Shropshire Council

**Committee and Date**

Transformation and Improvement Overview and Scrutiny Committee

1 December 2025

**TRANSFORMATION AND IMPROVEMENT OVERVIEW AND SCRUTINY COMMITTEE**

**Minutes of the meeting held on 17 November 2025**
**In the The Council Chamber, The Guildhall, Frankwell Quay, Shrewsbury, SY3 8HQ**
**10.00 - 11.58 am**

**Responsible Officer**: Amanda Holyoak Democratic Services Officer
Email: amanda.holyoak@shropshire.gov.uk Tel: 01743 250893

**Present** :
**Committee Members:**
Councillor David Minnery
Councillors Dawn Husemann (Vice-Chair), Rosemary Dartnall, Malcolm Myles-Hook, Chris Naylor, Jon Tandy, Beverley Waite and Sam Walmsley

**Cabinet Members:**
Councillors Heather Kidd, Roger Evans, Ruth Houghton, Alex Wagner

23 **Apologies**

Apologies were received from Councillor Charles Shackerley-Bennett
Apologies were also received from Gary Groves (attended remotely)

24 **Disclosable Interests**

None were declared.

25 **Minutes of Previous Meeting**

The minutes of the meeting held on 8 September were confirmed as a correct record.

A query was raised about an action within the minutes, the Chairman explained that only accuracy of minutes could be considered at this point in the agenda, but agreed to look into the way actions were noted and monitored.

The Executive Director of Public Health said she would look into the outstanding action.

26 **Public Question Time**

There were no public questions

27 **Member Question Time**

There were no member questions.

## 28 **Financial Monitoring Report Quarter 2 2025/26**

The Chair invited the Executive Director (Section 151 Officer) to present the report. The Executive Director explained that the council faced a projected overspend of £47.1 million by year end, which was higher than previously estimated due to rising demand in Adults' and Children's Services and a significant shortfall in carried-forward savings. Without £15 million of exceptional government support, the council would be in breach of its legal duty to balance the budget. Even with this support, financial resilience would be limited to £2.2 million, which was considered risky given winter pressures. He also reported that the Dedicated Schools Grant deficit was forecast to rise to between £35 and £40 million, although this was much lower than some other authorities, it posed a major future liability when the statutory override ends in 2028.

Members questioned why budgets and savings projections had not been accurate. Officers explained that budgets were based on data available in February, but demand pressures escalated later in the year. The tight timetable for budget setting limited the ability to incorporate updated forecasts, and it was recognised that optimism bias assumed rapid delivery of savings through restructuring and new operating models. Strategies focused on short-term fixes rather than sustainable solutions, had led to recurring gaps. Future budgets would be based on more realistic assumptions, credible savings plans and transparent reporting.

To improve budget setting, the Portfolio Holder for Finance reported that a deep dive review had been undertaken at Quarter 2 to validate figures, and a task-and-finish group was proposed for early 2026 to review budget-setting methodology and strengthen foundations for 2026/27 with accurate demand modelling and robust financial planning.

Officers confirmed that the Period 7 review in December would be critical in confirming the position. Fifteen million pounds of exceptional financial support had been requested from MHCLG, with a decision expected in late February. Further support would likely be needed for 2026/27 and beyond, tapering down over time to avoid long-term reliance.

Members asked about the smaller variance between favourable and adverse scenarios, and officers explained this was due to tighter modelling based on recent trends. Non-essential spending was being reviewed by the recently established Boards, with most requests justified but decisions based on essential need.

Demand management initiatives were discussed, and examples were provided such as the "Two carers in a car" scheme in Adults' Services and the "Stepping Stones" programme in Children's Services. Last year, all planned demand mitigation savings were delivered, and this year delivery was tracking at eighty-one percent.

Concerns were raised about staffing, morale, service capacity and future redundancies. The Interim Chief Executive stated that no compulsory redundancies were planned, but benchmarking was underway for critical teams and modernisation would be required in some services.

Income generation and Council Tax were also discussed, with the Leader noting that a maximum permitted rise of 4.99 percent would yield only around £10 million, which was insufficient against social care pressures. Winter pressures were also highlighted, and it was noted that the severe weather reserve had been removed in previous years, increasing risk exposure.

Members emphasised the importance of communication with parishes and residents to explain capacity constraints and the need for realism and transparency. They asked if they could have access to the work of the Operation Boards and details of the savings they were making. The Executive Director said this could be shared via a Task and Finish Group, Scrutiny Committee or Cabinet.

Members expressed strong support for realism and transparency in future budgets and recognised the need for credible savings plans and collaboration to avoid external intervention, while balancing savings with investment in income generation and maintaining service capacity.

## 29 **Performance Monitoring Report Quarter 2 2025/26**

The Executive Director of Public Health presented the Quarter 2 performance monitoring report, outlining areas of improvement and concern against the Shropshire Plan's strategic objectives using Key Performance Indicators. The report format had been updated to provide more detailed information, as requested by Cabinet and the committee.

The Committee asked questions about the reasons for increase in bed and breakfast placements, reduction in available social housing and more people presenting as homeless. The Executive Director said she understood the reduction in social housing was due to complex factors including turnaround times for void properties and delays in temporary facilities coming online. Further detail could be made available from the xxxx if required.

A number of members queried the measurement methodology used to claim that 99.7% of households had access to superfast broadband, this was misleading especially relating to rural communities. Officers explained that this metric was based on a public data source and that this could be reviewed and potentially changed to better reflect reality.

Members asked why there was difficulty recruiting staff particularly in relation to food hygiene inspection and education health and care plans, and what was being done about this. Officers explained that recruitment issues stemmed from national skill shortages, access to training as well as local factors. A People Plan was being developed to improve attractiveness, retention and morale.

Other areas discussed included the slight improvement in freedom of information performance, reduction in use of agency staff, and suicide rate. The number of KPIs was also discussed and whether there were too many. The Committee noted that going forwards, KPIs would focus on priority areas guided by the new Improvement Plan and Corporate Plan.

## 30 **Report of the Partnership Working Task and Finish Group**

The Chair of the Partnership Working Task and Finish Group provided an update on work to date. The Group had undertaken both primary and secondary research, including gathering evidence from witnesses across Shropshire. Initial findings identified three strategic areas that must underpin successful partnerships: clear communication, adequate support and training, and the provision of essential information.

Communication had emerged as a key issue, with frustration among councils over not receiving survey results. The group recommended sharing these results as soon as possible to build trust. Support and training were critical before councils can engage confidently in service transfers. Councils need full details of what services will be transferred, associated costs, funding arrangements, and what assistance will be provided. The lack of such information had caused concern and could hinder progress.

If transfers were planned for 2026/27, discussions with chairs, clerks, and street scene officers had to begin immediately to allow councils to set budgets. While assurances were given that information was available, the group stressed the importance of timely sharing. Concerns were raised about the reliance on parish volunteers, which could create risks for local democracy if expectations were unrealistic or support insufficient. Successful transfers could strengthen trust and deliver community benefits.

Future phases would include exploring clustering arrangements to enable groups of parishes to work together, considering practical implementation and stakeholder engagement, and reviewing existing relationships to identify gaps and opportunities. A scrutiny review was recommended six months after initial transfers, alongside ongoing monitoring of foundational elements.

The Deputy Leader thanked the Group for its work to date and acknowledged structural challenges. He emphasised the need for a single point of contact, better information sharing, and tailored approaches for councils of different sizes. He noted that previous pilots highlighted issues such as volunteer capacity, financial fairness, and practical concerns like insurance and risk assessments.

Opportunities existed to build trust, improve service delivery, and empower local communities, but success would be dependent on clarity, collaboration, and mutual agreement. The prospect of community boards was mentioned with some members recalling the positive work of Local Joint Committees.

The next phases would focus on practical arrangements, stakeholder engagement, and ongoing scrutiny to ensure partnership arrangements would deliver real benefits for Shropshire's communities.

## 31 **Work Programme**

The Chairman referred to the proposed Task and Finish Group for scrutinising the budget and the need to add agreement of its terms of reference to the work programme.

32 **Date of Next Meeting**

Monday 1 December 2025 at 10.00 am

Signed ..... (Chairman)

Date: .....