limited. The Council would need to complete all testing, carrying any associated risk. This option will allow the Council to achieve its objectives by disposing of its interest in Biodynamic Carbon Limited along with the Ludlow site.

5.3 **Option Three.** Continue the Biodynamic Carbon Limited JV partnership with Carbon Hill but with changes to governance, resources, and cost giving greater shareholder oversight. Further detail is included in **Appendix A**. The pause in testing of the C1000 plant at Ludlow would be ended and final proving undertaken, with the Council carrying all risk of testing. This option will, likely, need additional council funding for working capital and will not meet the Councils required short-term financial outcome.

5.4 **Option Four**. Continue the Biodynamic Carbon Limited JV partnership as is, with no changes. Shareholder oversight would remain limited and full cost would remain unallocated to Biodynamic Carbon Limited. As with option three the business is likely to require additional working capital in the short term and there is a continued risk of business failure, based on past performance. This option will not meet the Councils required financial short-term outcome.

## Solar Farm

5.5 **Option One.** Terminate the Project. The Council would notify both its contractors that the project is no longer viable, and we wish to terminate the PPA and JCT Agreement. This would save the Council from having to utilise the remaining £1.9m allocated funding. There is no financial penalty for terminating the PPA.
The implications of termination of the JCT contract would have financial consequences for the Council. The contractor would be entitled to financial compensation as follows:

- Lost Profit (7% of the remaining contract value) = £128,256
- Expenses estimated = £50,000
- Cost of Materials = 0
- Payment of contract retention £2,454.
- This gives an estimated additional cost to the Council of £180,710. The Council would be unable to recover their sunk costs on the project to date, which is forecast at £289,276.

5.6 **Option Two.** Understand if the industrial manufacturer who have agreed the PPA have an appetite to take over the Project. Their plant at Oswestry is an all-electric facility and the company has been investing in both the site and green energy in its goal to become Carbon Neutral. Officers have had initial discussions to see if they would be willing to take on the project and thereby take funding responsibility away from the Council. This would entail terminating the PPA and Novating the JCT contract. At this point the Council would step away from the project save for letting the top of the landfill site to the industrial manufacturer for their Solar Farm.
The benefits of this approach would be the project still being delivered with a reuse of the landfill site, and the Council avoids the need to borrow the full £2.1m.
Unfortunately, the industrial manufacturer have advised their ability to raise £2.1m for this project is limited and are, therefore, unable to proceed with this option.

5.7 **Option Three.** Build a smaller Solar Farm. The increased Connection Costs have arisen because of Scottish Power implementing new policies for Solar instillations over 1MW. Officers have discussed with the industrial manufacturer and Scottish Power the implication of reducing the size of the Solar Farm. The industrial manufacturer are willing to extend the term of the PPA from 15 to 20 years if the solar farm size was reduced and so avoid the need for higher investment in the Sub-station. Developing a smaller solar farm would not necessarily reduce the overall cost of the project and proceeding with this option would still require the Council to borrow between £1.8m - £1.9m.
Scottish Power have informed Council that the new policies apply to the total solar panels feeding one site. The manufacturer has already installed 990 KW of solar panels. Consequently, reducing the size of the Solar Farm would still mean the whole site was above the 1MW limit and so require the full sub-station investment. Reducing the size of the Solar Fram would not overcome the issues facing the project and this option should therefore be discounted.

5.8 **Option Four Preferred Option.** Sell the whole Project to a third party. Under this option the Council would seek a third Party Solar Farm operator to take on the project. They would assume responsibility for the PPA agreement to provide electricity in return for a regular income. The JCT contract would be novated to the third party so that the project is delivered by them without the need for the Council to incur termination penalties. Novation would require the agreement of the JCT

contractor. Ideally the third party would cover the additional connection agreement costs to upgrade the sub-station.
The benefits to the Council are the project is still delivered, and the council would receive a long-term rent for the land, should it not be sold to the third party. It would release approximately £1.8m and avoids termination penalties.

5.9 **Option Five.** Continue with the Project, as is, and the Council cover the additional connection charge. This option would allow the project to continue as originally envisaged, but the Council would, additionally, fund the costs of the Sub-station upgrade. In return the Council would receive enhanced terms under the PPA. There is an agreement to increase the PPA from 15 years to 20 years and the income to the Council from £128 per MKW to £134. This option does not remove the need for large scale borrowing by the Council and increases the borrowing requirement from £2.1m to £2.256m.
Moreover, it does not meet the requirements set out in the Financial Sustainability and Recovery Strategy agreed by Cabinet in July 2026 and should be rejected.

## 6 Key risks and Opportunities

6.1 In respect of this report and the recommendations included, the key objective of Council is to recover its investment in Biodynamic Carbon Limited as quickly as possible and to agree a structured transfer of the Solar Farm Project to a third party. The recommendations for both projects are dependent on reaching acceptable asset transfer agreements.

| Risk | Mitigation | Link to Strategic Risk |
|---|---|---|
| Council fails to agree an acceptable sale price for Biodynamic Carbon Limited with Carbon Hill. | Open negotiations with alternative entities who have expressed an interest in purchasing the Ludlow site and Councils 50% shareholding in Biodynamic Carbon Limited | Impact of financing Exceptional Financial Support (EFS). |
| Council fails to agree a sale with any party despite an extensive search using external advisors and having successfully completed all testing. | Council commences production at Ludlow with biochar sold to an organisation called RAFT Energy, through Biodynamic Carbon Limited. At the same time continue to seek a buyer for the site, plant and buildings at Ludlow. | Impact of financing Exceptional Financial Support (EFS). |
| Council becomes responsible for completing proving of the C1000 plant at Ludlow | Council would seek professional advice from manufacturing experts to reduce any risk to a minimum. | Impact of financing Exceptional Financial Support (EFS). |
| RAFT Energy draft contract fails to be signed, or offtake is significantly below forecast | Council strategy is to exit the market and sell its shareholding in Biodynamic Carbon Limited. | Impact of financing Exceptional Financial Support (EFS). |

| | | |
|---|---|---|
| The Council may have to pay termination costs in the event that the Solar Farm project is cancelled (Option 1) | The Council would negotiate with supplier to minimise the level of termination costs. | Impact of financing Exceptional Financial Support (EFS). |
| The Council may not be able to find a buyer for the Solar Farm Project (Option 4) | The Council would engage market specialists and known contacts to identify target companies. Selling the project would minimise the financial exposure to the Council in terms of revenue impact and borrowing. | Impact of financing Exceptional Financial Support (EFS). |
| The Council may need to continue with the Solar Farm project and increase borrowing to do so (Option 5). | Contract termination would save the Council approximately £1.5m | Impact of financing Exceptional Financial Support (EFS). |
| Care must be taken not to delay any decision regarding the Solar Farm Project which might lead to a claim of breach of contract or Repudiation. | The Council should decide on the preferred option and delegate authority to s151 Officer and Monitoring Officer to negotiate the best outcome for the Council, with construction contractor. | Impacts financial sustainability |

## 7 Council Priorities

7.1 **A Financially Sustainable Council**
This report and its recommendations comply with the Councils Financial Sustainability priority. The proposed sale of all the assets identified in this report are from non-core activity, and when completed, will return significant funds to the Council. Recommendations meet the objectives of Financial Sustainability and Recovery as set out in the Strategy agreed by Cabinet in July. Relevant points in that Strategy relate to the review of non-statutory and commercial activity, the minimisation of borrowing and the potential disposal of assets to reduce the Council's need to borrow under Exceptional Financial Support.

7.2 **An Environment That Supports Wellbeing**
This priority seeks to address climate and environmental priorities which is the key reason that the Pyrolysis and Solar Farm projects were initiated. The recommendations will ensure their continuation in a dedicated and singularly focused business.

7.3 **A Thriving Economy That Benefits Everyone**
This priority supports sustainable growth, productive skills investment and employment across Shropshire. These projects will seek to continue to make investment in the Oswestry, Ludlow and Welshpool economies.

## 8 Financial Implications

8.1 This report makes two key recommendations to enter into negotiations for; firstly, the disposal of the Council's interest in the Biodynamic Carbon Limited joint venture and secondly for the structured transfer of outstanding Council interests in the Maesbury Road Solar Panel site to a third party.

8.2 The preferred buyer for the Council's 50% equity stake in Biodynamic Carbon Limited is the Council's joint venture partner Carbon Hill Ltd who, under the joint venture agreement, are allowed first option on any disposal of the Council's interest. Carbon Hill Directors have indicated that they would wish to take this option, although this would be subject to Council receiving best consideration. Any such arrangement would also need to consider the future lease or sale of the Ludlow site.

8.3 Negotiations will proceed under recommendation 2.2 and remain subject to contract and further approval.

8.4 The outstanding balance of the secured loan Biodiversity Carbon Limited received from the Council, will need to be satisfied in full under existing terms of the loan agreement.

8.5 A completed transfer of the Solar Farm Project is intended to avoid further committed expenditure on the project, subject to the agreed terms, effective contractual release, transaction costs and retained liabilities. Subject to completion of the transfer, this resource would be released from the current capital programme, and the borrowing requirement of the Council would be relinquished.

8.6 The two proposals give different financial outcomes for the Council. Stepping aside from the Biodynamic Carbon Limited joint venture will allow for a capital receipt and a potential ongoing revenue stream from leasing of the site. This will allow for early recovering of at least some of the costs of investment in the biochar undertaking in Ludlow. The transfer of the Solar Farm would enable a release of the significant committed borrowing cost that would be required were the Council to proceed.

8.7 Subject to the successful conclusion of negotiations the estimated net impact of the recommended decisions will need to be included within the Medium Term Financial Plan to be reported to Cabinet in February.

## 9 Legal and HR implications

9.1 The present authority is limited to preparatory work and non-binding negotiations. Shropshire's constitutional requirements for officer authority, consultation, report clearance and recording of decisions apply. Final transaction approval is reserved to the further report; any matter outside Cabinet's powers must be referred to Council

9.2 Any disposal of land must comply with the Council's duty to secure the best consideration (section 123 of the Local Government Act 1972) and the requirements of the Subsidy Control Act 2022 and where applicable internal requirements in the Property Services Disposals Protocol and the Council's Financial and Contract Procedure Rules. Valuation and advice must address the separate shares, land and plant. Any required departure from the normal disposal process needs specific approval; none is granted by this report. Any disposal of assets other than land must meet the Council's wider obligation to protect the public purse.

9.3 The Council has entered into a number of legal agreements with respect to the Pyrolysis Project:

- Special Purpose Vehicle Joint Venture with Carbon Hill
- Loan Agreement and Debenture with Biodynamic Carbon signed in May 2024
- Postponement Deed with Biodynamic Carbon signed in June 2024
- Mortgage of Chattels agreed with Biodynamic Carbon in August 2024
- JCT Design and Build contract with Biodiversity Carbon

9.4 The Solar Farm Project has entered into two legal agreements:

- Private Power Agreement (PPA) between the Council and a nearby industrial manufacturer.
- JCT Design, Build and Operate Contract between the Council and a major construction company. Care must be taken in avoiding actions or inaction which could lead to a Repudiatory Breach or a Default against the JCT contract.

There are no HR implications for the Council.

## 10 Electoral Division Implications

10.1 The Solar Farm is located within the Oswestry South-East ward
10.2 The Pyrolysis site is within the Ludlow South ward

## 11 Health, Social (including "Child Friendly Shropshire") and Economic Implications

11.1 There are no implications for the Council.

## 12 Equality and Diversity Implications

12.1 The original Solar Farm report to Council on 15 July 2021 reported that an initial Equality and Social Inclusion Impact Assessment (ESIIA) has been completed, which concludes that there is potential generative positive health and wellbeing impacts from the generation of additional renewable energy.

## 13 Climate Change, Biodiversity and Environmental Implications

13.1 Shropshire Council declared a Climate emergency in 2019 and adopted a Climate Change Strategy and Action Plan in December 2020. Its stated ambition is for the Council to become carbon net-neutral by 2030, while supporting the wider country towards the same Goal. The strategy includes support for renewable energy and decarbonisation projects.

13.2 The solar farm project is expected to generate a total carbon savings of 7,320 tonnes over 30 years (244 tonnes per year) and will create infrastructure that will support a local business to decarbonise its energy supply, ensuring greater resilience and security of energy supply.

13.3 The project has an approved biodiversity net gain plan which will improve the biodiversity of the site through the introduction of bird and bat boxes and the improvement in floristic diversity of the remaining amenity grassland on the former landfill site.

13.4 The environmental benefits of biochar which enhances soil fertility, water retention, microbial activity, carbon sequestration, and overall agricultural productivity, will deliver greater environmental gains as production and sales will be through a singularly focused business.

13.5 The sale of the Ludlow facility and the Councils exit from Biodynamic Carbon Limited will guarantee the continuation of the manufacture and supply of biochar from pyrolysis, undertaken by a dedicated specialist business.

13.6 The actions proposed within this report allow for the continuation of both BDC and solar farm undertakings but relieves the Council of the underlying financial and commercial overheads associated with the businesses.risks.

## 14 Background Papers

1. Cabinet Paper Biochar from Pyrolysis Project 21 September 2023
2. Cabinet Paper Pyrolysis Second Site Increase in Budget 17 July 2025
3. Council 15 July 2021 – Maesbury Road Oswestry – Solar Power Generation Phase 1.
4. Council 13 January 2022 – Maesbury Road Oswestry – Solar Power Generation updated project.
5. Shropshire Council Climate Change Strategy and Action Plan – December 2020.

## 15 Appendices

APPENDIX A – GOVERNANCE RECOMMENDATIONS

APPENDIX B – BIODYNAMIC CARBON FINANCIAL PLAN 2025

APPENDIX C – BIODYNAMIC CARBON BALANCE SHEET AND MANAGEMENT ACCOUNTS TO OCTOBER 2026

**APPENDIX A**

**Biodynamic Carbon Limited**
**Governance, Resource and Cost Recommendations**

1. Undertake a comprehensive review of the governance framework, including Terms of Reference, delegated authorities, reporting structures and assurance arrangements, to ensure they reflect the current scale, complexity and commercial nature of the project. Outdated references to former postholders should be removed and replaced with role-based accountability.

2. Re-establish and enforce the agreed JV governance arrangements, including scheduled Board meetings, shareholder meetings, steering groups and financial review meetings.

3. To improve the Governance:

    - Appoint a formally designated SRO with overall accountability for the Pyrolysis Programme and associated JV arrangements.

    - Roles, responsibilities, reporting lines and decision-making authority for Council officers, company directors, consultants and delivery partners should be formally documented, approved and disseminated. Succession arrangements should also be established to ensure continuity during organisational change.

4. In relation to resources and costs:

    - Assess whether current staffing resources are sufficient to support the programme and introduce mechanisms to record and monitor officer time spent on pyrolysis project and JV activities. Consider whether dedicated project management and client-side resources are required given the project's scale and complexity.

    - Develop a complete understanding of the true cost of the programme by identifying and recording all associated staffing, consultancy, overhead and support costs. This should be incorporated into future business case reviews, investment decisions and value-for-money assessments.

5. A formal review should be undertaken of actual and perceived conflicts of interest arising from dual roles, with appropriate declarations, mitigations and monitoring arrangements implemented.

6. Introduce a formal reporting regime to Cabinet and relevant committees, ensuring Members receive regular updates on project performance, financial position, risks, delivery progress and strategic direction. Governance arrangements should clearly define Member oversight responsibilities.

7. Define and implement a consistent performance management framework covering operational performance, financial performance, delivery milestones, income generation and benefits realisation. Reporting requirements should be agreed with Biodynamic Carbon Limited and regularly reviewed by the Council,

**APPENDIX B**

## Biodynamic Carbon Limited Financial Plan 2025

| | 2526 | 2627 | 2728 | 2829 | 2930 | 3031 |
|---|---|---|---|---|---|---|
| **BDC Expenses** | | | | | | |
| Loan 5 Years | £104,061.00 | £119,867.00 | £119,867.00 | £119,867.00 | £ 119,867.00 | £ 15,374.00 |
| Accounting | £ 12,000.00 | £ 12,000.00 | £ 12,000.00 | £ 12,000.00 | £ 12,000.00 | £ 12,000.00 |
| Insurance | £ 17,136.00 | £ 17,564.40 | £ 18,003.51 | £ 18,453.60 | £ 18,914.94 | £ 19,387.81 |
| Rent | £ 12,000.00 | £ 12,300.00 | £ 12,607.50 | £ 12,922.69 | £ 13,245.75 | £ 13,576.90 |
| LCA and Cula | £ 17,750.04 | £ 18,193.79 | £ 18,648.64 | £ 19,114.85 | £ 19,592.72 | £ 20,082.54 |
| Other Expenses | £ 24,000.00 | £ 24,600.00 | £ 25,215.00 | £ 25,845.38 | £ 26,491.51 | £ 27,153.80 |
| Xero | £ 230.40 | £ 236.16 | £ 242.06 | £ 248.12 | £ 254.32 | £ 260.68 |
| Feedstock | £184,320.00 | £188,928.00 | £193,651.20 | £198,492.48 | £ 203,454.79 | £ 208,541.16 |
| **Total** | £371,497.44 | £393,689.35 | £400,234.91 | £406,944.11 | £ 413,821.04 | £ 316,376.89 |
| **BDC Income** | | | | | | |
| BioChar Made mt | 480 | 480 | 480 | 480 | 480 | 480 |
| Biochar Sold | £408,000.00 | £408,000.00 | £408,000.00 | £408,000.00 | £ 408,000.00 | £ 408,000.00 |
| Carbon Credits | £122,880.00 | £153,600.00 | £184,320.00 | £184,320.00 | £ 184,320.00 | £ 184,320.00 |
| Framework | £ 9,000.00 | £ 44,934.00 | £ - | £ - | £ - | £ - |
| Coder Road | | £159,232.76 | £173,951.08 | £235,337.36 | £ 241,220.79 | £ 247,251.31 |
| **Total** | £539,880.00 | £765,766.76 | £766,271.08 | £827,657.36 | £ 833,540.79 | £ 839,571.31 |
| **BDC P&L** | | | | | | |
| Net Cash Flow | £168,382.56 | £372,077.41 | £366,036.17 | £420,713.25 | £ 419,719.75 | £ 523,194.42 |
| Corp Tax | | | | | | |
| **Net Cash Flow** | £168,382.56 | £372,077.41 | £366,036.17 | £420,713.25 | £ 419,719.75 | £ 523,194.42 |
| **SC Financing** | | | | | | |
| Borrowing 10 Years | £ 54,315.51 | £ 62,565.97 | £ 62,565.97 | £ 62,565.97 | £ 62,565.97 | £ 62,565.97 |
| **SC Case Results** | | | | | | |
| Total Paid to SC | £104,061.00 | £119,867.00 | £119,867.00 | £119,867.00 | £ 119,867.00 | £ 15,374.00 |
| Net Cash Flow | £ 49,745.49 | £ 57,301.03 | £ 57,301.03 | £ 57,301.03 | £ 57,301.03 | -£ 47,191.97 |
| Potential Dividend | £ 84,191.28 | £186,038.70 | £183,018.08 | £210,356.62 | £ 209,859.88 | £ 261,597.21 |

**APPENDIX C**
**BIODYNAMIC CARBON LIMITED FINANCES**

**Profit and Loss**
**For the 7 months ended 31October 2026**

| | |
|---|---|
| Feedstock Trials | 4,000.00 |
| Sales-Biochar | 43,275.27 |
| Sales-Biochar Deliveries | 10,748.30 |
| Mixing Fee | 2,300.00 |
| Preparation Works | 12,963.80 |
| C1000Projects | 15,592.50 |
| | |
| **Turnover** | 88,879.87 |
| | |
| Cost of Sales | |
| | |
| Biochar Sales Expenses | 9,922.08 |
| Feedstock Purchase Expenses | 37,333.89 |
| Feedstock Costs | 11,302.50 |
| Cost of Goods Sold | 11,694.38 |
| | |
| Total Cost of Sales | 70,252.85 |
| | |
| Gross Profit | 18,627.02 |
| | |
| Administrative Costs | |
| Advertising & Marketing | 18,259.93 |
| Bank Fees | 59.50 |
| Certification Costs | 6,552.03 |
| Operational Costs | 837.00 |
| Rent | 6,000.00 |
| General Expenses | 130.51 |
| Consultants | 24,603.64 |
| General Expenses | 778.50 |
| Operational Costs | (13,943.00) |
| Preparation Works Costs | 48,384.33 |
| Consultants | 5,833.33 |
| General Expenses | 4,211.38 |
| Interest Paid | 16,338.45 |
| IT Software and Consumables | 1,069.99 |
| Motor Vehicle Expenses | 171.90 |
| Pensions Costs | 561.25 |
| Salaries | 33,118.24 |
| Staff Training | 900.00 |

| | |
|---|---|
| Travel-National | 47.70 |
| | |
| Total Administrative Costs | 153,914.68 |
| Profit/(Loss)on Ordinary Activities Before Taxation | (135,287.66) |

## BALANCE SHEET

| | |
|---|---|
| **Fixed Assets** | |
| | |
| **Tangible Assets** | |
| Less Accumulated Depreciation on Plant and Machinery | (98,000.00) |
| Plant and Machinery | 490,000.00 |
| Tools & Equipment | 1,370.00 |
| | |
| **Total Tangible Assets** | 393,370.00 |
| | |
| **Total Fixed Assets** | 393,370.00 |
| | |
| **Current Assets** | |
| | |
| Cash at bank and in hand | |
| Barclays BDC | 26,702.58 |
| | |
| **Total Cash at bank and in hand** | 26,702.58 |
| | |
| Accounts Receivable | 111,829.93 |
| Prepayments | 10,787.00 |
| **Total Current Assets** | 149,319.51 |
| | |
| **Creditors: amounts falling due within one year** | |
| Accounts Payable | 192,267.41 |
| Accruals | 3,000.00 |
| NIC Payable | 1,604.12 |
| Other creditors | 18,999.00 |
| PAYE Payable | 3,092.80 |
| Pensions Payable | 312.97 |
| Rounding | (61.82) |
| VAT | (2,865.35) |
| Wages Payable-Payroll | 0.33 |
| | |
| **Total Creditors: amounts falling due within one year** | 216,349.46 |
| | |
| **Net Current Assets(Liabilities)** | (67,029.95) |

| | |
|---|---|
| **Total Assets less Current Liabilities** | 326,340.05 |
| | |
| **Creditors: amounts falling due after more than one year** | |
| Loan | 375,655.45 |
| **Total Creditors: amounts falling due after more than one year** | 375,655.45 |
| **Net Assets** | (49,315.40) |
| | |
| **Capital and Reserves** | |
| Capital-1000 Ordinary Shares | 1,000.00 |
| Current Year Earnings | (135,287.66) |
| Retained Earnings | 84,972.26 |
| **Total Capital and Reserves** | (49,315.40) |

By virtue of paragraph(s) 1, 2, 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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