

**Committee and Date**Cabinet
11th March 2026

Item

Public



Financial Monitoring Period 10

Responsible Officer:	Duncan Whitfield, Interim Director of Finance & S151	
email:	duncan.whitfield@shropshire.gov.uk	
Cabinet Member (Portfolio Holder):	Roger Evans, Finance	

1. Synopsis

The overall forecast financial position of the Council for 2025/26 at Period 10 is largely consistent with period 9 financial reporting. There has been a marginal improvement of £0.801m; the current forecast net overspend (adverse variation) now totals £49.944m.

2. Executive Summary

- 2.1. The financial position at period 10 is a significant overspend against the budget set by Council in February 2025. The areas of concern are the delivery of pressures within care & wellbeing and children and young people. Due to the financial position of the Council, an application was made to the Government for Exceptional Financial Support (EFS). This has now been approved in principle for 2025/26 at a level of 71.4m; this enables the authority for the Council to borrow up to £21.5m to support funding the 2025/26 overspend. The remainder of the overspend will be funded through general fund reserves as set out in Table 4 of this report.
- 2.2. The remaining £49.9m of the 2025/26 EFS, will be used to fund the financial implication of the decision to cancel the Northwest Relief Road project to the value of c£39.9m, if required, for the associated accounting adjustments. To enable the council to transform £10m will be used to support the costs of transformation as required to enable the Council to undertake projects to transform services and reduce costs.

- 2.3. A further application for EFS was also made for 2026/27 which has also been approved in principle. The allocation of this EFS has previously been set out in reports to Cabinet and Council in February 2026.
- 2.4. The £0.801m reduction in the overspend since Period 9 is within service area budgets, more details are set out within section 8 of this report.
- 2.5. The key issues highlighted by this report are:
- a) The forecast period 10 position is based on actual and forecast expenditure, and income to the end of the financial year 31 March 2026 and reporting a £49.944m overspend against budget. The period 9 forecast outturn position reported an overspend of £50.745m therefore a reduction on the overspend of £0.801m.
 - b) The General Fund Reserve Balance is forecast to be £5m at the end of the financial year, this also takes account of funding in part, the 2025/26 overspend position. Additionally, the Council is holding contingency funding of £2.962m within earmarked reserves which provides some resilience over the remaining two months of the financial year should any further unforeseen pressures arise.
- 2.6. Officers and Members across the Council are working under the financial emergency which the Council declared in September 2025. Every effort is being made to reduce the overspend, ensuring expenditure is minimised and income maximised as far as possible, whilst being mindful of the need to maintain minimum statutory service levels.
- 2.7. The key overall indicator of financial health for the Council is the General Fund Balance which is forecast to be £5m at the end of the financial year. This level is considered by the s151 Officer to be below an acceptable or sustainable level. He recognises that the position will need to be recovered by both reducing the net expenditure of the Council over time and with the support of EFS, while acknowledging that this will require additional debt financing from the revenue budget that will create further pressures on service budgets.
- 2.8. While sub optimal from a financial management perspective, it is also recognised there are no realistic options available to the Council, and an approach being adopted by as many as 34 other Councils across the country this year.
- 2.9. The period 10 forecast position for 2025/26 is set out in Table 1 below:

Table 1 – Forecast as of 31 January 2026 showing the Revenue Monitoring central forecast and other possible scenarios.

Scenario	Potential variation to budget £'000	Available General Fund Balance £'000	Unfunded Overspend £'000
Favourable	45.944	(34.280)	11.664
Central (Period 10 forecast position)	49.944	(34.280)	15.664
Adverse	53.944	(34.280)	19.644

- 2.10. The council received a report in February 2026 recommending the cancellation of the capital project to develop a Northwest Relief Road (NWRR) which has incurred costs of £39.9m to date. The recommendation was accepted and the s151 officer will now assess options for the accounting entries required to account for the decision. The maximum exposure arising from decapitalisation of the project are approximately £32m, which includes c£20m funding from the Department of Transport. Options will need to be agreed with the Council's external auditor, and it is hoped to make appropriate adjustments within the Council accounts for 2025/26.
- 2.11. As set out in paragraph 4, the application for Exceptional Financial Support (EFS) for 2025/26 included the impact of NWRR costs being adjusted during the year. Therefore, EFS will be used as appropriate to offset any variation in the accounts. It is expected that these outcomes will be included within the outturn position resulting in no further increase in the forecast overspend position.

3 Recommendations

It is recommended that Cabinet Members:

- A. Confirm that the s151 Officer continues to ensure that actions taken by other senior officers under the declared Financial Emergency to reduce the variation from budget at outturn are continued to include the updated Budget, Transformation and Change
- B. Note the continued use of the Budget, Transformation and Change Panel (formerly the Operations Board) and the Workforce Review Board with a view to enhancing the control of spend and authorisation of projects.
- C. Note the forecast overspend at Period 10 of £49.944m.
- D. Note the forecast level of savings to be delivered by the end of the financial year at Period 10 of £17.730m (29.61%).
- E. Note the forecast General Fund Balance of £5.000m.

4 Forecast Outturn as at Period 10

- 4.1 At Period 10 (31 January 26), the Council is reporting a forecast adverse variation of £49.944m. At a high level, this is a consequence of savings not achieved, demand and price pressures and income variations.
- 4.2 The total adverse variation within Care & Wellbeing and Children & Young People is £30.6m which is 61% of the total. The remainder of the overspend is within Corporate which is reporting £23.038m overspend, largely represented by savings estimated but not achieved.
- 4.3 Table 2 below summarises the position by service area (see also Appendix 1).

Table 2: Projected Outturn by Service Area

	Period 10					P9 (Under)/ Overspend £'000	DoT
	Revised Budget £'000	YTD Actual £'000	Projected Outturn £'000	(Under)/ Overspend £'000	RAGY Classifi cation		
Service Area							
Care & Wellbeing	138,429	154,434	156,181	17,752	R	16,791	↑
Children & Young People	90,965	186,883	103,822	12,857	R	12,109	↑
Commissioning	43,336	42,276	39,715	(3,622)	Y	(2,748)	↑
Communities & Customer	16,788	14,211	14,514	(2,274)	Y	(2,150)	↑
Enabling	6,947	50,659	9,333	2,386	R	2,730	↓
Executive Management Team	3,059	913	2,643	(416)	Y	15	↓
Infrastructure	43,802	37,993	46,514	2,712	R	2,690	↑
Legal, Governance & Planning	5,925	5,647	3,178	(2,747)	Y	(1,908)	↑
Pensions	239	2,439	239	0	G	0	-
Strategy	324	21,606	582	258	R	53	↓
Service Delivery Budgets	349,814	517,061	376,721	26,905		27,582	
Corporate	(61,228)	8,463	(38,191)	23,038	R	23,163	↓
Net Expenditure	288,586	525,524	338,530	49,944		50,745	
Funding							
Council Tax	(219,283)	0	(219,283)	0	G		
Business Rates	(46,683)	0	(46,683)	0	G		
Top Up Grant	(11,025)	(11,025)	(11,025)	0	G		
Revenue Support Grant	(8,668)	(7,887)	(8,668)	0	G		
Collection Fund (Surplus)/Deficit	(2,927)	0	(2,927)	0	G		
Total Funding	(288,586)	(18,912)	(288,586)	0			
Total	0	506,612	49,944	49,944			

4.4 The current forecast overspend is summarised below with more details set out within Appendix 1 & 2:

Savings:

4.4.1 The 2025/26 budget was set with £59.876m of savings to be delivered in year, details of which are set out in Appendix 2. There are £42.146m of targeted savings set in original plans that are not achievable, as reported previously. The period 10 forecast position assumes no further delivery of savings in 2025/26 financial year.

4.4.2 The Budget for 2026/27 approved by Council in February 2026, includes a re-set taking account of the unachievable savings reported in 2025/26. All future saving targets included within budgets will be required to have a detailed and realistic plan with clear timescales of delivery that can be monitored, to help ensure savings are delivered as planned and any failure to do so is reported at the earliest opportunity.

- 4.4.3 This will reduce the risk of non-delivery of savings and prevent as far as possible, any future overspending. Appropriate governance arrangements will be put in place to review savings plans before they are put forward as part of budget setting, and to monitor delivery of them on a monthly basis, with quarterly reports to Cabinet.

Service Areas: (Appendix 1)

- 4.4.4 Adult Social Care Operations is included within Care and Wellbeing and reporting a gross adverse variation of £19.263m (net £17.752m after taking account of positive variations). This is due to pressures arising from the outturn position and pressures in 2024/25 which carried through to 2025/26. Also, demand on the service has seen an increase in the need to provide care for people with increased complex needs, some of which are cases transferred from health services. The service continues to review cases with partners.
- 4.4.5 Children and Young People are reporting a net adverse variation of £12.857m which combines both negative and positive projections. The overall variation between P9 and P10 in Children and Young People is due to a combination of demand led pressures (external residential) and timing challenges in applying or reallocating external grants or external income (Early Help, Learning and Skills and Director Children's Services).
- 4.4.6 £15.091m of the negative impacts relate to External Residential Placements. This is being offset by some underspends including (£3.011m) relating to Fostering placements budgets whereby, despite recruitment of internal Shropshire Foster Carers being above the regional and national position, we continue to require more Foster Carers than we can recruit and retain. This has a corresponding impact on the increased use of residential placements. This position is recognised nationally in the recent announcements to increase Foster Carers and Kinship Carers.
- 4.4.7 The Enabling Services budget is overspending by £2.386m due to an unachieved saving target within Corporate Landlord (Property & Development), in relation to assets rationalisation (£0.5m savings achieved in 25/26) and unachievable income targets in Revenues & Benefits. These have both been revised in the 26/27 budget. Some of the overspends have been offset by savings against vacancy management in Technology. An accelerated asset rationalisation project will commence in 2026/27.
- 4.4.8 The Infrastructure Service is overspent by £2.712m mostly due to costs in relation to SEND transport, and a shortfall in car parking income. The budget included a full year increase in parking charges; however the new parking charges were not implemented until November 2025 therefore, a full year effect has not been achieved in 2025/26.
- 4.4.9 Corporate services are reporting an overspend of £23.163m due to £31.057m of unachieved savings held centrally, offset by £7.894m of funds released from the financial strategy reserve and minimum revenue provision (MRP) not required in relation to capital financing.

- 4.5 Overall, the overspend has reduced on that reported at period 9 by £0.801m (referred to in Appendix 1). The main variances in the forecast contributing to this are:
- 4.5.1 As a result of additional (£0.975m) grant received through the extended producer responsibility grant, which has been used to offset expenditure incurred in Waste during the year.
 - 4.5.2 A review on income has identified (£0.725m) of additional income in relation to planning applications and performance agreements.
 - 4.5.3 Additional income has been net off by further pressures of £0.377m within the Disabled Children's Team Prevention & Support payments due to a review of the forecast in relation to high-cost, complex homecare packages.
 - 4.5.4 A further pressure of £0.552m relates to specific increases in Residential and Nursing Placements and an increase in expenditure for Supported Living placements.
- 4.6 The Council has reviewed the Governance arrangements of the Operations Boards currently in place to focus on controlling expenditure across the council to minimise the overspend as far as possible. The Operational Spending Boards have enabled officers to gain a good understanding of what is being spent across the Council, and for senior managers to gain an understanding of options to pause or consider ways to reduce costs. In addition, the boards have identified key themes and topics to be considered and identified opportunities to reduce expenditure and achieve savings and efficiencies.
- 4.7 It has been agreed to strengthen control over Council spending and improve income collection. Service Directors will be empowered and held accountable and will take appropriate actions to manage within budgets once the now approved re-set of budgets is in place 1 April 2026. A new Spending Control Panel known as the Budget, Transformation and Change Panel, has been set up with terms of reference to provide support, guidance and direction and have oversight of progress on Service Directors to deliver budgets within their budget allocation.
- 4.8 The Financial Emergency action is necessary to reduce the forecast overspend as far as possible through managing demand, delivering on savings and maximising income whilst delivering statutory services. The Leadership Board of the Council are actively pursuing options to reduce the year end forecast overspend over the remaining two months of this financial year.

5 General Fund Balance

- 5.1 The Council holds earmarked reserves and a general fund reserve referred to as the General Fund Balance (GFB). Earmarked reserves are held for a specific purpose and cannot, generally, be used to cover the impact of overspends or non-delivery of savings proposals. In recent years council reserves and balances have been under significant pressures and where necessary used to offset budgetary pressures.

- 5.2 The 2024/25 year ended with a General Fund Balance (GFB) of £4.825m, which was brought forward into the new 2025/26 financial year. The 2025/26 budget included a contribution of £29.455m to restore the general fund balance. In view of the adverse variations on the base budget in 2025/26 it is no longer possible to make this contribution and ESF has been sought to restore some of this planned recovery.
- 5.3 After the application of EFS in 2025/26 and subject to the delivery of an outturn variation as set out in this report, it is anticipated that the closing balance for the GFB will be approximately £5.000m as set out in table 4 below.

Table 4: General Fund Projection (Central Projection)

General Fund Balance	£'000
Balance Brought Forward 1 April 2025	4,825
Budgeted Contribution 2025/26	29,455
Budgeted General Fund Balance as at 31st March	34,280
Projected overspend as at period 10	(49,944)
Application of Exceptional Financial Support (up to £21.5m)	20,664
Estimated Balance as at 31 March 2026	5,000

- 5.4 The section 151 officer is acutely aware that this level of general fund balance is not sustainable in terms of offsetting the financial risks which are faced by a council of the size of Shropshire. Further EFS has been approved in principle for 2026/27, and it is expected subject to the management of the general fund budget that the GFB will be restored to acceptable levels. This will be monitored throughout the course of next financial year and reported to Cabinet.

6 Risk Assessment and Opportunities Appraisal

- 6.1 The financial risks are set out within Appendix 3.

7 Financial Implications

- 7.1 Shropshire Council continues to manage unprecedented financial demands and a financial emergency was declared by Cabinet on 10 September 2025. The overall financial position of the Council is set out in the monitoring position presented to Cabinet on a monthly basis. Significant management action has been instigated at all levels of the Council reducing spend to ensure the Council's financial survival. While all reports to Members provide the financial implications of decisions being taken, this may change as officers and/or Portfolio Holders review the overall financial situation and make decisions aligned to financial sustainability.
- 7.2 There are no financial implications arising directly from this report and no new decisions are expected other than to note the forecast financial position for 2025/26.
- 7.3 The Council will continue to monitor both revenue and capital expenditure and income. The next report to Cabinet will be in the Spring of 2026 to report outturn for 2025/26 and to update on first quarter activity for 2026/27, including further detail on the application of EFS, the level of balances and progress being made against savings targets and the transformation programme.

8 Climate Change Appraisal

- 8.1 The Council's Financial Strategy supports the implementation of Climate Change and Carbon Reduction strategies in several ways. A specific climate change revenue budget is in place. The climate change schemes involving the Council's assets or infrastructure are included within the capital programme. These two areas of expenditure are expected to have a positive contribution towards climate change outcomes.
- 8.2 A robust and sustainable financial position will support the Council to meet the challenges of climate change as the Council's Corporate Plan and key strategies are directly linked to the MTFP, as set out in the objectives of The Shropshire Plan and our aim to secure a Healthy Environment.

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

[Financial Monitoring Period 1, Cabinet 11th June 2025](#)

[Financial Monitoring Period 2, Cabinet 9th July 2025](#)

[Financial Monitoring Quarter 1, Cabinet 10th September 2025](#)

[Financial Monitoring Period 4, Cabinet 10th September 2025](#)

[Financial Monitoring Period 5, Cabinet 15th October 2025](#)

[Financial Monitoring Quarter 2, Cabinet 19th November 2025](#)

[Financial Monitoring Period 7, Cabinet 3rd December 2025](#)

[Financial Monitoring Quarter 3, Cabinet 11th February 2025](#)

[Financial Rules](#)

Local Member: All

Appendices

Appendix 1 - 2025/26 Projected Revenue Outturn by Service

Appendix 2 – 2025/26 Savings Delivery

Appendix 3 – Financial Risks

APPENDIX 1

2025/26 PROJECTED REVENUE OUTTURN BY SERVICE

Care & Wellbeing	Budget	YTD Actuals	Outturn	Controllable Variance	RAGY	Period 10 Narrative - variance to Budget	Movement Period 9 to 10	Period 10 Narrative - movement from Period 9 to Period 10
Adult Social Care Management	1,049,560	752,569	664,761	(384,799)	Y	• (£0.335m) This relates to staff posts funded through revenue expenditure being capitalised in accordance with capitalisation regulations	632	• Minor variance from Period 9 to Period 10
Adult Social Care Provider Services	6,083,780	7,132,447	5,467,165	(616,615)	Y	• £0.221m Glenview care home costs, previously purchasing expenditure • (£0.525m) spend below budget on salaries due to posts in START team and Day Services • (£0.158m) additional income Four Rivers Nursing Home • (£0.118m) spend below budget on External Provider Services	13,181	• Minor variance from Period 9 to Period 10
Adult Social Care Operations	128,127,160	153,108,514	146,317,065	18,189,905	R	• £19.263m pressure in purchasing made up of: - £15.605m SPOT Gross purchasing - £8.564m Residential care due to the number of capital reductions coming through to the service, £5.750m increase in nursing due to complexity and cases transferred from health to local authority, £2.582m net increase in spend on Individual Service Funds due to an increase in domiciliary care at home (£0.289m) spend under budget on forecast children turning 18. - £13.230m BLOCK Gross purchasing pressure in supported living and supported living Individual Service Funds due to an increase in complexity of care and provider	295,464	• £0.552m increase in purchasing from Period 9 to Period 10 - £0.309m increase in gross SPOT purchasing, this is made up of £0.261m residential placements, £0.200m nursing placements, (£0.126m) reduction receiving Individual Service Funds and (£0.043m) reduction in Direct Payments. - £0.157m increase in gross BLOCK expenditure for Supported Living placements • (£0.267m) Occupational Therapy Equipment allocation of reserves

						market challenges around capacity and uplifts -(£0.431m) spend under budget on reablement • (£1.535m) spend below budget on salaries due to vacant posts		
Professional Development Unit	254,100	186,089	254,100	0	G	• No variance to budget at P10	(4,018)	• Minor variance from Period 9 to Period 10
Care & Wellbeing Projects	108,980	(7,965,517)	257,899	148,919	R	• £0.198m Care Tech Programme reserves adjustment	672,149	• £1.089m Hospital Discharge Funding • (£0.417m) Care Tech Programme reserves adjustment
Enable	704,450	885,668	1,142,386	437,936	R	• £0.187m Savings to be identified • £0.165m reduction in fees & charges for services provided to external organisations • £0.088m spend over budget on client expenses	(17,433)	• Minor variance from Period 9 to Period 10
Service Director Care & Wellbeing	2,100,800	334,647	2,077,036	(23,764)	Y	• Minor variance to budget at P10	808	• Minor variance from Period 9 to Period 10
Total Care & Wellbeing	138,428,830	154,434,416	156,180,412	17,751,582			960,782	

Children & Young People	Budget	YTD Actuals	Outturn	Controllable Variance	RAGY	Period 10 Narrative - variance to Budget	Movement Period 9 to 10	Period 10 Narrative - movement from Period 9 to Period 10
Shire Services	0	434,393	19,511	19,511	G	• Minor variance to budget at P10	(11,764)	• Minor variance from Period 9 to Period 10
Learning and Skills	5,096,540	105,387,134	4,773,549	(322,991)	Y	• £0.091m forecast spend over budget relates to the fully-traded Schools Library Service • (£0.011m) forecast spend under budget relates to the NEETs data tracking team due to temporary vacancy management savings • (£0.026m) relates to Academy conversion income from schools exceeding expenditure	181,645	• £0.179m surplus previously forecast for Education Access service as a result of traded income exceeding costs, forecast to be put up to reserves to ensure continuity of service provision into 26/27.

						• (£0.039m) forecast spend under budget relates to ongoing pension compensation payments relating to former teaching staff • (£0.063m) relating to the capitalisation of a post as a one-off working on transformational projects within Learning & Skills Business Support • (£0.105m) relating to the maximisation of various external funding streams in Education Improvement Service • (£0.167m) one-off efficiencies across both staffing and non-staffing budgets within Learning & Skills Business Support.		
Director Children's Services	213,280	378,723	356,481	143,201	R	• £0.158m Apprenticeship Levy. Budget virement to be processed next month which will fully offset this cost pressure. Corresponding underspend in Executive Management Team.	143,241	• £0.158m Apprenticeship Levy costs moved to new service director as per organisational structure. Budget virement to be processed which will offset this cost pressure next month. Corresponding underspend in Executive Management Team.
Children's Social Care and Safeguarding	23,144,250	23,879,127	26,600,738	3,456,488	R	• £1.925m spend over budget forecast on staffing budgets across the service. The majority of this relates to Agency Social Workers covering vacancies, but in 2025/26 there is another budget pressure resulting from additional staffing implemented following the Ofsted Staff Improvement plan. £0.105m of this variance relates to Social Worker Retention Payments • £1.366m forecast spend over budget relates to Disabled Children's budget area with £1.220m of the value explained by Disabled Children's Team (DCT) prevention and Support payments, £0.278m explained by spend over budget on DCT Short Breaks Contracts. £0.109m spend	231,115	• £0.377m increase in spend over budget forecast on DCT Prevention & Support payments due to a review of the forecast in relation to high cost, complex homecare packages. This is a correction of budget forecasting rather than an increase in numbers of children and young people. • £0.012m increase in spend over budget forecast on Adoption Services across a combination of T4C Central Perm Hub and Adoption Allowances • £0.009m increase in spend over budget forecast on Social Care tax costs across the social work teams

						under budget relates to Disabled Children's Direct Payments, and the remaining £0.023m spend under budget relates to All-in-Programme Short Breaks. • £0.428m forecast spend over budget relates to Adoption Services. There is a £0.456m spend over budget on Adoption Allowances, the remaining variance relates to the Together4Children (T4C) permanency hub where the percentage contribution from other another Local Authority has reduced in 2025/26. • £0.071m forecast spend over budget relates to taxi costs or other transport related costs across the Social Work teams. • (£0.334m) forecast spend under budget relates Public Law Outline Support packages which includes legal fees, and other court ordered expenditure such as medical assessments		• (£0.081m) decrease in spend over budget forecast on staffing budgets with £0.076m of this in the CLA Service • (£0.088m) increase in spend under budget forecast on Public Law Outline Support packages which includes legal fees, and other court ordered expenditure such as medical assessments
Children's Placements	48,921,130	54,042,866	58,824,306	9,903,176	R	• £15.091m spend over budget forecast on External Residential Placements. £1.488m relates to a shortfall in savings being generated by the service through "Stepping Stones Project". £10.332m is an increase in External Residential Spot/Framework placements leading to an increase in expenditure in 2025/26. £2.276m relates to the Disabled Children's Team residential expenditure budget where we have had 5 new high-cost placements since January 2025. The remaining £0.995m of this £15.091m pressure relates to a shortfall in contributions from other partners towards joint funded social care led residential placements.	91,981	• £0.346m increase in spend over budget forecast on External Residential Placements mostly due to a £0.269m slippage in Stepping Stones Savings. The remaining £0.077m is due to an increase in placement cost for 2 existing placements. • £0.087m increase in spend over budget forecast on Devonian Children's Homes where staff are covering shifts at other Internal Residential Children's homes • (£0.011m) decrease in spend over budget on Supported Accommodation or Supported Lodgings Placements for 16-18 year

						• £0.070m spend over budget forecast on Supported Accommodation or Supported Lodgings Placements for 16-18 year olds. • (£0.399m) spend under budget against Internal Residential Children's Homes due to Devonian being temporarily closed until late 2025. • There is a credit of (£1.834m) spend under budget relating to Stepping Stones Project. The majority of this relates to a one-off capitalisation of posts, while £0.196m relates to the use of the new Children's Social Care Prevention Grant to fund Family Group Conferencing posts previously funded by base budget. • (£3.011m) forecast spend under budget relates to Fostering placements budgets (£2.849m External Fostering and £0.162m Internal Fostering). External fostering placements were anticipated to increase in 2025/26 hence growth was built into the budget, however instead numbers have decreased.		olds. • (£0.014m) increase in spend under budget on Internal fostering fees and allowances • (£0.128m) increase in spend under budget on Stepping Stones where a review of the staff capitalisation funding has resulted in identifying more posts (new starters since October) that can benefit from capital funding (80% of their time) • (£0.182m) increase in spend under budget on External Fostering placements where some budget had been held in expectation of price uplifts with providers but it has now been found that all price uplifts relating to 2025/26 have been applied
Children's Early Help	1,798,890	2,231,647	1,685,502	(113,388)	Y	• (£0.113m) forecast spend under budget on Early Help due to £0.200m additional Public Health grant contribution towards the Council's Early Help family hubs	141,850	• £0.146m increase in Early Help Management where previously assumed that more of the £0.666m in-year Children's Social Care Prevention Grant would be spent in this financial year but now the forecast has been updated to reconcile with the Families First Programme Q3 return.
Youth Support Services	671,350	432,595	442,822	(228,528)	Y	• (£0.229m) forecast under spend against budget on Youth Support Team due to temporary vacancy management savings and maximisation of Local Youth Transformation pilot external funding	(29,262)	• Minor variance from Period 9 to Period 10

Total Children & Young People	79,845,440	186,786,484	92,702,910	12,857,470			748,805	
Commissioning	Budget	YTD Actuals	Outturn	Controllable Variance	RAGY	Period 10 Narrative - variance to Budget	Movement Period 9 to 10	Period 10 Narrative - movement from Period 9 to Period 10
Adult Social Care Business Support	4,378,300	3,612,856	4,101,391	(276,909)	Y	• (£0.133m) Spend under budget on Payments to contractors • (£0.143m) Spend under budget on staff salaries	56,542	• Minor variance from Period 9 to Period 10
Bereavement Services	(251,020)	(97,002)	(300,024)	(49,004)	Y	• Minor variance to budget at P10	(160)	• Minor variance from Period 9 to Period 10
Leisure	2,385,110	1,472,420	3,148,056	762,946	R	• £0.520m Shortfall on Savings Targets • £0.212m Spend above Budget on other minor works across Leisure Facilities • £0.154m Spend above budget on Contract Tender Support • £0.156m Shortfall on income resulting from the Temporary Closure Market Drayton Pool • (£0.280m) Spend below budget on Utility costs across the Leisure Estate	39,376	• Minor variance from Period 9 to Period 10
Waste Management	34,797,770	34,662,234	30,949,694	(3,848,076)	Y	• £0.600m shortfall on Green Waste Income due to no price increase in 25-26 • £0.196m shortfall on PFI Grant income • (£2.669m) Contract Savings as a result of lower than budgeted inflationary increases • (£1.000m) Additional Energy Share contribution through Annual Reconciliation • (£0.975m) Additional Extended Producer Responsibility Payments	(1,019,803)	• (£0.975m) Additional Extended Producer Responsibility Payments • (£0.045m) Other minor variances
Insurance	1,430	748,039	(25,810)	(27,240)	Y	• Minor variance to budget at P10	0	• No variance from Period 9 to Period 10
Commissioning Development and Procurement	134,610	382,800	(11,417)	(146,027)	Y	• £0.055m Spend above budget on Agency Staff • (£0.171m) Spend under budget on staff	55,422	• Minor variance from Period 9 to Period 10

						salaries • (£0.030m) Spend under budget across supplies and services budgets		
Housing Development and HRA	35,550	7,245	33,398	(2,153)	Y	• Minor variance to budget at P10	(239)	• Minor variance from Period 9 to Period 10
Armed Forces Support	8,990	5,171	7,577	(1,413)	Y	• Minor variance to budget at P10	0	• No variance from Period 9 to Period 10
Community Services	465,420	391,767	470,739	5,319	G	• Minor variance to budget at P10	(2,034)	• Minor variance from Period 9 to Period 10
Quality Assurance & Independent Review Unit	474,900	378,004	449,881	(25,019)	Y	• Minor variance to budget at P10	(30,026)	• Minor variance from Period 9 to Period 10
Child Placement Service	192,100	120,410	150,456	(41,644)	Y	• Minor variance to budget at P10	(273)	• Minor variance from Period 9 to Period 10
Service Director Commissioning	0	12,911	27,600	27,600	G	• Minor variance to budget at P10	27,600	• Minor variance from Period 9 to Period 10
Total Commissioning	42,623,160	41,696,855	39,001,541	(3,621,619)			(873,596)	
Communities & Customer	Budget	YTD Actuals	Outturn	Controllable Variance	RAGY	Period 10 Narrative - variance to Budget	Movement Period 9 to 10	Period 10 Narrative - movement from Period 9 to Period 10
Housing Services	3,990,040	8,556,119	3,975,100	(14,940)	Y	• Minor variance to budget as at Period 10	(159,657)	• (£0.150m) improvement is due to recharge of management costs to the HRA.
Regulatory Services	1,874,400	1,285,328	1,727,197	(147,203)	Y	• (£0.060m) spend under budget in relation to vacancy management • (£0.059m) savings through management charges regarding grant funded activity • (£0.028m) transfer of Apprenticeship levy to Executive Management Team	(40,963)	• Minor variance from Period 9 to Period 10
Business and Consumer Protection	2,191,810	983,438	1,639,866	(551,944)	Y	• (£0.551m) payroll savings through the Voluntary Redundancy programme and vacancy management	(5,981)	• Minor variance from Period 9 to Period 10
Ring Fenced Public Health Services	1,224,050	693,069	1,224,050	0	Y	• No variance to budget as at Period 10	0	• Minor variance from Period 9 to Period 10

Culture, Leisure & Tourism Development	61,500	8,015	17,527	(43,973)	Y	• Minor variance to budget as at Period 10	(46)	• Minor variance from Period 9 to Period 10
Libraries	3,282,280	1,833,384	3,113,604	(168,676)	Y	• (£0.200m) Additional Public Health Substitution	1,216	• Minor variance from Period 9 to Period 10
Museums and Archives	1,137,940	986,520	1,007,256	(130,684)	Y	• £0.085m Spend over budget in relation to storage & rationalisation of museum collection • (£0.216m) additional museum support grant income	23,180	• Minor variance from Period 9 to Period 10
Theatre Services	236,840	(4,176,627)	-447,461	(684,301)	Y	• (£0.684m) increased income generation across Theatre Services	(5,388)	• Minor variance from Period 9 to Period 10
Head of Culture, Leisure & Tourism	221,300	978,326	107,174	(114,126)	Y	• (£0.113m) Net forecast spend under budget relating to Vacancy Management across the area	(1,129)	• Minor variance from Period 9 to Period 10
Customer Services	536,720	1,501,552	49,558	(487,162)	Y	• (£0.487m) Net forecast spend under budget relating to Vacancy Management across Customer Services	(4,729)	• Minor variance from Period 9 to Period 10
Service Director Communities & Customer	0	32,138	68,856	68,856	A	• Minor variance to budget as at Period 10	68,856	• Minor variance from Period 9 to Period 10
Total Communities & Customer	14,756,880	12,681,260	12,482,727	(2,274,153)			(124,642)	
Corporate Budgets	Budget	YTD Actuals	Outturn	Controllable Variance	RAGY	Period 10 Narrative - variance to Budget	Movement Period 9 to 10	Period 10 Narrative - movement from Period 9 to Period 10
Corporate Budgets	(40,277,000)	8,449,512	(17,239,056)	23,037,944	R	• £31.057m savings currently unachieved, to be reallocated across services • £3.190m pressures against interest payable relating to borrowing costs • £0.057m additional forecasted costs against external audit fees • (£0.156m) Forecast under budget across QICS PFI against the Unitary Charge • (£0.391m) Development Fund base budget assumed not required, reserves will meet expenditure requirements in-	(125,512)	• (£0.071m) interest receivable forecasted above budget • £0.055m removal of forecast for pay award in relation to Chief Officer posts

						- year • (£0.560m) increased income from profit share WME estimates • (£0.961m) interest receivable forecasted above budget • (£2.000m) release of gain share from contract relating to Broadband project • (£2.012m) release of funds held to cover pay award on review of estimated costs • (£2.516m) contribution from financial strategy reserve • (£2.539m) release of funds held for minimum revenue provision in relation to financing of capital investments		
Total Corporate Budgets	(40,277,000)	8,449,512	(17,239,056)	23,037,944			(125,512)	
Enabling	Budget	YTD Actuals	Outturn	Controllable Variance	RAGY	Period 10 Narrative - variance to Budget	Movement Period 9 to 10	Period 10 Narrative - movement from Period 9 to Period 10
Corporate Landlord, Property and Development	826,210	7,981,117	3,342,725	2,516,515	R	• £2.500m Asset rationalisation savings target unachieved. • £0.500m forecast for asset rationalisation saving achieved, showing against facilities in corporate landlord. • £0.952m Shirehall unrealised saving • (£0.733m) Savings achieved - asset rationalisation • (£0.491m) Savings on Property & Development (Vacancy Management) • (£0.144m) additional Income relating to museum collection storage at Bishops Castle • (£0.070m) Facilities contribution to running operations of community hubs for warm spaces	2,530	• Minor variance from Period 9 to Period 10
Technology	373,530	10,283,037	(844,974)	(1,218,504)	Y	•£0.651m relating to savings target showing against management (being met	(292,908)	•(£0.134m) capitalisation of staff working on the transformation

						- across wider IT teams) • (£1.110m) spend under budget relating to the IT restructure which is currently being implemented as a part of rightsizing. • (£0.092m) spend under budget relating to rental costs. • (£0.104m) net savings on Hardware & Licences. • (£0.558m) capitalisation of staff working on the transformation activity		- activity • (£0.164m) net vacancy efficiencies across the service.
Human Resources and Organisational Development	(5,870)	2,502,536	(213,994)	(208,124)	Y	• £0.148m income under budget relating to Service Level Agreement income. • (£0.323m) net vacancy efficiencies across the service. • (£0.033m) spend under budget relating to Occupational health private contractor consultations.	(62,924)	• Minor variance from Period 9 to Period 10
Health & Safety	21,530	485,501	(87,831)	(109,361)	Y	• (£0.125m) spend under budget relating to Voluntary Redundancy programme and vacancy efficiencies.	(1,024)	• Minor variance from Period 9 to Period 10
Finance	2,284,490	2,687,960	1,442,482	(842,008)	Y	• (£0.819m) spend under budget relating to Voluntary Redundancy programme and vacancy efficiencies.	(63,557)	• Minor variance from Period 9 to Period 10
Revenues and Benefits	2,353,970	24,197,528	4,523,780	2,169,810	R	• £1.100m relating to income not to be achieved against overpayments recovery of Housing Benefits, unrealistic when compared to last years actuals • £1.604m unachieved savings. Savings target from previous financial year of £1m achieving £0.455m relating to anticipated cost reductions arising from improvement of in-house Temporary Accommodation provision, additional savings target in current financial year unachievable • (£0.627m) relating to spend under budget against vacancy management and Voluntary Redundancy programme.	1,051	• Minor variance from Period 9 to Period 10

						• (£0.050m) additional Income requested from Household support fund to assist with the Discretionary household support fund balance currently 5k. • £0.129m relating to spend over budget on Legal cost, postage and management fees relating to rateable value calculations work undertaken to identify addition funding.		
Personal Assistants	44,180	691,772	26,795	(17,385)	Y	• Minor variance to budget as at Period 10	(789)	• Minor variance from Period 9 to Period 10
Service Director Enabling	527,590	180,222	622,720	95,130	A	• Minor variance to budget as at Period 10	73,962	• Minor variance from Period 9 to Period 10
Total Enabling	6,425,630	49,009,674	8,811,703	2,386,073			(343,659)	
Executive Management Team	Budget	YTD Actuals	Outturn	Controllable Variance	RAGY	Period 10 Narrative - variance to Budget	Movement Period 9 to 10	Period 10 Narrative - movement from Period 9 to Period 10
Executive Management Team	3,011,420	888,318	2,595,139	(416,281)	Y	• £0.431m relating to Apprenticeship Levy costs which have been reallocated following the organisation wide structure changes, these have now been mapped to service director areas which is where the contra entries will sit.	(431,756)	• £0.431m relating to Apprenticeship Levy costs which have been reallocated following the organisation wide structure changes, these have now been mapped to service director areas which is where the contra entries will sit.
Total Executive Management Team	3,011,420	888,318	2,595,139	(416,281)			(431,756)	
Infrastructure	Budget	YTD Actuals	Outturn	Controllable Variance	RAGY	Period 10 Narrative - variance to Budget	Movement Period 9 to 10	Period 10 Narrative - movement from Period 9 to Period 10
Partnerships & Economic Development	1,574,720	3,537,195	1,474,113	(100,607)	Y	• (£0.107m) Additional Grant Funding to offset Core Team costs	(7,257)	• Minor variance from Period 9 to Period 10
Highways & Transport	12,093,960	6,738,992	13,317,597	1,223,637	R	• £1.335m Shortfall on Parking Income • £0.970m Shortfall of Highways staff capitalisation & Repair Gangs	(20,856)	• Minor variance from Period 9 to Period 10

						• £0.300m Spend over budget on Kier overheads • £0.240m Spend over budget on 'Ash Die Back' • (£1.056m) Additional Street works Income • (£0.358m) Spend under budget on Street Lighting • (£0.100m) Spend under budget on Street Cleaning and Grounds Maintenance. • (£0.107m) Spend under budget across the service		
Shropshire Hills National Landscape	59,170	639,117	59,170	0	G	• No variance to budget as at Period 10	0	• No variance from Period 9 to Period 10
Outdoor Partnerships	988,190	698,385	1,081,712	93,522	A	• Minor variance to budget as at Period 10	(29,264)	• Minor variance from Period 9 to Period 10
Highway Policy & Strategic Infrastructure	1,735,150	1,623,743	1,682,584	(52,566)	Y	• Minor variance to budget as at Period 10	4,997	• Minor variance from Period 9 to Period 10
Public Transport	7,033,000	7,063,613	6,430,306	(602,694)	Y	• (£0.397m) Additional Department for Transport grant draw down • (£0.206m) Spend under budget on concessionary travel	3,971	• Minor variance from Period 9 to Period 10
Care & Wellbeing Transport	1,422,420	1,219,644	1,451,941	29,521	G	• Minor variance to budget as at Period 10	(308)	• Minor variance from Period 9 to Period 10
Home to School Transport	18,139,660	14,843,832	19,466,648	1,326,988	R	• £1.905m Spend above budget on SEND Transport costs • (£0.578m) Spend below budget on Primary & Secondary Transport costs	(2,510)	• Minor variance from Period 9 to Period 10
Service Director Infrastructure	(562,000)	550,343	232,274	794,274	R	• £0.800m unachieved savings target • (£0.006m) Other minor spends under budget	73,758	• Transfer of Budget & Expenditure from Assistant Director Infrastructure
Total Infrastructure	42,484,270	36,914,863	45,196,345	2,712,075			22,530	
Legal, Governance & Planning	Budget	YTD Actuals	Outturn	Controllable Variance	RAGY	Period 10 Narrative - variance to Budget	Movement Period 9 to 10	Period 10 Narrative - movement from Period 9 to Period 10

Registrars and Coroners	598,730	98,635	481,229	(117,501)	Y	• £0.152m Spend above budget on Coroner staffing. • (£0.358m) Additional income from Registrars mainly Venue fee, Certificate Fees & Ceremonies as a result of implementing a public self-service portal. • (£0.036m) Spend under budget against overtime as a result of removing Sunday working hours and streamlining of business as usual tasks • £0.100m relating to savings target	(30,880)	• Minor variance from Period 9 to Period 10
Planning Services	344,440	(4,097,032)	(1,802,700)	(2,147,140)	Y	• (£1.826m) Additional income relating to Planning applications, Performance agreements and a review of fees and charges. • (£0.122m) Additional income relating to a review of fees and charges on Building Regulations & Street Naming. • £0.209m Spend above budget on consultancy marketing and legal as a result of increased planning income • (£0.309m) Net vacancy efficiencies across the service. • (£0.052m) Net relating to additional review of Highways Development Control Income	(787,834)	• (£0.725m) Additional income relating to Planning applications and Performance agreements • £0.050m Shortfall of income due to a drop in building inspection fees • (£0.110m) Additional income relating to Section 38 and Section 278 Checking and Inspection fees
Policy and Environment	1,904,410	1,602,219	1,752,057	(152,353)	Y	• (£0.150m) Spend under budget in relation to vacancy management	1,096	• Minor variance from Period 9 to Period 10
Democratic Services	11,920	1,544,760	(88)	(12,008)	Y	• Minor variance to budget as at Period 10	1,616	• Minor variance from Period 9 to Period 10
Elections	1,290,090	1,639,247	1,071,874	(218,216)	Y	• (£0.218m) forecast spend lower than budgeted across Council Elections from the current financial year	(17,960)	• Minor variance from Period 9 to Period 10

Legal Services	128,500	2,269,330	122,402	(6,098)	Y	• Minor variance to budget as at Period 10	(28,026)	• Minor variance from Period 9 to Period 10
Policy and Governance	65,590	614,235	(107,913)	(173,503)	Y	• (£0.177m) spend under budget relating to vacancy management	(4,464)	• Minor variance from Period 9 to Period 10
Overview & Scrutiny	198,540	216,846	269,130	70,590	A	• Minor variance to budget as at Period 10	30	• Minor variance from Period 9 to Period 10
Feedback and Insights	11,490	445,164	(11,672)	(23,162)	Y	• Minor variance to budget as at Period 10	(9,079)	• Minor variance from Period 9 to Period 10
Service Director Legal & Governance (MO)	350,210	143,587	382,075	32,015	G	• Minor variance to budget as at Period 10	35,624	• Minor variance from Period 9 to Period 10
Total Legal, Governance & Planning	4,903,920	4,476,990	2,156,392	(2,747,378)			(839,878)	
Pensions	Budget	YTD Actuals	Outturn	Controllable Variance	RAGY	Period 10 Narrative - variance to Budget	Movement Period 9 to 10	Period 10 Narrative - movement from Period 9 to Period 10
Pensions	28,610	2,439,042	28,610	0	G	• No variance to budget as at Period 10	0	• Minor variance from Period 9 to Period 10
Total Pensions	28,610	2,439,042	28,610	0			0	
Strategy	Budget	YTD Actuals	Outturn	Controllable Variance	RAGY	Period 10 Narrative - variance to Budget	Movement Period 9 to 10	Period 10 Narrative - movement from Period 9 to Period 10
Ring Fenced Public Health Services	(1,207,640)	13,006,870	(1,207,640)	0	G	• No variance to budget as at Period 10	0	• No variance from Period 9 to Period 10
Adult Social Care Training	370,390	511,153	307,041	(63,349)	Y	• Minor variance to budget as at Period 10	(4,969)	• Minor variance from Period 9 to Period 10
Children & Young People Learning & Development	172,380	182,462	299,047	126,667	R	• £159k removal of transfer from reserve relating to trainee social worker cohort (now in Children and Young People) but not recruited to full capacity	168,032	• £159k removal of transfer from reserve relating to trainee social worker cohort (now in Children and Young People) but not recruited to full capacity
Partnerships & Economic Development	220	(723,587)	54,273	54,053	A	• Minor variance to budget as at Period 10	10,958	• Minor variance from Period 9 to Period 10

Emergency Planning	31,510	20,590	71,633	40,123	G	• Minor variance to budget as at Period 10	0	• Minor variance from Period 9 to Period 10
Broadband	100,610	187,944	110,864	10,254	G	• Minor variance to budget as at Period 10	25,677	• Minor variance from Period 9 to Period 10
Domestic Abuse	17,790	831,389	17,790	0	Y	• No variance to budget as at Period 10	0	• No variance from Period 9 to Period 10
Communications	278,400	628,497	26,272	-252,128	Y	• (£0.219m) Vacancy Management efficiencies achieved • (£0.033m) Additional Public Health Grant contributions no longer applicable	15,033	• Minor variance from Period 9 to Period 10
Business Improvement: Data, Analysis and Intelligence	55,210	1,220,247	104,527	49,317	G	• Minor variance to budget as at Period 10	(20,891)	• Minor variance from Period 9 to Period 10
Risk Management	(24,020)	75,852	-4,969	19,051	G	• Minor variance to budget as at Period 10	1	• Minor variance from Period 9 to Period 10
Commercial Services Business Development	(67,060)	28,458	-20,313	46,747	G	• Minor variance to budget as at Period 10	367	• Minor variance from Period 9 to Period 10
Climate Change	(191,580)	30,893	-19,011	172,569	R	• £0.172m shortfall on Pyrolysis and solar farm Income	1,434	• Minor variance from Period 9 to Period 10
Programme Management	264,810	5,571,353	288,374	23,564	G	• Minor variance to budget as at Period 10	(21,289)	• Minor variance from Period 9 to Period 10
Service Director Strategy and Change	0	33,878	31,139	31,139	G	• Minor variance to budget as at Period 10	31,139	• Minor variance from Period 9 to Period 10
Total Strategy	(198,980)	21,605,998	59,028	258,008			205,489	

APPENDIX 2

2025/26 SAVINGS DELIVERY

2.1 SUMMARY

The savings projections for 2025/26 are being tracked monthly with savings delivery being mapped against projected delivery during the course of the year. The table below summarises the position as at 31st January 2026.

Savings Target	Delivered	Projected Delivery	Indicative Plans	Delivery to be Confirmed
£59,876,040	£15,714,428	£17,729,885	£0	£42,146,156
	% Delivered	% Projected Delivery	% Indicative Plans	% Delivery to be Confirmed
	26.24%	29.61%	0.00%	70.39%

Projected delivery and indicative plans are in place for 29.61% of the savings identified. Some of these plans may be being achieved through one off means rather than an ongoing basis. Work continues to progress to ensure that savings proposals delivered can be delivered on an ongoing basis in order to reduce any further savings pressures into 2026/27. The table below shows the projected delivery of each saving proposal.

Individual Savings List 25/26									
Savings Name	Savings Target	Delivered to Date (One-off)	Delivered to Date (Ongoing)	Delivered to Date Total	Projected Delivery (One-off)	Projected Delivery (Ongoing)	Projected Delivery Total	Indicative Plans in Place	Delivery to be Confirmed
EFF45 - Charge staffing costs to capital budgets where possible and appropriate (capital project support or transformation of revenue services).	£1,790,350	£1,790,350	£0	£1,790,350	£1,790,350	£0	£1,790,350	£0	-£0
EFF81 - New Operating Model - Charge staffing costs delivering transformation to capital budgets where possible and appropriate (Workforce and Improvement).	£645,220	£468,760	£176,460	£645,220	£468,760	£176,460	£645,220	£0	£0
EFF83 - New Operating Model - Charge staffing costs to capital budgets where possible and appropriate (Legal and Democratic).	£57,330	£57,330	£0	£57,330	£57,330	£0	£57,330	£0	£0
EFF84 - New Operating Model - Charge staffing costs to capital budgets where possible and appropriate (Finance and IT).	£20,740	£20,740	£0	£20,740	£20,740	£0	£20,740	£0	-£0
MD001 - Further increase funding of public health reserves to support preventative initiatives at the children's, adults and customer front-door (earliest point of contact). Was included in the 2024/25 budget for one year only and is shown here as being removed.	-£200,000	£0	-£200,000	-£200,000	£0	-£200,000	-£200,000	£0	-£0
MD012 - Supported living - Reduce the need for 24 hour provision and increase independence through alternative resources such as technology	£873,190	£0	£345,794	£345,794	£0	£345,794	£345,794	£0	£527,396
MD016 - ASC - nighttime care and support service enabling people to stay at home	£520,000	£0	£0	£0	£250,000	£0	£250,000	£0	£270,000
MD019 - The council would need to encourage more people to foster across the county	£1,375,000	£0	£1,410,018	£1,410,018	£0	£1,415,064	£1,415,064	£0	-£40,064
MD020 - Stepping Stones	£3,758,000	£0	£2,244,044	£2,244,044	£0	£2,269,940	£2,269,940	£0	£1,488,060
MD021 - Increase in income from care contributions	£1,000,000	£0	£583,333	£583,333	£0	£1,000,000	£1,000,000	£0	£0
MD022 - Increase in in-house provider charges	£60,000	£0	£60,000	£60,000	£0	£60,000	£60,000	£0	£0
MD023 - Partnership working CHC and 117	£650,000	£0	£650,000	£650,000	£0	£650,000	£650,000	£0	-£0
MD026 - Shared lives cost avoidance delivered through increase in capacity	£300,000	£0	£111,090	£111,090	£0	£111,088	£111,088	£0	£188,912
MD027 - Supporting independence through Reviews (including LDSL/DPs and Tech etc)	£1,610,000	£0	£1,610,000	£1,610,000	£0	£1,610,000	£1,610,000	£0	£0
MD028 - Fee uplift review	£1,500,000	£0	£0	£0	£0	£0	£0	£0	£1,500,000
MD029 - ASC contracts and performance management	£600,000	£0	£600,000	£600,000	£0	£600,000	£600,000	£0	£0
MD030 - Home to school transport - academic days	£178,900	£0	£178,900	£178,900	£0	£178,900	£178,900	£0	-£0
NI003 - ASC Telecare	£500,000	£0	£0	£0	£400,000	£0	£400,000	£0	£100,000
NI004 - Expand the Handy Person service to a wider range of customers, including fee payers, supporting independent living	£10,000	£0	£0	£0	£0	£10,000	£10,000	£0	-£0
NI006 - Increase income from Museums and Archives services	£100,000	£81,440	£18,560	£100,000	£81,440	£18,560	£100,000	£0	£0
NI007 - Increase income from an enhanced memorial and ceremony offer at Council sites	£10,000	£0	£10,000	£10,000	£0	£10,000	£10,000	£0	-£0
NI008 - Increase income from an improved range of wedding and partnership ceremony packages	£2,000	£0	£2,000	£2,000	£0	£2,000	£2,000	£0	£0
PPR0 - Rightsizing	£11,723,400	£0	£0	£0	£0	£0	£0	£0	£11,723,400

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PRF&C0 - Income	£3,848,740	£0	£0	£0	£0	£0	£0	£0	£3,848,740
PRR1 - Legal & Governance Resizing	£100,000	£0	£0	£0	£0	£34,680	£34,680	£0	£65,320
PRR2 - Enabling Resizing	£1,256,000	£0	£0	£0	£0	£0	£0	£0	£1,256,000
PRR4 - Children's Rightsizing	£2,000,000	£0	£0	£0	£0	£0	£0	£0	£2,000,000
PRR5 - Infrastructure Resizing	£850,000	£0	£0	£0	£0	£0	£0	£0	£850,000
PRR6 - Care & Wellbeing Rightsizing	£1,300,000	£0	£0	£0	£0	£0	£0	£0	£1,300,000
PRTPS0 - Third Party	£12,991,240	£0	£1,785,449	£1,785,449	£0	£1,785,449	£1,785,449	£0	£11,205,791
RC003 - Further increase allocation of the public health grant to support preventative initiatives at the children's, adults and customer front-door.	£70,000	£0	£70,000	£70,000	£0	£70,000	£70,000	£0	£0
RC004 - Capitalisation of reserves as one off for staff and projects relating to transformation work to further increase funding of public health reserves to support preventative initiatives. This is for 2024/25, in addition to 1,000,000 in 23/24. This is being removed in 2025/26.	-£1,000,000	£0	-£1,000,000	-£1,000,000	£0	-£1,000,000	-£1,000,000	£0	£0
RC011/19 - Review and right size business support function	£312,500	£0	£312,500	£312,500	£0	£312,500	£312,500	£0	£0
RC016 - Agency Staff - reducing use of agency staff; promote permanent staffing.	£85,000	£0	£0	£0	£0	£0	£0	£0	£85,000
RC025 - Review and resize the Housing Services team	£64,000	£64,000	£0	£64,000	£64,000	£0	£64,000	£0	£0
RC026 - Review and potential reduction of some leisure provision to achieve cost reductions.	£100,000	£0	£70,000	£70,000	£0	£70,000	£70,000	£0	£30,000
RC029 - Review staffing and resize the Rights of Way team	£6,460	£0	£6,460	£6,460	£0	£6,460	£6,460	£0	-£0
RC030 - Review staffing and resize the Outdoor Partnerships team	£13,840	£0	£13,840	£13,840	£0	£13,840	£13,840	£0	-£0
RC032 - Review Library Services to ensure maximum efficiencies including funding reviews and reshaping/reductions of services	£220,540	£49,340	£151,200	£200,540	£49,340	£151,200	£200,540	£0	£20,000
RC040 - Dispose of Shirehall quicker and relocate services	£1,300,000	£0	£1,005,540	£1,005,540	£0	£1,005,540	£1,005,540	£0	£294,460
RC074 - Anticipated cost reductions in Revenues & Benefits arising from improvement of in-house Temporary Accommodation provision.	£1,000,000	£0	£0	£0	£0	£455,860	£455,860	£0	£544,140
RC078 - New model for future delivery of the Council's Out of Hours calls triage and Shrewsbury Town Centre CCTV monitoring	£47,310	£0	£30,000	£30,000	£17,310	£30,000	£47,310	£0	£0
RC083 - Review and secure cost reductions in the pooled training budget	£17,270	£0	£17,270	£17,270	£0	£17,270	£17,270	£0	£0
RC087 - DSG funding of SEND pressures	£500,000	£0	£500,000	£500,000	£0	£500,000	£500,000	£0	-£0
RC088 - Increased charges for car parking in Shrewsbury and Ludlow but retaining Park and Ride Services.	£250,000	£0	£250,000	£250,000	£0	£250,000	£250,000	£0	-£0
RC089 - Increased charges for car parking across the County.	£500,000	£0	£0	£0	£0	£0	£0	£0	£500,000
RC090 - Residents' only parking will be enforced for an annual residents fee.	£100,000	£0	£0	£0	£0	£0	£0	£0	£100,000
RC091 - More fixed penalties issued for dog fouling, littering and illegal parking.	£300,000	£0	£0	£0	£0	£0	£0	£0	£300,000
RC092 - Large scale switch off of street lights to reduce energy costs and carbon emissions.	£150,000	£0	£226,000	£226,000	£0	£226,000	£226,000	£0	-£76,000
RC094 - Waste contract efficiencies across the waste service including review of garden waste collection costs and HRC opening times to be delivered through negotiated changes to the contract.	£987,000	£0	£387,000	£387,000	£0	£387,000	£387,000	£0	£600,000
RC096 - Asking other organisations (commercial companies) to manage our leisure centres for us.	£200,000	£0	£0	£0	£0	£0	£0	£0	£200,000
RC097 - Management of green spaces and areas of outstanding natural beauty will be passed to town or parish councils, where they choose to take that on.	£200,000	£0	£200,000	£200,000	£0	£200,000	£200,000	£0	£0
SC002 - Review education transport arrangements - changes to policy and delivery models (mainstream and SEND)	£400,000	£0	£0	£0	£0	£400,000	£400,000	£0	£0
SC008 - Review staffing and resize the Empty Homes service	£47,010	£0	£47,010	£47,010	£0	£47,010	£47,010	£0	£0
SC013 - Rationalise property and buildings to secure revenue savings (e.g. utilities, security, repairs and maintenance etc). Use reductions to secure additional capital receipts.	£3,000,000	£0	£500,000	£500,000	£0	£500,000	£500,000	£0	£2,500,000
TO001 - Explore shared emergency planning resource and resilience with partners.	£15,000	£0	£0	£0	£0	£0	£0	£0	£15,000
TO002 - Review the use of the UK Shared Prosperity Fund (UKSPF) to maximise grant funding	£60,000	£0	£60,000	£60,000	£0	£60,000	£60,000	£0	£0
TO004 - Review funding arrangements and contributions from external sources to higher cost placements	£500,000	£0	£500,000	£500,000	£0	£500,000	£500,000	£0	-£0
TO009 - Review service synergies to secure cost reductions across Highways, Maintenance, and Outdoors services.	£1,000,000	£0	£250,000	£250,000	£0	£250,000	£250,000	£0	£750,000
Total	£59,876,040	£2,531,960	£13,182,468	£15,714,428	£3,199,270	£14,530,615	£17,729,885	£0	£42,146,156

APPENDIX 3 - Risk Assessment and Opportunities Appraisal

Risks Assessment

The Financial position is a significant Strategic Risk for the Council and the overspend has therefore been analysed into seven separate areas which are:

- Savings delivery
- Adult and Children's social care demand pressure beyond budget estimates
- Other unbudgeted pressures
- Capital receipts sufficiency.
- External economic factors (e.g. inflation)
- Projects risks
- Cash position (liquidity)

As part of monthly budget monitoring, a financial assessment is carried out on how likely the Councils forecast position will be at outturn, alongside two other scenarios setting out best- and worst-case outturn positions. Table 1 below highlights the three scenarios relating to the Council's revenue forecast outturn position only. More detailed information on how the three scenarios have been determined is set out in paragraph 4.2 below.

Regular monthly budget monitoring enables immediate action to be taken to curtail any future overspending and remain within budget allocation and is part of financial risk management approach of the Council. The Council should continue regular budget monitoring to reduce the risk of any future overspending. The low level of forecast savings delivery and the financial pressures in the current year are a significant risk for the 2025/26 financial year and continued focus and actions are being taken to maintain and reduce the overspend as far as possible.

Risk table

<i>Risk</i>	<i>Mitigation</i>
Savings delivery is below the targeted budget level; mitigations put forward do not achieved the impact required to deliver alternative savings. Savings of £59.9m were approved as part of the budget for 2025/26 financial year which included £7.7m of new savings, £10.9m of demand management activity in social care, and £41.3m of savings carried forward from 2024/25.	Savings delivery is divided into two main areas of activity – service-led activity and organisational-wide initiatives – each with different approaches. Organisational savings are the bulk of the carried forward savings from 2024/25 and are subject to support from the Project Management Office to support the delivery of the savings budgets through new initiatives proposed to mitigate shortfalls. The 2026/27 budget has been re-set as the current and mitigating savings proposals are no longer considered to be deliverable in their current form. As part of developing new savings plans during early 2026/27 a review on all savings will take place to consider the possibility of any of the proposals being deliverable over the period of the MTFP.
That management actions required to bring the budget into balance do not yield the results being targeted, leading to a larger pressure on the general fund balance.	Management have acknowledged the 2025/26 budget will not report a breakeven position by the end of the 2025/26 financial year and took the action to make an application for ESF to fund in part the current year overspend. However, engagement and action planning through the Leadership Board and Service Director's respective teams will continue to

	provide mitigation to this risk. This includes visibility and closer scrutiny of all spending decisions in both pay and non-pay areas. Implementation of operations boards, with enhanced Service Director scrutiny to oversee spending and recruitment will help enforce management actions. From Period 7, Leadership Board have received details on any key assumptions and risks underpinning the financial projections, so that an informed position can be agreed for the financial year and appropriate action taken, where necessary, to mitigate any know risks. Budget holder engagement has also been raised with the Leadership Board to ensure all areas of the budget are being reviewed by the relevant accountable officers for that budget. This will drive better engagement and ensure that all relevant officers are sighted on the actions they can take to manage their budgets.
Insufficient reserves to cover projected overspending or other deficits	The 2026/27 budget has been re-set which should enabled budget holders to remain within their budget allocation. This re-set included reviewing trends on demand for services and detailed savings review. . Modelling of current and future reserves levels, including both earmarked and unearmarked, against likely levels of pressure and impact on securing the desirable level of unearmarked (general) reserves have been reviewed as part of the budget setting for 2026/27 which has taken into account the use of all reserves to fund the 2025/26 overspend position. The target for the immediate aim is to retain a General Fund Balance of at least £5m by the financial year end and then increase reserves to £47.7m in 2026/27 which was considered adequate when setting the 2026/27 budget. This level will be reviewed as part of setting the 2026/27 budget.
Other unbudgeted risks arise before the end of the financial year	The general fund balance is reviewed as part of setting the budget each year and compared with known areas of risks including Strategic risks held on the Corporate Risk Register (such as the pay settlement for staff, supply chain inflation, resident need for different services). The review as part of the budget considered £5m as being insufficient to manage risks and the proposal is to increase reserves to £47.7m to manage unforeseen unbudgeted risks.

The Council continues to review 7 key risks around financial pressures, which have been previously reported as set out in Table 2 below. The risks summarise the key areas which could have significant risk on the financial sustainability of the Council. The Table sets out the likelihood of the risks coming to fruition and the actions being taken as at period 10.

Opportunities Appraisal

Table 2 – Analysis of Three Forecast Scenarios with commentary

Given the financial position of the council remains highly challenging, summary budget monitoring reports highlighting the forecast year end position are produced on monthly basis and reported to Cabinet each quarter.

		Period 10					
Survival factor	MTFS assumption	Fav	Central		Adv		
1. Savings delivery	Budget and MTFS assume 100% delivery of all savings on a recurrent basis. For 2025/26 a mitigation against in-year optimism bias was included in the GFB calculation at £11.5m (equating to c75% delivery against the 2025/26 target of £59.9m (excluding demand mitigations)	40.146	assumes £2m improvement in savings delivery by year end, including additional benefits from supplier engagement	42.146	tracker reds @ 31 Jan are £42.146m of which £37.147m relates to brought forward savings from 2024/25 for which there are not robust delivery plans in place.	42.146	tracker reds @ 31 Jan are £42.146m of which £37.147m relates to brought forward savings from 2024/25 for which there are not robust delivery plans in place. No amber savings remain, so should not be further slippage on this position
2. Social care demand pressure beyond budget estimates	Demand reduction measures assumed to support delivery within budget. Excess demand beyond that will impact overall financial performance.	37.81	No more favourable position currently identified.	37.81	Social Care Demand pressures in Adults and Childrens are not managed to available budget. Aim to mitigate against higher overspends in future months. Plus an increased risk of insufficient health contributions towards complex cases in light of increased CHC transfers.	39.818	Social Care Demand pressures in Adults and Children's are not managed to existing overspend, generating higher overspends in future months. Plus an increased risk of insufficient health contributions towards complex cases in light of increased CHC transfers.
3. Other unbudgeted pressures (-benefits)	The budget assumes all material considerations are included in the estimates. Other pressures outside those estimates are not included, hence the provision of a general fund balance (although other Councils include a revenue contingency budget).	-32.012	Assumes an improvement in one-off savings delivery.	-30.012	No material pressures identified beyond those in the two sections above. Significant one-off savings currently identified offsetting pressures in savings delivery and social care. Use of remaining General Fund Balance	-29.012	Assumes a deterioration in one-off savings delivery.
Subtotal - Revenue Monitoring Position		45.944		49.944		52.944	
4. Capital receipts sufficiency	Capital receipts are generated at a level that, when added to 'in-hand' and 'de-committed' amounts, will cover VR costs plus transformation costs (capitalised). Any shortfall in capital receipts generated or increase in transformation costs could cause an additional pressure	0.000	No longer a risk given that Exceptional Financial Support has been approved which provides for up to £10m to be funded from transformation	0.000	No longer a risk given that Exceptional Financial Support has been approved which provides for up to £10m to be funded from transformation	0.000	No longer a risk given that Exceptional Financial Support has been approved which provides for up to £10m to be funded from transformation
5. External factors	A number of factors are known to be able to impact the financial position indirectly, but the timing or likelihood of these is unknown at the time of setting the budget. The GFB level is set on the basis of being a fund of last resort in the face of such pressures.	0.000	Assume no in-year costs arising from regulator reports.	0.000	Assume no in-year costs arising from regulator reports.	1.000	Other financial risks that may arise including application of specific grants, cost implications of winter pressures and risks involving partner organisations
6. Project risks	No direct or indirect implications are assumed in the budget. Possible risks include the withdrawal of funding for major capital projects which may lead to revenue pressure as "sunk" costs are written off. This must be balanced against the risk of increased borrowing requirements in the event of continuing with significantly increased project costs. NWRR has now been cancelled following Council decision on 26/02/26	0.000	No longer a risk given that Exceptional Financial Support has been approved which allows the £39m costs of the NWRR that will be written off to revenue to be funded from the capitalisation direction.	0.000	No longer a risk given that Exceptional Financial Support has been approved which allows the £39m costs of the NWRR that will be written off to revenue to be funded from the capitalisation direction.	0.000	No longer a risk given that Exceptional Financial Support has been approved which allows the £39m costs of the NWRR that will be written off to revenue to be funded from the capitalisation direction.
7. Cash position (Liquidity)	The MTFS assumes that day-to-day liquidity is planned for an maintained. Failure to do this, or a rapid deterioration in the council's financial position may lead to unbudgeted finance costs, and reputational damage .	0.000	No more favourable position currently identified.	0.000	Detailed day-to-day cash forecast in place. MUFG (treasury advisors) engaged and advising on externalisation of previous internal borrowing. Clear management with £20m cash buffer. Projected borrowing required for 2025/26 built into monitoring position	0.000	All borrowing anticipated for 2025/26 has been built into the monitoring position since P7.
Total - Risk Assessed Position		45.944		49.944		53.944	