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Performance Management
Scrutiny Committee
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Item

Public

FINANCIAL MONITORING REPORT – QUARTER 3 2020/21

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1. Summary

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

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

1.7 The key issues highlighted by this report are that:

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

2. Recommendations

It is recommended that Members:

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

REPORT

3. Background

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

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

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

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

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

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

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

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

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

Green – Saving identified, quantified and confirmed

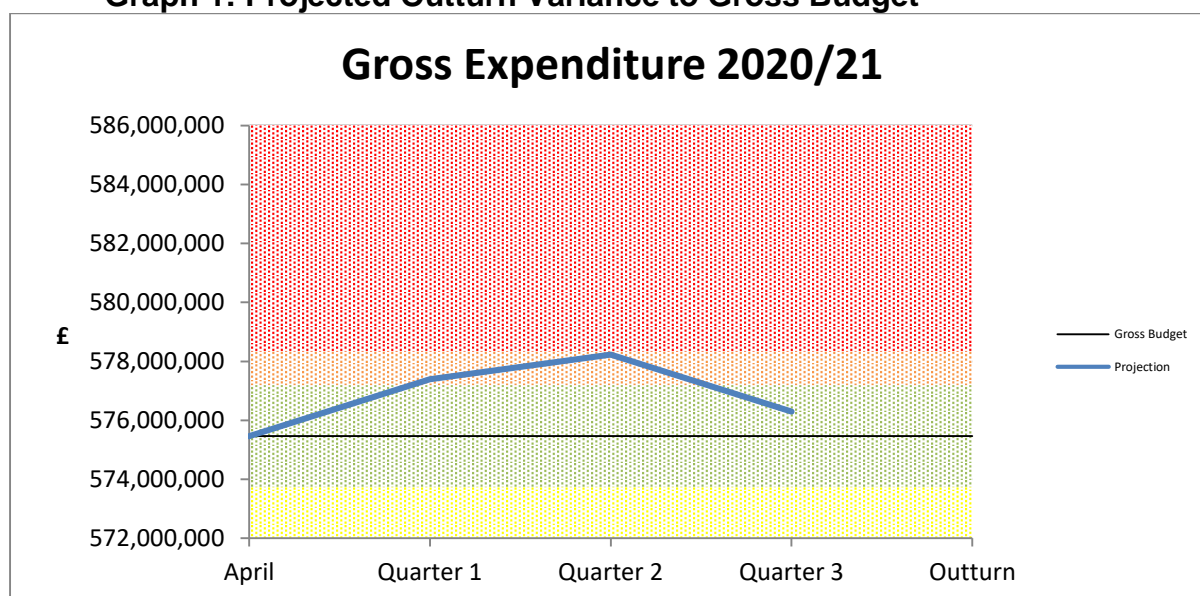
Amber – Saving identified but not yet confirmed

Red – Saving not achieved or unachievable

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

4. Revenue Monitoring 2020/21 Budget - Overall Position

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

Graph 1: Projected Outturn Variance to Gross Budget

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

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

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

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

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

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

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

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

*included within directorate monitoring positions

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

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

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

5. Update on Savings Delivery

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

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

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

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

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

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

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

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

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

6. Analysis of Outturn Projections including Delivery of Savings

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

Table 4: Reconciliation of Monitoring Projections to Savings Delivery

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

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

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

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

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

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

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

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

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

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

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

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

7. General Fund Balance

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

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

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

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

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

8. Movement in Capital Programme for 2020/21

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

Table 6: Revised Capital Programme Quarter 3 2020/21

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

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

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

Budget Increases

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

Budget Decreases

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

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

Budget Re-profiling

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

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

- **Place**

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

- **Workforce & Transformation**

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

- **Housing Revenue Account**

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

9. Actual versus Planned Expenditure to Date

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

10. Schemes Forecast Outturn & Delivery

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

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

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

Ludlow Assembly Rooms - Refurbishment Works

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

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

11. Impact of COVID-19 Pandemic

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

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

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

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

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

12. Capital Receipts Position

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

Table 7: Projected capital receipts position

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

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

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

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

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

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

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

Appendices

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

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

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

Detail

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Corporate Budgets	Portfolio Holder Finance and Corporate Support	(6,357,730)	(11,652,576)	(5,294,846)	Y
<p>A saving of (£0.693m) was identified in the 2019/20 outturn report against MRP for 2020/21. Additionally, a review of current budget has identified a further MRP saving (£2.250m) and (£2.013m) of Section 31 grant driven by delays in project delivery over the year. So this funding can be uncommitted for 2020/21. Part of the allocated element of this budget will be added to Invest to Save funding to support projects such as Stepping Stones and wider transformation and performance optimisation of the whole Council such as the 'Refocus' programme in future years. Another allocated element of the budget will be used to support sustainability and carbon-reducing projects. Pressures against the interest receivable budget are forecast to be £0.268m. This needs to be monitored as the pressure may increase later in the year. This is currently offset by reduced interest payable, currently expected to be (£0.890m).</p>					
Business Continuity - Covid 19	Portfolio Holder Finance and Corporate Support	-	(5,256,960)	(5,256,960)	Y

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

would not be achievable in 20/21, but it must also be acknowledged that Covid -19 has delayed the development of this enterprise and at least part of this loss of income could be attributed to the pandemic.

Head of Culture, Leisure & Tourism	Portfolio Holder Culture, Leisure, Waste and Communications	176,830	289,920	113,090	R
The overspend in this area is due to the allocation of salary costs of the Head of Culture, Leisure and Tourism. A full review of CL&T areas has identified potential savings and efficiencies throughout the services which it is anticipated will cover these costs in the future.					
Arts	Portfolio Holder Culture, Leisure, Waste and Communications	68,390	68,275	(115)	Y
Minor variation from budget at Quarter 3.					
Shropshire Hills AONB	Portfolio Holder Culture, Leisure, Waste and Communications	34,750	53,487	18,737	G
Minor variation from budget at Quarter 3.					
Outdoor Partnerships	Portfolio Holder Culture, Leisure, Waste and Communications	1,025,190	1,111,339	86,149	A
The majority of this variance is due do an historic unachieved £0.050m savings requirement that is being reviewed within Culture, Leisure and Tourism.					
Leisure	Portfolio Holder Culture, Leisure, Waste and Communications	2,139,500	2,387,813	248,313	R
The service has incurred additional costs associated with taking control of the centres at Bishops Castle and Church Stretton of £0.091m and the implementation of new IT systems have given rise to additional expenditure of £0.065 and other repair and refurbishment costs of £0.074m.					
Libraries	Portfolio Holder Culture, Leisure, Waste and Communications	3,356,200	3,414,947	58,747	A
The adverse variance is due to unachieved savings of £0.107m relating to a review of this service. This review has been delayed due to the Covid-19 pandemic, but an external review has been commissioned to restructure and transform the service, which will address these savings for 21/22 and beyond. The unachieved saving has been partly offset by in year supplies and services savings.					
Museums and Archives	Portfolio Holder Culture, Leisure, Waste and Communications	1,306,830	1,290,931	(15,899)	Y
Minor variation from budget at Quarter 3					
Theatre Services	Portfolio Holder Culture, Leisure, Waste and Communications	31,390	31,390	0	G
No variation from budget at Quarter 3. (Losses due to the Covid-19 pandemic are forecast to be fully reimbursed by Covid-19 support grant funding.)					
STRATEGIC MANAGEMENT BOARD		Full Year			RAGY
		Budget £	Forecast £	Variance £	
Total		4,290	352,993	348,703	R
Strategic Management Board	Leader and Portfolio Holder Strategy	4,290	352,993	348,703	R
Savings of (£0.139m) are anticipated from planned vacancy management. These are partly offsetting one-off staff costs of £0.476m.					

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

Appendix 2: Amendments to Original Revenue Budget 2020/21

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

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

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

Quarter 2:

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

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

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

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

Appendix 3 – Capital Budget And Expenditure 2020/21

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

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

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

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

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

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

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

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

Funding Changes - Quarter 3

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

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