

**Committee and Date**Cabinet
15th April 2026

Item

Public



Financial Monitoring Period 11

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Cabinet Member (Portfolio Holder):	Roger Evans, Finance	

1. Synopsis

The Council is reporting an overall year-end forecast position for 2025/26 as at Period 11 of a £49.374m overspend. The forecast overspend has improved on that reported at period 10 by £0.570m, the details of which are set out within this report.

2. Executive Summary

2.1. The financial position as at period 11 is continuing to report a significant overspend against the budget set by Council in February 2025. The overspends are predominantly within Care & Wellbeing and the Children and Young People services. A number of measures were put in place during the year to reduce the overspend as far as possible however, it became evident that the overspend would not reduce in line with the approved budget. As a result of the overspend the level of reserves would be depleted therefore the Council made the decision to make an application to the Government for £71.4m Exceptional Financial Support (EFS) to manage the financial position in 2025/26. The application for £71.4m has been approved of which £21.5m will be used towards the overspend. Exceptional Financial support enables the Council to borrow funds which will be re-paid through increasing the capital financing revenue budget over a period of time. The remainder of the overspend will be funded through general fund reserves as set out in Table 3 of this report.

- 2.2. The remaining £49.9m of the 2025/26 EFS, will be used to fund the financial consequences of the decision made by Council to cancel the North-West Relief Road project owing to affordability issues which has cost c£39.9m to date. The remaining £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 and support the Council to be financial sustainable.
- 2.3. In addition to the EFS of £71.4m required in 2025/26 the Council is also borrowing exceptional amounts of money to pay for essential services in 2026/27. The 2026/27 budget includes building general fund reserve balances back up to a reasonable level after the delivery of £5m savings. Services must mitigate any in year pressures and work towards bringing down the financial deficit. This will ultimately result in the need for difficult decisions to be made for the Council to become financially sustainable.
- 2.4. The £0.570m reduction in the overspend since Period 10 is within service area budgets, more details are set out within section 4 of this report.
- 2.5. The key issues highlighted in this report are:
- The forecast period 11 overspend position of £49.374m is based on actual and forecast expenditure, and income to the end of the financial year 31 March 2026. The period 10 forecast outturn position reported an overspend of £49.944m therefore a reduction on the overspend of £0.570m.
 - 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 should any further unforeseen pressures arise during the finalisation of the year end position.
- 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. The S151 officer recognises the position will need to be managed through reducing the net expenditure of the Council over the medium term with support of EFS. The repayment of EFS will be through increasing the revenue capital debt financing budget which will create further pressures on the Council revenue budget.
- 2.8. The period 11 forecast position for 2025/26 is set out in Table 1 below:

Table 1 – Forecast as of 28 February 2026 showing the Revenue budget Monitoring forecast.

Scenario	Potential variation to budget £'000	Available General Fund Balance £'000	Unfunded Overspend £'000
Favourable	45.374	(34.280)	11.094
Central (Period 11 position)	49.374	(34.280)	15.094
Adverse	52.374	(34.280)	18.094

- 2.9. The Council received a report in February 2026 recommending the cancellation of the capital project to develop a North-West Relief Road (NWRR) which has incurred costs of £39.9m to date. The recommendation was approved and the s151 officer is working through the accounting entries required to account for the decision which will be included within the 2025/26 statement of accounts. The financial implication arising from de-capitalisation of the project is approximately £32m, which includes the potential to repay c£20m of funding the Council received from the Department of Transport towards the cost of the project.
- 2.10. The application for £71.4m of Exceptional Financial Support (EFS) for 2025/26 includes funding the cost of NWRR. As the costs of the NWRR road will be funded through EFS there will be no impact on the revenue outturn position of the Council.

3. Recommendations

- 3.1. 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.
 - B. Note the continued use of the Budget, Transformation and Change Panel (formerly the Operations Boards) 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 11 of £49.374m.
 - D. Note the forecast level of savings to be delivered by the end of the financial year at Period 11 of £17.726m (29.60%).
 - E. Note the forecast General Fund Balance of £5.000m.

Report

4. Forecast Outturn as at Period 11

- 4.1. At Period 11 (28 February 2026), the Council is reporting a forecast adverse variation of £49.374m, and is predominantly due to savings not achieved, demand and price pressures and income variations.
- 4.2. The total adverse variation within Care & Wellbeing and Children & Young People is £30.876m which is 62% of the total overspend. The remainder of the overspend is within Corporate which is reporting a £23.004m overspend, largely due to organisation wide savings that could not be achieved. The unachieved savings in 2025/26 have been addressed in setting the 2026/27 savings.
- 4.3. Table 2 below summarises the position by service area (see also Appendix 1).

Table 2: Projected Outturn by Service Period 11 Area

	Revised Budget £'000	YTD Actual £'000	Projected Outturn £'000	P11 (Under)/ Overspend £'000	Movement in projected variance between P10-P11 £'000
Service Area					
Care & Wellbeing	135,082	171,852	153,314	18,232	480
Children & Young People	79,844	216,410	92,464	12,621	-236
Commissioning	42,648	47,795	38,757	(3,891)	-269
Communities & Customer	14,792	16,567	12,337	(2,456)	-182
Enabling	6,500	47,353	8,761	2,262	-124
Executive Management Team	2,542	2,513	2,594	52	468
Infrastructure	42,529	48,718	45,014	2,484	-228
Legal, Governance & Planning	4,957	2,351	1,959	(2,998)	-251
Pensions	36	2,820	25	(11)	-11
Strategy	(34)	22,488	42	76	-182
Service Delivery Budgets	328,899	578,867	355,267	26,371	
Corporate	(40,311)	11,747	(17,307)	23,004	-34
Net Expenditure	288,586	590,614	337,960	49,374	-569
Funding					
Council Tax	(219,283)	0	(219,283)	0	0
Business Rates	(46,683)	0	(46,683)	0	0
Top Up Grant	(11,025)	(11,025)	(11,025)	0	0
Revenue Support Grant	(8,668)	(7,887)	(8,668)	0	0
Collection Fund (Surplus)/Deficit	(1,549)	0	(1,549)	0	0
Total Funding	(288,586)	(18,913)	(288,586)	0	0
Total	0	571,701	49,374	49,374	-569

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

Savings (Appendix 2):

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 £42.150m of targeted savings set in original plans not achievable, as reported previously. The period 11 forecast position assumes no further delivery of savings above the £17.726m delivered 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. This will ensure savings are delivered as planned and where plans go off track they can be brought back in line or alternative mitigation plans put in place.

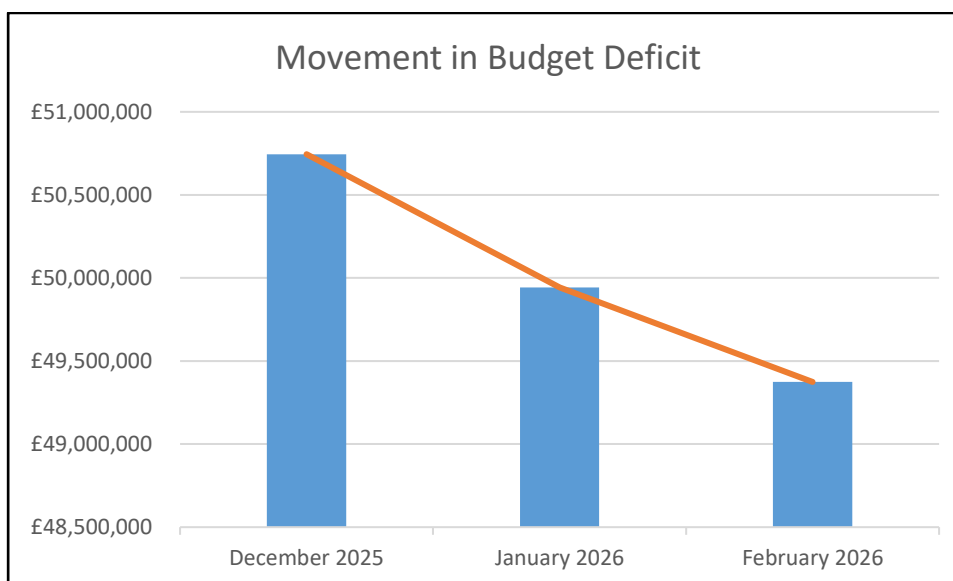
4.4.3. This will reduce the risk of non-delivery of savings and prevent as far as possible, any future overspending. Appropriate governance arrangements will be put in place to review savings plans before they are put forward as part of budget setting, and to monitor delivery of them on a monthly basis, 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 £20.007m (net £18.962m after taking account of positive variations). This is due to pressures arising at the beginning of the financial year due to the outturn position and pressures in 2024/25 which carried through to 2025/26. In addition, demand on the service has seen an increase in the need to provide care for people with increased complex needs, which are more expensive. Some of these cases have also been 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 £12.621m which combines both negative and positive projections which is in the main due to additional costs in External Residential Placements.
- 4.5. Overall, the overspend has reduced on that reported at period 10 by £0.570m (referred to in Appendix 1). The main variances in the forecast contributing to this are:
- 4.5.1. Net movement across Care & Wellbeing of £0.480m which is represented by an increase across purchasing of £0.743m, in particular increase in nursing and cases transferred from health.
- 4.5.2. An improvement in projected external residential placements within Children's Services of (£0.133m).
- 4.5.3. A reduction in forecasted expenditure across Winter Maintenance (£0.150m) and recharge of staffing costs between Public Transport and Home To School Transport (£0.234m).
- 4.5.4. Additional forecasts within Waste Services relating to energy share and royalty payments (£0.317m).
- 4.5.5. Additional income forecast relating to an increase in the number of planning applications (£0.403m)
- 4.6. The Budget, Transformation and Change Panel is forming to review and approve proposed projects and where necessary access transformation funding. The Panel will ensure greater visibility of how the organisation plans and controls its spend, and achieves efficiencies.
- 4.7. The Financial Emergency action was necessary to reduce the forecast overspend as far as possible through managing demand, delivering on savings which could be delivered and maximising income whilst delivering statutory services. This will continue into 2026/27 ensuring delivery of the actions set out within the improvement plan until the council is financial sustainable.

- 4.8. Graph 1 below sets out the impact of the actions taken relating to the Financial Emergency since reporting quarter 3 report which is an overall reduction in the deficit of £1.371m.

Graph 1 Movement in Budget Deficit between Quarter 3 and Period 11



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 pressure 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. The 2026/27 budget includes a transfer to reserves of £42.0m to bring balances to an acceptable level.
- 5.3. After the application of EFS in 2025/26 and subject to the outturn position being in line with period 11, it is anticipated that the closing balance for the GFB will be approximately £5.000m as set out in table 3 below.

Table 3: 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 11	(49,374)
Application of Exceptional Financial Support (up to £21.5m)	20,094
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 adequate to manage the financial risks of the Council and the reasons for the budgeted transfer of £42m to reserves in 2026/27, however this is dependent on the 2026/27 budget being delivered within the approved budget. The revenue budget will be monitored on a monthly basis throughout 2026/27 with quarterly reports 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 presented to Cabinet monthly. Significant management action has been taken at all levels of the Council reducing spend as far as possible to ensure the Council's financial sustainability.
- 7.2. There are no financial implications arising directly from this report and no decisions are expected during period 12 which would significantly impact the forecast outturn position for 2025/26.

The Council will continue to monitor both revenue and capital income and expenditure. The financial outturn for 2025/26 will be reported to Cabinet during the first quarter of 2026/27.

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 Councils 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 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 2026](#)

[Financial Monitoring Period 10, Cabinet 11th March 2026](#)

[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 11 Narrative - variance to Budget	Movement Period 10 to 11	Period 11 Narrative - movement from Period 10 to Period 11
Adult Social Care Management	950,690	896,235	618,650	-332,040	Y	• (£0.335m) capitalisation of posts	52,759	• Minor variance from Period 10 to Period 11
Adult Social Care Provider Services	5,151,670	8,494,593	4,341,344	-810,326	Y	<ul style="list-style-type: none"> • £0.203m Glenview costs previously purchase expenditure • (£0.538m) spend below budget on salaries due to vacant posts in START team and Day Services • (£0.299m) additional income Four Rivers Nursing Home • (£0.118m) spend below budget on External Provider Services • (£0.058m) Shared lives increased discretionary rent income 	-193,711	• (£0.158m) Increase in income within Internal nursing provisions
Adult Social Care Operations	126,346,680	169,697,361	145,308,562	18,961,882	R	<ul style="list-style-type: none"> • £20.007m spend over budget purchasing made up of: <ul style="list-style-type: none"> - £16.112m SPOT Gross purchasing - £8.755m Residential care , £5.921m increase in nursing due to complexity and Cases transferred from health to local authority, £3.920m increase in spend on Individual Service Funds due to an increase in domiciliary care at home, £0.446m increase in spend over budget in college placements, (£1.400m) additional contribution from income over budget from Direct Payment and Individual Service Fund clawbacks, (£0.289m) spend under budget on forecast 	771,977	<ul style="list-style-type: none"> • £0.743m increase in purchasing from Period 10 to Period 11 - £0.512m increase in gross SPOT purchasing, this is made up of £0.191m residential placements , £0.171m short term nursing placements nursing placement cases transferred from Health, £0.109m college placements transferred from children's service, £0.023m increase in Direct Payments and

						<ul style="list-style-type: none"> children turning 18. - £13.308m BLOCK Gross purchasing increase in spend over budget on supported living and supported living Individual Service Funds due to an increase in complexity of care and provider market challenges around capacity and uplifts -(£0.296m) spend under budget on reablement following updated allocation of Better Care Fund - (£9.019m) increase income • £0.342m reduction in forecasted income against telecare • (£1.529m) spend below budget on salaries due to vacant posts 		(£0.063m) Individual Service Funds from new ways of working. - £0.135m additional expenditure against Hospital discharge reablement - £0.077m increase in gross BLOCK expenditure for Supported Living placements increased complexity
Professional Development Unit	214,070	231,273	214,070	0	Y	• No variance to budget	0	• No variance from Period 10 to Period 11
Care & Wellbeing Projects	-7,080	-10,774,324	141,258	148,338	R	•£0.198m Care Tech Programme	-581	• Minor variance from Period 10 to Period 11
Enable	291,050	1,301,919	530,430	239,380	R	• £0.187m Savings to be identified • £0.088m spend over budget on client expenses	-198,556	• Enable contracts addition income identified
Service Director Care & Wellbeing	2,135,260	2,005,492	2,159,948	24,688	G	• Minor variance to budget at P11	48,452	• Minor variance from Period 10 to Period 11
Total Care & Wellbeing	135,082,340	171,852,549	153,314,263	18,231,923			480,341	
Children & Young People	Budget	YTD Actuals	Outturn	Controllable Variance	RAGY	Period 11 Narrative - variance to Budget	Movement Period 10 to 11	Period 11 Narrative - movement from Period 10 to Period 11
Shire Services	0	6,538	10,279	10,279	G	• Minor variance to budget as at Period 11	-9,232	• Minor variance from Period 10 to Period 11
Learning and Skills	5,098,800	122,797,169	4,893,180	-205,620	Y	• £0.091m forecast spend over budget against fully-traded Schools Library Service	117,371	• £0.111m increase in forecast spend over budget relates to the

						<ul style="list-style-type: none"> • £0.060m forecast spend over budget against fully-traded Schools Finance Team due to a one-off cost • (£0.031m) relates to Academy conversion income from schools exceeding expenditure • (£0.040m) 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 • (£0.102m) relating to the maximisation of various external funding streams in Education Improvement Service • (£0.106m) one-off efficiencies across both staffing and non-staffing budgets within Learning & Skills Business Support. 		fully-traded Schools Finance Team due to a one-off cost
Director Children's Services	359,360	604,486	363,737	4,377	G	<ul style="list-style-type: none"> • Minor variance to budget as at Period 11 	-138,824	<ul style="list-style-type: none"> • (£0.145m) Apprenticeship Levy - Budget virement processed
Service Director Children's & Young People - CSC	0	148,303	0	0	G	<ul style="list-style-type: none"> • No variance to budget as at Period 11 	0	<ul style="list-style-type: none"> • No variance from Period 10 to Period 11
Children's Social Care and Safeguarding	22,915,970	29,558,760	26,359,754	3,443,784	R	<ul style="list-style-type: none"> • £2.202m spend over budget on staffing budgets across the service relating to Agency Social Workers covering vacancies and additional staffing following the Ofsted Staff Improvement plan. • £1.059m spend over budget in 	-12,704	<ul style="list-style-type: none"> • Minor variance from Period 10 to Period 11

						<p>Disabled Children's budget area with £0.871m relating to Disabled Children's Team (DCT) prevention and Support payments and £0.278m explained by DCT Short Breaks Contracts. £0.067m spend under budget relates to Disabled Children's Direct Payments.</p> <ul style="list-style-type: none"> • £0.390m spend over budget relates to Adoption Services. £0.458m spend over budget on Adoption Allowances, the remaining variance relates to the Together4Children (T4C) permanency hub where the percentage contribution from another Local Authority has reduced in 2025/26. • £0.052m forecast spend over budget relates to taxi costs or other transport related costs across the Social Work teams. • (£0.259m) forecast spend under budget relates Public Law Outline Support packages which includes legal fees, and other court ordered expenditure such as medical assessments 		
Children's Placements	48,999,850	59,297,994	58,728,416	9,728,566	R	<ul style="list-style-type: none"> • £14.958m spend over budget forecast on External Residential Placements. £1.492m shortfall in savings from "Stepping Stones Project". £10.106m increase in External Residential Spot/Framework placements. £2.368m Disabled Children's Team residential expenditure - increase in numbers. The remaining £0.992m shortfall in contributions 	-174,610	<ul style="list-style-type: none"> • £0.060m decrease in spend under budget on External Fostering placements • £0.036m decrease in spend under budget forecast on Internal Residential Children's Homes • £0.023m decrease in spend under budget on

						<ul style="list-style-type: none"> from other partners towards joint funded social care led residential placements. • (£0.060m) spend under budget forecast on Placements Staffing • (£0.363m) spend under budget against Internal Residential Children's Homes due to Devonia being temporarily closed until late 2025. • There is a credit of (£1.889m) spend under budget relating to Stepping Stones Project which relates to a one-off capitalisation of posts • (£2.928m) forecast spend under budget relates to Fostering placements budgets (£2.789m External Fostering and £0.139m Internal Fostering). External fostering placements were anticipated to increase in 2025/26 hence growth was built into the budget, however instead numbers have decreased. 		<ul style="list-style-type: none"> Internal fostering fees and allowances • (£0.046m) increase in spend under budget on Placements Staffing • (£0.055m) increase in spend under budget on Stepping Stones • (£0.059m) decrease in spend over budget on Supported Accommodation or Supported Lodgings Placements for 16-18 year olds. • (£0.133m) decrease in spend over budget forecast on External Residential Placements mostly due to a couple of External Residential spot/framework placements ending earlier than previously forecast.
Children's Early Help	1,798,250	3,311,457	1,667,295	-130,955	Y	<ul style="list-style-type: none"> • (£0.131m) additional Public Health grant contribution towards the Council's Early Help family hubs 	-17,567	<ul style="list-style-type: none"> • Minor variance from Period 10 to Period 11
Youth Support Services	671,350	684,863	441,756	-229,594	Y	<ul style="list-style-type: none"> • (£0.230m) spend under budget Youth Support Team temporary vacancy management and maximisation of Local Youth Transformation pilot external funding 	-1,066	<ul style="list-style-type: none"> • Minor variance from Period 10 to Period 11
Total Children & Young People	79,843,580	216,409,570	92,464,416	12,620,836			-236,633	

Commissioning	Budget	YTD Actuals	Outturn	Controllable Variance	RAGY	Period 11 Narrative - variance to Budget	Movement Period 10 to 11	Period 11 Narrative - movement from Period 10 to Period 11
Adult Social Care Business Support	4,378,300	4,766,375	4,037,108	-341,192	Y	<ul style="list-style-type: none"> • (£0.208m) Spend under budget on staff salaries • (£0.133m) Spend under budget on Payments to contractors 	-64,283	• Minor variance from Period 10 to Period 11
Bereavement Services	-251,020	-277,614	-299,513	-48,493	Y	<ul style="list-style-type: none"> • Minor variance to budget at P11 	511	• Minor variance from Period 10 to Period 11
Leisure	2,385,110	2,548,692	3,286,052	900,942	R	<ul style="list-style-type: none"> • £0.520m Shortfall on Savings Targets • £0.212m Spend above Budget on other minor works across Leisure Facilities • £0.163m Spend above budget on Grounds Maintenance at Meole Brace Golf Course • £0.129m 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 	137,996	• Spend above budget on Grounds Maintenance at Meole Brace Golf Course
Waste Management	34,797,770	38,891,769	30,632,248	-4,165,522	Y	<ul style="list-style-type: none"> • £0.600m shortfall on Green Waste Income due to no price increase in 25-26 • £0.196m shortfall on PFI Grant income • (£2.686m) Contract Savings as a result of lower than budgeted inflationary increases • (£1.300m) Additional Energy Share & Royalty Payments through Annual Reconciliation • (£0.975m) Additional Extended Producer Responsibility Payments 	-317,446	• Additional Energy Share & Royalty Payments

Insurance	1,430	-69,656	-27,571	-29,001	Y	• Minor variance to budget at P11	-1,761	• Minor variance from Period 10 to Period 11
Commissioning Development and Procurement	134,610	619,841	-11,131	-145,741	Y	• £0.055m Spend above budget on Agency Staff • (£0.171m) Spend under budget on staff salaries • (£0.030m) Spend under budget across supplies and services budgets	286	• Minor variance from Period 10 to Period 11
Housing Development and HRA	35,550	40,225	33,154	-2,396	Y	• Minor variance to budget at P11	-243	• Minor variance from Period 10 to Period 11
Armed Forces Support	8,990	27,759	3,363	-5,627	Y	• Minor variance to budget at P11	-4,214	• Minor variance from Period 10 to Period 11
Community Services	465,420	470,092	470,125	4,705	G	• Minor variance to budget at P11	-614	• Minor variance from Period 10 to Period 11
Quality Assurance & Independent Review Unit	474,900	456,966	455,433	-19,467	Y	• Minor variance to budget at P11	5,552	• Minor variance from Period 10 to Period 11
Child Placement Service	192,100	150,306	150,225	-41,875	Y	• Minor variance to budget at P11	-231	• Minor variance from Period 10 to Period 11
Service Director Commissioning	25,140	170,230	27,600	2,460	G	• Minor variance to budget at P11	-25,140	• Minor variance from Period 10 to Period 11
Total Commissioning	42,648,300	47,794,986	38,757,094	-3,891,206			-269,586	
Communities & Customer	Budget	YTD Actuals	Outturn	Controllable Variance	RAGY	Period 11 Narrative - variance to Budget	Movement Period 10 to 11	Period 11 Narrative - movement from Period 10 to Period 11
Housing Services	3,990,970	9,718,363	3,902,207	-88,763	Y	• Minor variance to budget as at Period 11	-73,823	• Minor variance from Period 10 to Period 11
Regulatory Services	1,846,240	1,996,902	1,713,079	-133,161	Y	• (£0.060m) spend under budget in relation to vacancy management • (£0.059m) savings through management charges regarding grant funded activity	14,042	• Minor variance from Period 10 to Period 11

Business and Consumer Protection	2,191,810	1,468,923	1,588,168	-603,642	Y	<ul style="list-style-type: none"> • (£0.551m) payroll savings through the Voluntary Redundancy programme and vacancy management • (£0.053m) savings to other non-pay expenditure 	-51,698	• Minor variance from Period 10 to Period 11
Ring Fenced Public Health Services 2	1,224,050	1,012,465	1,224,050	0	Y	• No variance to budget as at Period 11	0	• Minor variance from Period 10 to Period 11
Culture, Leisure & Tourism Development	61,500	11,239	17,845	-43,655	Y	• Minor variance to budget as at Period 11	318	• Minor variance from Period 10 to Period 11
Libraries	3,282,280	3,458,606	3,112,352	-169,928	Y	• (£0.200m) Additional Public Health Substitution	-1,252	• Minor variance from Period 10 to Period 11
Museums and Archives	1,137,940	1,195,999	1,057,494	-80,446	Y	• Minor variance to budget as at Period 11	50,238	• Minor variance from Period 10 to Period 11
Theatre Services	236,840	-2,901,975	-479,473	-716,313	Y	• (£0.716m) increased income generation across Theatre Services	-32,012	• Minor variance from Period 10 to Period 11
Head of Culture, Leisure & Tourism	221,300	517,579	128,232	-93,068	Y	• Minor variance to budget as at Period 11	21,058	• Minor variance from Period 10 to Period 11
Customer Services	536,720	-403	3,962	-532,758	Y	<ul style="list-style-type: none"> • (£0.487m) Net forecast spend under budget relating to Vacancy Management across Customer Services • (£0.045m) savings to other non-pay expenditure 	-45,596	• Minor variance from Period 10 to Period 11
Service Director Communities & Customer	62,660	89,016	68,856	6,196	G	• Minor variance to budget as at Period 11	-62,660	• Minor variance from Period 10 to Period 11
Total Communities & Customer	14,792,310	16,566,713	12,336,771	-2,455,539			-181,386	
Corporate Budgets	Budget	YTD Actuals	Outturn	Controllable Variance	RAGY	Period 11 Narrative - variance to Budget	Movement Period 10 to 11	Period 11 Narrative - movement from Period 10 to Period 11

Corporate Budgets	-40,310,820	11,746,743	-17,307,257	23,003,563	R	<ul style="list-style-type: none"> • £31.057m savings currently unachieved, to be reallocated across services • £3.190m pressures against interest payable relating to borrowing costs • (£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-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 	-34,381	• Minor variance from Period 10 to Period 11
Total Corporate Budgets	-40,310,820	11,746,743	-17,307,257	23,003,563			-34,381	
Enabling	Budget	YTD Actuals	Outturn	Controllable Variance	RAGY	Period 11 Narrative - variance to Budget	Movement Period 10 to 11	Period 11 Narrative - movement from Period 10 to Period 11
Corporate Landlord, Property and Development	827,140	4,567,466	3,370,790	2,543,650	R	<ul style="list-style-type: none"> • £2.297m Asset rationalisation savings target unachieved • £0.952m Shirehall unrealised saving 	27,135	• Minor variance from Period 10 to Period 11

						<ul style="list-style-type: none"> • (£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 		
Technology	374,460	3,603,874	-873,834	-1,248,294	Y	<ul style="list-style-type: none"> •£0.651m relating to savings target showing against management (being met across wider IT teams) •(£0.092m) spend under budget relating to rental costs. •(£0.136m) spend under budget on Hardware & Licences. •(£0.558m) capitalisation of staff working on the transformation activity •(£1.110m) spend under budget relating to the IT restructure which is currently being implemented as a part of rightsizing. 	-29,790	• Minor variance from Period 10 to Period 11
Human Resources and Organisational Development	-5,090	1,061,893	-234,474	-229,384	Y	<ul style="list-style-type: none"> •£0.139m income under budget relating to Service Level Agreement income. •(£0.330m) net vacancy efficiencies across the service. •(£0.035m) spend under budget relating to Occ health private contractor consultations. 	-21,260	• Minor variance from Period 10 to Period 11
Health & Safety	21,530	107,883	-95,087	-116,617	Y	<ul style="list-style-type: none"> •(£0.125m) spend under budget relating to Voluntary Redundancy programme and vacancy efficiencies. 	-7,256	• Minor variance from Period 10 to Period 11

Finance	2,286,310	2,689,866	1,454,035	-832,275	Y	<ul style="list-style-type: none"> • (£0.821m) spend under budget relating to Voluntary Redundancy programme and vacancy efficiencies. 	9,733	<ul style="list-style-type: none"> • Minor variance from Period 10 to Period 11
Revenues and Benefits	2,354,770	34,450,243	4,486,517	2,131,747	R	<ul style="list-style-type: none"> • £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 • £1.100m relating to income not to be achieved against overpayments recovery of Housing Benefits, unrealistic when compared to last year's actuals • £0.129m relating to spend over budget on Legal cost, postage and management fees relating to rateable value calculations work undertaken to identify additional funding. • (£0.627m) relating to spend under budget against vacancy management and Voluntary Redundancy programme. • (£0.050m) additional Income requested from Household support fund to assist with the Discretionary Housing Payments 	-38,063	<ul style="list-style-type: none"> • Minor variance from Period 10 to Period 11
Personal Assistants	44,180	263,329	26,152	-18,028	Y	<ul style="list-style-type: none"> • Minor variance to budget as at Period 11 	-643	<ul style="list-style-type: none"> • Minor variance from Period 10 to Period 11
Service Director Enabling	596,490	608,572	627,342	30,852	G	<ul style="list-style-type: none"> • Minor variance to budget as at Period 11 	-64,278	<ul style="list-style-type: none"> • Minor variance from Period 10 to Period 11

Total Enabling	6,499,790.00	47,353,124.78	8,761,441.09	2,261,651.09			-124,422	
Executive Management Team	Budget	YTD Actuals	Outturn	Controllable Variance	RAGY	Period 11 Narrative - variance to Budget	Movement Period 10 to 11	Period 11 Narrative - movement from Period 10 to Period 11
Executive Management Team	2,541,760	2,513,448	2,593,738	51,978	A	<ul style="list-style-type: none"> Minor variance to budget as at Period 11 	468,259	£0.437m movement due to Apprenticeship Levy costs which have now been moved with budgets to service areas. Contra movement will be showing in services this month.
Total Executive Management Team	2,541,760	2,513,448	2,593,738	51,978			468,259	
Infrastructure	Budget	YTD Actuals	Outturn	Controllable Variance	RAGY	Period 11 Narrative - variance to Budget	Movement Period 10 to 11	Period 11 Narrative - movement from Period 10 to Period 11
Partnerships & Economic Development	1,579,100	4,503,823	1,471,422	-107,678	Y	<ul style="list-style-type: none"> (£0.108m) Additional Grant Funding to offset Core Team costs 	-7,071	<ul style="list-style-type: none"> Minor variance from Period 10 to Period 11
Highways & Transport	12,094,760	12,981,429	13,068,032	973,272	R	<ul style="list-style-type: none"> £1.411m Shortfall on Parking Income £0.970m Shortfall of Highways staff capitalisation & Repair Gangs £0.300m Spend over budget on Kier overheads £0.280m Spend over budget on 'Ash Die Back' £0.085m Minor Variances (£1.125m) Additional Street works Income (£0.432m) Spend under budget on Street Lighting (£0.198m) Spend under budget 	-250,365	<ul style="list-style-type: none"> (£0.150m) Spend under budget on Winter Maintenance works. (£0.100m) Additional Income from Streetworks and Spend under budget on Street lighting offset slightly by shortfall in Parking Income

						on Staff Salaries and Agency costs. • (£0.168m) Spend under budget on Bridges, Structures. and Drainage. • (£0.150m) Spend under budget on Winter Maintenance works.		
Shropshire Hills National Landscape	59,170	769,314	59,170	0	G	• No variance to budget as at Period 11	0	• No variance from Period 10 to Period 11
Outdoor Partnerships	988,190	1,040,798	1,084,962	96,772	A	• Minor variance to budget as at Period 11	3,250	• Minor variance from Period 10 to Period 11
Highway Policy & Strategic Infrastructure	1,735,950	1,884,688	1,548,535	-187,415	Y	• (£0.114m) spend under budget on Salaries • (£0.073m) spend under budget on payment to contractors	-134,849	• (£0.135m) Spend under budget on Salaries and Payments to Contractors
Public Transport	7,033,000	8,092,307	6,195,954	-837,046	Y	• (£0.685m) Additional Department for Transport grant draw down • (£0.152m) Spend under budget on concessionary travel	-234,352	• (£0.234m) Staffing recharge between Passenger Transport and Home To School Transport
Care & Wellbeing Transport	1,422,420	1,442,889	1,488,857	66,437	A	• Minor variance to budget as at Period 11	36,916	• Minor variance from Period 10 to Period 11
Home to School Transport	18,139,660	17,286,213	19,663,412	1,523,752	R	• £2.139m Spend above budget on SEND Transport costs • (£0.615m) Spend below budget on Primary & Secondary Transport costs	196,764	• £0.234m spend over budget on SEN Transport Costs offset slightly by spend under budget on Primary & Secondary Transport costs.
Service Director Infrastructure	-523,020	716,364	433,214	956,234	R	• £1.000m unachieved savings target (reflected in Service Budgets)	161,960	• unachieved savings target (reflected in Service Budgets)
Total Infrastructure	42,529,230	48,717,824	45,013,558	2,484,328			-227,747	
Legal & Governance	Budget	YTD Actuals	Outturn	Controllable Variance	RAGY	Period 11 Narrative - variance to Budget	Movement Period 10 to 11	Period 11 Narrative - movement from Period 10 to Period 11

Registrars and Coroners	598,730	608,009	425,052	-173,678	Y	<ul style="list-style-type: none"> • £0.146m Spend above budget on Coroner staffing • £0.100m relating to savings target • (£0.041m) Spend under budget against overtime as a result of removing Sunday working hours and streamlining of BAU tasks • (£0.408m) Additional income from Registrars mainly Venue fee, Certificate Fees & Ceremonies as a result of implementing a public self-service portal. 	-56,177	<ul style="list-style-type: none"> • Minor variance from Period 10 to Period 11
Planning Services	345,870	-3,020,721	-2,037,004	-2,382,874	Y	<ul style="list-style-type: none"> • (£2.232m) Additional income relating to Planning applications and a review of fees and charges. • (£0.302m) Net vacancy efficiencies across the service • (£0.139m) Additional income relating to a review of fees and charges on Building Regulations & Street Naming • £0.068m Net spend above budget relating to Highways Development Control • £0.272m Spend above budget on consultancy marketing, legal and expected provisions as a result of increased planning income 	-235,734	<ul style="list-style-type: none"> • (£0.403m) Additional income relating to Planning applications. • £0.100m Additional spend on Highways Design contracts • £0.061m Spend above budget on consultancy services and expected provision as a result of increased planning income
Policy and Environment	1,906,920	2,109,821	1,724,887	-182,033	Y	<ul style="list-style-type: none"> • (£0.186m) Spend under budget in relation to vacancy management 	-29,680	<ul style="list-style-type: none"> • Minor variance from Period 10 to Period 11
Democratic Services	11,920	24,342	-6,345	-18,265	Y	<ul style="list-style-type: none"> • Minor variance to budget as at Period 11 	-6,257	<ul style="list-style-type: none"> • Minor variance from Period 10 to Period 11
Elections	1,290,090	1,846,904	1,161,819	-128,271	Y	<ul style="list-style-type: none"> • (£0.128m) forecast spend lower than budgeted across Council Elections from the current financial year 	89,945	<ul style="list-style-type: none"> • Minor variance from Period 10 to Period 11

Legal Services	129,250	45,161	134,257	5,007	G	• Minor variance to budget as at Period 11	11,105	• Minor variance from Period 10 to Period 11
Policy and Governance	66,530	-85,453	-102,464	-168,994	Y	• (£0.169m) spend under budget relating to vacancy management	4,509	• Minor variance from Period 10 to Period 11
Overview & Scrutiny	198,540	316,139	269,126	70,586	A	• Minor variance to budget as at Period 11	-4	• Minor variance from Period 10 to Period 11
Feedback and Insights	11,490	114,382	-12,516	-24,006	Y	• Minor variance to budget as at Period 11	-844	• Minor variance from Period 10 to Period 11
Service Director Legal & Governance (MO)	397,780	392,517	402,452	4,672	G	• Minor variance to budget as at Period 11	-27,343	• Minor variance from Period 10 to Period 11
Total Legal & Governance	4,957,120.00	2,351,101.10	1,959,263.65	(2,997,856.36)			-250,480	
Pensions	Budget	YTD Actuals	Outturn	Controllable Variance	RAGY	Period 11 Narrative - variance to Budget	Movement Period 10 to 11	Period 11 Narrative - movement from Period 10 to Period 11
Pensions	36,050	2,819,552	25,160	-10,890	Y	• Minor variance to budget as at Period 11	-10,890	• Minor variance from Period 10 to Period 11
Total Pensions	36,050	2,819,552	25,160	-10,890			-10,890	
Strategy	Budget	YTD Actuals	Outturn	Controllable Variance	RAGY	Period 11 Narrative - variance to Budget	Movement Period 10 to 11	Period 11 Narrative - movement from Period 10 to Period 11
Ring Fenced Public Health Services 1	-1,224,050	14,188,950	-1,224,050	0	G	• No variance to budget as at Period 11	0	• Minor variance from Period 10 to Period 11
Adult Social Care Training	370,390	603,097	305,142	-65,248	Y	• Minor variance to budget as at Period 11	-1,899	• Minor variance from Period 10 to Period 11
Children & Young People Learning & Development	331,870	259,147	279,119	-52,751	Y	• Minor variance to budget as at Period 11	-179,418	• (£0.160m) virement posted in Period 11 to correct reserve budget relating to staffing for trainee social workers
Partnerships & Economic Development	220	-711,473	54,217	53,997	A	• Minor variance to budget as at Period 11	-56	• Minor variance from Period 10 to Period 11

Emergency Planning	31,510	36,344	60,183	28,673	G	• Minor variance to budget as at Period 11	-11,450	• Minor variance from Period 10 to Period 11
Broadband	100,610	106,952	110,800	10,190	G	• Minor variance to budget as at Period 11	-64	• Minor variance from Period 10 to Period 11
Domestic Abuse	17,790	884,951	17,790	0	G	• No variance to budget as at Period 11	0	• No variance from Period 10 to Period 11
Communications	278,400	416,034	26,416	-251,984	Y	• (£0.219m) Vacancy Management efficiencies achieved • (£0.033m) Additional Public Health Grant contributions no longer applicable	144	• Minor variance from Period 10 to Period 11
Business Improvement: Data, Analysis and Intelligence	55,210	690,865	118,706	63,496	A	• Minor variance to budget as at Period 11	14,179	• Minor variance from Period 10 to Period 11
Risk Management	-24,020	84,073	-4,814	19,206	G	• Minor variance to budget as at Period 11	155	• Minor variance from Period 10 to Period 11
Commercial Services Business Development	-67,060	40,889	-24,452	42,608	G	• Minor variance to budget as at Period 11	-4,139	• Minor variance from Period 10 to Period 11
Climate Change	-191,580	32,757	4,796	196,376	R	• £0.196m shortfall on Pyrolysis and solar farm Income	23,807	• Minor variance from Period 10 to Period 11
Programme Management	264,810	5,801,952	288,167	23,357	G	• Minor variance to budget as at Period 11	-207	• Minor variance from Period 10 to Period 11
Service Director Strategy and Change	21,940	53,668	29,591	7,651	G	• Minor variance to budget as at Period 11	-23,488	• Minor variance from Period 10 to Period 11
Total Strategy	-33,960	22,488,205	41,612	75,572			-182,435	

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	£15,735,998	£17,725,559	£0	£42,150,482
	% Delivered	% Projected Delivery	% Indicative Plans	% Delivery to be Confirmed
	26.28%	29.60%	0.00%	70.40%

Projected delivery and indicative plans are in place for 29.6% 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.

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	£2,265,614	£2,265,614	£0	£2,265,614	£2,265,614	£0	£1,492,386
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	£0	£3,848,740
PRR1 - Legal & Governance Resizing	£100,000	£0	£0	£0	£0	£34,680	£34,680	£0	£0	£65,320
PRR2 - Enabling Resizing	£1,256,000	£0	£0	£0	£0	£0	£0	£0	£0	£1,256,000
PRR4 - Children's Rightsizing	£2,000,000	£0	£0	£0	£0	£0	£0	£0	£0	£2,000,000
PRR5 - Infrastructure Resizing	£850,000	£0	£0	£0	£0	£0	£0	£0	£0	£850,000
PRR6 - Care & Wellbeing Rightsizing	£1,300,000	£0	£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	£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	£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	£0
RC011/19 - Review and right size business support function	£312,500	£0	£312,500	£312,500	£0	£312,500	£312,500	£0	£0	£0
RC016 - Agency Staff - reducing use of agency staff, promote permanent staffing.	£85,000	£0	£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	£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	£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	-£0
RC030 - Review staffing and resize the Outdoor Partnerships team	£13,840	£0	£13,840	£13,840	£0	£13,840	£13,840	£0	£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	£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	£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	£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	£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	£0
RC087 - DSG funding of SEND pressures	£500,000	£0	£500,000	£500,000	£0	£500,000	£500,000	£0	£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	-£0
RC089 - Increased charges for car parking across the County.	£500,000	£0	£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	£0	£100,000
RC091 - More fixed penalties issued for dog fouling, littering and illegal parking.	£300,000	£0	£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	£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	£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	£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	£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	£0
SC008 - Review staffing and resize the Empty Homes service	£47,010	£0	£47,010	£47,010	£0	£47,010	£47,010	£0	£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	£0	£2,500,000
TO001 - Explore shared emergency planning resource and resilience with partners.	£15,000	£0	£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	£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	-£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	£0	£750,000
Total	£59,876,040	£2,531,960	£13,204,038	£15,735,998	£3,199,270	£14,526,289	£17,725,559	£0	£0	£42,150,482

APPENDIX 3 - Risk Assessment and Opportunities Appraisal

Risk 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

	<p>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.</p>
<p>Insufficient reserves to cover projected overspending or other deficits</p>	<p>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.</p>
<p>Other unbudgeted risks arise before the end of the financial year</p>	<p>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.</p>

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 11.

Opportunities Appraisal

Table 2 – Analysis of Three Forecast Scenarios with commentary

Survival factor	MTFS assumption	Period 11					
		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)	40.15	assumes £2m improvement in savings delivery by year end, including additional benefits from supplier engagement	42.15	tracker reds @ 28 Feb are £42.150m of which £37.147m relates to brought forward savings from 2024/25 for which there are not robust delivery plans in place.	42.15	tracker reds @ 28 Feb are £42.150m 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.	38.409	No more favourable position currently identified.	38.409	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.	40.409	Social Care Demand pressures in Adults and Childrens 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).	-33.185	Assumes an improvement in one-off savings delivery.	-31.185	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	-30.185	Assumes a deterioration in one-off savings delivery.
Subtotal - Revenue Monitoring Position		45.374		49.374		52.374	
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. MUG (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		45.374		49.374		53.374	

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.