



**Finance & Improvement O&S  
Committee – 8<sup>th</sup> June**

**Cabinet – 10<sup>th</sup> June**

Item

**Public**

## Improvement Plan – Update

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### 1. Synopsis

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

This report provides a summary of the delivery, progress and impact driven by the Plan, including an updated response to the External Auditors 'Statutory Recommendation' issued in November 2025. The report also summarises how the Plan has been kept under regular review, and the reprioritising and revision of some programme activity to reflect delivery, changing circumstances and the next phase of improvement required.

### 2. Executive Summary

- 2.1. The Improvement Plan was developed in response to various external reports, including a Local Government Association (LGA) Corporate Peer Challenge and External Auditor Annual Audit Letter which made recommendations to address the financial position and improve other areas of how the Council operates, including corporate governance. It also provided a response to the 'financial emergency' declared by Cabinet in September 2025. The Plan was also informed by the Statutory 'Best Value' Guidance for councils which provides the characteristics of a well-functioning authority. We know there are areas to improve before we can confidently demonstrate excellence against all characteristics.
- 2.2. The Plan provides an overall strategy for improving how we operate and perform so that we deliver, enable, and influence outcomes for the county and its residents in the most effective, efficient and economical way. It is built around three overall aims:
  - A Council that is financially stable and sustainable
  - A Council that has clear priorities and purpose
  - A Council that supports its workforce to excel

- 2.3. The Plan has provided the overall framework and basis for activity and plans that have delivered immediate recovery and stabilisation while keeping a focus on how we need to look, feel and operate as an organisation, to deliver future priority ambitions. It remains an essential part of our overall ‘flightpath’ to financial sustainability – driving improvement in organisational capacity and capability and building the solid foundations and basis for a medium-term strategy.
- 2.4. The priority programmes listed below are described in more detail at **Appendix 1**. They are a mix of activity being delivered and projects that drive the development of a coherent and strategic basis for what we do and focus on as a Council. For example, Programme 4 has been about the development of a new Corporate Plan. Programme 6 is focussed on the development of a medium-term transformation and savings portfolio.

Aim	Priority activity/project/programme
A council that is financially stable and sustainable (Pounds)	Programme 1: Financial Stability
	Programme 2: Financial Sustainability Strategy
	Programme 3: Strengthening financial management
A Council that has clear priorities and purpose (Priorities)	Programme 4: Corporate Plan 2026-30
	Programme 5: Future Council – including: 5.1 Future council principles and ways of working 5.2 Devolution to parish/town councils 5.3 Place shaping role
	Programme 6: Review and realignment of the transformation programme
A council that supports and enables our workforce to excel (People)	Programme 7: People Plan
	Programme 8: Getting the basics right (strengthening corporate governance and compliance)
	Programme 9: Digital programme

- 2.5. Delivery and progress have been overseen by an externally chaired Improvement Board, who since January have received a monthly update report. The Board has been in place since November 2025 and includes all political group leaders. Internally, monitoring and assurance, provided by the Corporate Programme Management Office (PMO), provides insight and confidence to review and refresh elements of the Plan to better reflect the delivery to date, current financial situation, changing circumstances and evolving organisational priorities. A summary of the arrangements in place to make sure we deliver the Plan are summarised in a [report](#) to the Audit and Governance Committee on 5<sup>th</sup> February 2026.
- 2.6. A summary of each programme and their key deliverables, outputs and outcomes is provided at **Appendix 1**. Overall, delivery against the Plan has progressed as planned, and there are some notable delivery milestones and delivered activity – including:
- the securing of Exceptional Financial Support (EFS)
  - development and approval of a robust and realistic budget 2026/27
  - strengthened financial management practices
  - corporate governance improvements and increased levels of compliance
  - piloting of devolution of services to parish/town councils
  - new people management practice – PDRs, and ‘role of the manager’ initiative
  - development of new ‘PROUD’ organisational values
  - improved staff communication and engagement approaches
  - development and approval of a new Corporate Plan 2026-30
  - new strategies – including digital, procurement and commissioning
  - additional leadership capacity (strategy and place)
  - new arrangements to facilitate political and managerial leadership discussion

- 2.7. There has been a range of activity across programmes that respond to the External Auditor statutory recommendation, which are summarised at **Appendix 2**. This includes strengthening understanding of budget requirements, budget planning and monitoring, and arrangements to support the development of robust savings proposals.
- 2.8. There have, inevitably, been some examples of timescales needing to change to better accommodate identified interdependencies, or where original timescales have proven to be too ambitious, or capacity requirements underestimated. Robust monitoring and regular reporting, including risk escalation, has informed early consideration and decisions on changes which have had no material impact on overall delivery and, in the main, have been planned amendments.
- 2.9. Given the purpose of the Improvement Plan and the challenges it is responding to, a lot of the activity driven by it in the first few months has focussed on developing new plans, practice and policy to build solid foundations for sustainable improvement and performance. The impact of those will not be immediately demonstrable through improvements in Key Performance Indicators (KPIs) or staff sentiment. There have nonetheless been some 'green shoots' which are captured at **Appendix 3**.

### 3. Recommendations

**The Finance and Transformation O&S Committee** is recommended to:

- 3.1. Note the report and the progress it summarises.
- 3.2. Provide observations and any recommendations through a verbal report by the Chair to Cabinet at their meeting on 10<sup>th</sup> June 2026.

**The Cabinet** is recommended to:

- 3.3. Note the report and the progress it summarises.
- 3.4. Provide guidance and instructions as appropriate on the Council's plans for continued improvement and financial sustainability.

### 4. Refreshing and revising the Plan

- 4.1 The Improvement Plan acknowledges that programmes and projects will need to change over time, and there are some areas of the Plan that now need to be refreshed to reflect delivery that has been completed, and the evolving context of the current financial situation and organisational priorities. Changes in the Council's leadership (e.g. Executive Director (Resources), Deputy Section 151 Officer, and Service Director for Place Shaping) have also prompted a review and refresh of some programme activity.
- 4.2 Some of the original programmes of activity are now largely delivered. Following the approval of the 2026/27 budget at the Council meeting on 26<sup>th</sup> February, and approval from MHCLG for Exceptional Financial Support (EFS), most aspects of Programme 1 (financial stability programme) have been delivered, and the focus is increasingly on strengthening financial management practice and policy and developing the financial sustainability strategy (Programmes 2 and 3). Programme 4 focussed on the development of a new Corporate Plan which was considered by Council on 14<sup>th</sup> May, with a proposed performance framework included on the Cabinet agenda for 10<sup>th</sup> June. On that basis it is considered as completed.
- 4.3 Programme 5, with an objective to develop the Council's partnership working approach has had an initial focus on piloting the devolution of services to parish and town councils. It now needs to expand its focus to include the development of a Shropshire Partnership, community engagement and involvement, stakeholder management and public affairs, and

the development of the spatial development strategy. **Appendix 4** summarises the proposed scope of the next iteration of programmes 1, 2, 3, and 5.

## 5. Risk Management

- 5.1. We need to remain aware of the context, circumstances and challenges that may constrain our progress and pace of change, including staff capacity, unplanned and new demands on the organisation, and global events. These all have the potential to divert focus away from improvement activity as well as impact on the costs of services and delivery, impacting on financial stability and sustainability. Examples of recent additional external demands on organisational capacity include the LGA Corporate Peer Challenge Progress Review, CIPFA assurance review, and SEND Reform Plan.
- 5.2. The risks identified when the Improvement Plan was approved remain. They continue to be managed and mitigated through the governance and assurance arrangements put in place and managed by the Programme Management Office (PMO):

Risk	Mitigation
Capacity and pace of delivery - Failure to deliver the improvement plan in a timely and effective manner due to capacity constraints	Realistic delivery arrangements confirmed by responsible lead senior officers and alignment of PMO resources Clear and consistent leadership setting out the direction, pace, outcomes and expectations of the change required. Accountability and responsibility clearly articulated and demonstrated, including through progress and impact reporting
Resourcing the plan - Inability to reallocate and invest in functions to support the delivery of the plan will lead to difficulties in delivering the improvement plan	The Financial Plan and Corporate Plan, together with the Improvement Plan, provide a coherent and strategic basis for resource deployment and prioritisation
Understanding and perception of change - Inability to maintain stakeholder confidence leading to reduced support for the improvement plan	Clear and timely internal and external communications and engagement that describes the process the Council is going through with open and honest descriptions of current progress while setting out the rationale for change and where the council is aiming to be in the future
Managing interdependencies across the plan - Failure to manage interdependencies across the improvement plan leading to disruption, duplication or failure in delivering the improvement plan	Governance and assurance arrangements (including portfolio boards and leadership board) identify interdependencies and determine prioritisation and sequencing of activity Changes in scope and timescales will be agreed through governance structures.

## 6. Financial Implications

- 6.1. 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 regularly reported to Cabinet. Significant management action has been instigated at all levels of the Council to reduce and remove any non-essential spending to help ensure the Council's financial sustainability.
- 6.2. Services must be aligned to the limited resources the Council has available whilst ensuring we deliver our statutory duties at the minimum statutory level. It is recognised that this involves some difficult decisions that need to be taken and communication with our stakeholders, including our residents, that is adequate and proportionate.

- 6.3. 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. Climate Change Appraisal

- 7.1. Not applicable

## 8. Conclusions

- 8.1. The Improvement Plan continues to provide a framework for the Council's overall improvement and development as an organisation. Overall delivery is broadly in accordance with the Plan's priorities and timescales. There has been some notable delivery and impact driven by the Plan and its aims and priorities, including securing EFS, the development of a robust and realistic budget from 2026/27, and measurable improvements in corporate governance such as increased compliance with budget monitoring and FOI response times, and the strengthening of practice and policy.
- 8.2. Robust governance and assurance arrangements have helped to mitigate delivery slippage and inform considered and deliberate changes to activity and timescales. This has ensured overall delivery of the most fundamental activities and timescales to keep us on track in terms of our overall 'flightpath' to financial sustainability (see **Appendix 5**).
- 8.3. There is a need to refresh areas of the Plan to reflect delivery that has been completed, the evolving context of the current financial situation, organisational priorities and new managerial leadership.

### List of Background Papers

Report to Transformation & Improvement O&S Committee (01/12/25), Cabinet (03/12/25) and Full Council (14/12/25): [Shropshire Council Improvement Plan](#)

Report to Audit & Governance Committee 05/02/26: [First Line Assurance - Improvement Plan Update](#)

LGA Corporate Peer Challenge Report

People Plan

External Auditor Annual Audit Letter

### Appendices

**Appendix 1:** Improvement Plan Progress Summary

**Appendix 2:** Summary of response to External Auditor Statutory Recommendation

**Appendix 3:** Impact and improvements

**Appendix 4:** Next phase of programmes

**Appendix 5:** Flightpath to Financial Sustainability

## APPENDIX 1: SUMMARY OF DELIVERY, PROGRESS AND IMPACT

GREEN	ON TRACK / DELIVERED
AMBER	SOME SLIPPAGE (PLANNED OR MANAGED)
RED	OFF TRACK (UNPLANNED OR NOT MITIGATED)
GREY	UNDER REVIEW / BEING REFRESHED

### Aim: A council that is financially stable and sustainable

**Overall summary:** Planned activity to stabilise and recover the financial position has been delivered, culminating in a budget for 2026/27. A strategy for longer term financial sustainability has been outlined, and the plans to deliver that now need to be developed and built into the Medium-Term Financial Plan from 2027/28. Some of the activity delivered across these 3 programmes respond to the statutory recommendation issued by the External Auditor in November 2025 and is summarised in Appendix 2. There needs to be more activity focussed on improving our financial management practices, and a refreshed programme 2 (outlined at Appendix 3) is intended to address this.

Priority / Programme	Summary of activity and delivery	Impact: Outputs and Delivery	
<b>Financial Stability</b>	The programme has driven the implementation of a range of immediate and in-year (25/26) actions, measures and arrangements to contain expenditure in-year to reduce and minimise the projected year-end overspend. Extensive work was undertaken to develop an application for Exceptional Financial Support (EFS) including liaison with MHCLG resulting in confirmation of EFS for both 2025/26 and 2026/27. This enabled a budget for 2026/27 to be set at a level that provides short term stability and opportunity to 're-set'.	In-year controls to contain 25/26 overspend – including tighter grip on forecasted overspend towards the end of the year  Capital Programme reviewed and rationalised  EFS secured, and permission to increase Council Tax (above the permitted 4.99%), enabling budget for 2026/27 to be developed and approved	
<b>Financial Sustainability</b>	The programme has defined elements of the strategy to achieve the longer-term goal of financial sustainability and reduce the Council's reliance on EFS. The components of a financial sustainability strategy have been outlined in the Financial Plan (reported to cabinet and council), providing the basis for further work on the development of a Medium-Term Transformation and Savings Portfolio (through Improvement Plan Programme 6) which will be summarised in a revised MTFP to be considered at Cabinet in July 2026.	MTFP 2026/27 – 2029/30 developed and approved  Financial Sustainability Strategy included in Financial Plan (reported to Cabinet 21/02/26 and Council 26/02/26)	
<b>Strengthening financial management practice and policy</b>	The programme has focussed on improving financial compliance across the organisation with an initial emphasis on strengthening policy, practice and approaches to procurement and contract management, and increasing compliance on budget monitoring. The focus on improving income collection and debt recovery has focussed initially on increasing capacity in Revenues and Benefits to enable increased collection and recovery. In terms of activity to improve financial management practices more widely, a more focussed programme led by the Deputy 151 is deemed necessary and has been developed as part of a revised programme (see Appendix 3).	New Procurement and Commissioning Strategies drafted (to be considered by Cabinet on 10/06/26)  Improved compliance with budget monitoring (now at 95%, up from 40% in July 2025)  Investment in the Revenues and Benefits service to increase capacity to collect income and recover debt	

## AIM: A Council with clear priorities and purpose

**Overall summary:** Several distinct projects have helped developed elements of the council's role and purpose, supporting the shift in overall operating model from delivering to enabling and influencing. Planned activity to develop a new Corporate Plan and associated performance framework has been delivered as scheduled. The initial phase of activity to pilot the devolution of services to parish and town councils has been completed, with the focus now shifting to evaluation and learning that will inform the future approach, in parallel to exploring the appetite and potential opportunities for partnership working. Internally work has been undertaken to make the principles that will drive how we operate and transform as a council meaningful and embedded in day-to-day management. A portfolio of transformation and change programmes is being developed to deliver savings over the medium term as part of the council's overall financial sustainability strategy.

Priority / Programme	Summary of activity and delivery	Impact: Outputs and Outcomes	
<b>Corporate Plan 2026-30</b>	The programme has facilitated the development of a new Corporate Plan that is informed by the administrations' ambitions set out in the 'New Direction' and grounded in the Council's financial position and statutory responsibilities. A comprehensive programme of engagement (residents, partners, members, staff) has informed the development of the plan, along with data and insights. A Corporate Plan performance framework including KPIs and delivery commitments has also been developed and scheduled to be considered by Cabinet (10/06/26).	New Corporate Plan – approved by Cabinet (06/05/26) and Council (14/05/26)  Corporate Plan performance framework including KPIs and delivery commitments developed	
<b>Future Council: town and parish councils devo</b>	The programme has driven the development and delivery of street scene service devolution deals with four town and parish councils. A new programme focussed on wider partnership (see Appendix 2) is in development. This wider programme will include a workstream focussed on further activity relating to the parish/town devolution pilot, ensuring that learning informs future approaches, and the appetite from parish and town councils is explored.	Pilots with different models of devolving the delivery of street scene services to Shrewsbury, Shifnal, Oswestry and Broseley. Full devolution to Shrewsbury and Broseley, partial devolution to Oswestry and a collaborative/enhanced model with Shifnal.	
<b>Future Council: Principles</b>	The programme has focussed on activity to develop ways to embed the 'future council' principles, so they guide how the council operates and provide a basis for its continued improvement and transformation.	Exploring our Principles workshop and four Embedding the Principles webinars have been delivered.  Pilot of self-assessment framework is complete.	
<b>Future Council: Place shaping</b>	This programme was intended to focus on the developing the 'place shaping' role of the Council and development of a long-term vision, and economic growth strategy for the county. But the operating context for this programme has changed, partly due to the new Strategic Development Strategy (SDS) requirements, and the recent arrival of a Service Director for Place Shaping who will review and assess all activities to ensure alignment with the overall context and direction of an economic growth strategy.	New Service Director (Place Shaping) – appointed January, and started March 2026	

<p><b>Transformation Programme</b></p>	<p>The focus of the programme has been to refresh the Council's transformation activity, so it is driven by the financial sustainability strategy (see prog 2) and delivers savings and income, as well as modernisation and improvement. An outline portfolio has been defined, but delivery plans and programmes need further developing at pace so there is confidence about the investment required to deliver (resources, capacity, external expertise), the timescales for delivery, and the return on investment – all of which need to be reflected in the Medium-Term Financial Plan. There has also been work undertaken to assess what is needed by the organisation from its PMO function, recognising it needs to focus on supporting and assuring the delivery of the Improvement Plan and transformation and savings portfolio.</p>	<p>Savings Programme for 2026/27 developed and being delivered</p> <p>A portfolio of transformation and savings across the medium term (2027/28 – 2029/30) is in development, with some elements in early delivery.</p> <p>An external 'health check' of the Programme Management Office (PMO) has been undertaken to inform the development of new PMO roles and arrangements that are aligned to the delivery of the Improvement Plan and Transformation portfolio.</p>	
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**Aim: A workforce that is supported and enabled to excel**

**Overall summary:** The People Plan has provided a clear strategic basis for developing a high-performing, inclusive organisation where people feel valued, supported, and proud to work. There has been an initial focus on setting a strong foundation for improving management capability, strengthening alignment to organisational priorities, and enhancing the employee experience from entry through to development. Driven by the Statutory Officers Board, there has been a focus on reinforcing robust corporate standards and accountability through communications and monitoring. The digital programme continues to develop its priorities so it can be an enabler of the Council's wider transformation ambitions, supporting service redesign, and organisational improvement.

Priority / Programme	Summary of activity and delivery	Impact: Outputs and Outcomes	
<p><b>People Plan</b></p>	<p>The programme has seen activity focused on becoming an organisation where people are proud to work for and supported to perform to their best. The initial focus has been on developing a range of new practice that will better support managers ('role of the manager'), connect staff to council priorities (values, PDR process and staff engagement) and ensure new starters experience a strong and supportive introduction to the organisation.</p>	<p>New PROUD organisational values                      New corporate induction programme introduced                      New PDR process developed                      Role of the Manager initiative and guidance produced</p>	
<p><b>Getting the basics right (corporate governance)</b></p>	<p>The programme has been driven and overseen by a Statutory Officers Board (Chief Executive, Monitoring Officer, S151 Officer) and focussed on key aspects of corporate governance including responsiveness to FOIs and budget monitoring. Regular and clear communications to the organisation have helped clarify expectations and drive-up standards. A review of the Council's constitution is another key activity that is now underway but with different timescales to those originally proposed.</p>	<p>Statutory Officers Board established                      Improved performance and compliance – FOIs, budget monitoring                      Audit &amp; Governance Committee training                      Review of constitution underway</p>	
<p><b>Digital Programme</b></p>	<p>The programme will be a key facet of the Council's transformation and savings portfolio, enabling the transformation proposed by Children's Services, Adult Social Care and the Assets and Corporate Landlord programme as well as supporting wider improvement and modernisation. The programme has focussed initially on setting the strategic basis for our digital improvement through a new Digital Strategy and Cyber Strategy.</p>	<p>New Digital strategy, providing the strategic basis for digital transformation across the organisation                      Identified initial priorities for digital transformation</p>	


## APPENDIX 2: EXTERNAL AUDITOR STATUTORY RECOMMENDATION RESPONSE


External Auditor Recommendation (November 2025)	Council response (as of April 2026)
<p><b>Statutory Recommendation</b> The Council should:</p> <p>Continue, at pace, the action taken to address the financial challenges it faces, including an immediate review of all services (statutory and non-statutory) and identify the cost of minimum viable service provision to deliver statutory responsibilities.</p> <p>Understand the scale of the structural deficit between service cost and available income to identify immediate decisions and savings deliverable (replicating Section 114 response actions).</p> <p>Review all estimates and modelling feeding into the budget and MTFS to reduce/eliminate optimism bias.</p> <p>Develop a realistic medium-term plan on how Exceptional Financial Support (EFS) will increase financial resilience and how reliance on temporary support will be reduced.</p> <p>Immediately action Internal Audit recommendations on budget monitoring/reporting, with regular progress reporting to Audit &amp; Governance Committee."</p>	<p><b>Spend control and budget monitoring improvements:</b> Following the declaration of a financial emergency in September 2025, a range of immediate in-year spend control arrangements were put in place. This included a spend control board, workforce board and the strengthening of budget monitoring to contain and control in-year (25/26) spend. More recently a Business, Transformation and Change Review Panel has been introduced to ensure a greater visibility of how the organisation plans and controls its expenditure and achieves efficiencies and savings. Budget monitoring arrangements have also been strengthened further including:</p> <ul style="list-style-type: none"> <li>○ Extension of monitoring completion date to allow more detailed analysis of any variation</li> <li>○ Formal sign-off of forecasts by budget holders to include narrative and highlighting risks</li> <li>○ Monthly reporting to Leadership Board and quarterly to Cabinet.</li> <li>○ Monitoring report has been simplified.</li> </ul> <p>Compliance is monitored through statutory officers' group.</p> <p><b>Improvement Plan - focus on financial stability:</b> An Improvement Plan was approved by full council on 11/12/25 including programmes focussed on financial stability. Delivery of the Plan is critical and a report to the Audit and Governance Committee in February 2026 provides a summary of the arrangements in place to ensure delivery: <a href="#">A&amp;G Improvement Plan update February 2026</a>. The externally chaired, and LGA supported, Shropshire Council Improvement Board (SCIB), holds the council to account for delivery and progress, and receives a monthly update on the Council's financial position.</p> <p><b>Understanding costs of service provision:</b> Since 2023/24 a series of activity has been undertaken against both statutory and non-statutory service provision to understand costs and resourcing levels. This included a full review of statutory and non-statutory services across the Council by the senior leadership team between November 2023 and February 2024 – leading to a series of savings and cabinet decision papers to reduce or remove non statutory services, and review of workforce. More recently reviews supported by the LGA have taken place across the organisation, including benchmarking against other areas and baselining service levels – for example, Children's Services, Adult Social Care and Revenues and Benefits. There has also been some work undertaken for finance, legal services and regulatory services. A summary of this activity was presented to the SCIB on 16/02/26. Work will continue to review all spend across the Council through the Budget and Business Planning Process, and Business Transformation and Change Review Panel.</p> <p><b>Medium Term Financial Plan and Budget 2026/27:</b> Analysis and engagement through Budget Oversight and Spend Strategy 'BOSS' meetings enabled an understanding of the scale of the structural deficit between service cost and available income to inform the EFS application and development of a budget for 2026/27 that is more realistic and removes optimism bias. This included reviewing and writing off some 2025/26 savings and putting growth into the 2026/27 budget. Full Council approved the 2026/27 Budget and MTFS in February 2026, which includes a commitment to develop a financial sustainability strategy. A refresh of MTFP will be completed and presented to cabinet/council in July 2026 including a summary of the transformation and change portfolio which is a key facet of the sustainability strategy.</p>

## APPENDIX 3: Impact and Improvement


### Indicators and ‘Green Shoots’


There have been improvements in corporate governance and compliance:


**More budget holders are completing their budget monitoring on time.** 95.1% of budget holders completed their budget monitoring on time in March 2026. This has improved from 40% compliance in July 2025. 

**We are responding to more FOI requests within 20 days.** 68% of FOI requests received in March 2026 responded to within that timescale, compared to 59% in July 2025. Performance in February (77%) and January (69%) indicates a sustained improvement, although we need to improve further. 

There have been improvements in staff satisfaction and sentiments:

**Nearly three quarters of staff say they understand the council’s priorities.** 71% of people who responded to the last Pulse Survey said they had a good understanding of the council’s priorities. 84% of respondents said they have a good understanding of their role and how the council expects them to undertake it. 

**More staff say they are feeling valued in their role and feel empowered working for the Council.** While these are relatively modest increases from relatively low baselines, they suggest a positive direction of travel. 

**We are retaining more of our staff.** The retention of new starters after 6 months is improving, with the latest figure being 95.2%. At the same time staff turnover is decreasing and latest figure is 6.08%. 

### Things to stay focused on:

Our Key Performance Indicators and milestones suggest several areas we need to remain focused on:



**Staff absence and productivity:** Our levels of staff absence are not reducing. While there were some month-on-month reductions during the latter stages of 2025/26 (e.g. 15% reduction between January and February) the overall annual rate is similar to 2024/25.

Improvement Plan Programme 7 and People Plan will stay focused on this.



**Compliance:** While we have seen compliance with timescales and standards in terms of budget monitoring and FOI responses increase, there are other areas where improvement is needed – e.g. SARs, member enquiries and complaints handling. Compliance with new practice (see below) will need to be monitored to ensure it is embedded – e.g. new PDR approach

Improvement Plan Programme 8 will drive the next phase of compliance focus



**Embedding new plans, practice and process:** We know they need to be more than documents on a shelf. They need to direct what we do, guide how we operate, and ultimately enable what we deliver, enable and influence for the county and its residents.

Communications and briefings need to help embed new practice, and proportionate monitoring activity

## APPENDIX 4: Next Phase of Improvement programmes

### Programmes 1-3: Next phase

Following the budget approval for 2026/27 at the Council meeting on 26<sup>th</sup> February, and approval from MHCLG for EFS, most aspects of Programme 1 (financial stability programme) have been delivered, and the focus is increasingly on strengthening financial management practice and policy and developing the financial sustainability strategy (Programmes 2 and 3).

#### PREVIOUS

Programme	Description and Purpose
<b>Financial Stability</b>	A range of immediate and actions and arrangements to contain expenditure in-year to reduce and minimise the projected year-end overspend, improve financial monitoring and budget setting. The programme is also focussed on the development of the council's approach and route to financial stability including EFS and the development of a proposed balanced budget for 2026/27.
<b>Financial Sustainability Strategy</b>	Development of approach and strategy that outlines how the longer-term goal of financial sustainability will be achieved ensuring the Council 'lives within its means' and does not become reliant on EFS
<b>Strengthening financial management practice and policy</b>	A programme of actions to strengthen financial literacy and discipline across the organisation, including significantly strengthening the internal control environment. The programme will ensure improved financial compliance across the organisation through strengthened procurement and contract management practices, budget monitoring and forecasting, income collection and debt recovery.



#### NEW

Programme	Description and Purpose
<b>Financial Sustainability</b>	The development of a revised medium-term financial plan and financial sustainability strategy summarising the approaches the Council will take to reduce reliance on EFS and achieved financial sustainability
<b>Strengthening financial management practice and policy</b>	Development and delivery of a comprehensive finance improvement plan that strengthens financial literacy and discipline across the organisation, including strengthening monitoring, forecasting, income collection and debt recovery.
<b>Improving procurement and commissioning</b>	Continued delivery of the procurement and contract management improvement plan, and develop new commissioning and procurement strategies

## Programme 5: Next phase

With the roll out of pilot service devolution arrangements on 01/04/26, the project focussed on developing our partnerships with town and parish councils is largely complete, with the recognition there needs to be a further phase of activity to focus on learning and the development of further opportunities – including ascertaining levels of interest and potential opportunities.

### CURRENT PROGRAMME:

#### (ii) Developing our partnerships with town and parish Councils:

Carryout Overview and Scrutiny review into the opportunities and arrangements for local partnership working across three phases of work

1. The delegation of functions to Town and Parish Councils (T&PCs)
2. Potential groupings of local councils to deliver local priorities and outcomes
3. Options for local partnership working governance structures and arrangements

Identify and quantify potential initial opportunities for the delegation of functions to town and parish Council

Roll out programme of developing further opportunities and partnerships with town and parish councils (T&PCs)

### NEW PROGRAMME:

A new programme is being formed, to strengthen how the Council's enables and influences. This includes a project focused on the working with parish and town councils to deliver services and outcomes, along with other areas of partnership working - including:

#### Working with Town and Parish Councils

This project will drive, manage and oversee the delivery of post-pilot activity:

- Monitoring the pilot implementation
- Evaluation and review
- Data quality
- Ascertaining interest and potential for future opportunities
- Develop a standard operating model and approaches

#### Shropshire Partnership

This project will establish a clear understanding of the Council's current partnerships and identify where partnership working can most effectively support delivery of the Corporate Plan ambitions. It will also consider and develop proposals for the establishment of a Shropshire Partnership

#### Community engagement and involvement

This project will review existing engagement mechanisms and develop an improved strategic and coordinated approach to community engagement, supporting the ambitions to empower communities, build resilience and help reset our relationship with residents.

#### Stakeholder Management and Public Affairs

This project will strengthen understanding of key stakeholders and work with them on advocating for Shropshire. It will involve stakeholder mapping, relationship management and influencing through public affairs to support our financial sustainability strategy

#### Spatial Development Strategy

This project will lead, manage and oversee the development and adoption of a statutory SDS, providing a long-term strategic framework for cross-boundary planning, infrastructure alignment, and economic growth. It will ensure coordination across local authorities and partners and establish a shared evidence-based approach

## APPENDIX 5: Our flightpath to financial sustainability

The Improvement Plan is instrumental in driving the development of plans, policy and practice that will support and enable our financial sustainability. The diagram below illustrates how some of the activity in the Plan is doing that.

