



Shropshire Council  
Legal and Democratic Services  
Shirehall  
Abbey Foregate  
Shrewsbury  
SY2 6ND

Date: Tuesday, 31 January 2017

**Committee:  
Cabinet**

**Date: Wednesday, 8 February 2017**

**Time: 12.30 pm**

**Venue: Shrewsbury Room, Shirehall, Abbey Foregate, Shrewsbury, Shropshire, SY2 6ND**

You are requested to attend the above meeting.  
The Agenda is attached

Claire Porter  
Head of Legal and Democratic Services (Monitoring Officer)

**Members of Cabinet**

Malcolm Pate (Leader)  
Steve Charmley (Deputy Leader)  
Karen Calder  
Lee Chapman  
Simon Jones  
David Minnery  
Cecilia Motley  
Malcolm Price  
Stuart West  
Michael Wood

**Deputy Members of Cabinet**

Peter Adams  
Nicholas Bardsley  
Gwilym Butler  
Dean Carroll  
Nic Laurens  
Robert Macey  
Robert Tindall

Your Committee Officer is:

**Jane Palmer** Senior Democratic Services Officer

Tel: 01743 257712

Email: [jane.palmer@shropshire.gov.uk](mailto:jane.palmer@shropshire.gov.uk)

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May 2015

# AGENDA

## 1 Apologies for Absence

## 2 Disclosable Pecuniary Interests

Members are reminded that they must not participate in the discussion or voting on any matter in which they have a Disclosable Pecuniary Interest and should leave the room prior to the commencement of the debate.

## 3 Minutes (Pages 1 - 4)

To approve as a correct record and sign the Minutes of the Cabinet meeting held on 18 January 2017.

Contact: Jane Palmer Tel: 01743 257712

## 4 Public Question Time

To receive any questions or petitions from members of the public, notice of which has been given in accordance with Procedure Rule 14. Deadline for notification for this meeting is 5.00pm on Friday 3 February 2017.

## 5 Scrutiny Items

To consider any matters from Council or any of the Scrutiny Committees.

## 6 Treasury Strategy 2017/18 (Pages 5 - 50)

Lead Member – Councillor Malcolm Pate – Leader of the Council and Portfolio Holder for Strategy, Financial Strategy, Budget and Business Plan

Report of the Head of Finance, Governance and Assurance (Section 151 Officer)

Contact: James Walton Tel: 01743 255001

## 7 Financial Strategy 2017/18 to 2019/20 - Final

Lead Member – Councillor Malcolm Pate – Leader of the Council and Portfolio Holder for Strategy, Financial Strategy, Budget and Business Plan

Report of the Head of Finance, Governance and Assurance (Section 151 Officer) **TO FOLLOW**

Contact: James Walton Tel: 01743 255001

## 8 Fees and Charges 2017/18

Lead Member – Councillor Malcolm Pate – Leader of the Council and Portfolio Holder for Strategy, Financial Strategy, Budget and Business Plan

Report of the Head of Finance, Governance and Assurance (Section 151 Officer) **TO FOLLOW**

Contact: James Walton Tel: 01743 255001

## **9 Robustness of Estimates and Adequacy of Reserves**

Lead Member – Councillor Malcolm Pate – Leader of the Council and Portfolio Holder for Strategy, Financial Strategy, Budget and Business Plan

Report of the Head of Finance, Governance and Assurance (Section 151 Officer) **TO FOLLOW**

Contact: James Walton Tel: 01743 255001

## **10 Estimated Collection Fund Outturn for 2016/17 (Pages 51 - 56)**

Lead Member – Councillor Malcolm Pate – Leader of the Council and Portfolio Holder for Strategy, Financial Strategy, Budget and Business Plan

Report of the Head of Finance, Governance and Assurance (Section 151 Officer)

Contact: James Walton Tel: 01743 255001

## **11 Financial Monitoring report Quarter 3 2016/17 (Pages 57 - 94)**

Lead Member – Councillor Malcolm Pate – Leader of the Council and Portfolio Holder for Strategy, Financial Strategy, Budget and Business Plan

Report of the Head of Finance, Governance and Assurance (Section 151 Officer)

Contact: James Walton Tel: 01743 255001

## **12 Treasury Management Update Quarter 3 2016/17 (Pages 95 - 114)**

Lead Member – Councillor Malcolm Pate – Leader of the Council and Portfolio Holder for Strategy, Financial Strategy, Budget and Business Plan

Report of the Head of Finance, Governance and Assurance (Section 151 Officer)

Contact: James Walton Tel: 01743 255001

## **13 Community Right To Challenge Expressions of Interest for the Future Delivery of a Library Service in Church Stretton**

Lead Member – Councillor Stuart West – Portfolio Holder for Leisure and Culture.

Report from the Director of Place and Enterprise. **TO FOLLOW**

Contact: George Candler Tel: 01743 255003

**14 Determination of Admission Arrangements 2018/2019 (Pages 115 - 142)**

Lead Member – Councillor David Minnery – Portfolio Holder for Children and Young People.

Report of the Director of Children’s Services

Contact: Karen Bradshaw Tel: 01743 254201

**15 Social Value Charter for Shropshire**

Lead Member – Councillor Michael Wood – Portfolio Holder for Corporate Support

Report of the Director of Place and Enterprise **TO FOLLOW**

Contact: George Candler Tel: 01743 255003

**16 Tender of New Contract for 0-25 Public Health Nursing Services (From October 2017)**

Lead Member – Councillor Karen Calder – Portfolio Holder for Health and Wellbeing

Report of the Director of Public Health **TO FOLLOW**

Contact: Prof Rod Thomson Tel: 01743 253934

**17 Exclusion of Public and Press**

To resolve that in accordance with the provisions of Schedule 12A of the Local Government Act 1972, and Paragraph 10.4 (3) of the Council’s Access to Information Procedure Rules, the public and press be excluded during consideration of the following item/s.

**18 Social Care System I.T. Replacement**

Lead Member – Councillor Michael Wood – Portfolio Holder for Corporate Support.

Report of the Head of Human Resources and Development **TO FOLLOW**

Contact: Michele Leith Tel: 01743 254402

**19 Minutes (Pages 143 - 146)**

To approve as a correct record the exempt Minutes of the Cabinet meeting held on 21

December 2016.

Contact: Jane Palmer      Tel: 01743 257712



## Committee and Date

Cabinet

8 February 2017

## **CABINET**

**Minutes of the meeting held on 18 January 2017 in the Shrewsbury Room, Shirehall, Abbey Foregate, Shrewsbury, Shropshire, SY2 6ND  
12.30 pm - 1.25 pm**

**Responsible Officer:** Amanda Holyoak  
Email: jane.palmer@shropshire.gov.uk Tel: 01743 257714

### **Present**

Councillor Malcolm Pate (Leader)  
Councillors Steve Charmley (Deputy Leader), Karen Calder, Lee Chapman, Simon Jones, David Minnery, Cecilia Motley, Malcolm Price and Stuart West

### **109 Apologies for Absence**

Apologies were received from Councillor M Wood.

### **110 Disclosable Pecuniary Interests**

None were declared.

### **111 Minutes**

#### **RESOLVED:**

That the minutes of the meeting held on 21 December 2016 be approved as a correct record and signed by the Leader.

### **112 Public Question Time**

No questions from members of the public had been received.

### **113 Scrutiny Items**

There were no scrutiny matters to consider.

#### **114 Shropshire Council Adult Social Care - Local Account 2015/2016**

The Portfolio Holder for Adults presented a report of the Director of Adult Services setting out the Shropshire Council Adult Social Care Local Account 2015/2016. He explained the value of the document, production of which was not a statutory requirement but best practice. He paid tribute to members of the Making It Real Board who had taken editorial lead of the document and reported that it was to be considered by the Health and Adult Social Care Scrutiny Committee. He explained that the recommendation should read that Cabinet Members are requested to note the Account, rather than note and approve and this amendment was accepted.

The Portfolio Holder for Health felt the Account was both informative and accessible and should be made available to the Shropshire Clinical Commissioning Group Board with a request that it be forwarded to the Local Area Forum for GPs. The Portfolio Holder for Rural Services and Communities also commended the logical and clear Shropshire Choices website and made some suggestions for promoting the site such as advertising in parish magazines.

#### **RESOLVED:**

That the Adult Social Care Local Account for 2015 – 2016 be noted.

#### **115 Consultation on Issues and Strategic Options for the Shropshire Local Plan Review**

The Portfolio Holder for Planning, Housing, Regulatory Services and Environment presented a report from the Director of Place and Enterprise seeking approval for consultation on the first stage of the partial review of the Shropshire Local Plan. He explained how the consultation would be conducted and in response to a Member question, gave assurance that officers would hold discussions with areas that had a formally adopted Neighbourhood Plan. The Portfolio Holder also responded to questions relating to the strategic distribution of housing, concerns about potential studentification of Shrewsbury town centre; sites at Tern Hill and Buildwas Power Station; and the requirement for to be clear about the weight attributed to up to date Parish Plans.

#### **RESOLVED:**

- i) That Cabinet approve the draft document for consultation subject to minor amendments and editing.
- ii) That authority be delegated to the Director of Place and Enterprise in consultation with the Portfolio Holder for Planning, Housing, Regulatory Services and Environment to approve the final version of the documents and to publish these for public consultation.

#### **116 Marches Business Broadband Grant Scheme**



The Portfolio Holder for Business and Economy presented a report of the Director of Place and Enterprise setting out a recommendation to reallocate unspent Phase 1 Broadband Delivery UK (BDUK) grant funding to support a complimentary Marches European Regional Development Funding (ERDF) project.

**RESOLVED:**

That £842,853 from decommissioned contract obligations, in its BDUK Phase 1 project, be swapped for capital ring fenced funding in its Phase 2b procurement. The released capital of £842,853 will be used to enable Shropshire Council to draw down an additional £1,331,825 ERDF funding to support businesses with individual grants that will enable NGA or BGB.

**117 Shropshire Schools Funding Formula 2017/18**

The Portfolio Holder for Children and Young People presented a report of the Director of Children’s Services on schools funding arrangements for 2017 – 2018. As the Schools Forum had not yet met, he proposed an amendment to the recommendation so that it gave delegated authority to the Director of Children’s Services in consultation with himself to accept the recommendation of the Forum on the funding formula. The amendment was agreed.

**RESOLVED:**

- i) That Cabinet delegates to the Director of Children’s Services, in consultation with the Portfolio Holder for Children and Young People, the acceptance of the recommendation of Shropshire Schools Forum on the funding formula for Shropshire schools for the financial year 2017 – 2018 for academies.
- ii) That changes to the allocation of ESG to local authorities in 2017 – 18 and the potential implications be noted.

Signed

(Leader)

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Date:

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## Committee and Date

Cabinet  
8 February 2017

Audit Committee  
22 February 2017

Council  
23 February 2017

## TREASURY STRATEGY 2017/18

**Responsible Officer** James Walton

e-mail: james.walton@shropshire.gov.uk

Tel: (01743) 258915

### 1. Summary

1.1 The report proposes the Treasury Strategy for 2017/18 and recommends Prudential Indicators for 2017/18 to 2019/20. The report is technical in nature but the key points to note are:-

- Borrowing is largely driven by the Capital Programme Strategy. From 2011/12 the Council's borrowing requirement has been significantly reduced due to the Government changing the way in which it funds the Council's capital expenditure and providing capital grants rather than supported borrowing approval with on-going revenue support grant to meet the financing costs of the borrowing. Currently the only borrowing requirement identified within the Capital Programme 2017/18 to 2019/20 is self-financing prudential borrowing of £300,000.
- The Council is developing both a Capital Investment Strategy and business cases for a number of proposed large schemes, however, at this stage they have not been finalised. As a result these schemes cannot be included as part of the calculations within the Treasury Strategy and any updates required as a result of future decisions will be reported accordingly.
- The Council's lending continues to be restricted to highly credit rated Banks, three Building Societies, Money Market Funds, Nationalised and Part Nationalised Institutions which meet Capita's creditworthiness policy, other Local Authorities and the UK Government.
- The internal Treasury Team will continue to look for opportunities to make savings by actively managing the cash and debt portfolio in accordance with the Treasury Strategy.
- The bank rate was reduced to 0.25% in August 2016 and is expected to remain at this historically low level until June 2019 when it is forecast to rise to 0.50%. Every 0.25% increase in the bank rate equates to around £400,000 of additional interest receivable per annum on the Council's current average investment balances.

- Long term borrowing rates are expected to be higher than investment rates during 2017/18 therefore long term borrowing may be postponed in order to maximise savings in the short term. Currently the only borrowing requirement identified within the Capital Programme 2017/18 to 2019/20 is self-financing prudential borrowing of £300,000. Any changes to this requirement as a result of future decisions will be reported accordingly.
- The Council has agreed to offer to lend funds to Shropshire Housing Ltd (which incorporates both South Shropshire Housing Association and the Meres & Mosses Housing Association) and Severnside Housing at an agreed rate. In the current climate Housing Associations can find it difficult to obtain funding for new affordable housing. It has been agreed to offer to lend up to £10 million to each of these Housing Associations in order to support the building of affordable housing and shared office accommodation in Shropshire. For security purposes, each loan will be secured against existing assets held by or owned by the Housing Association. To date £9,770,000 has been drawn down by Shropshire Housing Ltd and £10,000,000 by Severnside Housing.

## **2. Recommendations**

### **2.1. Recommendations to Cabinet**

Cabinet recommend that Council:-

- a) Approve, with any comments, the Treasury Strategy for 2017/18.
- b) Approve, with any comments, the Prudential Indicators, set out in Appendix 1, in accordance with the Local Government Act 2003.
- c) Approve, with any comments, the Investment Strategy, set out in Appendix 2 in accordance with the CLG Guidance on Local Government Investments.
- d) Approve, with any comments, the Minimum Revenue Provision (MRP) Policy Statement, set out in Appendix 3.
- e) Authorise the Section 151 Officer to exercise the borrowing powers contained in Section 3 of the Local Government Act 2003 and to manage the Council's debt portfolio in accordance with the Treasury Strategy.
- f) Authorise the Section 151 Officer to use other Foreign Banks which meet Capita's creditworthiness policy as required.

### **2.2. Recommendations to Audit Committee**

- g) Audit Committee are asked to consider and endorse, with appropriate comment, the Treasury Strategy 2017/18.

### **2.3. Recommendations to the Council**

- h) Approve, with any comments, the Treasury Strategy for 2017/18.

- i) Approve, with any comments, the Prudential Indicators, set out in Appendix 1, in accordance with the Local Government Act 2003.
- j) Approve, with any comments, the Investment Strategy, set out in Appendix 2 in accordance with the CLG Guidance on Local Government Investments.
- k) Approve, with any comments, the Minimum Revenue Provision (MRP) Policy Statement, set out in Appendix 3.
- l) Authorise the Section 151 Officer to exercise the borrowing powers contained in Section 3 of the Local Government Act 2003 and to manage the Council's debt portfolio in accordance with the Treasury Strategy.
- m) Authorise the Section 151 Officer to use other Foreign Banks which meet Capita's creditworthiness policy as required.

## REPORT

### 3. Risk Assessment and Opportunities Appraisal

- 3.1. The recommendations contained in this report are compatible with the provisions of the Human Rights Act 1998.
- 3.2. There are no direct environmental, equalities or climate change consequences arising from this report.
- 3.3. Compliance with the CIPFA Code of Practice on Treasury Management, the Council's Treasury Policy Statement and Treasury Management Practices and the Prudential Code for Capital Finance together with the rigorous internal controls will enable the Council to manage the risk associated with Treasury Management activities and the potential for financial loss.

### 4. Financial Implications

- 4.1 The financial implications arising from the Treasury Strategy are detailed in this report. The Council makes assumptions about the levels of borrowing and investment income over the financial year. Reduced borrowing as a result of capital receipt generation or delays in delivery of the capital programme will both have a positive impact of the council's cash position. Similarly, higher than benchmarked returns on available cash will also help the Council's financial position. For monitoring purposes, assumptions are made early in the year about borrowing and returns based on the strategies agreed by Council in the preceding February. Performance outside of these assumptions results in increased or reduced income for the Council.
- 4.2 The Council currently has £181 million held in investments and borrowing of £324 million at fixed interest rates.

### 5. Background

- 5.1. The Council defines its treasury management activities as "the management of the authority's investments and cash flows, its banking, money market and capital market transactions, the effective control of the risks associated with those activities, and the pursuit of optimum performance consistent with those risks".

5.2. This strategy statement has been prepared in accordance with CIPFA's Code of Practice on Treasury Management. Accordingly, the Council's Treasury Strategy will be approved annually by full Council and there will also be a mid year review report. In addition, treasury management update reports will be submitted quarterly to Directors and Cabinet. The aim of these reporting arrangements is to ensure that those with ultimate responsibility for the treasury management function appreciate fully the implications of policies and practices, and that those implementing policies and executing transactions have properly fulfilled their responsibilities with regard to delegation and reporting.

5.3. The Council will adopt the following reporting arrangements in accordance with the requirements of the Code:-

<b>Area of Responsibility</b>	<b>Council/Committee/Officer</b>	<b>Frequency</b>
Treasury Management Policy Statement	Full Council/Cabinet	As required
Treasury Strategy/Annual Investment Strategy/MRP Policy	Full Council/Cabinet	Annually before the start of the financial year
Treasury Strategy/Annual Investment Strategy/MRP Policy – mid year report	Full Council/Cabinet	Mid year
Treasury Strategy/Annual Investment Strategy/MRP Policy – updates or revisions at other times	Full Council/Cabinet	As required
Annual Treasury Report	Full Council/Cabinet	Annually by 30 September after the end of the financial year
Quarterly Treasury Management Update Reports	Directors/Cabinet	Quarterly
Treasury Management Monitoring Reports	Reports prepared by Investment Officer to the Head of Treasury & Pensions who reports to the Section 151 Officer	Monthly
Treasury Management Practices	Section 151 Officer	As required
Scrutiny of Treasury Strategy	Audit Committee	Annually before the start of the financial year
Scrutiny of the treasury management performance	Audit Committee	Half yearly

## 6. Treasury Strategy 2017/18

6.1. The Local Government Act 2003 and supporting Regulations requires the Council to have regard to the CIPFA Prudential Code and the CIPFA Treasury Management Code of Practice to set Prudential and Treasury Indicators for the next three years to ensure that capital investment plans are affordable, prudent and sustainable. This report incorporates the indicators to which regard should be given when determining the Council's Treasury Management Strategy for the next financial year.

- 6.2. As the Council is responsible for housing, Prudential Indicators relating to Capital Expenditure, financing costs and the Capital Financing Requirement will be split between the Housing Revenue Account (HRA) and the General Fund. The impact of any new capital investment decisions on housing rents will also need to be considered.
- 6.3. The Act also requires the Council to set out its Treasury Strategy for borrowing and to prepare an Annual Investment Strategy. This sets out the Council's policies for managing its investments and for giving priority to the security and liquidity of those investments.
- 6.4. The proposed Strategy for 2017/18 in respect of the following aspects of the treasury management function is based upon the S151 Officer's view on interest rates, supplemented with leading market forecasts provided by the Council's Treasury Advisor, Capita Asset Services.
- 6.5. The proposed strategy will focus on the following areas of treasury activity:-
- Treasury limits in force which will limit the treasury risk and activities of the Council.
  - The determination of Prudential and Treasury Indicators.
  - The current treasury position.
  - Prospects for interest rates.
  - Capital borrowing strategy.
  - Policy on borrowing in advance of need.
  - Debt rescheduling.
  - Investment strategy.
  - Capital plans.
  - Creditworthiness policy.
  - Policy on use of external service providers.
  - The MRP strategy.
  - Leasing.
- 6.6. It is a statutory requirement under section 33 of the Local Government Finance Act 1992, for the Council to produce a balanced budget. In particular, Section 32 requires a local authority to calculate its budget requirement for each financial year to include the revenue costs that flow from capital financing decisions. This therefore means that increases in capital expenditure must be limited to a level whereby increases in charges to revenue from:-
- increases in interest charges caused by increased borrowing to finance additional capital expenditure, and
  - any increase in running costs from new capital projects

are limited to a level which is affordable within the projected income of the Council for the foreseeable future.

## **7. Treasury Limits for 2017/18 to 2019/20**

- 7.1. It is a statutory requirement under Section 3 of the Local Government Act 2003 and supporting Regulations, for the Council to determine and keep under review how much it can afford to borrow. The amount so determined is termed the "Affordable Borrowing Limit". This authorised limit represents the legislative limit specified in section 3 of the Local Government Act 2003.

- 7.2. The Council must have regard to the Prudential Code when setting the Authorised Limit, which essentially requires it to ensure that total capital investment remains within sustainable limits and, in particular, that the impact upon its future council tax levels is 'acceptable'.
- 7.3. Whilst termed an "Affordable Borrowing Limit", the capital plans to be considered for inclusion incorporate those planned to be financed by both external borrowing and other forms of liability, such as credit arrangements. The Authorised Borrowing Limit is to be set, on a rolling basis, for the forthcoming financial year and two successive financial years and is the limit which the Council must not breach. All of the other Prudential Indicators are estimates only and can be breached temporarily but this is very rarely the case. If this did happen it would be reported to Members outlining the reasons for this temporary breach.
- 7.4. The Council are asked to approve these Prudential Indicators.

## 8. Prudential & Treasury Indicators for 2017/18 to 2019/20

- 8.1. The Prudential Code and CIPFA Code of Practice on Treasury Management require the Council to set a number of Prudential and Treasury Indicators. In addition to the specified indicators, we have set further internal indicators for Treasury Management, regarding lower limits on interest rate exposure for both borrowing and investments.
- 8.2. It should be noted that these indicators should not be used for comparison with indicators from other local authorities. Use of them in this way would be likely to be misleading and counter-productive as other authorities Treasury Management policies and practices vary. The most important indicator is prudential indicator number 10 which specifies the authorised limit which cannot be breached under any circumstances. In the event that this indicator was breached a separate report would be brought to Council.
- 8.3. **Prudential Indicator 1 & 2** - The ratio of financing costs indicator shows the trend in the cost of financing capital expenditure as a proportion of the Authority's net revenue. This indicator also shows the ratio of the HRA financing costs to the HRA net revenue stream.

Prudential Indicator No. 1 & 2	2016/17 Estimate	2017/18 Estimate	2018/19 Estimate	2019/20 Estimate
	%	%	%	%
Non HRA ratio of financing costs (gross of investment income) to net revenue stream	8.8	9.3	8.9	8.6
Non HRA ratio of financing costs (net of investment income) to net revenue stream	8.5	9.0	8.6	8.3
HRA Ratio of financing costs to HRA net revenue stream	41.9	39.3	39.9	40.5

- 8.4. The 2017/18 to 2019/20 Capital Budget includes £300,000 self-financing prudential borrowing.
- 8.5. **Prudential Indicator 3** - In accordance with Prudential Guidelines the costs of all prudential borrowing are included in prudential indicators, even though they will be funded from existing revenue budgets. The HRA budgetary requirements for the authority have also been calculated by taking the difference between the existing capital programme and any changes proposed in the new capital programme. It is



anticipated that there will be no unsupported borrowing relating to the HRA therefore the addition or reduction to average weekly housing rents for 2017/18 to 2019/20 is zero. The figures quoted include Prudential Borrowing already utilised and profiled totalling £29.1 million from 2006/07 to 2017/18.

<b>Prudential Indicator No. 3</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>
<b>Estimates of impact of Capital Investment decisions in the present capital programme</b>	<b>£ p</b>	<b>£ p</b>	<b>£ p</b>
Cost of capital investment decisions funded from re-direction of existing resources (Band D, per annum)	20.00	19.62	19.62
Cost of capital investment decisions funded from increase in council tax (Band D, per annum)	0	0	0
Cost of capital investment decisions funded from increase in average housing rent per week	0	0	0
<b>Total</b>	<b>20.00</b>	<b>19.62</b>	<b>19.62</b>

- 8.6. **Prudential Indicator 5, 8, 9** - A key indicator of prudence is that net external borrowing should not, except in the short term, exceed the capital financing requirement (CFR). The capital financing requirement is the maximum we would expect to borrow based on the current capital programme. Compliance with the indicator will mean that this limit has not been breached. From 2013/14 onwards the key indicator of prudence has been revised and stipulates that gross borrowing, except in the short term, should not exceed the CFR. Gross borrowing includes debt administered on behalf of the Borough of Telford and Wrekin, Magistrates Courts and Probation Service. It also includes the debt transferred from Oswestry Borough Council and North Shropshire District Council on the 1st April 2009. In accordance with the Code the HRA Capital Financing requirement has been calculated separately and has been updated due to the HRA reform which is took place on the 28 March 2012.

<b>Prudential Indicator No. 5 * No. 8 &amp; 9^</b>	<b>2015/16 Actual</b>	<b>2016/17 Estimate</b>	<b>2017/18 Estimate</b>	<b>2018/19 Estimate</b>	<b>2019/20 Estimate</b>
<b>Net Borrowing &amp; Capital Financing Requirement:</b>	<b>£ m</b>	<b>£ m</b>	<b>£ m</b>	<b>£ m</b>	<b>£ m</b>
Non HRA Capital Financing Requirement^	243	261	254	247	241
HRA Capital Financing Requirement^	85	85	85	85	85
<b>Total CFR</b>	<b>328</b>	<b>346</b>	<b>339</b>	<b>332</b>	<b>326</b>
Gross Borrowing including HRA*	329	324	318	312	308
Investments*	134	160	160	160	160
Net Borrowing*	<b>195</b>	<b>164</b>	<b>158</b>	<b>152</b>	<b>148</b>

**Prudential Indicator 6 & 7** - The estimated capital expenditure has been split between Non HRA and HRA and represents commitments from previous years to complete ongoing schemes, the expenditure arising from the proposed new schemes within the capital programme for 2017/18, and the estimated expenditure for 2018/19 and 2019/20. This indicator also includes details on the financing of capital expenditure.

8.8. Prudential Indicator No. 6 & 7	2015/16 Actual	2016/17 Estimate	2017/18 Estimate	2018/19 Estimate	2019/20 Estimate
	£ m	£ m	£ m	£ m	£ m
Non HRA Capital expenditure	39.5	47.5	60.4	25.8	2.3
HRA Capital expenditure	4.9	6.4	5.6	0.0	0.0
<b>Total Capital expenditure</b>	<b>44.4</b>	<b>53.9</b>	<b>66.0</b>	<b>25.8</b>	<b>2.3</b>
<b>Financing of capital expenditure</b>					
Capital receipts	1.1	2.3	20.5	0.9	0.7
Capital grants	34.0	34.8	39.3	24.9	1.6
Other Contributions	0.6	0.8	0.4	0.0	0.0
Major Repairs Allowance	3.3	4.4	4.8	0.0	0.0
Revenue	2.2	11.6	0.7	0.0	0.0
<b>Net financing need for the year</b>	<b>3.2</b>	<b>0.0</b>	<b>0.3</b>	<b>0.0</b>	<b>0.0</b>

**Prudential Indicator 10 which must not be breached** - The authorised limit is the borrowing limit set for Shropshire Council and includes the HRA borrowing. This indicator shows the maximum permitted amount of outstanding debt for all purposes. It includes three components:

1. The maximum amount for capital purposes;
2. The maximum amount for short term borrowing to meet possible temporary revenue shortfalls;
3. The maximum permitted for items other than long term borrowing i.e. PFI & leasing.

Prudential Indicator No. 10	2017/18	2018/19	2019/20
	£ m	£ m	£ m
<b>External Debt</b>			
<b>Authorised Limit for External Debt:</b>			
Borrowing	463	455	458
Other long term liabilities	102	107	104
<b>Total</b>	<b>565</b>	<b>562</b>	<b>562</b>

8.9. Separately, the Council is also limited to a maximum HRA debt limit through the HRA self-financing regime. This limit is as follows:

Prudential Indicator	2016/17	2017/18	2018/19	2019/20
	£ m	£ m	£ m	£ m
HRA Debt Limit	96	96	96	96

8.10. **Prudential Indicator 11** – The more likely outcome for the level of external debt is shown in the operational boundary which the Council is required to set. This is calculated on the same basis as prudential indicator number 10, however, this is the limit which external debt is not normally expected to exceed.

Prudential Indicator No. 11	2017/18	2018/19	2019/20
	£ m	£ m	£ m
<b>External Debt</b>			

8.11 <b>Operational Boundary:</b>			
Borrowing	400	409	402
Other long term liabilities	102	107	104
<b>Total</b>	<b>502</b>	<b>516</b>	<b>506</b>

**Prudential Indicator 12** - The estimated external debt is based on the capital programme for 2016/17.

<b>Prudential Indicator No. 12</b>	<b>31/03/16 Actual</b>	<b>31/03/17 Estimate</b>
<b>Actual External Debt</b>	<b>£ m</b>	<b>£ m</b>
Borrowing	329	324
Other long term liabilities	97	102
<b>Total</b>	<b>426</b>	<b>426</b>

8.12. **Prudential Indicator number 13** relates to the Local Authority adopting the CIPFA Code of Practice for Treasury Management in Public Services. The original 2001 Code was adopted by full Council in February 2002. Shropshire Council adopted the revised Code in February 2010.

8.13. **Prudential Indicator 14 & 15** - The Prudential Code requires the Council to set interest rate exposure limits for borrowing and investments.

<b>Prudential Indicator No. 14*</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>
<b>Internal Indicator No. 1 **</b>			
<b>No. 15 ^</b>			
<b>Internal Indicator No. 2 ^^</b>			
<b>Borrowing Limits</b>			
	<b>£ m</b>	<b>£ m</b>	<b>£ m</b>
Upper Limit for Fixed Interest Rate Exposure *	463	455	458
Upper Limit for Variable Interest Rate Exposure ^	232	228	229
Lower Limit for Fixed Interest Rate Exposure **	231	227	229
Lower Limit on Variable Interest Rate Exposure ^^	0	0	0

These indicators seek to control the amount of debt exposed to fixed and variable interest rates. Variable rate debt carries the risk of unexpected increases in interest rates and consequently increases in cost. The upper limit for variable rate exposure has been set following advice from Capita, however, this limit is never likely to be reached due to authority's objective to have no more than 25% of outstanding debt at variable interest rates.

Upper limit for fixed rate exposure

**Calculation:**

A maximum of 100% of the Authorised Limit (£463m in 2017/18) exposed to fixed rates is consistent with the Authority's objective to have a long term stable debt portfolio.

Upper limit for variable rate exposure

**Calculation:**

For efficient management of the debt portfolio it is considered prudent by Capita to permit up to 50% (£232m in 2017/18) of the Authorised Limit to be borrowed at variable interest rates.

Lower limit for fixed rate exposure

**Calculation:** Upper limit for fixed rate exposure less the maximum permitted borrowing at variable interest rates

Lower limit for variable rate exposure

**Calculation:** To be consistent with the Authority's objective to have a long term stable portfolio all of the debt portfolio could be at a fixed rate therefore the lower limit for variable rate exposure should be nil.

Prudential Indicator No. 14* Internal Indicator No. 3 ** No. 15 ^ Internal Indicator No. 4 ^^	2017/18	2018/19	2019/20
<b>Investment Limits</b>			
	<b>£ m</b>	<b>£ m</b>	<b>£ m</b>
Upper Limit for Fixed Interest Rate Exposure *	220	220	220
Upper Limit for Variable Interest Rate Exposure ^	220	220	220
Lower Limit for Fixed Interest Rate Exposure **	0	0	0
Lower Limit on Variable Interest Rate Exposure ^^	0	0	0

These indicators seek to control the amount of investments exposed to fixed and variable interest rates. Variable rate investments are subject to changes in interest rates, but have a higher degree of liquidity and action can be taken at short notice in response to interest rate changes.

Upper limit for fixed rate exposure

**Calculation:** Maximum amount of fixed rate investments in order to maintain a stable investment portfolio.

Upper limit for variable rate exposure

**Calculation:** For the purposes of efficient portfolio management in response to interest rate conditions a maximum potential exposure to variable rates of £220m in 2017/18 is recommended.

Lower limit for fixed rate exposure

**Calculation:** A lower limit of zero is locally set so as to enable full advantage to be taken of market conditions.

Lower limit for variable rate exposure

**Calculation:** A lower limit of zero is locally set so as to enable full advantage to be taken of market conditions.

8.14. **Prudential Indicator 16** - The upper and lower limit for the maturity structure of borrowings is detailed below.

<b>Prudential Indicator No. 16</b>	<b>Upper Limit</b>	<b>Lower Limit</b>
<b>Maturity Structure of Fixed Rate Borrowing 2017/18*</b>	<b>%</b>	<b>%</b>
Under 12 months	15	0
12 months & within 24 months	15	0
24 months & within 5 years	45	0
5 years to 10 years	75	0
10 years to 20 years	100	0
20 years to 30 years	100	0
30 years to 40 years	100	0
40 years to 50 years	100	0
50 years and above	100	0

- **The internal limit is to have no more than 15% of total outstanding debt maturing in any one financial year. This is to ensure that the risk of having to replace maturing debt at times of high interest rates is controlled.**

8.15. **Prudential Indicator 17** - The Council is required to set maximum levels for investments over 364 days for both the internal treasury team and an external fund manager if appointed.

<b>Prudential Indicator No. 17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>
<b>Investment Limits</b>			
	£m	£m	£m
Upper Limit for Total Principal Sums Invested for over 364 days:			
Externally Managed (if appointed)	30	30	30
Internally Managed	40	40	40

**Rationale:** The limit for the external cash fund manager has been set at £30 million in the event that an external manager is appointed. The limit for the internal treasury team has been set in order for the authority to potentially take advantage of more stable returns going forward. This excludes the lending to date to local housing associations.

## 9. Current Treasury Position

9.1. The Council's treasury position at 31 December 2016 is set out below:-

<b>Outstanding debt for capital purposes</b>	<b>Actual</b>
	<b>£m</b>
Long-term fixed rate PWLB	274.8
Long term fixed rate – Market	49.2
<b>Total</b>	<b>324.0</b>
<b>Investments</b>	<b>£m</b>
Internally managed - long term (1 Year)	17.0
- short term cash flow	164.0
<b>Total</b>	<b>181.0</b>

## 10. Prospects for Interest Rates

10.1. The Council retains the services of Capita Asset Services as adviser on treasury matters and part of the service provided is to help the Council to formulate a view on interest rates. The following table gives the latest Capita central view:-

**Capita's interest rate forecast as at January 2017**

	Mar-17	Jun-17	Sep-17	Dec-17	Mar-18	Jun-18	Sep-18	Dec-18	Mar-19	Jun-19	Sep-19	Dec-19	Mar-20
<b>Bank rate</b>	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.50%	0.50%	0.75%	0.75%
<b>5yr PWLB rate</b>	1.60%	1.60%	1.60%	1.60%	1.70%	1.70%	1.70%	1.80%	1.80%	1.90%	1.90%	2.00%	2.00%
<b>10yr PWLB rate</b>	2.30%	2.30%	2.30%	2.30%	2.30%	2.40%	2.40%	2.40%	2.50%	2.50%	2.60%	2.60%	2.70%
<b>25yr PWLB rate</b>	2.90%	2.90%	2.90%	3.00%	3.00%	3.00%	3.10%	3.10%	3.20%	3.20%	3.30%	3.30%	3.40%
<b>50yr PWLB rate</b>	2.70%	2.70%	2.70%	2.80%	2.80%	2.80%	2.90%	2.90%	3.00%	3.00%	3.10%	3.10%	3.20%

Capita's current interest rate view is that Bank Rate will: -

- remain at its current level of 0.25% until June 2019 when it is expected to rise to 0.50%.
- reach 0.75% by December 2019.

The effect on interest rates for the UK is expected to be as follows:-

**Short-term interest rates (investments)**

10.2. Taking all the evidence together, it is felt that the bank rate will remain at its current low level of 0.25% until June 2019 when it is expected to rise to 0.50%. The Bank rate is then expected to rise to 0.75% by December 2019. As the threat of potential risks from a number of sources still remains, including the uncertainty over the final terms of Brexit, caution must be exercised in respect of all interest rate forecasts at the current time. Capita's Bank Rate forecasts will be liable to further amendment depending on how economic data transpires over 2017.

**Long-term interest rates (borrowing)**

10.3. The 50 year PWLB rate is expected to rise slightly to reach 2.8% by the end of December 2017. It is then anticipated to rise gradually to reach 3.2% by the end of March 2020. There is scope for it to move around the central forecast by + or – 0.25%. The 25 year PWLB rate is also expected to rise slightly to reach 3.0% by the end of December 2017 and 3.4% by the end of March 2020. The 10 year PWLB rate is expected to remain at the current rate of 2.3% until June 2018 when it is expected to rise to 2.4%. Again further rises are expected in 2018/19 & 2019/20. The 5 year PWLB rate is also expected to rise from 1.6% to 1.7% by the end of March 2018 and to 2.0% by the end of December 2019. The PWLB rates and forecasts shown above take into account the 0.2% certainty rate reduction effective as of the 1 November 2012.

**11. Capital Borrowing Strategy**

11.1. The only external borrowing requirement for 2017/18 to 2019/20 within the Capital Programme is £300,000 self-financing prudential borrowing. The Council will adopt a pragmatic approach to changing circumstances when considering new borrowing if required in the future. Consideration will be given to the following:-

- i) As long term borrowing rates are expected to be higher than investment rates and look likely to be for the next couple of years or so all new external borrowing may be deferred in order to maximise savings in the short term. The running down of investments also has the added benefit of reducing exposure to interest rate and credit risk. However, in view of the overall forecast for long term borrowing rates to increase over the next few years, consideration will also be given to weighing up the short term advantage of internal borrowing against potential long term costs if the opportunity is missed for taking market loans at long term rates which will be higher in future years.
- ii) Temporary borrowing from the money markets or other local authorities.
- iii) PWLB variable rate loans for up to 10 years.
- iv) Long term fixed rate market loans (including loans offered by the Municipal Bond Agency) at rates below PWLB rates for the equivalent maturity period.
- v) Short term PWLB rates are expected to be cheaper than longer term borrowing therefore borrowing could be undertaken in the under 10 year period early on in the financial year when rates are expected to be at their lowest. This will also have the added benefit of spreading debt maturities away from a concentration in longer dated debt.
- vi) If it was felt that there was a significant risk in a sharp fall in long and short term rates then long term borrowings will be postponed. If it was felt there was a significant risk of a sharp rise in long and short term rates then the portfolio position would be re-appraised with the likely action that fixed rate funding will be drawn whilst interest rates were still relatively cheap.

11.2. Delegated authority is sought for the Section 151 Officer to exercise the borrowing powers contained in the Local Government Act 2003 to manage the debt portfolio.

## 12. External versus internal borrowing

12.1. The Prudential Code requires the Council to explain its policy on gross and net debt. The Council currently has gross debt of £324 million and net debt (after deducting cash balances) of £143 million. The next financial year is expected to see the Bank Rate remain at its current historically low level of 0.25%. As borrowing rates are expected to be higher than investment rates this would indicate that value could best be obtained by avoiding new external borrowing and using internal cash balances to finance new capital expenditure. This is referred to as internal borrowing and would maximise short term savings.

12.2. However, by delaying unavoidable new external borrowing until later years when PWLB rates are forecast to be higher will mean the potential for incurring additional long term costs.

12.3. The Council has examined the potential for undertaking early repayment of some external debt in order to reduce the difference between its gross and net debt positions. However, the introduction by the PWLB of significantly lower rates for repayments than for new borrowing means that large premiums would be incurred and such levels of premiums cannot be justified on value for money grounds.

12.4. Against this background caution will be adopted with the 2017/18 treasury operations. The Section 151 Officer will monitor the interest rate market and adopt

a pragmatic approach to changing circumstances, reporting any decisions to Members at the next available opportunity.

### **13. Policy on borrowing in advance of need**

13.1. The Council will not borrow more than or in advance of its needs purely in order to profit from the investment of the extra sums borrowed. Any decision to borrow in advance will be within forward approved Capital Financing Requirement estimates, and will be considered carefully to ensure value for money can be demonstrated and that the Council can ensure the security of such funds.

13.2. In determining whether borrowing will be undertaken in advance of need the Council will:-

- Ensure that there is a clear link between the capital programme and maturity profile of the existing debt portfolio which supports the need to take funding in advance of need.
- Ensure the ongoing revenue liabilities created, and the implications for the future plans and budgets have been considered.
- Evaluate the economic and market factors that might influence the manner and timing of any decision to borrow.
- Consider the merits and demerits of alternative forms of funding.
- Consider the alternative interest rate bases available, the most appropriate periods to fund and repayment profiles to use.
- Consider the impact of borrowing in advance on temporarily (until required to finance capital expenditure) increasing investment cash balance and the consequent increase in exposure to counterparty risk, and other risks, and the level of such risks given the controls in place to minimise them.

### **14. Debt Rescheduling**

14.1. The introduction of a differential in PWLB rates on 1 November 2007, which has been compounded further since 20 October 2010 by a considerable further widening of the difference between new borrowing and repayment rates following the Chancellor's announcement to increase new borrowing rates by up to 1% following the Comprehensive Spending Review, has meant that large premiums would be incurred if debt restructuring is undertaken, which cannot be justified on value for money grounds. However, consideration will be given to the potential for making savings by running down investment balances to repay debt prematurely as short term rates on investments are likely to be lower than rates currently paid on debt. However, this will need careful consideration in the light of premiums that may be incurred by such a course of action. The proposals for debt rescheduling are a continuation of the existing policy and such transactions will only be undertaken:-

- in order to generate cash savings at minimum risk.
- to help fulfil the strategy set out above.
- in order to enhance the balance of the long term portfolio by amending the maturity profile and/or volatility of the portfolio.

### **15. Investment Strategy**



15.1. The Council is required, under CIPFA's Treasury Management Code of Practice, to formulate an Annual Investment Strategy (Appendix 2). This outlines the Council's approach to:-

- Security of capital
- Creditworthiness policy
- Monitoring of credit ratings
- Specified and Non Specified Investments
- Temporary Investments

15.2. The Council's investment priorities are the security of capital and the liquidity of its investments. The Council will also aim to achieve the optimum return on its investments commensurate with proper levels of security and liquidity.

15.3. The Council are asked to approve the Investment Strategy set out in Appendix 2.

## **16. Minimum Revenue Provision (MRP) Statement**

16.1 In accordance with Statutory Instrument 2008 number 414 and guidance issued by the Government under section 21 (1A) of the Local Government Act 2003 a statement on the Council's policy for its annual MRP needs to be approved before the start of the financial year. Council are asked to approve the Minimum Revenue Provision Statement set out in Appendix 3.

## **17. Leasing**

17.1. In the past the Council has used operating leases to finance the purchase of vehicles and equipment. The Section 151 Officer will assess the relative merits of operating and finance leases on a case by case basis and enter into the most advantageous. Schools I.T equipment will continue to be internally financed by borrowing against a small fund set against school balances with schools repaying their borrowing over a period of 3 years.

## **18. Lending to Housing Associations**

18.1. As previously approved by full Council, the Council has offered to lend funds to Shropshire Housing Ltd (which incorporates South Shropshire Housing Association and the Meres & Mosses Housing Association) and Severnside Housing at an agreed rate. In the current climate Housing Associations can find it difficult to obtain funding for new affordable housing and the Council is generating only a small amount of interest on revenue balances.

18.2. It has been agreed that the interest rate charged will depend on the period over which the loan is to be taken and that it will be linked to the applicable PWLB rate plus an administration fee. It has been agreed to offer to lend up to £10 million to each of these Housing Associations in order to support the building of affordable housing and shared office accommodation in Shropshire. For security purposes, each loan will be secured against existing assets held by or owned by the Housing Association. If Shropshire Rural were to request a similar facility, for a smaller amount given the size of this local Housing Association, this could also be facilitated.

18.3. Officers have sought advice from Wragge & Co who have confirmed that the Council has the power to lend funds to Housing Associations under the Housing Act 1996 and have drawn up the legal documentation relating to the loan

agreement. To date £9,770,000 has been drawn down by Shropshire Housing Ltd and £10,000,000 by Severnside Housing.

Treasury Management Practices

Treasury Strategy 2016/17 (Council 25 February 2016)

Treasury Strategy 2016/17 Mid-Year Review (Council 15 December 2016)

Financial Strategy Report 2017/18 to 2019/20 (Cabinet 8 February 2017)

**Cabinet Member** : Malcolm Pate, Leader of the Council

**Local Member**

N/A

**Appendices:**

- 1 – Prudential Indicators
- 2 – Council’s Annual Investment Strategy
- 3 – Minimum Revenue Provision Policy Statement

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## Prudential Indicators

Prudential Indicator	2016/17 Estimate	2017/18 Estimate	2018/19 Estimate	2019/20 Estimate
	%	%	%	%
Non HRA ratio of financing costs to net revenue stream	8.8	9.3	8.9	8.6
HRA ratio of financing costs to HRA net revenue stream	41.9	39.3	39.9	40.5

Prudential Indicator	2016/17 Estimate	2017/18 Estimate	2018/19 Estimate	2019/20 Estimate
	%	%	%	%
Non HRA ratio of financing costs (net of investment income) to net revenue stream	8.5	9.0	8.6	8.3

Prudential Indicator	2017/18	2018/19	2019/20
<b>Estimates of impact of Capital Investment decisions in the present capital programme</b>	<b>£ p</b>	<b>£ p</b>	<b>£ p</b>
Cost of capital investment decisions funded from re-direction of existing resources (Band D, per annum)	20.00	19.62	19.62
Cost of capital investment decisions funded from increase in council tax (Band D, per annum)	0	0	0
Cost of capital investment decisions funded from an increase in average housing rents per week	0	0	0
<b>Total</b>	<b>20.00</b>	<b>19.62</b>	<b>19.62</b>

Prudential Indicator	2016/17 Estimate	2017/18 Estimate	2018/19 Estimate	2019/20 Estimate
<b>Net Borrowing &amp; Capital Financing Requirement:</b>	<b>£ m</b>	<b>£ m</b>	<b>£ m</b>	<b>£ m</b>
Non HRA Capital Financing Requirement	261	254	247	241
HRA Capital Financing Requirement	85	85	85	85
<b>Total CFR</b>	<b>346</b>	<b>339</b>	<b>332</b>	<b>326</b>
Gross Borrowing (including HRA)	324	318	312	308
Investments	160	160	160	160
Net Borrowing	<b>164</b>	<b>158</b>	<b>152</b>	<b>148</b>

Prudential Indicator	2015/16 Actual	2016/17 Estimate	2017/18 Estimate	2018/19 Estimate	2019/20 Estimate
	£ m	£ m	£ m	£ m	£ m
Non HRA Capital expenditure	39.5	47.5	60.4	25.8	2.3
HRA Capital expenditure	4.9	6.4	5.6	0.0	0.0
<b>Total Capital expenditure</b>	<b>44.4</b>	<b>53.9</b>	<b>66.0</b>	<b>25.8</b>	<b>2.3</b>
<b>Financing of capital expenditure</b>					
Capital receipts	1.1	2.3	20.5	0.9	0.7
Capital grants	34.0	34.8	39.3	24.9	1.6
Other Contributions	0.6	0.8	0.4	0.0	0.0
Major Repairs Allowance	3.3	4.4	4.8	0.0	0.0
Revenue	2.2	11.6	0.7	0.0	0.0
<b>Net financing need for the year</b>	<b>3.2</b>	<b>0.0</b>	<b>0.3</b>	<b>0.0</b>	<b>0.0</b>

Prudential Indicator	2017/18	2018/19	2019/20
	£ m	£ m	£ m
<b>External Debt</b>			
<b>Authorised Limit for External Debt:</b>			
Borrowing	463	455	458
Other long term liabilities (PFI)	102	107	104
<b>Total</b>	<b>565</b>	<b>562</b>	<b>562</b>

Prudential Indicator	2016/17	2017/18	2018/19	2019/20
	£ m	£ m	£ m	£ m
HRA Debt Limit	96	96	96	96

Prudential Indicator	2017/18	2018/19	2019/20
	£ m	£ m	£ m
<b>External Debt</b>			
<b>Operational Boundary:</b>			
Borrowing	400	409	402
Other long term liabilities (PFI)	102	107	104
<b>Total</b>	<b>502</b>	<b>516</b>	<b>506</b>

Prudential Indicator	2015/16 Actual	2016/17 Estimate
	£ m	£ m
<b>External Debt</b>		
Borrowing	329	324
Other long term liabilities (PFI)	97	102
<b>Total</b>	<b>426</b>	<b>426</b>

**Prudential Indicator number 13 - The Local Authority has adopted the CIPFA Code of Practice for Treasury Management in Public Services. Shropshire Council adopted the revised Code in February 2010.**

Prudential Indicator	2017/18	2018/19	2019/20
Borrowing Limits	£ m	£ m	£ m
Upper Limit for Fixed Interest Rate Exposure	463	455	458
Upper Limit for Variable Interest Rate Exposure	232	228	229
Lower Limit for Fixed Interest Rate Exposure	231	227	229
Lower Limit on Variable Interest Rate Exposure	0	0	0

Prudential Indicator	2017/18	2018/19	2019/20
Investment Limits	£ m	£ m	£ m
Upper Limit for Fixed Interest Rate Exposure	220	220	220
Upper Limit for Variable Interest Rate Exposure	220	220	220
Lower Limit for Fixed Interest Rate Exposure	0	0	0
Lower Limit on Variable Interest Rate Exposure	0	0	0

Prudential Indicator	Upper Limit	Lower Limit
<b>Maturity Structure of Fixed Rate Borrowing During 2017/18 **</b>	<b>%</b>	<b>%</b>
Under 12 months	15	0
12 months & within 24 months	15	0
24 months & within 5 years	45	0
5 years & within 10 years	75	0
10 years & within 20 years	100	0
20 years & within 30 years	100	0
30 years & within 40 years	100	0
40 years & within 50 years	100	0
50 years and above	100	0

**\*\* Internal limit is to have no more than 15% of total outstanding debt maturing in any one financial year.**

Prudential Indicator	2017/18	2018/19	2019/20
Investment Limits	£m	£m	£m
Upper Limit for Total Principal Sums Invested for over 364 days:			
Externally Managed (if appointed)	30	30	30
Internally Managed	40	40	40

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### The Council's Annual Investment Strategy

The Council's investment policy has regard to the Communities and Local Government (CLG) Guidance on Local Government Investments and the CIPFA Treasury Management Code of Practice which requires the Council to formulate a strategy each year regarding the investment of its revenue funds and capital receipts. Authorities are required to take the guidance into account under the terms of section 12 of the Local Government Act 2003.

In accordance with the above guidance from the CLG and CIPFA, and in order to minimise the risk to investments, the Council applies minimum acceptable credit criteria in order to generate a list of highly creditworthy counterparties which also enables diversification and thus avoidance of concentration risk. The key ratings used to monitor counterparties are the Short Term and Long Term ratings.

Ratings will not be the sole determinant of the quality of an institution; it is important to continually assess and monitor the financial sector on both a micro and macro basis and in relation to the economic and political environments in which institutions operate. The assessment will also take account of information that reflects the opinion of the markets. To this end the Council will engage with its advisors to maintain a monitor on market pricing such as credit default swaps and overlay that information on top of the credit ratings.

The income and expenditure flow of the Council is such that funds are temporarily available for investment. Under the Annual Investment Strategy the Council may use, for the prudent management of its treasury balances, any of the investments highlighted under the headings of **Specified Investments** and **Non-Specified Investments** as detailed on the attached table (Appendix 2A).

#### Creditworthiness Policy

The Council uses the creditworthiness service provided by its treasury advisor, Capita Asset Services. This service employs a sophisticated modelling approach utilising credit ratings from the three main credit rating agencies Fitch, Moody's and Standard and Poor's. In addition, in line with the Treasury Management Code of Practice, it does not rely solely on the current credit ratings of counterparties but also uses the following overlays:-

- Credit watches and credit outlooks from credit rating agencies.
- Credit Default Swap (CDS) spreads to give an early warning of likely changes in credit ratings.
- Sovereign ratings to select counterparties from only the most creditworthy countries.

This modelling approach combines credit ratings, credit watches and credit outlooks in a weighted scoring system which is then combined with an overlay of CDS spreads for which the end product is a series of colour coded bands which indicate the relative creditworthiness of counterparties. These colour codes are used by the Council to determine the duration of investments and are therefore referred to as durational bands. The Council is satisfied that this service gives the required level of security for its investments. It is also a service which the Council would not be able to replicate using in house resources.

The selection of counterparties with a high level of creditworthiness will be achieved by a selection of institutions down to a minimum durational band with Capita's weekly credit list of worldwide potential counterparties. The Council will therefore use counterparties within the following durational bands:-

- Yellow – 5yrs e.g. AAA rated Government debt, UK Gilts, Collateralised Deposits
- Dark Pink – 5 years for Enhanced Money Market Funds with a credit score of 1.25 (Not currently used)
- Light Pink - 5 years for Enhanced Money Market Funds with a credit score of 1.5 (Not currently used)
- Purple - 2yrs (Council currently has maximum of 1 year)
- Blue - 1 year (only applies to nationalised or part nationalised UK Banks)
- Orange - 1 year
- Red - 6 months
- Green – 100 days
- No colour – not to be used

The Capita creditworthiness service uses ratings from all three agencies and uses a wider array of information than just primary credit ratings to determine creditworthy counterparties. By using this approach and applying it to a risk weighted scoring system, it does not give undue over reliance to just one agency's ratings.

### **Monitoring of Credit Ratings**

All credit ratings will continue to be monitored continuously and formally updated monthly if any changes are required. The Council is alerted to interim changes in ratings from all three agencies by Capita Asset Services.

If a counterparty's or investment scheme's rating is downgraded with the result that it no longer meets the Council's minimum criteria, the further use of that counterparty will be withdrawn immediately. If a counterparty is upgraded so that it fulfils the Council's criteria, its inclusion will be considered for approval by the S151 Officer.

In addition to credit ratings the Council will be advised of information in movements in CDS against the iTraxx benchmark and other market data on a daily basis via the Passport website. Extreme market movements may result in the downgrade of an institution or the removal from the Council's lending list.

Sole reliance will not be placed on the use of this external service. In addition the Council will monitor the financial press and also use other market data and information e.g. information on external support for banks.

### **Country Limits**

It is recommended that the Council will only use approved counterparties from countries with a minimum sovereign credit rating of AA- from Fitch Ratings (or equivalent from other agencies). It is recommended that UK institutions continue to be used unless the sovereign credit rating falls below A. Following the problems with Icelandic Banks lending is currently restricted to the UK which currently has a sovereign credit rating of AA and Sweden which has the highest possible sovereign rating of AAA. The S151 Officer has delegated authority to revert back to placing investments in countries with a minimum sovereign credit rating of AA- in line with Capita's revised creditworthiness policy if required.

## Security of Capital

The Council's current policy is to not place investments with any Foreign banks. The only exception to this is a call account set up with the Swedish bank, Handelsbanken, but this is a highly credit rated institution and the sovereign rating of Sweden is AAA as stated above. Funds are also repayable immediately if required. Following approval of the S151 Officer, lending to AAA rated Money Market Funds has also recommenced. Lending to other Foreign banks which comply with Capita's creditworthiness policy may be considered again but only with the express approval of the S151 Officer.

In addition, in order not to solely rely on an institution's credit ratings there have also been a number of other developments which require separate consideration and approval for use:

**Nationalised and Part Nationalised banks** in the UK effectively take on the creditworthiness of the Government itself i.e. deposits made with them are effectively being made to the Government. This is because the Government owns significant stakes in the banks and this ownership is set to continue. Capita are still supportive of the Council using these institutions with a maximum 12 month duration. For this reason Royal Bank of Scotland (RBS) and National Westminster Bank which are part of the RBS Group are included on the approved counterparty list.

**Local Authorities** are not credit rated but where the investment is a straightforward cash loan, statute suggests that the credit risk attached to local authorities is an acceptable one (Local Government Act 2003 s13). Local Authorities are therefore included on the approved list.

The total permitted investment in any one organisation at any one time varies with the strength of the individual credit rating. For the highest rated and Part Nationalised Institutions the maximum amount is currently limited to £30m. Any changes to the maximum limit must be approved by the S151 Officer.

## CLG Investment Guidance

Guidance from the CLG requires Councils to give priority to the security and liquidity of investments over yield whilst still aiming to provide good returns. This is in line with the Council's current practice and it is recommended that the policy should be reaffirmed.

The guidance also requires Councils to categorise their investments as either "specified" or "non-specified" investments.

### (i) Specified Investments

Specified investments are deemed as "safer" investments and must meet certain conditions, ie they must :-

- be denominated in sterling
- have less than 12 months duration
- not constitute the acquisition of share or loan capital
- either:           be invested in the UK government or a local authority

or a body or investment scheme with a “high” credit quality.

The Council is required to specify its creditworthiness policy and how frequently credit ratings should be monitored. It must also specify the minimum level of such investments.

Of the investments currently authorised by the Council, deposits in the Debt Management Office Account and with other Local Authorities automatically qualify as specified investments as they are of less than 12 months duration and are denominated in sterling.

The classification of the other investments is dependent on the counterparty having high credit quality in line with Capita’s creditworthiness policy. The Council is alerted to any changes in an institutions credit rating by Capita Asset Services.

## **(ii) Non Specified Investments**

These are any investments which do not meet the specified investment criteria outlined above. The Council is required to look at non-specified investments in more detail. It must set out:

- procedures for determining which categories of non-specified investments should be used
- the categories deemed to be prudent
- the maximum amount to be held in each category

The Strategy must also set out procedures for determining the maximum period for committing funds.

It is recommended that the following procedure be adopted for determining which categories of non-specified investments should be used:

- the Cabinet/Council should approve categories on an annual basis
- advice should be provided by the S151 Officer
- priority should be given to security and liquidity ahead of yield

It is recommended that for specified investments the range of maximum limits is set between £5m and £30m for the internal treasury team. For non specified investments it is recommended that the limit for the internal treasury team should be restricted to £40m of the total investment portfolio. Any changes to the maximum limits must be approved by the S151 Officer.

## **Temporary Investment Strategy**

The next financial year is expected to see investment rates remain at the historically low level of 0.25%, until June 2019 when it is forecast to rise to 0.50%. This view is based on the latest forecasts obtained by the Authority’s treasury advisor, Capita Asset Services.

If an external fund manager is appointed in 2017/18 they would also have to adhere to the authorised specified and non-specified investments on the attached table. They would also have to comply with the Council’s Annual Investment Strategy and their agreement must stipulate guidelines and other limits in order to contain and control risk.

The market is continually monitored for opportunities to lock in to higher, longer term rates in order to bring some stability to the returns going forward and add value. However, based on the interest rate assumptions outlined above, we do not expect to lock into longer term deals while investment rates are down at historically low levels unless exceptionally attractive rates are available which make longer term deals worthwhile.

For the cash flow generated balances, we will seek to utilise instant access accounts and short dated deposits (1-3 months) in order to benefit from the compounding of interest.

The present strategy is to diversify investments so as to spread risk over a range of investment types and periods and provide the opportunity to enhance returns. Due to the current lending restrictions in place diversification has been somewhat reduced due to the reduction in the number of institutions which we can lend to, however, by taking this course of action the credit risk has been reduced. The current portfolio is set out in paragraph 9.1 of the Treasury Strategy 2017/18 report. Performance of the in-house operation will continue to be monitored on a quarterly basis by your officers in conjunction with the treasury advisor.

All investments will continue to be made in accordance with the Local Government Act 2003, and with those institutions on the authorised lending list. The credit status of institutions on the approved list is monitored continuously.

At the end of the financial year, the Council will report on its investment activity as part of its Annual Treasury Report.

### **Policy on the use of external service providers**

The Council currently uses Capita Asset Services, Treasury Solutions as its external treasury management advisers. The Council recognises that the responsibility for treasury management decisions remains with the Council at all times and will ensure that undue reliance is not placed upon our external service providers. The Council also recognises that there is value in employing external providers of treasury management services in order to acquire access to specialist skills and resources. The Council will ensure that the terms of their appointment and the methods by which their value will be assessed are properly agreed and documented and subjected to review.

## **Scheme of Delegation**

### **Full Council**

- Approval of Treasury Strategy.
- Receiving and reviewing reports on treasury management policies, practices and activities including the Annual Treasury Report and Mid-Year Strategy Report.
- Budget consideration and approval

### **Cabinet**

- Receiving & reviewing Treasury Strategy, Mid-Year Strategy Report, Annual Treasury Report and Quarterly Treasury Management Update Reports

### **Audit Committee**

- Reviewing the treasury management policy and procedures and making recommendations to the responsible body.
- Receiving & reviewing Treasury Strategy, Mid Year Report, Annual Treasury Report.

## **Role of the Section 151 Officer**

The role of the S151 Officer in relation to treasury management is as follows:-

- Recommending clauses, treasury management policy/practices for approval, reviewing the same regularly and monitoring compliance.
- Approval of segregation of responsibilities.
- Approval of the Treasury Policy Statement and Treasury Management Practices.
- Submitting regular treasury management policy reports.
- Submitting budgets and budget variations.
- Receiving and reviewing management information reports.
- Reviewing the performance of the treasury management function.
- Ensuring the adequacy of treasury management resources and skills and the effective division of responsibilities within the treasury management function.
- Ensuring the adequacy of internal audit and liaising with external audit.
- Recommending the appointment of external service providers.

## **Pension Fund Cash**

The Council complies with the requirements of the Local Government Pension Scheme (Management and Investment of Funds) Regulations 2009 and does not pool pension fund cash with its own balances for investment purposes.

**LOCAL GOVERNMENT INVESTMENTS (England)**

**SPECIFIED INVESTMENTS**

*All investments listed below must be sterling-denominated.*

Investment	Share/ Loan Capital?	Repayable/ Redeemable within 12 months?	Security / Minimum Credit Criteria	Capital Expenditure?	Circumstance of use	Maximum period
<b>Term deposits</b> with the UK government (e.g. DMO Account) or with local authorities (i.e. local authorities as defined under Section 23 of the 2003 Act) with maturities up to 1 year	No	Yes	High security although LAs not credit rated.	No	In-house and by external fund manager	1 year
<b>Term deposits</b> with credit-rated deposit takers (banks and building societies), including callable deposits, with maturities up to 1 year	No	Yes	Yes – Minimum colour band green	No	In-house and by external fund manager	1 year
<b>Certificates of Deposit</b> issued by credit-rated deposit takers (banks and building societies) up to 1 year.  <i>Custodial arrangement required prior to purchase</i>	No	Yes	Yes – Minimum colour band green	No	In house buy and hold and External fund managers	1 year
<b>Banks nationalised by high credit rated (sovereign rating) countries – non UK</b>	No	Yes	Minimum Sovereign Rating AA-	No	In house and external fund managers	1 year





Investment	Share/ Loan Capital?	Repayable/ Redeemable within 12 months?	Security / 'High' Credit Rating criteria	Capital Expenditure?	Circumstance of use	Maximum period
<b>UK Nationalised &amp; Part Nationalised banks</b>	No	Yes	Yes – Minimum colour band green	No	In House and external managers	1 year
<b>Government guarantee (explicit) on all deposits by high credit rated (sovereign rating) countries</b>	No	Yes	Yes – Minimum Sovereign Rating AA- / UK Sovereign Rating	No	In house and external fund managers	1 year
<b>Bonds issued by multilateral development banks</b> (Euro Sterling Bonds as defined in SI 2004 No 534) <b>Bond issuance issued by a financial institution which is explicitly guaranteed by the UK Government e.g. National Rail</b>	No	Yes	AAA	No	In-House on a buy and hold basis after consultation/advice from Capita also for use by External fund manager	1 year
<i>Custodial arrangement required prior to purchase</i> Gilt Funds and Bond Funds	No	Yes	UK sovereign rating	No	In House and by external fund managers	1 year
<b>Gilts : up to 1 year</b>  <i>Custodial arrangement required prior to purchase</i>	No	Yes	Govt-backed UK Sovereign Rating	No	In House on a buy and hold basis and for trading by external fund manager subject to the guidelines and parameters agreed with them	1 year



Investment	Share/ Loan Capital?	Repayable/ Redeemable within 12 months?	Security / 'High' Credit Rating criteria	Capital Expenditure?	Circumstance of use	Maximum period
<b>Money Market Funds &amp; Government Liquidity Funds (including CCLA Fund) &amp; Enhanced Money Market Funds</b>	No	Yes	Yes AAA rated & UK sovereign rating. Enhanced MMFs minimum colour Dark Pink/Light Pink & AAA rated	No	In-house and by external fund managers subject to the guidelines and parameters agreed with them	the period of investment may not be determined at the outset but would be subject to cash flow and liquidity requirements.  Deposits are repayable at call.
<b>Treasury bills</b> <i>[Government debt security with a maturity less than one year and issued through a competitive bidding process at a discount to par value]</i>  Custodial arrangement required prior to purchase	No	Yes	Govt-backed UK Sovereign Rating	No	In House or external fund managers subject to the guidelines and parameters agreed with them	1 year

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#### Monitoring of credit ratings:

All credit ratings will be monitored continuously and formally updated on a monthly basis. If a counterparty or investment scheme is downgraded with the result that it no longer meets the Council's minimum credit criteria, the use of that counterparty / investment scheme will be withdrawn.

Any intra-month credit rating downgrade which the Council has identified that affects the Council's pre-set criteria will also be similarly dealt with.



## LOCAL GOVERNMENT INVESTMENT (England)

### NON-SPECIFIED INVESTMENTS

All investments listed below must be sterling-denominated (with the exception of the WME US dollar account).

<u>Investment</u>	<u>(A) Why use it?</u> <u>(B) Associated risks?</u>	<u>Share/</u> <u>Loan</u> <u>Capital?</u>	<u>Repayable/</u> <u>Redeemable</u> <u>within 12</u> <u>months?</u>	<u>Security /</u> <u>Minimum credit</u> <u>rating</u>	<u>Capital</u> <u>Expen-</u> <u>diture?</u>	<u>Circumstance of</u> <u>use</u>	<u>Max % of</u> <u>overall</u> <u>investments</u>	<u>Maximum</u> <u>maturity of</u> <u>investment</u>
<b>Certificates of Deposit</b> with credit rated deposit takers (banks and building societies) with maturities greater than 1 year <i>Custodial arrangement required prior to purchase</i>	(A) tradable more liquid than fixed term deposits (B) (i) 'Market or interest rate risk' : Yield subject to movement during life of CD which could negatively impact on price of the CD. (ii) Although in theory tradable, are relatively illiquid.	No	Yes	UK Sovereign rating	No	In house on a buy and hold basis after consultation/advice from Capita & external cash fund manager(s) subject to the guidelines and parameters agreed with them.	50%	<i>Suggested limit :</i>  Average duration in the portfolio not to exceed 5 years
<b>Collateralised deposit</b>	Deposits are backed by collateral of AAA rated local authority	No	Yes	UK Sovereign rating	No	In house & External Manager	25%	<i>5 years</i>
<b>UK government gilts</b> with maturities in excess of 1 year  <i>Custodial arrangement required prior to purchase</i>	(A)((i) Excellent credit quality. (ii)Very Liquid). (iii) If held to maturity, known yield (rate of return) per annum ~ aids forward planning. (iv) If traded, potential for capital gain through appreciation in value (i.e. sold before maturity) (v) No currency risk  (B) (i) 'Market or interest rate risk' : Yield subject to movement during life of sovereign bond which could negatively impact on price of the bond i.e. potential for capital loss.	No	Yes	UK Sovereign rating	NO	In house on a buy & hold basis following advice from Capita and for trading by external cash fund manager subject to the guidelines and parameters agreed with them	50%	<i>Suggested limit :</i>  Average duration in the portfolio not to exceed 5 years



Investment	(A) Why use it? (B) Associated risks?	Share/ Loan Capital?	Repayable/ Redeemable within 12 months?	Security / Minimum credit rating **	Capital Expen- diture?	Circumstance of use	Max % of overall investment s	Maximum maturity of investment
<b>Term deposits</b> with UK government, other Local Authorities, and credit rated deposit takers (banks and building societies) including callable deposits with maturities greater than 1 year	(A)(i) Certainty of rate of return over period invested. (ii) No movement in capital value of deposit despite changes in interest rate environment.  (B) (i) Illiquid : as a general rule, cannot be traded or repaid prior to maturity. (ii) Return will be lower if interest rates rise after making the investment. (iii) Credit risk : potential for greater deterioration in credit quality over longer period	No	No	Minimum colour band purple	NO	In-House  For trading by external cash fund manager subject to the guidelines and parameters agreed with them	£40 million  50%	<i>Suggested limit:</i>  3 years
<b>Sovereign bond issues</b> ex UK Government Gilts: any maturity	(A) (i) Excellent credit quality. (ii) Liquid. (iii) If held to maturity, known yield (rate of return) per annum – aids forward planning. (iv) If traded, potential for capital gain through appreciation in value (i.e. sold before maturity) (v) No currency risk  (B) (i) “Market or interest rate risk” : Yield subject to movement during life of sovereign bond which could negatively impact on price of the bond i.e. potential for capital loss	No	Yes	AAA	No	For trading by external cash fund manager only subject to the guidelines and parameters agreed with them	50%	<i>Suggested limit:</i>  5 years
<b>Bonds issued by multilateral development banks</b> (Euro-Sterling Bonds) or issued by a financial institution guaranteed by UK government  Custodial arrangement required prior to purchase	(A) (i) Excellent credit quality. (ii) Liquid. (iii) If held to maturity, known yield (rate of return) per annum – aids forward planning. (iv) If traded, potential for capital gain through appreciation in value (i.e. sold before maturity) (v) No currency risk  (B) (i) “Market or interest rate risk” : Yield subject to movement during life of bond which could negatively impact on price of the bond i.e. potential for capital loss	Yes	Yes	AAA	No	In house on a buy and hold basis after consultation/advice from Capita.  Also for use by external fund managers	10%  50%	5 years

Investment	(A) Why use it? (B) Associated risks?	Share/ Loan Capital?	Repayable/ Redeemable within 12 months?	Security / Minimum credit rating **	Capital Expen- diture?	Circumstance of use	Max % of overall investment s	Maximum maturity of investment
<b>Corporate Bonds &amp; Corporate Bond funds (the use of these investments would constitute capital expenditure although this is currently under review)</b>	(A)(i) Excellent credit quality. (ii) Liquid. (iii) If held to maturity, known yield (rate of return) per annum – aids forward planning. (iv) If traded, potential for capital gain through appreciation in value (i.e. sold before maturity) (v) No currency risk  (B)(i) "Market or interest rate risk" : Yield subject to movement during life of sovereign bond which could negatively impact on price of the bond i.e. potential for capital loss	Yes	Yes	Minimum Sovereign rating AA-	Yes	To be used by external fund managers only	50%	<i>Suggested limit:</i>  5 years
<b>Pooled property funds – including CCLA Local Authorities Property Fund</b>	Enhanced return but increased risk, only to be used following advice from Capita	No	Yes	No Minimum Credit rating need to assess underlying assets within fund following advice taken from Capita	No	In House Use & External Fund managers following advice from Capita	20%	5 years
<b>Floating Rate notes</b>	(A)(i) Rate of return tied to some measure of current interest rates, so when interest rates are expected to go up they offer protection to investors against such rises (ii) In some circumstances may have access to banks which meet minimum credit criteria but generally don't take small fixed term deposit cash amounts  (B)(i) Credit quality : if financial health of issuer deteriorates, investors will demand a greater yield and the price of the bond will fall	Yes	Yes	Minimum Colour band green	No	In House Use & External Fund managers following advice from Capita	10%	3 years
<b>US Dollar Deposits (WME Only)</b>	US dollar account to be utilised as a part of West Mercia Energy prudent management of income and expenditure, ensuring that ongoing US dollar commitments can be hedged, thus extinguishing any adverse risk of exposure to movements in the exchange rate and guaranteeing a known cashflow for West Mercia Energy. The account is only to be used for this purpose and not for the purpose of speculative or trading transactions.	No	Yes	Minimum Colour band green	No	West Mercia Energy Only	N/A	3 Months



## **The Council's Annual Minimum Revenue Provision Statement**

### **Statutory Requirements**

The Council is required by statute to set aside a minimum revenue provision (MRP) to repay external debt. The calculation of the minimum revenue provision (MRP) is as per the *Local Authority (Capital Finance and Accounting) (England) (Amendment) Regulations 2008 [SI 2008/414]*. In regulation 28, detailed rules were replaced with a simple duty for an authority to make an amount of MRP which it considers to be "prudent".

The broad aim of a prudent provision is to ensure that debt is repaid over a period that is either reasonably commensurate with that over which the capital expenditure provides benefits, or, in the case of borrowing supported by Government Revenue Support Grant, reasonably commensurate with the period implicit in the determination of that grant. The guidance includes four options (and there are two alternatives under Option three) for the calculation of a prudent provision.

There is no requirement to charge MRP where the Capital Financing Requirement (CFR) is nil or negative at the end of the preceding financial years. There is also no requirement to charge MRP on the Housing Revenue Account share of the CFR.

The legislation recommends that before the start of each financial year the Council prepares a statement of its policy on making MRP in respect of that financial year and submits it to the Full Council for approval.

### **Policy for calculation of Prudent Provision**

The options for the calculation of a Prudent Provision are detailed in appendix 3A to this report. Authorities must always have regard for the guidance and the decision on what is prudent is for the authority to conclude, taking into account detailed local circumstances, including specific project timetables and revenue-earning profiles.

Following a review of the MRP policy from 2016/17 the prudent provision for Supported Borrowing has been calculated on the basis of the expected useful life of the asset on a straight line (equal instalments) basis.

Option 3 (a), asset life method (Unsupported Borrowing)– equal instalment method will continue to be used for unsupported borrowing and specific treatment for PFI Assets and assets held under Finance Leases and long term capital loans.

### **Supported Borrowing**

Up to 2015/16 the regulatory method (Option1) has been used to calculate MRP for debt which is supported by the Government through the RSG system. Following a review of the MRP policy, it was considered that this method of calculation is not the most prudent basis of calculation for the Council. On the basis that it is not in line with the remaining asset life of the assets linked to the borrowing and also not in line with the repayment profile of the Councils existing external debt, resulting in the Council

becoming increasingly over borrowed. This position has arisen due to a change in Government policy, replacing supported borrowing approvals with grant funding, together with the Council currently not proposing to undertake any Prudential (unsupported) borrowing.

The new approach for calculating the MRP for the unsupported borrowing is to link the MRP to the average remaining useful life of the assets it was used to finance. This is in accordance with the general principle of achieving a prudent approach set out in the guidance, that MRP charges should reflect the economic benefit the Council gets from using the asset to deliver services over its useful life. This ensures the Council Tax payers are being charged each year in line with asset usage and prevents current taxpayers meeting the cost of future usage or future Council Tax payers being burdened with “debt” and the costs of that debt, relating to assets that are no longer in use.

An analysis of the average remaining asset life of the assets financed from previous supported borrowing, determined the average remaining life to be around 45 years and this has been used as the basis of calculation. An annuity calculation method was considered, which would result in a lower MRP payments in the early years, but increasing year on year. However, this was not considered to be a prudent approach given uncertainties amount the Council’s future finances and not wishing to burden future Council Tax payers with additional costs. As such, a straight line (equal instalments) calculation basis over 45 years has been used. In the short to medium term this will also put the CFR more in line with the level of external borrowing, reducing any over/under borrowing.

### **Unsupported Borrowing – Asset Life method**

For new borrowing under the Prudential system for which no Government support is being given and is therefore self-financed (unsupported borrowing) the MRP has been calculated in accordance with Option 3 Asset Life Method. Option 3 is to make provision over the estimated life of the asset for which the borrowing is undertaken.

Freehold land cannot properly have a life attributed to it, so for the purposes of Option 3 it should be treated as equal to a maximum of 50 years. But if there is a structure on the land which the authority considers to have a life longer than 50 years, that same life estimate may be used for the land.

To the extent that expenditure is not on the creation of an asset and is of a type that is subject to estimated life periods that are referred to in the guidance, these periods will generally be adopted by the Council. However, the Council reserves the right to determine useful life periods and prudent MRP in exceptional circumstances where the recommendations of the guidance would not be appropriate. For energy efficiency schemes the payback period of scheme is used as the basis for calculating the period over which MRP is calculated.

This method is a straight forward calculation of MRP for unsupported borrowing which calculates MRP based on asset life.

As with option one, provision for debt under Option 3 will normally commence in the financial year following the one in which the expenditure is incurred. But the guidance highlights an important exception to the rule. In the case of a new asset, MRP would not have to be charged until the asset came into service and would begin in the financial year following the one in which the asset became operational. This “MRP holiday” would be perhaps two or three years in the case of major projects, or possibly longer for some complex infrastructure schemes, and could make them more affordable.

The authority can still make voluntary extra provision for MRP in any year.

### **PFI Assets and assets held under Finance Leases**

For assets under on-balance sheet PFI contracts and finance leases, the annual principal payment amount in the PFI or finance lease model is used as the MRP payment amount, with no additional charges above those within the contract.

### **Long Term Capital Loans**

The Council has made available a small number of capital loans to Housing Associations and Village Halls, financed from the Councils balances. The annual repayments of principal amounts are treated as capital receipts and set aside in the Capital Adjustment Account in place of a revenue MRP charge.

### **Housing Revenue Account MRP**

As at 31/03/16 the HRA CFR is £84.6m, this includes the £83.35m transferred to the Council as part of housing self-financing. In managing the HRA debt and considering the HRA business plan there is no mandatory requirement to make provision in the HRA for annual MRP payments. However, the Council will make annual voluntary provision for debt repayment in the HRA based on affordable levels in the HRA against the need for investment and delivering services in the HRA. The annual level of provision will be determined annually as part of the closure of the HRA.

### **2017/18 Annual MRP Statement**

Appendix 3B provides the MRP statement for the 2017/18 financial year.

### **Capital Receipts set aside**

The current regulations, Local Authority (Capital Finance and Accounting) (England) (Amendment) Regulations 2008 [SI 2008/414] state that the minimum revenue provision is calculated using the previous year's closing Capital Financing Requirement for supported borrowing.

In 2009/10 Shropshire Council got DCLG approval to allow the new council to voluntarily set aside capital receipts as at 1st April 2009 to reduce the CFR and consequently reduce the MRP charge for 2009/10. This approach was discussed with our Treasury Advisors and External Auditors and was approved by Members in a report to Council in December 2009.

As the extent of new borrowing is not subject to any limitation the sum of capital receipts set aside are still available to support capital expenditure in future years. This will increase the CFR to its previous level and the MRP charge in future years will increase, but not beyond the level had the saving not been generated in 2009/10. Thus the saving in MRP is therefore temporary, albeit very helpful to the short-term financial position.

As the full level of capital receipts set aside were not required to finance capital expenditure between 2009/10 and 2015/16, a balance was retained as set aside as at the end of each financial year to enable a further MRP savings in the following financial years. In the 2017/18 MRP Statement it has been assumed all the capital receipts retained as set aside as at 31 March 2016 to reduce the CFR will be offset by an increase in the CFR in 2016/17 from capital expenditure incurred in 2016/17. In the event that the level of capital expenditure in 2016/17 to be financed from the capital receipts set aside is below the level of capital receipts set aside, it is proposed to retain the balance in capital receipts as set aside in order to achieve a further MRP saving in 2017/18. This will be reported for approval as part of the Capital Outturn report 2016/17.

## Appendix 3A: Options for Prudent Provision

### Option 1: Regulatory Method (Supported borrowing)

MRP is equal to the amount determined in accordance with the former regulations 28 and 29 of the 2003 Regulations, as if they had not been revoked by the 2008 Regulations. For the purposes of that calculation, the Adjustment A should normally continue to have the value attributed to it by the authority in the financial year 2004-05. However, it would be reasonable for authorities to correct any perceived errors in Adjustment A, if the correction would be in their favour.

### Option 2: CFR Method (Supported borrowing)

MRP is equal to 4% of the non-housing CFR at the end of the preceding financial year without any adjustment for Adjustment A, or certain other factors which were brought into account under the previous statutory MRP calculation.

### Option 3: Asset Life Method (Unsupported borrowing)

Where capital expenditure on an asset is financed wholly or partly by borrowing or credit arrangements, MRP is to be determined by reference to the life of the asset. There are two main methods by which this can be achieved, as described below. Under both variations, authorities may in any year make additional voluntary revenue provision, in which case they may make an appropriate reduction in later years' levels of MRP.

#### (a) Equal instalment method

MRP is the amount given by the following formula:

$$\frac{A - B}{C}$$

Where:

**A** is the amount of the capital expenditure in respect of the asset financed by borrowing or credit arrangements

**B** is the total provision made before the current financial year in respect of that expenditure

**C** is the inclusive number of financial years from the current year to that in which the estimated life of the asset expires.

For the purpose of the above formula in the initial year of making the MRP the variable "C" should be given the maximum values set out in the following table:

<b>Expenditure Type</b>	<b>Maximum value of "C" in initial year</b>
Expenditure capitalised by virtue of a direction under s16(2)(b)	"C" equals 20 years
Regulation 25(1)(a) Expenditure on computer programs	"C" equals the value it would have for computer hardware
Regulation 25(1)(b) Loans and grants towards capital expenditure by third parties	"C" equals the estimated life of the assets in relation to which the third party expenditure is incurred
Regulation 25(1)(c) Repayment of grants and loans for capital expenditure	"C" equals 25 years, or the period of the loan, if longer
Regulation 25(1)(d)	"C" equals 20 years

--

Acquisition of share or loan capital	
Regulation 25(1)(e) Expenditure on works to assets not owned by the authority	“C” equals the estimated life of the assets
Regulation 25(1)(ea) Expenditure on assets for use by others	“C” equals the estimated life of the assets
Regulation 25(1)(f) Payment of levy on Large Scale Voluntary Transfers (LSVTs) of dwellings	“C” equals 25 years

**(b) Annuity method**

MRP is the principal element for the year of the annuity required to repay over the asset life the amount of capital expenditure financed by borrowing or credit arrangements. The authority should use an appropriate interest rate to calculate the amount. Adjustments to the calculation to take account of repayment by other methods during the repayment period (e.g. by the application of capital receipts) should be made as necessary.

**Option 4: Depreciation Method (Unsupported borrowing)**

MRP is to be equal to the provision required in accordance with depreciation accounting in respect of the asset on which expenditure has been financed by borrowing or credit arrangements. This should include any amount for impairment chargeable to the Income and Expenditure Account.

For this purpose standard depreciation accounting procedures should be followed, except in the following respects.

- (a) MRP should continue to be made annually until the cumulative amount of such provision is equal to the expenditure originally financed by borrowing or credit arrangements. Thereafter the authority may cease to make MRP.
- (b) On disposal of the asset, the charge should continue in accordance with the depreciation schedule as if the disposal had not taken place. But this does not affect the ability to apply capital receipts or other funding sources at any time to repay all or part of the outstanding debt.
- (c) Where the percentage of the expenditure on the asset financed by borrowing or credit arrangements is less than 100%, MRP should be equal to the same percentage of the provision required under depreciation accounting.

## Appendix 3B: Minimum Revenue Provision Statement 2017/18

	£
<b><u>Supported Borrowing – Asset Life (45 years)</u></b>	
<b>General Fund</b>	
Closing CFR 2015/16	209,409,640
Proposed use of capital receipts voluntarily set aside to be applied in 2016/17	16,989,451
	<hr/> 226,399,091
Less LGR (98) Debt	(185,268)
	<hr/> <b>226,213,823</b>
Less MRP 2016/17	(4,683,977)
<b>CFR for Supported Borrowing MRP Calculation</b>	<hr/> <b>221,529,846</b>
Add back LGR (98) Debt	185,268
<b>Closing CFR 31/03/17 – Supported Borrowing (GF)</b>	<hr/> <b>221,715,114</b>
<b>Housing Revenue Account</b>	
Closing CFR 2015/16	84,594,619
Less MRP 2016/17 (none budgeted as per HRA MRP policy)	(0)
	<hr/> <b>84,594,619</b>
<b>Closing CFR 31/03/16 – Supported Borrowing (GF&amp;HRA)</b>	<hr/> <b>306,309,733</b>
<b><u>Unsupported Supported Borrowing – Asset Life (based on individual assets)</u></b>	
Unsupported Borrowing brought forward	21,430,245
Add profiled prudential borrowing 2016/17	0
Less MRP – 2016/17	(1,442,267)
<b>Closing CFR 31/03/16 – Unsupported Supported Borrowing</b>	<hr/> <b>19,987,978</b>
<b>Closing CFR (GF&amp;HRA) 31/03/17 – Borrowing Requirement</b>	<hr/> <b>326,297,711</b>
<b>Additional items included:</b>	
Village Hall Loans	304,043
Housing Association Loans	19,008,568
	<hr/> <b>345,610,322</b>
<b><u>Summary MRP</u></b>	
MRP 2017/18 at 45 year life from 2017/18	5,034,769
LGR (98) Debt MRP	33,076
Prudential Borrowing MRP	1,155,740
<b>Total MRP 2017/18</b>	<hr/> <b>6,223,585</b>

N.B. The above excludes the CFR and MRP charges in relation to the on-balance sheet PFI schemes and finance leases.

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## Committee and Date

Cabinet

8<sup>th</sup> February 2017

**Responsible Officer** James Walton  
e-mail: james.walton@shropshire.gov.uk Tel:01743 258915

## **ESTIMATED COLLECTION FUND OUTTURN FOR 2016/17**

### **1. Summary**

- 1.1 Shropshire Council is required by statute to maintain a Collection Fund separate from the General Fund of the Council.
- 1.2 The Local Government Finance Act 1992 (as amended) requires the Council as the Billing Authority to calculate a Council Tax Collection Fund estimate by 15<sup>th</sup> January each year.
- 1.3 The Non-Domestic Rating (Rates Retention) Regulations 2013 require the Council as the Billing Authority to calculate a Non-Domestic Rates (NDR) Collection Fund estimate on or before 31<sup>st</sup> January each year.
- 1.4 The purpose of this report is to advise Cabinet of the estimated Collection Fund surpluses/deficits for 2016/17, calculated as at the 15<sup>th</sup> January 2017 for Council Tax and as at 31<sup>st</sup> January 2017 for NDR, for the year ending 31<sup>st</sup> March 2017.
- 1.5 The report also determines the respective shares of the estimated surpluses/deficits notifiable to the major precepting authorities.

### **2. Recommendations**

Members are asked:

- 2.1 To note the overall Collection Fund estimated surplus of £6.109m for the year ending 31<sup>st</sup> March 2017, comprised of an estimated surplus of £2.669m for Council Tax and an estimated surplus of £3.440m for Non-Domestic Rates (NDR).
- 2.2 To note the distribution of the Collection Fund estimated surplus for Council Tax and NDR to the major / relevant precepting authorities and the Secretary of State.
- 2.3 To note Shropshire Council's share of the overall estimated deficit of £4.162m, comprised of an estimated surplus of £2.183m for Council Tax and an estimated deficit of £1.979m for NDR.
- 2.4 To note the inclusion of Shropshire Council's share of the overall estimated deficit in the 2017/18 budget.

## REPORT

### 3. Risk Assessment and Opportunities Appraisal

- 3.1 Estimation of the Council Tax Collection Fund surplus or deficit is a well understood process and any potential for error is mitigated to a large extent by adhering to the relevant legislation. However, small variations in collection rate or changes in the taxbase can have a significant financial impact.
- 3.2 Estimation of the Non-Domestic Rates (NDR) Collection Fund surplus or deficit is a comparatively new process for local authorities and a degree of variance on the Collection Fund under the new system should be anticipated.

### 4. Background

- 4.1 As a Council Tax and Non-Domestic Rates (NDR) Billing Authority the Council is required by legislation to estimate the surplus or deficit for each financial year on the Collection Fund.
- 4.2 Prior to 2013/14 this estimate was only required for Council Tax. However, as part of the Local Government Finance Act 2012 the Government implemented a Business Rates Retention Scheme from April 2013, whereby the collection and distribution of NDR is collected and distributed via the Collection Fund (distribution of NDR had previously been managed nationally). Local Authorities as a result took on an additional level of risk and uncertainty of NDR funding.
- 4.3 In a similar way to Council Tax precepts from the Collection Fund, NDR precepts are now fixed prior to the start of a financial year and any variations from this realised through the Collection Fund in year are distributed in the following two financial years (based on estimated in the following year and actuals in the subsequent year).
- 4.4 The Collection Fund is a statutory fund separate from the General Fund of the Council. The Collection Fund accounts independently for:
  - **Income into the Fund:** The Fund is credited with the amount of receipts of Council Tax and NDR it collects.
  - **Payments out of the Fund:** In relation to Council Tax payments are made to the Council, the two major precepting authorities (West Mercia Police & Crime Commissioner and Shropshire & Wrekin Fire Authority) and the local preceptors (parish and town councils). In relation to NDR payments are made to the Council, the Secretary of State and the single relevant precepting authority (Shropshire & Wrekin Fire Authority).
- 4.5 The Local Government Finance Act 1992 (as amended) requires the Council as the Billing Authority to calculate a Collection Fund estimate by 15<sup>th</sup> January each year for Council Tax. The Non-Domestic Rating (Rates Retention) Regulations 2013 require the Council as the Billing Authority to calculate a Collection Fund estimate by 31<sup>st</sup> January each year for NDR. Both estimates relate to the Collection Fund Income and Expenditure Account for the year ending 31<sup>st</sup> March and the impact of this on the Collection Fund Balance.

## **5. 2016/17 Estimated Surplus / Deficit for Council Tax**

- 5.1 The forecast of the Council Tax Collection Fund Balance for the year ending 31<sup>st</sup> March 2017 shows a forecast surplus of £2.669m based on figures as at 15<sup>th</sup> January 2017. This is comprised of an in year estimated surplus of £2.987m and a deficit of £0.318m from the previous year's actual Council Tax Collection Fund. The estimated surplus on the Council Tax Collection Fund is due to an increase in the taxbase. The year end estimated surplus is distributed to the major precepting authorities in proportion to the current year demands and precepts on the Collection Fund. The percentages are likely to change each year due to different inflationary adjustments being applied by the major precepting authorities.
- 5.2 The detailed determination of the estimated Council Tax Collection Fund surplus for 2016/17 is shown in Appendix A and the allocation of the estimated surplus to each of the major precepting authorities is summarised in Table 1 on page 4.

## **6. 2016/17 Estimated Surplus / Deficit for Non-Domestic Rates (NDR)**

- 6.1 The forecast of the Non-Domestic Rates Collection Fund Balance for the year ending 31<sup>st</sup> March 2017 shows a forecast surplus of £3.440m based on figures as at 31<sup>st</sup> January 2017. This is comprised of an in year estimated surplus of £0.037m and a surplus of £3.403m due to a difference in the previous year's estimated deficit to the actual deficit.
- 6.2 The forecast surplus on the Business Rates Collection Fund is primarily attributable to a significant reduction in the appeals provision between the estimated Collection Fund and the actual Collection Fund for 2015/16. In the estimated Collection Fund for 2015/16 the appeals provision included an estimate for potential losses arising from the request for mandatory business rates relief submitted to the Council on behalf of NHS trusts. Further details were obtained and legal advice was sought in relation to this request and the decision was made not to include this in the appeals provision for the actual Collection Fund in 2015/16. This treatment is still considered appropriate for the Collection Fund in 2016/17.
- 6.3 The year end estimated surplus is distributed to the Secretary of State and relevant precepting authorities in proportion to the current year demands and NDR payments on the Collection Fund. The percentages are fixed in accordance with The Non-Domestic Rating (Rates Retention) Regulations 2013.
- 6.4 An exception to this distribution method exists, however, in relation to Business Rates income from renewable energy projects. This income is retained in full by the Billing Authority and as such the income is disregarded from calculations in the rates retention scheme. In 2015/16 and 2016/17 income from Renewable Energy Schemes (RES) was £1.377m and £0.472m respectively. The 2016/17 Business Rates Collection Fund estimate includes a total of £0.576m to be retained in full by Shropshire Council as the billing authority. This is comprised of an in year estimated surplus of £0.472m and an adjustment for the previous year's actual surplus of £0.104m.
- 6.5 The introduction of the Business Rates Retention Scheme from April 2013 has increased uncertainty and volatility in Council funding. The estimation of the NDR base each January now sets the amount of NDR to be distributed from the Collection Fund to preceptors in the following year. Any variances to the base during the year will be borne by the Collection Fund and distributed to preceptors in future years through the declaration of a surplus or deficit on the fund.
- 6.6 The detailed determination of the estimated Business Rates Collection Fund deficit for 2016/17 is shown in Appendix B and the allocation of the estimated deficit to the Secretary of State and the relevant precepting authorities is summarised in Table 1 below.

**Table 1: Distribution of the 2016/17 Estimated Collection Fund (Surplus) / Deficit**

	<b>Council Tax</b>	<b>NDR</b>	<b>Total</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>
Secretary of State	-	(1.432)	(1.432)
Shropshire Council	(2.183)	(1.979)	(4.162)
West Mercia Police & Crime Commissioner	(0.325)	-	(0.325)
Shropshire & Wrekin Fire Authority	(0.161)	(0.029)	(0.190)
<b>Total Estimated (Surplus) / Deficit</b>	<b>(2.669)</b>	<b>(3.440)</b>	<b>(6.109)</b>

- 6.7 Shropshire Council's share of the overall estimated Collection Fund deficit has been incorporated into the 2017/18 budget.
- 6.8 The Secretary of State and major / relevant precepting bodies were notified of these surpluses / deficits by 31<sup>st</sup> January 2017.

<b>List of Background Papers (This MUST be completed for all reports, but does not include items containing exempt or confidential information)</b> N/A
<b>Cabinet Member</b> Malcolm Pate, Leader of the Council.
<b>Local Member</b> N/A
<b>Appendices</b> <b>Appendix A:</b> Shropshire Council 2016/17 Estimated Council Tax Collection Fund Account <b>Appendix B:</b> Shropshire Council 2016/17 Estimated Non-Domestic Rates Collection Fund Account

<b>APPENDIX A</b>			
<b>SHROPSHIRE COUNCIL ESTIMATED COUNCIL TAX COLLECTION FUND ACCOUNT</b>			
<b>(Estimate As At 15th January 2017)</b>			
<b>2015-16</b>			<b>2016-17</b>
<b>Actual</b>			<b>Estimate</b>
<b>£'000</b>			<b>£'000</b>
	<b>Income</b>		
(158,061)	Council Tax Income		(166,952)
(47)	Income from Specific Grants		(52)
	Transfers from General Fund		
2	- Transitional Relief		3
<b>(158,106)</b>	<b>Total Income</b>		<b>(167,001)</b>
	<b>Expenditure</b>		
	<b>2016/17 Precepts</b>		
119,281	Shropshire Council		127,069
19,039	West Mercia Police & Crime Commissioner		19,892
9,444	Shropshire & Wrekin Fire Authority		9,867
6,307	Parish & Town Councils		6,659
	<b>Bad &amp; doubtful debts</b>		
(24)	Write Offs		(84)
572	Increase in Bad Debt Provision		611
<b>154,619</b>	<b>Total Expenditure</b>		<b>164,014</b>
(3,487)	<b>(Surplus)/Deficit for the year</b>		(2,987)
	<b>Impact on Collection Fund Accumulated Surplus</b>		
(4,920)	Accumulated (surplus)/deficit brought forward		(3,346)
5,061	Distribution of prior year estimated surplus		3,664
(3,486)	(Surplus)/Deficit for the year		(2,987)
<b>(3,346)</b>	<b>Estimated Accumulated Surplus Carried Forward</b>		<b>(2,669)</b>
	<b>Distribution of Estimated Collection Fund Surplus</b>		
(2,987)	Shropshire Council		(2,183)
(453)	West Mercia Police & Crime Commissioner		(325)
(224)	Shropshire & Wrekin Fire Authority		(161)
<b>(3,664)</b>			<b>(2,669)</b>

APPENDIX B				
SHROPSHIRE COUNCIL ESTIMATED NON-DOMESTIC RATES COLLECTION FUND ACCOUNT				
(Estimate As At 31st January 2017)				
2015-16		2016-17	2016-17	2016-17
Actual £'000		Estimate £'000	Estimate Excluding Renewable Energy Schemes £'000	Estimate Renewable Energy Schemes Only £'000
	<b>Income</b>			
(75,519)	Business Rates Income	(79,936)	(79,464)	(472)
(337)	Transitional Protection	16	16	-
<b>(75,856)</b>	<b>Total Income</b>	<b>(79,920)</b>	<b>(79,448)</b>	<b>(472)</b>
	<b>Expenditure</b>			
	<b>2016/17 Payments to Major Preceptors</b>			
39,965	Secretary of State	39,537	39,537	-
39,166	Shropshire Council	38,747	38,747	-
799	Shropshire & Wrekin Fire Authority	791	791	-
463	Cost of Collection	463	463	-
	<b>Bad &amp; doubtful debts</b>			
(375)	Write Offs	(188)	(188)	-
594	Increase in Bad Debt Provision	408	408	-
	<b>Appeal Losses &amp; Provisions</b>			
(2,258)	Losses	(1,775)	(1,775)	-
3,852	Increase in Appeal Provision	1,900	1,900	-
<b>82,207</b>	<b>Total Expenditure</b>	<b>79,883</b>	<b>79,883</b>	<b>-</b>
<b>6,351</b>	<b>(Surplus)/Deficit for the year</b>	<b>(37)</b>	<b>435</b>	<b>(472)</b>
	<b>Impact on Collection Fund Accumulated Surplus</b>			
7,916	Accumulated (surplus)/deficit brought forward	12,361	15,921	(3,560)
(1,906)	Distribution of prior year estimated surplus	(15,764)	(19,220)	3,456
6,351	(Surplus)/Deficit for the year	(37)	435	(472)
<b>12,361</b>	<b>Estimated Accumulated (Surplus) / Deficit Carried Forward</b>	<b>(3,440)</b>	<b>(2,864)</b>	<b>(576)</b>
	<b>Distribution of Estimated Collection Fund (Surplus) / Deficit</b>			
9,610	Secretary of State	(1,432)	(1,432)	-
5,962	Shropshire Council	(1,979)	(1,403)	(576)
192	Shropshire & Wrekin Fire Authority	(29)	(29)	-
<b>15,764</b>		<b>(3,440)</b>	<b>(2,864)</b>	<b>(576)</b>



## Committee and date

Cabinet

08 February 2017

## **FINANCIAL MONITORING REPORT – QUARTER 3 2016/17**

**Responsible Officer** James Walton

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### **1. Summary**

This report consolidates the previous separate Revenue and Capital Monitoring reports into one Financial Monitoring Report. Capital and revenue decisions have always had a close interdependency and impact on each other. This has been strengthened by the Government's change of policy on the Flexible Use of Capital Receipts and the Council's new focus on capital schemes that will create additional revenue or generate cost savings. As a result it is important to consider revenue and capital decisions and the Council's total finances jointly.

The report sets out the forecast expenditure for 2016/17 as at Quarter 3 and for revenue identifies the current projections on delivery of savings included within the forecast. For capital this also includes details of any budget increases and decreases and any re-profiling of budgets between 2016/17 and future years.

2016/17 represents the third and final year of the Council's previous three year Medium Term Financial Plan running from 2014/15 to 2016/17. A new Financial Strategy for 2017/18 has been developed and is included on this agenda for consideration, prior to going to Council on 23 February 2017 for approval.

This monitoring report is the third produced for this Financial Year and is based on financial information held for the first nine months of the year extrapolated to year end to produce an estimated outturn position. The quality of the estimates has improved from previous quarters, from the additional financial information available and from the Management action that was instigated as a result of the previous monitoring projections.

To aid reporting of revenue savings delivery the Council uses a RAG (Red, Amber, Green) rating to identify a rating for the delivery of savings proposals (more details provided in the report below). As at Quarter 3, evidence currently suggests that of the £23.1m of proposals to be delivered in 2016/17, £20.8m are rated as Green – with a high degree of certainty of being delivered.

The Quarter 3 position indicates that £1.3m of the £23.1m savings planned are categorised as red, and it is recognised that these saving proposals are not deliverable in this financial year therefore compensatory underspends and one off funds are being used to offset this pressure. Furthermore additional service pressures to a net value of £3.2m are already being highlighted, which services will need to address alongside delivering their savings targets. These pressures have been partially offset by the

identification of a number of one off sources of funding that have not been committed and will instead be held to partially address the service pressures identified in year.

The key issues highlighted by this report are that:

- The projected revenue outturn is an underspend of £0.244m which includes savings pressures of £1.286m.
- Management action will continue to ensure the budget is delivered within a balanced position.
- The projected General Fund Balance as at 31 March 2017 is £18.614m.
- The projected capital outturn is £53.951m, in line with the current budget. This follows a net budget decrease of £6.215m in Quarter 3.
- Current capital expenditure of £26.979m, representing 50% at Quarter 3, with 75% of the year elapsed

## 2. Recommendations

It is recommended that Members:

- A. Note that at the end of Quarter 3 (31 December 2016), the full year revenue forecast is a potential underspend of £0.244m;
- B. Consider the impact of this on the Council's General Fund Balance.
- C. Approve net budget variations of £6.215m to the 2016/17 capital programme, detailed in Appendix 3/Table 6 and the re-profiled 2016/17 capital budget of £53.951m.
- D. Approve re-profiled capital budgets of £66.058m for 2017/18 and £25.800m for 2018/19 and £2.320m for 2019/20 as detailed in Appendix 1/Table 9.
- E. Accept the capital expenditure to date of £26.972m, representing 50% of the revised capital budget for 2016/17, with 75% of the year having elapsed.

## REPORT

### 3. Background

- 3.1 Budget monitors are produced to report on the period from June (Period 2) to February (Period 11) of each financial year and show the anticipated year end projection. Reports are presented quarterly to Cabinet and monthly to Directors.
- 3.2 The reports track progress against the agreed budget decisions, any budget changes (including re-profiling on Capital) forecast any significant variances to the budget, and enables corrective action to be taken to ensure a balanced budget at year end.
- 3.3 Revenue variances are reported on an exceptions basis depending on the total variance from budget, and the percentage change in projection in any one period.

Green	Variance +/- 1% (or £0.05m if budget less than £5m)
Amber	Overspend between 1%-2% (or £0.05m-£0.1m if budget less than £5m)
Red	Variance over 2% (or £0.1m if budget less than £5m)

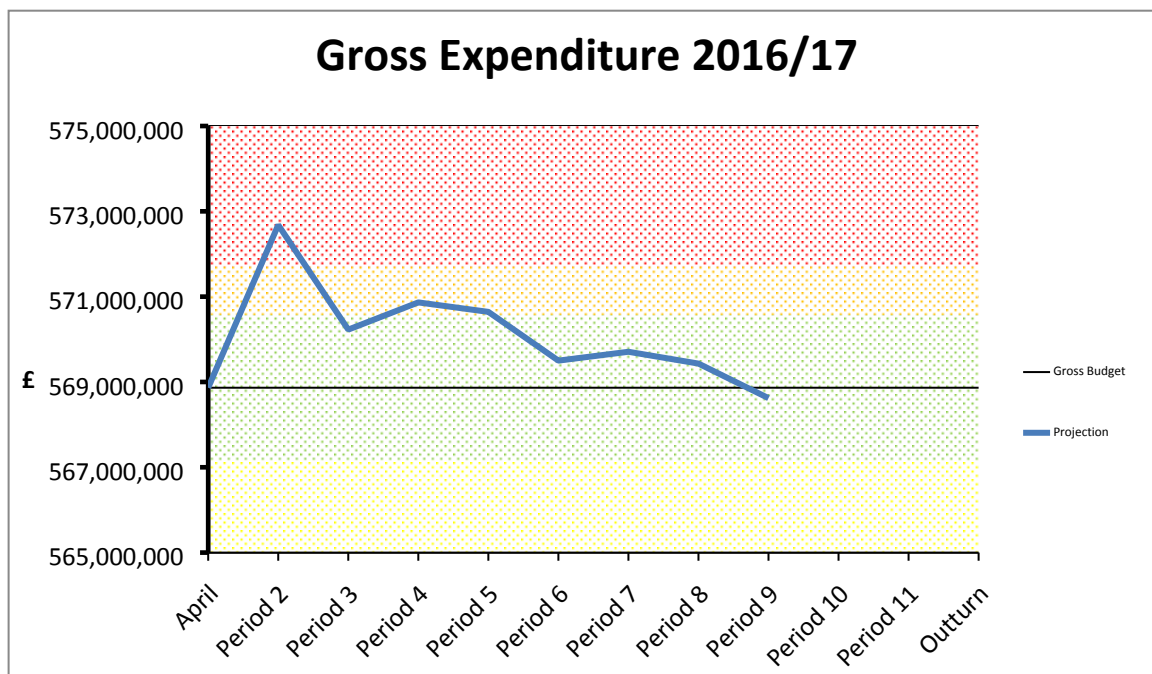


Yellow Underspend more than 1% (or £0.05m if budget less than £5m)

- 3.4 In addition, given the level of savings proposals identified for delivery in 2016/17, this report also includes a second RAG rating, specifically relating to the delivery of savings. The ratings are as follows:  
 Green – Saving identified, quantified and confirmed  
 Amber – Saving identified but not yet confirmed  
 Red – Saving not achieved or unachievable
- 3.5 Capital schemes are also reported on an exception basis, based on being delivered within budget and expectation of being delivered within scheme timeframe.

**4. Revenue Monitoring 2016/17 Budget - Overall Position**

4.1 The projected revenue forecast for the year, based on the service generated monitoring at Quarter 3, shows a potential underspend of £0.244m (0.04%) on a gross budget of £568.8m (net £204.5m) for the full year. The forecast year end position for the whole council is revised each month and reported using the graph below. The area of the graph banded green shows the extent of variance from the budget that would be seen as reasonable given the size and complexity of the Council’s budget. At Quarter 3 the projected year end underspend of £0.244m is falling within the green banding.



4.3 The projected underspend of £0.244m for 2016/17 is presented below and analysed in more detail at Appendix 1.

**Table 1: 2016/17 Projected Budget Variations Analysed by Service Area**

Service Area	Revised Budget £'000	Forecast Outturn £'000	(Under) / Overspend £'000	RAGY Classification
Adult Services	86,439	86,331	(108)	Y
Children's Services	50,551	52,119	1,568	R
Place & Enterprise	79,393	78,883	(510)	Y
Public Health	6,981	6,784	(197)	Y
Resources & Support	2,924	3,106	182	R
Corporate	(21,761)	(22,940)	(1,179)	Y
<b>TOTAL</b>	<b>204,527</b>	<b>204,283</b>	<b>(244)</b>	<b>Y</b>

## 5. Update on Savings Delivery

5.1 The savings projections for 2016/17 have been RAG rated in order to establish the deliverability of the savings and any potential impact on the outturn projection for the 2016/17 financial year. The RAG ratings have been categorised as follows:

- Red – Savings are not solved on an ongoing basis, nor have they been achieved in the current financial year
- Amber – Savings have been identified on an ongoing basis in the current financial year, however there is no clear evidence to support the delivery as yet
- Green – Savings have been identified on an ongoing basis in the current financial year, with evidence of delivery.

The RAG ratings are updated monthly to determine progress on delivery. Details of the current assessment of savings delivery for each service area are shown in Table 2.

**Table 2: Update on Delivery of 2016/17 Savings Proposals**

Service Area	Red £'000	Amber £'000	Green £'000	Total Savings £'000
Adult Services	0	591	4,595	5,186
Children's Services	1,286	295	2,251	3,832
Place & Enterprise	0	0	6,758	6,758
Public Health	0	50	1,121	1,171
Resources & Support	0	0	980	980
Corporate	0	0	5,128	5,128
<b>TOTAL SAVINGS</b>	<b>1,286</b>	<b>936</b>	<b>20,833</b>	<b>23,055</b>

5.2 The figures presented above show that 90% of the 2016/17 savings target have been flagged as green with a further 4% with plans in place to be delivered. Those areas not delivered within 2016/17 have been assessed as part of the Financial Strategy to identify those areas deliverable but subject to a delay in delivery, and those areas identified as undeliverable.

5.3 Management have provided assurance that plans are in place to deliver the savings that have been categorised as amber, however as evidence of the delivery has not yet been identified, there is still a risk that these could cause a pressure on the outturn position for 2016/17. As the year progresses, these amber savings should gradually turn to green as the evidence does become

available. However if the amber rated savings are not delivered as planned, the effect on the service generated outturn position is shown in Table 3 below:

**Table 3: Effect of Non-Delivery of Amber Savings in 2016/17**

Service Area	Quarter 3 Projected Outturn £'000	Amber Savings £'000	Potential Outturn if Amber Savings not Achieved £'000
Adult Services	(108)	591	482
Children's Services	1,568	295	1,863
Place & Enterprise	(510)	0	(510)
Public Health	(197)	50	(147)
Resources & Support	182	0	182
Corporate	(1,179)	0	(1,179)
<b>TOTAL</b>	<b>(244)</b>	<b>936</b>	<b>692</b>

## 6. Analysis of Outturn Projections including Delivery of Savings

6.1 The monitoring position detailed in Table 1 includes the current position on delivery of savings proposals for 2016/17 in addition to new monitoring pressures identified and one off solutions to reduce the projected overspend. Table 4 provides further analysis of the projected overspends for each service area.

**Table 4: Reconciliation of Monitoring Projections to Savings Delivery**

	Quarter 3 Projection £'000	Savings Pressure in 2016/17 £'000	Ongoing Monitoring Pressures Identified £'000	Ongoing Monitoring Savings Identified £'000	One Off Monitoring Pressures Identified £'000	One Off Monitoring Savings Identified £'000
Adult Business Support & Development	(90)	0	28	0	2	(120)
Contracts & Provider	(422)	0	120	(245)	0	(297)
Social Care Operations	548	0	893	(106)	0	(239)
Adult Services Management	(85)	0	0	0	0	(85)
Housing Health & Wellbeing	(60)	0	0	0	0	(60)
<b>Adult Services</b>	<b>(109)</b>	<b>0</b>	<b>1,041</b>	<b>(351)</b>	<b>2</b>	<b>(801)</b>
Learning & Skills	751	696	313	(54)	262	(466)
Children's Safeguarding	820	590	675	(288)	661	(818)
Children's Services Management	(3)	0	0	0	0	(3)
<b>Children's Services</b>	<b>1,568</b>	<b>1,286</b>	<b>988</b>	<b>(342)</b>	<b>923</b>	<b>(1,287)</b>
Director of Place & Enterprise	(1)	0	0	0	0	(1)
Business Enterprise & Commercial Services	222	0	500	0	726	(1,004)
Commissioning Support	(39)	0	0	0	0	(39)
Procurement & Contracts	(17)	0	0	0	0	(17)
Economic Development	(163)	0	0	0	397	(560)
Infrastructure & Communities	(512)	0	250	0	2,024	(2,786)
<b>Place &amp; Enterprise</b>	<b>(510)</b>	<b>0</b>	<b>750</b>	<b>0</b>	<b>3,147</b>	<b>(4,407)</b>
Coroners & Bereavement	46	0	22	0	24	0

	Quarter 3 Projection £'000	Savings Pressure in 2016/17 £'000	Ongoing Monitoring Pressures Identified £'000	Ongoing Monitoring Savings Identified £'000	One Off Monitoring Pressures Identified £'000	One Off Monitoring Savings Identified £'000
Multi Agency	47	0	83	0	0	(36)
Public Health	(79)	0	0	0	0	(79)
Public Protection	(198)	0	0	0	0	(198)
Registrars	(14)	0	0	0	0	(14)
<b>Public Health</b>	<b>(198)</b>	<b>0</b>	<b>105</b>	<b>0</b>	<b>24</b>	<b>(327)</b>
Customer Involvement	665	0	644	0	356	(335)
Finance, Governance & Assurance	(164)	0	258	0	52	(474)
Human Resources	(121)	0	102	0	63	(286)
Legal, Democratic & Strategy	(18)	0	107	0	26	(151)
SMB	(178)	0	0	(135)	3	(46)
<b>Resources &amp; Support</b>	<b>184</b>	<b>0</b>	<b>1,111</b>	<b>(135)</b>	<b>500</b>	<b>(1,292)</b>
Corporate	(1,179)	0	0	0	174	(1,353)
<b>Corporate</b>	<b>(1,179)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>174</b>	<b>(1,353)</b>
<b>TOTAL</b>	<b>(244)</b>	<b>1,286</b>	<b>3,995</b>	<b>(828)</b>	<b>4,770</b>	<b>(9,467)</b>

6.2 The only savings pressures not projected to be delivered in the Quarter 3 position are within Children's Services. These include savings relating to the redesign of Education Support Services, following their transfer back from ip&e, savings within help support provision, reduction of external residential placements and savings within back office processes not being fully delivered.

6.3 A number of ongoing pressures are being identified within service areas including increased pressure of Care Leavers, and school transport due to extra days in this academic year; however these are being partially offset by mitigating ongoing savings that have been identified. Further work is required within service areas to find an ongoing basis for managing and funding these pressures so that further growth is not required within the financial strategy and hence an increase in the funding gap.

## 7. General Fund Balance

7.1. The effect on the Council's Reserves of the forecast is detailed below. The Council's policy on balances is to have a general fund balance (excluding schools balances) of between 0.5% and 2% of the gross revenue budget. For 2016/17 the minimum balance required is £2.844m. The risk based target for the General Fund as calculated in the Robustness of Estimates and Adequacy of Reserves reported to Council on 25 February 2016, was £28.196m. Based on the current monitoring position, the General Fund Balance will be significantly below this target and below the Council's policy on balances, as shown in Table 5 below:

**Table 5: Projected General Fund Balance As At 31 March 2017**

	(£'000)
General Fund Balances as at 1 April 2016	18,370
This report – projected outturn (underspend)	244
<b>Projected Balance at 31 March 2017</b>	<b>18,614</b>

## 8. Original and latest proposed Capital Programme for 2016/17

- 8.1 The capital budget for 2016/17 is subject to change, the largest element being slippage from 2015/16 and re-profiling into future years. In Quarter 3 there has been a net budget decrease of £6.215m, compared to the position reported at Quarter 2. Table 6 summarises the overall movement, between that already approved, and changes for Quarter 3 that require approval.

**Table 6: Revised Capital Programme Quarter 3 2016/17**

Service Area	Agreed Capital Programme - Council 25/02/16	Slippage and budget changes approved to Quarter 2 2016/17	Quarter 2 budget changes to be approved	Revised 2016/17 Capital Programme Quarter 2
<b>General Fund</b>				
Place & Enterprise	36,978,211	2,229,190	(4,195,159)	35,078,055
Adult Services	2,019,000	1,137,550	68,175	3,224,725
Public Health	-	925,942	(150,410)	675,942
Children's Services	9,303,765	(133,964)	(1,300,156)	8,114,514
Resources & Support	220,000	(220,000)	442,770	442,770
<b>Total General Fund</b>	<b>48,520,976</b>	<b>3,938,718</b>	<b>(5,134,780)</b>	<b>47,536,006</b>
<b>Housing Revenue Account</b>	7,347,311	147,293	(1,079,819)	6,414,785
<b>Total Approved Budget</b>	<b>55,868,287</b>	<b>4,086,011</b>	<b>(6,214,599)</b>	<b>53,950,791</b>

- 8.2 Full details of all budget changes are provided in Appendix 3 to this report. A summary of the significant changes for 2016/17 and future years are detailed below:

### Budget Increases

- New additional allocations of Department for Transport funding of £5.398m in 2017/18. Pothole Action Fund (£1.335m) to repair potholes or to stop them forming in the first place. Incentive/Efficiency Funding (£1.236m) based on self-assessment submission on asset management and efficient and best practice in highway maintenance. National Productivity Investment Fund (£1.915m) for local highway and other local transport improvements which aim to reduce congestion at key locations, upgrade or improve the maintenance of local highway assets, to improve access to employment and housing, to develop economic and job creation opportunities.
- New Department of Health funding of £2.415m across 2016/17 and 2017/18 through the 'Home Ownership for Clients with Long Term Disabilities' (HOLD) scheme, to help people with disabilities live independently.

- Further BDUK Broadband funding of £6.655m across 2017/18 and 2018/18 for Phase 2b of the broadband programme.
- £0.672m for the HRA New Build Phase 3 programme, financed from HRA ring-fenced capital receipts, Home & Communities Agency Grant and Section 106 contributions.
- Revenue contribution of £9.699m to ICT Digital Transformation as included in the Q2 Revenue Monitoring report and approved by Council 15/12/16.

#### **Budget Virement**

- Re-allocation of unallocated budget and budget from schemes not proceeding and completed, towards the £0.400m budget for the demolition of the Tannery building and works to the retaining wall, to enable the future development of the site.

#### **Budget Re-profiling**

- Place & Enterprise: £4.120m has been re-profiled. Significant areas are £0.325m for acquisition of land for In Vessel Composting Facility, as purchase will now not take place in 2016/17. £0.250m in relation to the Shrewsbury Integrated Transport Package based on latest expenditure forecast report. £3m in relation to the Broadband Phase 1 scheme, based on latest profile of when monies will be drawn down.
- Adult Services: £0.432m, mainly in relation to unallocated monies and monies for IT Hardware Implementation of Care Bill.
- Children's Services: £1.572m of Learning & Skills budget from school devolved DFC monies and unallocated monies that will now not be able to be allocated to deliverable schemes in year and for retention payments that will not be due until 2017/18.
- Resources & Support: £9.256m of the monies allocated to the ICT Digital Transformation, based on expected level of expenditure to be incurred in 2016/17 from the latest project programme.
- Housing Revenue Account: Re-profile of forecast underspend (£1.530m) in delivery of HRA Major Repairs Programme.

## **9. Current Capital Programme and Forecast Outturn**

- 9.1 The capital programme is reviewed on a regular basis to re-profile the budget to reflect the multi-year nature of capital schemes, whereby spend may slip into later years. However, it is possible that a level of underspend or overspend may be experienced against the revised capital budget at outturn. Outturn projections are incorporated into the capital monitor to enhance the monitoring information provided and allow the early identification where schemes are deviating from budget. Table 7 summarises the outturn position for 2016/17.

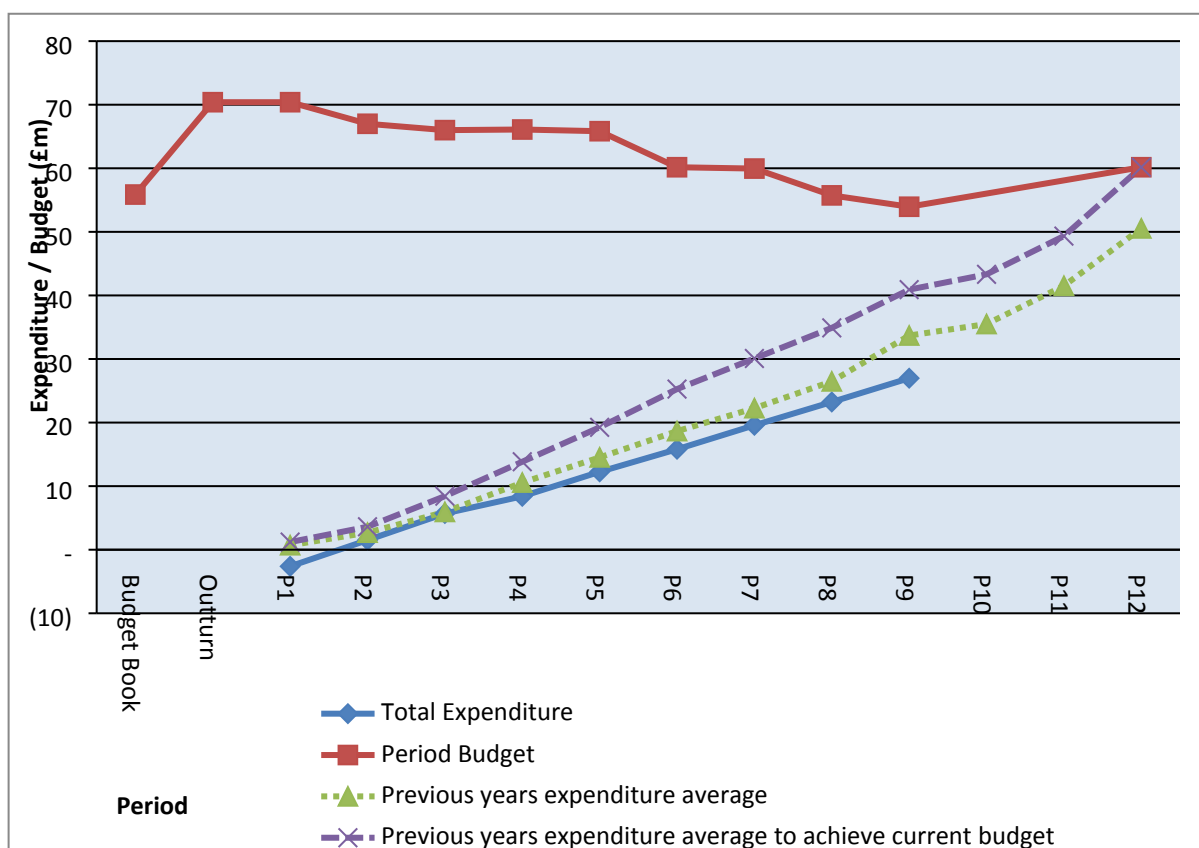
**Table 7: Current Capital Programme and Forecast Outturn Quarter 3 2016/17**

	<b>2016/17 Revised Capital Programme</b>	<b>2016/17 Forecast Outturn</b>	<b>Variance</b>
<b>General Fund</b>			
Expenditure	47,536,006	47,536,006	0
Financing	(47,536,006)	(47,536,006)	0
<b>Shortfall/(surplus) In Resources</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Housing Revenue Account</b>			
Expenditure	6,414,785	6,414,785	0
Financing	(6,414,785)	(6,414,785)	0
<b>Shortfall/(surplus) In Resources</b>	<b>0</b>	<b>0</b>	<b>0</b>

## 10. Actual Expenditure to Date – *is the programme being delivered to plan?*

- 10.1 The actual capital expenditure at Quarter 3 is £26.972m, which represents 50% of the revised capital budget at Quarter 3, 75% of the year. This is low in comparison to the total budget and below expenditure at this point in recent years, despite funding being removed from the programme in Quarter 2 and significant re-profiling in the programme, with the budget now lower than the original budget for the year; despite the slippage from 2015/16 and additional funding added to the programme. Based on recent years, the capital programme has outturned at around 85% of the outturn budget, and there will be no further re-profiling in the final quarter, prior to year end.
- 10.2 The level of spend is low across the programme, in terms of the major areas the spend position is as follows: Highways 57% (budget £22.567m), LEP schemes 32% (£2.815m), Broadband 44% (£4.360m), Adult Social Care 31% (£1.146m), Housing Health & Wellbeing 55% (£2.79m), Learning & Skills Programme 47% (£8.115m), HRA Major Repairs 55% (£3.446m) and HRA New Build Programme 65% (£2.875m).
- 10.3 Graph One below shows actual expenditure by period and also tracks the period by period changes to the budget.

### Graph 1: Total capital expenditure and budget changes



## 11. Financing of the capital programme

11.1 Appendix 1 provides a full summary of the financing of the 2016/17 capital programme. Table 8 summarises the financing sources and changes made to Quarter 2 and to be approved to Quarter 3.

**Table 8: Revised Capital Programme Financing**

Financing	Agreed Capital Programme - Council 25/02/16	Slippage and budget changes approved to Quarter 2	Quarter 3 budget changes to be approved	Revised 2016/17 Capital Programme Quarter 3
Self-Financed Prudential Borrowing*	-	-	-	-
Government Grants	26,879,829	8,432,694	(618,579)	34,693,944
Other Grants	-	111,780	-	111,780
Other Contributions	426,381	513,859	(158,174)	782,066
Revenue Contributions to Capital	1,269,659	663,118	9,667,691	11,600,468
Major Repairs Allowance	5,441,865	239,624	(1,230,000)	4,451,489
Corporate Resources (expectation - Capital Receipts only)	21,850,553	(5,663,972)	(13,875,537)	2,311,044
<b>Total Confirmed Funding</b>	<b>55,868,287</b>	<b>4,297,103</b>	<b>(6,214,599)</b>	<b>53,950,791</b>

\* Borrowing for which on-going revenue costs are financed by the Service, usually from revenue savings generated from the schemes.

## 12. Projected Longer Term Capital Programme to aid Medium Term Financial Plan



- 12.1 The updated capital programme is summarised by year and financing in Table 9 below:

**Table 9: Capital Programme 2017/18 to 2019/20**

Service Area	2017/18	2018/19	2019/20
<b>General Fund</b>			
Place & Enterprise	38,301,000	25,784,041	2,320,000
Adult Services	2,369,825	-	-
Public Health	500,000	-	-
Children's Services	9,978,855	-	-
Resources & Support	9,256,230	-	-
<b>Total General Fund</b>	<b>60,405,910</b>	<b>25,784,041</b>	<b>2,320,000</b>
<b>Housing Revenue Account</b>	5,652,467	16,319	-
<b>Total Approved Budget</b>	<b>66,058,377</b>	<b>25,800,360</b>	<b>2,320,000</b>
<b>Financing</b>			
Self-Financed Prudential Borrowing*	300,000	-	-
Government Grants	39,314,074	24,904,962	1,636,372
Other Grants	-	-	-
Other Contributions	382,750	-	-
Revenue Contributions to Capital	709,040	-	-
Major Repairs Allowance	4,833,074	-	-
Corporate Resources (expectation - Capital Receipts only)	20,519,439	895,398	683,628
<b>Total Confirmed Funding</b>	<b>66,058,377</b>	<b>25,800,360</b>	<b>2,320,000</b>

\* Borrowing for which on-going revenue costs are financed by the Service, usually from revenue savings generated from the schemes.

- 12.2 The Corporate Resources financing line above is the element of internal resources through capital receipts and corporately financed prudential borrowing required to finance the programme. Current expectation is these will all be through capital receipts, see section 13 for the current projected position. Proposals are currently been considered through the Capital Investment Board for new schemes for the Council to invest in, with an emphasis on invest to save schemes or schemes that create revenue generation.

### 13. Capital Receipts Position

- 13.1 The current capital programme is heavily reliant on the Council generating capital receipts to finance the capital programme. There is a high level of risk in these projections as they are subject to changes in property and land values, the actions of potential buyers and being granted planning permission on sites. Table 10 below, summarises the current allocated and projected capital receipt position across 2016/17 to 2018/19. A RAG analysis has been included for capital receipts projected, based on the current likelihood of generating them by the end of each financial year. Those marked as green are where they are highly likely to be completed by the end of the financial year, amber are where they are achievable, but challenging and thus there is a risk of slippage and red are highly unlikely to complete in year and thus there is a high risk of slippage. However, no receipts are guaranteed to complete in this financial year as there may be delays between exchanging contracts and completing.

**Table 10: Projected capital receipts position**

Detail	2016/17 £	2017/18 £	2018/19 £	2019/20 £
Corporate Resources Allocated in Capital Programme	2,672,901	20,136,147	895,398	683,628
To be allocated from Ring Fenced Receipts	149,648	4,874,890	-	-
<b>Total Commitments</b>	<b>2,822,549</b>	<b>25,011,037</b>	<b>895,398</b>	<b>683,628</b>
<b>Capital Receipts in hand/projected:</b>				
Brought Forward in hand	16,989,451	21,009,734	-	-
Generated 2016/17 YTD	4,088,167	-	-	-
Projected - 'Green'	2,754,665	1,407,780	50,000	-
<b>Total in hand/projected</b>	<b>23,832,283</b>	<b>22,417,514</b>	<b>50,000</b>	-
Shortfall to be financed from Prudential Borrowing / (Surplus) to carry forward	(21,009,734)	2,593,523	845,398	683,628
Further Assets Being Considered for Disposal	419,500	20,184,390	2,555,400	-

- 13.2 Capital receipts of £16.989m were brought forward from 2015/16 and £4.088m has been generated to date in 2016/17. A further £2.755m is currently projected as 'Green' for 2016/17. Following the re-profiling and cuts to the capital programme and the revenue contribution of £9.699m to the programme; there are sufficient capital receipts in hand to finance the existing capital programme. Based on current projections there will also be a significant balance of receipts in hand to carry forward. Any surplus capital receipts the Council has at the end of 2016/17 can be set aside to generate a one-off revenue MRP saving in 2017/18 and be used to finance the future years capital programme.
- 13.3 Based on the current approved position, across the life of the programme there is significant headroom in capital receipts in-hand/projected above the current expenditure commitments. There is, however, still the requirement to progress the disposals programmed for future years, to ensure they are realised, together with realising the revenue running cost savings from some of the properties. Considerable work is required to realise these receipts, with generally a lead in time of at least 12 to 18 months on larger disposals. In addition to the current expenditure commitments, the programme will also grow as new schemes are approved through the Capital Investment Board or as the Council utilises the new flexibilities around the use of Capital Receipts for transformational revenue purposes over the 3 year period 2016/17 to 2018/19.
- 13.4 It is important that work progresses, to avoid a funding shortfall in future years. Failure to generate the required level of capital receipts will result in the need to further reduce or re-profile the capital programme, some of which will occur naturally as part of the review of the delivery of schemes; or undertake prudential borrowing, which will incur future year's revenue costs that are not budgeted in the revenue financial strategy.

#### **14. Unsupported borrowing and the revenue consequences**

- 14.1. The Council can choose what level of unsupported (prudential) borrowing to undertake to fund the capital programme, based on affordability under the prudential code. There is an associated revenue cost to fund the cost of the

unsupported borrowing. This consists of the Minimum Revenue Provision (MRP) charge for the repayment of the principal amount, based on the asset life method and the interest charge associated with the borrowing. The current PWLB borrowing rate over 25 years is around 2.3% and currently only projected to rise to 2.6% across the next two years. As covered in section 13 above there are sufficient receipts in hand/projected to finance the existing approved programme. If there were to be a requirement for new schemes financed from borrowing, this could be accommodated from within existing borrowing and current cash balances in the short term, without the requirement to undertake new borrowing. This would, however, create an additional MRP cost, which would need to be met from the revenue budget.

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

Revenue & Capital Budget 2016/17  
Financial Rules

**Cabinet Member (Portfolio Holder)**

Councillor Malcolm Pate, Leader of the Council

**Local Member**

All

**Appendices**

- 1 – Service Area Pressures and Actions 2016/17
- 2 – Amendments to Original Budget 2016/17
- 3 – Capital Budget and Expenditure 2016/17

**Service Area Pressures and Actions 2016/17**Summary

	Full year			RAGY
	Budget	Forecast	Variance	
	£	£	£	
<b>Adult Services</b>	86,438,690	86,330,566	(108,124)	Y
<b>Children Services</b>	50,550,920	52,118,721	1,567,801	R
<b>Place &amp; Enterprise</b>	79,392,790	78,883,332	(509,458)	Y
<b>Public Health</b>	6,981,480	6,783,825	(197,655)	Y
<b>Resources &amp; Support</b>	2,924,030	3,106,325	182,295	R
<b>Corporate</b>	(21,760,790)	(22,939,565)	(1,178,775)	Y
<b>Total</b>	<b>204,527,120</b>	<b>204,283,204</b>	<b>(243,916)</b>	<b>Y</b>

Detail

ADULT SERVICES	Full year			RAGY
	Budget	Forecast	Variance	
	£	£	£	
<b>Total</b>	<b>86,438,690</b>	<b>86,330,566</b>	<b>(108,124)</b>	<b>Y</b>

<b>Adult Business Support &amp; Development</b>	<b>Portfolio Holder Adult Services</b>	2,592,900	2,503,017	(89,883)	Y
This forecast underspend is mainly attributable to (£0.107m) underspend on pay and non-pay. There is also a recurring net cost pressure of £0.028m with respect to the CM2000 electronic homecare monitoring system.					
<b>Contracts &amp; Provider</b>	<b>Portfolio Holder Adult Services</b>	6,047,760	5,625,466	(421,994)	Y
Forecast mainly attributable to underspends in Day Services totalling £0.326m and a contribution from Public Health towards the Age Concern contract of £0.100m towards preventative outcomes.					
<b>Social Care Operations</b>	<b>Portfolio Holder Adult Services</b>	71,053,310	71,601,589	548,279	G
Significant growth has been applied to the purchasing budget for 2016/17 to meet the historical shortfall and predicted future demand. Current forecasts have been derived using the new monitoring/forecasting model which is still in development. At this stage it is anticipated that purchasing will be contained within the current budget. We are currently updating the methods that we use to analyse new demand seen in the service, however, using previous methods we have seen in the region of 1185 new clients since the beginning of the year costing in the region of £9.612m. Some of this new cost will be offset by people leaving the system. We continue to see a pressure on the DoLS function as the current establishment is underfunded and demand continues to outstrip resources. The DoLS funding position is the subject of a Judicial Review case which will be brought to court in the Spring. In addition some £1.8m of Continuing Healthcare Debt remains unpaid by the CCG and would constitute further cost if it proves to be unrecoverable. A large amount of CHC debt has also not yet been raised in relation to Joint packages as we await agreement as to which tool may be used to assess appropriate funding splits. We continue to see a rise in requests for funded support as we head into the winter pressures period. To some degree this growth is expected and allowed for in the purchasing model forecasting; any unusual growth will however, cause more cost pressure. In previous years the CCG has made funding available to assist with the cost of meeting winter pressures however there is no money available this year which pushes further cost pressure onto ASC. Not only is there no funding this year for winter pressures, there are					

<b>ADULT SERVICES</b>		<b>Full year</b>			<b>RAGY</b>
		Budget	Forecast	Variance	
		£	£	£	
serious concerns about the disinvestment intentions and actions of the CCG particularly around the removal of Discharge to Assess beds from the market. Separately, there are further material cost implications which are also now coming to light as we assess how sleeping and waking nights are delivered. These potential costs are not reflected in the reported position.					
<b>Adult Services Management</b>	<b>Portfolio Holder Adult Services</b>	2,233,780	2,149,254	(84,526)	<b>Y</b>
Underspend on pay £0.073m due to in-year vacancies and delays in appointing and non-pay £0.012m.					
<b>Housing Health</b>	<b>Portfolio Holder Planning, Housing, Regulatory Services and Environment</b>	4,511,240	4,451,240	(60,000)	<b>Y</b>
Within the budget, non-recurring surpluses have been identified for utilisation for ICT developments and also for contribution towards the recently announced 'Home Ownership for Clients with Long Term Disabilities' (HOLD) scheme bid, successfully won by Shropshire Council, assuming the funds can be ring-fenced in reserves for next year to cover an 18 month coordinator post. The underspend is around delayed spending on ICT developments which will now have to be paid from 2017-18 budgets.					

<b>CHILDRENS SERVICES</b>		<b>Full year</b>			<b>RAGY</b>
		Budget	Forecast	Variance	
		£	£	£	
<b>Total</b>		<b>50,550,920</b>	<b>52,118,721</b>	<b>1,567,801</b>	<b>R</b>

<b>Learning &amp; Skills</b>	<b>Portfolio Holder Children and Young People</b>	22,734,370	23,485,409	751,039	<b>R</b>
<p>The current monitoring position reflects unachieved savings in year totalling £0.696m. £0.433m of unachieved savings relate to delays in implementing staffing reductions in Education Support Services and redesigning back office functions. Of this £0.433m, £0.309m of unachieved savings relates to Services that have transferred back into the Council from ip&amp;e Ltd and the original proposal had been to reduce commissioning from ip&amp;e Ltd. In addition to this, a £0.263m savings target was assigned to County Training in 2016/17 to reduce the Service's budget from £0.263m to £0 as the Learning, Employment and Training Service was due to externalise on 1st April 2016. Due to some ongoing commitments in 2016/17 this saving will not be achieved and is being solved through a one-off contribution. Where savings targets have not been realised Service Managers are tasked with bringing forward savings from 2017/18 or identifying alternative proposals, the position should improve in-year.</p> <p>There is a forecast overspend of £0.275m in relation to Home to School Transport. £0.100m of this is an estimate based on the additional number of "Academic Days" within 2016/17 compared to the 2015/16 financial year and is a one-off monitoring pressure since the number of academic days reduces by 4 in 2017/18. The remaining £0.175m relates to a reported increase in the number of SEN Students requiring transport for the 2016/17 academic year. A possible shortfall in income of £0.107m has been identified in relation to reduced buyback of Education Improvement Services by Schools. Other one-off monitoring pressures have been identified totalling £0.162m. £0.037m of this relates to the aforementioned delay in externalisation of the Learning, Employment and Training Service.</p>					

CHILDRENS SERVICES		Full year			RAGY
		Budget	Forecast	Variance	
		£	£	£	
<b>Total</b>		<b>50,550,920</b>	<b>52,118,721</b>	<b>1,567,801</b>	<b>R</b>
<p>These forecast overspends are partially offset by future year's savings being partially achieved early. A staffing saving has occurred in part this year, earlier than proposed resulting in an ongoing saving of £0.025m while the Educational Psychology Service is reporting an ongoing saving of £0.029m towards their 2017/18 savings target. There are some smaller in-year one-off savings on supplies and services and vacancy management totalling £0.172m.</p>					
<b>Children's Safeguarding</b>	<b>Portfolio Holder Children and Young People</b>	26,903,110	27,722,998	819,888	<b>R</b>
<p>The current monitoring position reflects unachieved savings in year totalling £0.590m. £0.325m of this value is due to a shortfall in increased contributions towards the Council's Early Help provision from other sources where only £0.600m of the targeted £1.000m alternative funding has been secured to date. The gap of £0.075m has been found from a reduction in two Early Help contracts as well as some secondment savings. Furthermore, monitoring of the Council's external residential placements estimates that £0.250m of the targeted £1.100m Savings target is unachieved. This figure can change significantly in-year if the numbers of placements increase or decrease. The Service has managed to reduce costs in this area through ongoing careful management of placements and efficiencies have been realised through joining the Birmingham and Worcestershire Fostering Frameworks. A further saving target of £0.060m against the Commissioned Early Help budget has only been partially achieved with £0.015m slipping to 2017/18.</p> <p>An ongoing budget pressure of £0.412m within Case Management caused by Agency Staffing costs has been identified. This pressure has reduced since 2015/16. The majority of Social Worker vacancies have now been recruited to, however some agency workers have stayed on beyond 1st September as part of a handover period due to the high number of newly qualified Social Workers now in post. Additional temporary capacity was put into place to address high caseloads of social workers and to ensure that case records are complete and up to date which has resulted in an additional pressure of £0.041m. This in line with actions agreed in the Peer Review action plan. There is also an ongoing pressure relating to Leaving Care Allowances of £0.263m partly as a result of increased (national) policy emphasis on extended support for care leavers, this has reduced significantly following a team restructure which has in turn shifted some pressure into residential services, overall this should help realise efficiencies in 2017/2018.</p> <p>This is partially offset by bringing forward 2017/18 proposed savings of £0.238m that will be achieved by a restructure of Children's Centres staffing, and £0.050m relating to the All in Community non-assessed short breaks contracts. There are some smaller in year one-off savings on contracts and vacancy management totalling £0.198m.</p>					
<b>Children's Services Management</b>	<b>Portfolio Holder Children and Young People</b>	913,440	910,314	(3,126)	<b>Y</b>
Minor variation from budget as at Quarter 3.					

PLACE & ENTERPRISE	Full year			RAGY
	Budget	Forecast	Variance	
	£	£	£	
<b>Total</b>	<b>79,392,790</b>	<b>78,883,332</b>	<b>(509,458)</b>	<b>Y</b>

<b>Director of Place &amp; Enterprise</b>	<b>Portfolio Holder Leisure and Culture</b>	729,510	728,890	(620)	<b>Y</b>
Minor variation from budget as at Quarter 3.					
<b>Director of Place &amp; Enterprise Total</b>		<b>729,510</b>	<b>727,874</b>	<b>(1,636)</b>	

<b>Head of Business Enterprise &amp; Commercial Services</b>	<b>Portfolio Holder Corporate Support</b>	135,260	134,861	(1,074)	<b>Y</b>
Minor variation from budget as at Quarter 3.					
<b>Strategic Asset Management</b>	<b>Portfolio Holder Corporate Support</b>	2,561,980	2,945,536	383,556	<b>R</b>
Significant overspends in Corporate Landlord include unbudgeted rents, rent and service charge review pressures, increased costs of WAN across all properties and unachievable income. The majority of the estimated overspend in Corporate Landlord is offset by forecast underspends elsewhere in Strategic Asset Management, including staffing efficiencies, one-off income, solar photovoltaic income and use of reserves.					
<b>Premises Services</b>	<b>Portfolio Holder Corporate Support</b>	(16,380)	(145,804)	(129,424)	<b>Y</b>
Estimated income is currently expected to achieve significantly more than budgeted for. This has partly been offset by resulting overspends on staffing and supplies and services, as some staff are funded through income generation.					
<b>Shire Services</b>	<b>Portfolio Holder Corporate Support</b>	881,940	850,860	(31,080)	<b>Y</b>
There is a forecast budget surplus on non-statutory catering, predominantly due to savings on staffing budgets.					
<b>Business Enterprise &amp; Commercial Services Total</b>		<b>3,562,800</b>	<b>3,784,778</b>	<b>221,978</b>	<b>R</b>

<b>Commissioning Support</b>	<b>Portfolio Holder Corporate Support</b>	1,710	(37,272)	(38,859)	<b>Y</b>
There is a significant projected variance on employee costs due to a vacancy within the team and maternity leave, plus small expenditure savings on supplies and services budgets.					
<b>Commissioning Support Total</b>		<b>1,710</b>	<b>(37,272)</b>	<b>(38,859)</b>	

<b>Procurement &amp; Contracts</b>	<b>Portfolio Holder Corporate Support</b>	167,190	149,801	(17,389)	<b>Y</b>
Minor variation from budget as at Quarter 3.					
<b>Procurement &amp; Contracts Total</b>		<b>167,190</b>	<b>149,801</b>	<b>(17,389)</b>	

<b>Head of Economic Development</b>	<b>Portfolio Holder for Business and Economy</b>	211,980	203,761	(8,219)	<b>Y</b>
Minor variation from budget as at Quarter 3.					

PLACE & ENTERPRISE		Full year			RAGY
		Budget	Forecast	Variance	
		£	£	£	
<b>Development Management</b>	<b>Portfolio Holder Planning, Housing, Regulatory Services and Environment</b>	87,600	(28,015)	(115,615)	<b>Y</b>
Income within Development Management, mainly relating to planning applications, is projected to be greater than the budgeted level for a further successive year, more than offsetting the additional costs incurred during the year to process the number of applications received.					
<b>Economic Growth</b>	<b>Portfolio Holder for Business and Economy</b>	826,210	784,010	(42,200)	<b>Y</b>
There are a number of staff related variances within the service area.					
<b>Broadband</b>	<b>Portfolio Holder for Business and Economy</b>	153,360	153,360	0	<b>G</b>
No projected variation from budget as at Quarter 3.					
<b>Planning Policy</b>	<b>Portfolio Holder Planning, Housing, Regulatory Services and Environment</b>	518,390	521,519	3,129	<b>G</b>
Minor variation from budget as at Quarter 3.					
<b>Economic Development Total</b>		<b>1,797,540</b>	<b>1,634,635</b>	<b>(162,905)</b>	<b>Y</b>
<b>Head of Infrastructure &amp; Communities</b>	<b>Portfolio Holder Highways and Transportation</b>	185,610	186,093	483	<b>G</b>
Minor variation from budget as at Quarter 3.					
<b>Arts</b>	<b>Portfolio Holder Leisure and Culture</b>	95,230	94,672	(558)	<b>Y</b>
Minor variation from budget as at Quarter 3.					
<b>Community Working</b>	<b>Portfolio Holder for Rural Services and Communities</b>	822,660	820,750	(1,910)	<b>Y</b>
Minor variation from budget as at Quarter 3.					
<b>Environmental Maintenance</b>	<b>Portfolio Holder Highways and Transportation</b>	26,881,500	26,964,215	82,715	<b>G</b>
The variance relates to the settlement with Ringway of historic permit costs, partially offset by net reductions in maintenance expenditure.					
<b>Highways &amp; Transport</b>	<b>Portfolio Holder Highways and Transportation</b>	3,976,030	3,595,982	(380,648)	<b>Y</b>
There are a number of variations within Highways & Transport, the most significant being the additional projected income within the streetworks team. This income has offset the considerable savings target that is yet to be fully achieved within Public Transport, made more difficult following the collapse of GHA coaches.					
<b>Outdoor Partnerships</b>	<b>Portfolio Holder Leisure and Culture</b>	1,350,380	1,371,255	20,875	<b>G</b>
Minor variation from budget as at Quarter 3.					
<b>Leisure</b>	<b>Portfolio Holder Leisure and Culture</b>	3,378,210	3,459,383	81,173	<b>A</b>
The majority of the variance relates to the leisure facilities that are managed in-house, where income is projected to be lower than budgeted for (particularly at Meole Brace Golf Course), while costs have increased on last year. The transfer of Idsall Leisure Centre to school management has been delayed, which has added an additional budget pressure.					



PLACE & ENTERPRISE		Full year			RAGY
		Budget	Forecast	Variance	
		£	£	£	
<b>Libraries</b>	<b>Portfolio Holder Leisure and Culture</b>	3,662,450	3,888,524	226,074	<b>R</b>
One-off overspends are forecast in 2016/17 due to the delay in the achievement of the savings resulting from the management and administration staff restructure and the reduction in library opening hours. The restructure and reduction to opening hours have now been implemented, with full year savings being achieved from 2017/18.					
<b>Locality Commissioning</b>	<b>Portfolio Holder for Rural Services and Communities</b>	490,230	482,681	(7,549)	<b>Y</b>
Minor variation from budget as at Quarter 3.					
<b>Passenger Transport</b>	<b>Portfolio Holder Highways and Transportation</b>	643,540	643,540	0	<b>G</b>
Minor variation from budget as at Quarter 3.					
<b>Theatre Services</b>	<b>Portfolio Holder Leisure and Culture</b>	530,420	353,576	(176,844)	<b>Y</b>
Net income is projected to over-achieve the budgeted level for a further successive year.					
<b>Visitor Economy</b>	<b>Portfolio Holder Leisure and Culture</b>	1,653,620	1,707,767	54,147	<b>A</b>
One-off overspends are forecast in 2016/17 due to the delay in the achievement of savings within the service. A staff restructure has taken place within the year, resulting in full year savings being achieved from 2017/18.					
<b>Waste</b>	<b>Portfolio Holder Planning, Housing, Regulatory Services and Environment</b>	29,463,560	29,053,939	(409,621)	<b>Y</b>
Examination of the 2015/16 annual reconciliation has identified several areas of expenditure where the rebate due to the council is greater than originally forecast. Added to this is the significant forecast underspend on NNDR compared with the available budget, following the recent rates assessment for the Energy Recovery Facility.					
<b>Infrastructure &amp; Communities Total</b>		<b>73,134,040</b>	<b>72,622,377</b>	<b>(511,663)</b>	<b>Y</b>

PUBLIC HEALTH		Full year			RAGY
		Budget	Forecast	Variance	
		£	£	£	
<b>Total</b>		<b>6,981,480</b>	<b>6,783,825</b>	<b>(197,655)</b>	<b>Y</b>

<b>Coroners &amp; Bereavement</b>	<b>Portfolio Holder Health &amp; Wellbeing</b>	187,600	233,971	46,371	<b>G</b>
The shortfall forecast is largely attributable to a revision to the forecast income for the sale of burial rights the increased costs of mortuary services.					
<b>Multi Agency</b>	<b>Portfolio Holder Health &amp; Wellbeing</b>	1,004,210	1,050,870	46,660	<b>G</b>
The main area causing this variance is Community Safety - where there is a forecast deficit in the region of £0.054m which is a combination of inherited budget pressures and unmet savings targets.					
<b>Public Health</b>	<b>Portfolio Holder Health &amp; Wellbeing</b>	385,330	306,716	(78,614)	<b>Y</b>
This includes the ring-fenced public health services funded by DoH grant. Reserves and resources for future development are utilised to ensure that Public Health as whole (with the exception of Public Protection) achieve a balanced budget at the end of the year.					
<b>Public Protection</b>	<b>Portfolio Holder Health &amp; Wellbeing</b>	5,174,920	4,977,265	(197,655)	<b>Y</b>

PUBLIC HEALTH		Full year			RAGY
		Budget	Forecast	Variance	
		£	£	£	
Income particularly generated by enforcement activity is projected to over achieve the budgeted level plus there has been a reduction in the forecast pay.					
<b>Registrars</b>	<b>Portfolio Holder Health &amp; Wellbeing</b>	229,420	215,003	(14,417)	<b>Y</b>
Income achievements are projected to be higher than budget creating a surplus in year.					

RESOURCES & SUPPORT		Full year			RAGY
		Budget	Forecast	Variance	
		£	£	£	
<b>Total</b>		<b>2,924,030</b>	<b>3,106,325</b>	<b>182,295</b>	<b>R</b>

<b>Customer Involvement</b>	<b>Portfolio Holder Corporate Support</b>	180,700	845,333	664,633	<b>R</b>
<p>The delayed savings within Customer Access of £0.228m and income shortfall of £0.099m have been mostly resolved from planned savings of £0.267m within Benefits, SLA Performance and Customer Services. The outstanding savings of £0.060m will be achieved in the next financial year. Savings in relation to the Credit Union contract of £0.072m have been delayed and alternatives are being investigated. Additional savings of £0.164m have been identified in relation to staffing and general expenditure across Marketing &amp; Engagement and Service Management, which are being offset against pressures within IT Services. Budget pressures within IT Services continue to be experienced; these relate to the delayed savings expected from the Lync rollout of £0.120m, licensing pressures continue to result in an overspend £0.513m and there is a shortfall of £0.052m in relation to Schools IT SLA buy back. These pressures are partly offset by in-year savings of £0.089m from reduced system costs and £0.046m from vacancy management and traded income. Pressures continue within the costs of the MFD Fleet and Print Unit of £0.042m. Additional spending of £0.492m has recently been approved within IT services to fund key upgrades to the current ICT Infrastructure and to enhance Disaster Recovery/Business Continuity services; that is required until the Digital Transformation Project identifies and delivers the long term solution, of this spend £0.373 has now been agreed to be funded via the Capital programme.</p>					
<b>Finance, Governance &amp; Assurance</b>	<b>Portfolio Holder Strategy, Financial Strategy, Budget and Business Plan</b>	1,698,400	1,534,070	(164,330)	<b>Y</b>
<p>Pressures within Revenues &amp; Benefits of £0.258m have been offset against additional one-off grant income not budgeted for (£0.045m), staffing efficiencies (£0.164m) and further savings on expenditure (£0.066). There are reported overspends on general expenditure of £0.052m and further underspends from staffing efficiencies of £0.108m across various teams within Finance. Budgets of £0.091m have also been identified as surplus to requirements in year.</p>					
<b>Human Resources &amp; Development</b>	<b>Portfolio Holder Corporate Support</b>	202,250	80,806	(121,444)	<b>Y</b>
<p>Savings due to vacancy management have been realised within the H&amp;S unit of £0.022m alongside a small underspend against Occupation Health and First Aid budgets of £0.006m. Further savings have been achieved on a one off basis within the Communication and Business Design teams due to vacancies being filled part way through the year and maternity leave not back filled of £0.071m. Within HR&amp;D there are existing overspends of £0.081m due partly to lost external income; this has been partly offset in year by vacancy management and from the securing of new contracts for future years.</p>					
<b>Legal, Democratic &amp; Strategy</b>	<b>Portfolio Holder Corporate Support</b>	527,330	508,994	(18,336)	<b>Y</b>

RESOURCES & SUPPORT	Full year			RAGY
	Budget	Forecast	Variance	
	£	£	£	
<b>Total</b>	<b>2,924,030</b>	<b>3,106,325</b>	<b>182,295</b>	<b>R</b>

Underspends of £0.028m have been identified across Committee Services, £0.020m has arisen from vacancy management efficiencies. A further £0.035m has been identified across various headings within Members Services to include £0.012m saving on postage and printing expenses. Staffing efficiencies within Legal Services have contributed a further £0.023m but have been offset against lost income totalling £0.041m alongside increased disbursement costs of £0.020m and an identified pressure on Elections postage of £0.059m. Child care spend is currently expected to underspend by £0.050m, but this is closely being monitored throughout the year and may change.					
<b>Strategic Management Board</b>	<b>Portfolio Holder Strategy, Financial Strategy, Budget and Business Plan</b>	315,350	137,122	(178,228)	<b>Y</b>
Vacancy management savings have been identified across the service to the total of £0.167m.					

CORPORATE	Full year			RAGY
	Budget	Forecast	Variance	
	£	£	£	
<b>Total</b>	<b>(21,760,790)</b>	<b>(22,939,565)</b>	<b>(1,178,775)</b>	<b>Y</b>

<b>Corporate Budgets</b>	<b>Portfolio Holder Strategy, Financial Strategy, Budget and Business Plan</b>	(21,760,790)	(22,939,565)	(1,178,775)	<b>Y</b>
Within corporate budgets, a £0.377m reduction in MRP has been identified as well as a combination of an increase of interest receivable and decrease of interest payable resulting in a further £0.122m saving. Budgets of £0.467m in relation to both MRP and Treasury Management have now been identified as surplus to requirement in year. There are also staffing efficiencies of £0.091m and unused budget for Audit Fees of £0.205m. Overspends on various expenditure lines amount to £0.109m.					

**Appendix 2****Amendments to Original Budget 2016/17**

	<b>Total £'000</b>	<b>Adult Services £'000</b>	<b>Children's Services £'000</b>	<b>Place &amp; Enterprise* £'000</b>	<b>Public Health £'000</b>	<b>Resources &amp; Support £'000</b>	<b>Corporate £'000</b>
Original Budget as agreed by Council	<b>204,527</b>	86,330	50,535	81,082	1,807	6,294	(21,521)
<u>Quarter 1</u>							
Inflation for LETS	0	0	76	0	0	0	(76)
Realignment of Commercial Services budget	0	0	0	0	0	47	(47)
Other minor changes	0	0	27	(13)	0	(18)	4
<u>Quarter 2</u>							
Transfer of Commercial Services and Public Protection, as part of realignment of services under renaming Commissioning to Place & Enterprise	0	0	0	(1,775)	5,175	(3,400)	0
Transfer of Occupational Therapist posts	0	87	(87)	0	0	0	0
<u>Quarter 3</u>							
Transfer of SPARC grant budget from Corporate to Leisure				30			(30)
Transfer of post from Planning Policy to Housing		22		(22)			
Realignment of budget for Commercial Services following transfer to Place & Enterprise				91			(91)
<b>Revised Budget</b>	<b>204,527</b>	<b>86,439</b>	<b>50,551</b>	<b>79,393</b>	<b>6,982</b>	<b>2,923</b>	<b>(21,761)</b>

\* Commissioning renamed Place &amp; Enterprise from Quarter 2.

**Shropshire Council - Capital Programme 2016/17 - 2019/20****Capital Programme Summary - Period 9 2016/17**

Scheme Description	Revised Budget Q2 16/17 £	Budget Virements Q3 £	Budget Inc/Dec Q3 £	Reprofile to/from future years Q3 £	Revised Budget Q3 16/17 £	Actual Spend 30/12/16	Spend to Budget Variance £	% Budget Spend	Outturn Projection £	Outturn Projection Variance £	2017/18 Revised Budget £	2018/19 Revised Budget £
<b>General Fund</b>												
Place & Enterprise	39,273,214	-	(74,947)	(4,120,212)	35,078,055	17,588,386	17,489,669	50%	35,078,055	-	38,301,000	25,784,041
Adult Services	3,156,550	-	500,000	(431,825)	3,224,725	1,497,919	1,726,806	46%	3,224,725	-	2,369,825	-
Public Health*	826,352	-	99,590	(250,000)	675,942	338,010	337,932	50%	675,942	-	500,000	-
Children's Services	9,414,670	-	272,123	(1,572,279)	8,114,514	3,798,577	4,315,937	47%	8,114,514	-	9,978,855	-
Resources & Support	-	-	9,699,000	(9,256,230)	442,770	-	442,770	0%	442,770	-	9,256,230	-
<b>Total General Fund</b>	<b>52,670,786</b>	<b>-</b>	<b>10,495,766</b>	<b>(15,630,546)</b>	<b>47,536,006</b>	<b>23,222,892</b>	<b>24,313,114</b>	<b>49%</b>	<b>47,536,006</b>	<b>-</b>	<b>60,405,910</b>	<b>25,784,041</b>
<b>Housing Revenue Account</b>	<b>7,494,604</b>	<b>-</b>	<b>450,181</b>	<b>(1,530,000)</b>	<b>6,414,785</b>	<b>3,755,880</b>	<b>2,658,905</b>	<b>59%</b>	<b>6,414,785</b>	<b>-</b>	<b>5,652,467</b>	<b>16,319</b>
<b>Total Approved Budget</b>	<b>60,165,390</b>	<b>-</b>	<b>10,945,947</b>	<b>(17,160,546)</b>	<b>53,950,791</b>	<b>26,978,772</b>	<b>26,972,019</b>	<b>50%</b>	<b>53,950,791</b>	<b>-</b>	<b>66,058,377</b>	<b>25,800,360</b>

**RAG Analysis on Schemes****For Current year outturn expenditure on budget:**

<b>Red</b>	Programmes that have a forecast outturn in excess of 10% of the current scheme budget
<b>Amber</b>	Programmes that have a forecast outturn in excess of 5% of the current scheme budget.
<b>Green</b>	Programmes that have a forecast outturn of less than or equal to the current programme.

**Scheme progress:**

<b>Red</b>	Scheme is significantly below profile at current period and not expected to deliver as original profile.
<b>Amber</b>	Scheme is below profile at current period and scheme will not deliver as original profile.
<b>Green</b>	Scheme on profile at current period and expected to be delivered as original profile.

## Shropshire Council - Capital Programme 2016/17 - 2019/20

## Capital Scheme Details Period 9 2016/17

Scheme Description	Code	Project Manager	Total Approved Scheme Budget £	Previous Years Spend £	Revised Budget Q2 2016/17 £	Budget Virements Q3 £	Budget Inc/Dec Q3 £	Reprofile to/from future years Q3 £	Revised Budget Q3 £	Actual Spend 30/12/16 £	Spend to Budget Variance £	Outturn Projection £	Outturn Variance Projection £	RAG Status Scheme on Budget	RAG Status Scheme Progress	Note	2017/18 Revised Budget £	2018/19 Revised Budget £	2019/20 Revised Budget £
<b>Place &amp; Enterprise</b>																			
<b>Infrastructure &amp; Communities</b>																			
<b>Leisure</b>																			
Sports Equipment Phase 2	KCL01	P Davis	300,000		-	-	-	-	-	-	-	-	-	Green	Green		300,000	-	-
<b>Total</b>					-	-	-	-	-	-	-	-	-				<b>300,000</b>	-	-
<b>Local Commissioning</b>																			
Whitchurch Civic Centre	K5T48	N Willcox	857,297	826,831	30,466	-	-	-	30,466	-	30,466	30,466	-	Green	Green		-	-	-
<b>Total</b>					<b>30,466</b>	-	-	-	<b>30,466</b>	-	<b>30,466</b>	<b>30,466</b>	-				-	-	-
<b>Waste Management</b>																			
In Vessel Composting Facility	K6WM0	P Beard	325,000	-	325,000	-	-	(325,000)	-	-	-	-	-	Green	Green		325,000	-	-
<b>Total</b>					<b>325,000</b>	-	-	<b>(325,000)</b>	-	-	-	-	-				<b>325,000</b>	-	-
<b>Bereavement Services</b>																			
Myton Oak Remembrance Park - Shrewsbury	K6BS1	T Sneddon	1,012,905	1,008,823	69,177	-	(65,095)	-	4,082	3,364	718	4,082	-	Green	Green		-	-	-
<b>Total</b>					<b>69,177</b>	-	<b>(65,095)</b>	-	<b>4,082</b>	<b>3,364</b>	<b>718</b>	<b>4,082</b>	-				-	-	-
<b>Highways &amp; Transport - LTP</b>																			
<b>Structural Maintenance of Bridges &amp; Structures</b>																			
Bridgeguard - Unallocated	KBG01	T Sneddon	Ongoing	-	122,370	212,210	-	-	334,580	-	334,580	-	-				1,500,000	1,500,000	-
Bridgeguard - Miscellaneous Expenditure	KBG02	T Sneddon	103,649	113,313	(9,664)	-	-	-	(9,664)	(9,654)	(10)	-	-				-	-	-
Bridgeguard - Consultancy Fees	KBG03	T Sneddon	892,924	408,698	484,226	-	-	-	484,226	229,218	255,008	-	-				-	-	-
Bridgeguard - Hadnall Culvert	KBG05	T Sneddon	687,204	87,204	600,000	-	-	-	600,000	106,132	493,868	-	-				-	-	-
Bridgeguard - Snailbeach Retaining Wall	KBG07	T Sneddon	73,385	2,385	50,500	20,500	-	-	71,000	63,042	7,958	-	-				-	-	-
Bridgeguard - Outrack Bridge	KBG14	T Sneddon	27,209	28,055	-	(846)	-	-	(846)	(846)	(0)	-	-				-	-	-
Bridgeguard - Myton Bridge	KBG16	T Sneddon	142,177	135,853	6,324	-	-	-	6,324	6,324	-	-	-				-	-	-
Bridgeguard - Bridgnorth Endowed Footbridge	KBG17	T Sneddon	107,788	101,771	6,017	-	-	-	6,017	874	5,143	-	-				-	-	-
Bridgeguard - Ticklerton Bridge	KBG18	T Sneddon	105,550	100,938	4,837	(225)	-	-	4,612	4,612	(0)	-	-				-	-	-
Bridgeguard - High House Lane Bridge	KBG20	T Sneddon	38,244	1,052	29,000	8,192	-	-	37,192	34,282	2,910	-	-				-	-	-
Bridgeguard - Corve Footbridge	KBG21	T Sneddon	5,727	7,266	-	(1,539)	-	-	(1,539)	(1,539)	(0)	-	-				-	-	-
Bridgeguard - Borlemail Bridge	KBG24	T Sneddon	72,220	70,439	-	1,781	-	-	1,781	1,781	-	-	-				-	-	-
Bridgeguard - Count Arbour Bridge	KBG26	T Sneddon	30,056	29,956	100	-	-	-	100	100	-	-	-				-	-	-
Bridgeguard - Boreton Road Bridge	KBG28	T Sneddon	-	-	5,000	(5,000)	-	-	-	-	-	-	-				-	-	-
Bridgeguard - Twmpath Bridge	KBG29	T Sneddon	-	-	2,500	(2,500)	-	-	-	-	-	-	-				-	-	-
Bridgeguard - Wheelbarrow	KBG30	T Sneddon	1,502	1,502	102,500	(102,500)	-	-	-	-	-	-	-				-	-	-
Bridgeguard - Eaton No.3	KBG32	T Sneddon	126,219	8,719	117,500	-	-	-	117,500	111,342	6,158	-	-				-	-	-
Bridgeguard - Sandyford Bridge	KBG33	T Sneddon	788	345	100,000	(99,557)	-	-	443	443	-	-	-				-	-	-
RoW - Blue Bridge	KBG34	T Sneddon	42,831	9,678	33,153	-	-	-	33,153	24,693	8,460	-	-				-	-	-
Bridgeguard - Catherton Gate Cattle Grid Replacement	KBG38	T Sneddon	12,090	4,193	10,807	(2,910)	-	-	7,897	7,897	(0)	-	-				-	-	-
RoW - Morville No 1 Footbridge	KBG39	T Sneddon	5,410	5,410	50,000	(50,000)	-	-	-	-	-	-	-				-	-	-
RoW - Eaton Brook Footbridge	KBG41	T Sneddon	-	-	20,000	(20,000)	-	-	-	-	-	-	-				-	-	-
Bridgeguard - Bridgnorth Bypass	KBG45	T Sneddon	2,202,092	18,897	143,195	40,000	-	-	183,195	65,702	117,493	-	-				2,000,000	-	-
Bridgeguard - Dark Lane Broseley Reservoir Tank	KBG46	T Sneddon	173,769	2,517	171,252	-	-	-	171,252	28,100	143,152	-	-				-	-	-
Bridgeguard - Dudlestone School West Bridge	KBG47	T Sneddon	32,500	-	52,500	(20,000)	-	-	32,500	25,806	6,694	-	-				-	-	-
Bridgeguard - Henley Ledwyche Bridge	KBG48	T Sneddon	-	-	1,500	(1,500)	-	-	-	-	-	-	-				-	-	-
Bridgeguard - Winterburn Bridge	KBG49	T Sneddon	-	-	1,500	(1,500)	-	-	-	-	-	-	-				-	-	-
Bridgeguard - Dean Culvert Bridge	KBG50	T Sneddon	-	-	1,500	(1,500)	-	-	-	-	-	-	-				-	-	-
Bridgeguard - Harpswood No 2 Culvert	KBG51	T Sneddon	-	-	1,500	(1,500)	-	-	-	-	-	-	-				-	-	-
Bridgeguard - Castlewalk Footbridge Shrewsbury	KBG52	T Sneddon	30,000	-	10,000	20,000	-	-	30,000	400	29,600	-	-				-	-	-
Bridgeguard - Ludford Bridge, Ludlow	KBG58	T Sneddon	83,831	14,831	49,000	20,000	-	-	69,000	59,091	9,909	-	-				-	-	-
Bridgeguard - Smithy Bridge	KBG59	T Sneddon	15,000	-	15,000	-	-	-	15,000	13,078	1,922	-	-				-	-	-
Bridgeguard - Swan Bach (Boundary) Bridge	KBG60	T Sneddon	-	-	-	-	-	-	-	-	-	-	-				-	-	-
Bridgeguard - Windmill Lane Canal Bridge	KBG61	T Sneddon	75,000	-	30,000	45,000	-	-	75,000	5,140	69,860	-	-				-	-	-
Bridgeguard - Plowden Cattle Grid	KBG62	T Sneddon	10,984	-	15,000	(4,016)	-	-	10,984	15,949	(4,965)	-	-				-	-	-
Bridgeguard - Gasworks Bridge	KBG63	T Sneddon	-	-	15,000	-	-	-	15,000	-	15,000	-	-				-	-	-
Row - Ford Footbridge	KBG53	T Sneddon	-	-	20,000	(20,000)	-	-	-	-	-	-	-				-	-	-
Row - Mill Meadow Footbridge	KBG54	T Sneddon	50	-	30,000	(29,950)	-	-	50	50	-	-	-				-	-	-
Row - Hogstow Hall Footbridge	KBG55	T Sneddon	-	-	15,000	(15,000)	-	-	-	-	-	-	-				-	-	-
Row - Broadway Close Footbridge	KBG56	T Sneddon	4,733	-	5,000	(267)	-	-	4,733	4,733	(0)	-	-				-	-	-
Row - Rindleford Mill Footbridge	KBG57	T Sneddon	12,627	-	15,000	(2,373)	-	-	12,627	10,656	1,971	-	-				-	-	-
<b>Total</b>					<b>2,312,117</b>	-	-	-	<b>2,312,117</b>	<b>806,962</b>	<b>1,505,155</b>	<b>2,312,117</b>	-	Green	Amber		<b>3,500,000</b>	<b>1,500,000</b>	-
<b>Structural Maintenance of Roads</b>																			
Structural Maintenance of Principal Roads	T Sneddon	Ongoing			5,564,451	-	-	-	5,564,451	3,597,890	1,966,561	5,564,451	-	Green	Amber		-	-	-
Structural Maintenance of Secondary Roads	T Sneddon	Ongoing			9,850,887	500,000	-	-	10,350,887	5,993,729	4,357,158	10,350,887	-	Green	Amber		-	-	-
Structural Maintenance of all Roads	T Sneddon	Ongoing			1,539,102	-	-	-	1,539,102	1,359,820	179,282	1,539,102	-	Green	Amber		15,891,000	10,601,000	-
<b>Total</b>					<b>16,954,440</b>	<b>500,000</b>	-	-	<b>17,454,440</b>	<b>10,951,439</b>	<b>6,503,001</b>	<b>17,454,440</b>	-				<b>15,891,000</b>	<b>10,601,000</b>	-
<b>Street Lighting</b>																			
Programme of structural replacement of lighting columns	K6SL1	J Hughes	Ongoing		875,171	-	-	-	875,171	249,526	625,645	875,171	-	Green	Amber		690,000	690,000	-
Street Lighting LED Conversions	K6SL2	J Hughes	Ongoing		181,665	-	-	-	181,665	81,096	100,569	181,665	-	Green	Amber		100,000	100,000	-
Part Night Lighting	K6SL3	J Hughes	Ongoing		-	-	-	-	-	58	(58)	-	-	Green	Amber		10,000	10,000	-

## Shropshire Council - Capital Programme 2016/17 - 2019/20

## Capital Scheme Details Period 9 2016/17

Scheme Description	Code	Project Manager	Total Approved Scheme Budget £	Previous Years Spend £	Revised Budget Q2 2016/17 £	Budget Virements Q3 £	Budget Inc/Dec Q3 £	Reprofile to/from future years Q3 £	Revised Budget Q3 £	Actual Spend 30/12/16 £	Spend to Budget Variance £	Outturn Projection £	Outturn Variance projection £	RAG Status Scheme on Budget	RAG Status Scheme Progress	Note	2017/18 Revised Budget £	2018/19 Revised Budget £	2019/20 Revised Budget £
Programme of replacement signs and bollards	K6SL4	J Hughes	Ongoing		10,455	-	-	-	10,455	10,576	(121)	10,455	-	Green	Amber		-	-	-
<b>Total</b>					<b>1,067,291</b>	-	-	-	<b>1,067,291</b>	<b>341,257</b>	<b>726,034</b>	<b>1,067,291</b>	-				<b>800,000</b>	<b>800,000</b>	-
<b>Local Transport Plan - Integrated Transport Plan</b>																			
<b>Pedestrian &amp; Cycle Facilities</b>																			
<b>Central</b>																			
ITP Central - A488 Pontesbury to Minsterley Cycle Route	KST03	V Merrill	192,105	191,693	412	-	-	-	412	-	412	412	-	-	-		-	-	-
ITP Central - Spring Gardens Cyclepath / St Michaels Street	KST09	V Merrill	37,109	3,023	34,086	-	-	-	34,086	12,086	22,000	34,086	-	-	-		-	-	-
ITP Central - A488 Radbrook Rd Shrewsbury New Footway	KTC21	V Merrill	24,657	2,657	22,000	-	-	-	22,000	-	22,000	22,000	-	-	-		-	-	-
ITP Central - Bicton Footway Improvements	KTC27	V Merrill	15,000	-	15,000	-	-	-	15,000	-	15,000	15,000	-	-	-		-	-	-
ITP Central - Installation of new cycle counters	KTC30	V Merrill	15,000	8,287	6,713	-	-	-	6,713	-	6,713	6,713	-	-	-		-	-	-
ITP Central - Myton Oak Road Pedestrian Improvements	KTC33	V Merrill	10,000	-	10,000	-	-	-	10,000	3,262	6,738	10,000	-	-	-		-	-	-
ITP Central - Bank Farm Road Six Acres Road Footway Realignment	KTC34	V Merrill	8,138	-	8,138	-	-	-	8,138	2,750	5,388	8,138	-	-	-		-	-	-
<b>North</b>																			
ITP North - Wem Mill St/Drawell Lane Pedestrian Crossing, Wem	KTC03	V Merrill	40,430	23,360	17,070	-	-	-	17,070	-	17,070	17,070	-	-	-		-	-	-
ITP North - Rhyn Park St Martins Crossing	KTC05	V Merrill	-	-	-	-	-	-	-	385	(385)	-	-	-	-		-	-	-
ITP North - B5067 Baschurch Pedestrian Crossing	KTC06	V Merrill	30,623	30,623	-	-	-	-	-	867	(867)	-	-	-	-		-	-	-
ITP North - Colliery Lane, St Martins Footway	KTC26	V Merrill	5,000	-	5,000	-	-	-	5,000	-	5,000	5,000	-	-	-		-	-	-
ITP North - Poynton Road Shawbury Pedestrian Crossing	KTC32	V Merrill	1,675	-	1,675	-	-	-	1,675	1,675	4,898	1,675	-	-	-		-	-	-
ITP North - Oswestry branch line cycle route (aka Cambrian Railway)	KST11	V Merrill	238,478	155,478	83,000	-	-	-	83,000	78,102	4,898	83,000	-	-	-		-	-	-
ITP North - Gobowen Footway Improvements	KST14	V Merrill	40,461	39,877	584	-	-	-	584	7,899	(7,315)	584	-	-	-		-	-	-
<b>South</b>																			
ITP South - Station Road, Albrighton Pedestrian Facilities	KTC14	V Merrill	79,443	13,872	65,571	-	-	-	65,571	4,642	60,929	65,571	-	-	-		-	-	-
ITP South - B4379 Sherrifhales Pedestrian Improvements	KTC15	V Merrill	26,385	9,961	16,424	-	-	-	16,424	5,235	11,189	16,424	-	-	-		-	-	-
ITP South - A464 Park Street Shifnal Pedestrian Crossing	KTC16	V Merrill	64,086	14,978	49,108	-	-	-	49,108	37,983	11,125	49,108	-	-	-		-	-	-
ITP South - B4373 Cross Lane, Cantreyn, Footway	KTC23	V Merrill	9,670	2,405	7,265	-	-	-	7,265	2,375	4,890	7,265	-	-	-		-	-	-
ITP South - Salop Road Bridgnorth Pedestrian Crossing (S106)	KTC29	V Merrill	106,452	102,955	3,497	-	-	-	3,497	(19,859)	23,356	3,497	-	-	-		-	-	-
ITP South - Bromfield Road Ludlow, Pedestrian Crossing	KTC31	V Merrill	40,000	2,621	37,379	-	-	-	37,379	64,513	(27,134)	37,379	-	-	-		-	-	-
<b>Total</b>					<b>382,922</b>	-	-	-	<b>382,922</b>	<b>201,915</b>	<b>181,007</b>	<b>382,922</b>	-	Green	Amber		-	-	-
<b>Signal Enhancements</b>																			
<b>Countywide</b>																			
ITP Countywide - Future years Signal Scheme Designs	KTS14	V Merrill	31,400	-	31,400	-	-	-	31,400	13,000	18,400	31,400	-	-	-		-	-	-
<b>Central</b>																			
ITP Central - Ditherington UTC Upgrade Contribution	KTS13	V Merrill	28,315	-	28,315	-	-	-	28,315	-	28,315	28,315	-	-	-		-	-	-
<b>North</b>																			
ITP North - A53 Shrewsbury road/Wem road signal Refurbishment	KTS05	V Merrill	24,465	24,465	-	-	-	-	-	30	(30)	-	-	-	-		-	-	-
ITP North - B5395 Whitchurch 5 ways junction improvement	KTS06	V Merrill	428,368	409,918	18,450	-	-	-	18,450	18,450	(0)	18,450	-	-	-		-	-	-
ITP North - A495 Scotland Street Ellesmere	KTS09	V Merrill	116,906	11,906	105,000	-	-	-	105,000	550	104,450	105,000	-	-	-		-	-	-
ITP North - A495 Willow Street Ellesmere Pedestrian Crossing	KTS10	V Merrill	3,636	3,636	-	-	-	-	-	550	(550)	-	-	-	-		-	-	-
ITP North - A495 Mereside Ellesmere Pedestrian Crossing	KTS12	V Merrill	35,793	6,793	29,000	-	-	-	29,000	550	28,450	29,000	-	-	-		-	-	-
<b>South</b>																			
ITP South - A41 Cosford junction signal Refurbishment/Ellesmere	KTS07	V Merrill	472,960	472,055	905	-	-	-	905	905	(0)	905	-	-	-		-	-	-
ITP South - Bull Ring Jctn Refurb Ludlow	KTS08	V Merrill	87,482	6,241	81,241	-	-	-	81,241	550	80,691	81,241	-	-	-		-	-	-
ITP South - A442 Hospital Steet, Bridgnorth - Pedestrian Crossing	KTS11	V Merrill	14,975	2,550	12,425	-	-	-	12,425	5,080	7,345	12,425	-	-	-		-	-	-
<b>Total</b>					<b>306,736</b>	-	-	-	<b>306,736</b>	<b>39,665</b>	<b>267,071</b>	<b>306,736</b>	-	Green	Amber		-	-	-
<b>Safety/Speed Reductions</b>																			
<b>Countywide</b>																			
ITP Countywide - VAS Replacement Programme	KTR46	V Merrill	60,625	4,500	56,125	-	-	-	56,125	39,789	16,336	56,125	-	-	-		-	-	-
<b>Central</b>																			
ITP Central - Mousecroft Lane Shrews, Speed Reduction	KTR28	V Merrill	2,220	2,220	-	-	-	-	-	113	(113)	-	-	-	-		-	-	-
ITP Central - Featherbed Lane Shres, Traffic Management	KTR32	V Merrill	76,752	11,298	65,454	-	-	-	65,454	97,645	(32,191)	65,454	-	-	-		-	-	-
ITP Central - Coleham School Safety Scheme	KTR33	V Merrill	44,871	14,338	30,533	-	-	-	30,533	43,800	(13,267)	30,533	-	-	-		-	-	-
ITP Central - B4380 Leighton Speed Management	KTR34	V Merrill	10,292	5,512	4,780	-	-	-	4,780	403	4,377	4,780	-	-	-		-	-	-
ITP Central - Priory & Meole Brace Schools Safety Scheme	KTR35	V Merrill	65,170	13,197	51,973	-	-	-	51,973	22,751	29,222	51,973	-	-	-		-	-	-
ITP Central - Acton Burnell Crossroads	KTR36	V Merrill	31,696	3,872	27,824	-	-	-	27,824	2,917	24,907	27,824	-	-	-		-	-	-
ITP Central - A488 Hanwood Speed Management	KTR37	V Merrill	30,238	658	29,580	-	-	-	29,580	8,880	20,700	29,580	-	-	-		-	-	-
ITP Central - Meadow Farm Drive Speed Management	KTR39	V Merrill	20,652	4,608	16,044	-	-	-	16,044	581	15,463	16,044	-	-	-		-	-	-
ITP Central - B4380 Buildwas Speed Management	KTR41	V Merrill	8,000	-	8,000	-	-	-	8,000	-	8,000	8,000	-	-	-		-	-	-
ITP Central - Uffington Speed Management	KTR42	V Merrill	5,500	-	5,500	-	-	-	5,500	-	5,500	5,500	-	-	-		-	-	-
ITP Central - B5062 Sundorne Road Medical Centre Junction	KTR43	V Merrill	10,000	-	10,000	-	-	-	10,000	-	10,000	10,000	-	-	-		-	-	-
ITP Central - Hubert Way Shrewsbury Speed Management	KTR44	V Merrill	8,000	-	8,000	-	-	-	8,000	-	8,000	8,000	-	-	-		-	-	-
ITP Central - Main Road Pontesbury Speed & Safety Measure	KTR55	V Merrill	16,100	-	16,100	-	-	-	16,100	4,565	11,535	16,100	-	-	-		-	-	-
<b>North</b>																			
ITP North - A525 Broughall crossroads widening	KTR05	V Merrill	18,037	4,138	13,899	-	-	-	13,899	725	13,174	13,899	-	-	-		-	-	-
ITP North - B5069 Moors Bank St Martins speed reduction	KTR06	V Merrill	5,142	-	5,142	-	-	-	5,142	5,741	(599)	5,142	-	-	-		-	-	-
ITP North - Prees Lower Heath speed reduction	KTR07	V Merrill	4,035	672	3,363	-	-	-	3,363	229	3,134	3,363	-	-	-		-	-	-
ITP North - B4397 Baschurch speed reduction	KTR08	V Merrill	10,578	1,047	9,531	-	-	-	9,531	8,270	1,261	9,531	-	-	-		-	-	-
ITP North - B4396 Knockin Village speed reduction	KTR09	V Merrill	4,713	672	4,041	-	-	-	4,041	-	4,041	4,041	-	-	-		-	-	-
ITP North - A49 Hadnall to Preston Brock safety	KTR10	V Merrill	51,306	15,959	35,347	-	-	-	35,347	1,487	33,860	35,347	-	-	-		-	-	-
ITP North - Chirk Road Gobowen speed reduction	KTR11	V Merrill	3,931	672	3,259	-	-	-	3,259	73	3,186	3,259	-	-	-		-	-	-

## Shropshire Council - Capital Programme 2016/17 - 2019/20

## Capital Scheme Details Period 9 2016/17

Scheme Description	Code	Project Manager	Total Approved Scheme Budget £	Previous Years Spend £	Revised Budget Q2 2016/17 £	Budget Virements Q3 £	Budget Inc/Dec Q3 £	Reprofile to/from future years Q3 £	Revised Budget Q3 £	Actual Spend 30/12/16 £	Spend to Budget Variance £	Outturn Projection £	Outturn Variance projection £	RAG Status Scheme on Budget	RAG Status Scheme Progress	Note	2017/18 Revised Budget £	2018/19 Revised Budget £	2019/20 Revised Budget £
ITP North - B5065 Soulton road speed reduction	KTR12	V Merrill	4,177	-	4,177	-	-	-	4,177	1,043	3,134	4,177	-				-	-	-
ITP North - A49 Prees Higher Heath speed reduction	KTR13	V Merrill	47,016	7,833	39,183	-	-	-	39,183	752	38,431	39,183	-				-	-	-
ITP North - B5063 The Blamer speed reduction	KTR14	V Merrill	34,437	1,400	33,037	-	-	-	33,037	4,876	28,161	33,037	-				-	-	-
ITP North - A528 Speed Reduction Cockshutt	KTR27	V Merrill	13,962	2,400	11,562	-	-	-	11,562	4,112	7,450	11,562	-				-	-	-
ITP North - A529 Hinstock Safety Measures	KTR45	V Merrill	8,000	-	8,000	-	-	-	8,000	-	8,000	8,000	-				-	-	-
ITP North - Ternhill Safety Improvements	KTR49	V Merrill	5,680	1,300	4,380	-	-	-	4,380	4,380	(0)	4,380	-				-	-	-
ITP North - A51 Pipegate To Woore Speed Reduction	KTR54	V Merrill	2,000	-	2,000	-	-	-	2,000	-	2,000	2,000	-				-	-	-
ITP North - Ellesmere Town Centre 20Mph Zone	KTR56	V Merrill	9,000	-	9,000	-	-	-	9,000	-	9,000	9,000	-				-	-	-
ITP North - A41 Sandford Speed Reduction	KTR57	V Merrill	6,000	-	6,000	-	-	-	6,000	-	6,000	6,000	-				-	-	-
<b>South</b>																			
ITP South - A442 Norton	KTR15	V Merrill	16,860	1,727	15,133	-	-	-	15,133	993	14,140	15,133	-				-	-	-
ITP South - A456 Burford Speed Reduction	KTR16	V Merrill	86,719	63,249	23,470	-	-	-	23,470	7,566	15,904	23,470	-				-	-	-
ITP South - B4555 Severn Centre Highley traffic calming	KTR20	V Merrill	21,820	9,105	12,715	-	-	-	12,715	650	12,065	12,715	-				-	-	-
ITP South - A458 Morville Road Safety Improvements	KTR21	V Merrill	7,973	2,973	5,000	-	-	-	5,000	-	5,000	5,000	-				-	-	-
ITP South - Hope Valley Speed Reduction	KTR22	V Merrill	20,511	5,511	15,000	-	-	-	15,000	-	15,000	15,000	-				-	-	-
ITP South - Chorley speed limit	KTR23	V Merrill	5,000	-	5,000	-	-	-	5,000	-	5,000	5,000	-				-	-	-
ITP South - B4378 Shipton speed limit	KTR24	V Merrill	2,101	102	1,999	-	-	-	1,999	1,853	146	1,999	-				-	-	-
ITP South - Ironbridge Road Broseley Speed Reduction	KTR25	V Merrill	17,155	943	16,212	-	-	-	16,212	4,563	11,649	16,212	-				-	-	-
ITP South - A4169 Sheinton Street Much Wenlock	KTR26	V Merrill	134,862	8,278	126,584	-	-	-	126,584	17,325	109,259	126,584	-				-	-	-
ITP South - A454 Spoonleygate Crossroads Improvement	KTR29	V Merrill	3,300	-	3,300	-	-	-	3,300	-	3,300	3,300	-				-	-	-
ITP South - A41 Stanton Road Junction Improvement Tong	KTR30	V Merrill	22,288	2,906	19,382	-	-	-	19,382	5,978	13,404	19,382	-				-	-	-
ITP South - Coalport Road Traffic Management, Broseley	KTR31	V Merrill	50,467	8,755	41,712	-	-	-	41,712	58,191	(16,479)	41,712	-				-	-	-
ITP South - B4373 Bridgnorth Rd Speed Reduction, Broseley	KTR38	V Merrill	22,132	758	21,374	-	-	-	21,374	1,256	20,118	21,374	-				-	-	-
ITP South - Dark Lane Broseley Road Safety	KTR40	V Merrill	13,766	6,539	7,227	-	-	-	7,227	925	6,302	7,227	-				-	-	-
ITP South - B4194 Button Oak - Spped Limit Alterations	KTR48	V Merrill	3,272	1,627	1,645	-	-	-	1,645	20,849	(19,204)	1,645	-				-	-	-
ITP South - A442 VAS	KTR50	V Merrill	6,663	-	6,663	-	-	-	6,663	3,001	3,662	6,663	-				-	-	-
ITP South - Redstone Drive Highley Road Safety Review	KTR51	V Merrill	26,000	-	26,000	-	-	-	26,000	1,945	24,055	26,000	-				-	-	-
ITP South - Lackstone Farm Cattle Warning System	KTR52	V Merrill	10,000	-	10,000	-	-	-	10,000	4,580	5,420	10,000	-				-	-	-
ITP South - Much Wenlock, Barrow & Broseley Hgv Mgmt	KTR53	V Merrill	30,000	-	30,000	-	-	-	30,000	12,972	17,028	30,000	-				-	-	-
ITP South - Henley Road, Ludlow sign scheme	KST15	V Merrill	14,412	4,412	10,000	-	-	-	10,000	1,737	8,263	10,000	-				-	-	-
<b>Total</b>					<b>920,250</b>				<b>920,250</b>	<b>397,515</b>	<b>522,735</b>	<b>920,250</b>		<b>Green</b>	<b>Amber</b>				
<b>Traffic Management</b>																			
<b>Central</b>																			
ITP Central - Racecourse Lane, Shrewsbury	KTM03	V Merrill	46,550	13,266	33,284	-	-	-	33,284	16,259	17,025	33,284	-				-	-	-
ITP Central - Eaton Constantine traffic management	KTM05	V Merrill	40,332	39,902	430	-	-	-	430	(8,191)	8,621	430	-				-	-	-
ITP Central - Cross Street Bridge, Shrewsbury, Warning Sign	KTM12	V Merrill	3,531	-	3,531	-	-	-	3,531	2,995	536	3,531	-				-	-	-
<b>South</b>																			
ITP South - A464 Upton Crossroads Shifnal signs	KTM09	V Merrill	26,259	7,870	18,389	-	-	-	18,389	21,652	(3,263)	18,389	-				-	-	-
ITP South - Albrighton cross road	KTM10	V Merrill	3,500	-	3,500	-	-	-	3,500	-	3,500	3,500	-				-	-	-
<b>Total</b>					<b>59,134</b>				<b>59,134</b>	<b>32,714</b>	<b>26,420</b>	<b>59,134</b>		<b>Green</b>	<b>Amber</b>				
<b>Parking Infrastructure</b>																			
<b>South</b>																			
ITP South - The Innage Shifnal Parking	KTP01	V Merrill	19,171	-	19,171	-	-	-	19,171	19,171	-	19,171	-				-	-	-
<b>Total</b>					<b>19,171</b>				<b>19,171</b>	<b>19,171</b>		<b>19,171</b>		<b>Green</b>	<b>Amber</b>				
<b>Network Improvements</b>																			
<b>Countywide</b>																			
ITP Countywide - Bus Shelters	KTN02	V Merrill	49,183	39,183	10,000	-	-	-	10,000	1,278	8,722	10,000	-				-	-	-
<b>South</b>																			
ITP South - Shifnal Network Improvement (S106)	KTN03	V Merrill	142,517	142,517	-	-	-	-	-	3,756	(3,756)	-	-				-	-	-
<b>Total</b>					<b>10,000</b>				<b>10,000</b>	<b>5,034</b>	<b>4,966</b>	<b>10,000</b>		<b>Green</b>	<b>Amber</b>				
<b>Integrated Transport Unallocated</b>																			
<b>Countywide</b>																			
ITP Countywide - Unallocated	KT000	V Merrill	Ongoing	-	34,482	-	-	-	34,482	-	34,482	34,482	-				1,000,000	1,000,000	-
<b>Total</b>					<b>34,482</b>				<b>34,482</b>		<b>34,482</b>	<b>34,482</b>		<b>Green</b>	<b>Amber</b>		<b>1,000,000</b>	<b>1,000,000</b>	
<b>Total Integrated Transport Plan</b>					<b>1,732,695</b>				<b>1,732,695</b>	<b>696,014</b>	<b>1,036,681</b>	<b>1,732,695</b>					<b>1,000,000</b>	<b>1,000,000</b>	
<b>Total Highways &amp; Transport - LTP</b>					<b>22,066,543</b>	<b>500,000</b>			<b>22,566,543</b>	<b>12,795,672.38</b>	<b>9,770,871</b>	<b>22,566,543</b>					<b>21,191,000</b>	<b>13,901,000</b>	
<b>LEP Schemes</b>																			
LEP Oxon Relief Road Project	KOX01	A Stirling	4,568,000	217,525	750,475	-	-	-	750,475	108,914	641,561	750,475	-	<b>Green</b>	<b>Green</b>		1,300,000	1,900,000	400,000
LEPSITP - Unallocated Contingency	KIT00	A Stirling	-	-	-	-	-	-	-	-	-	-	-	<b>Green</b>	<b>Green</b>		-	-	-
LEPSITP - Project Management/Design	KIT01	A Stirling	7,944,985	651,434	2,814,472	(500,000)	-	(250,000)	2,064,472	788,737	1,275,735	2,064,472	-	<b>Green</b>	<b>Green</b>		3,550,000	1,679,079	-
LEPSITP - Reabrook Roundabout	KIT02	A Stirling	-	-	-	-	-	-	-	-	-	-	-	<b>Green</b>	<b>Green</b>		-	-	-
LEPSITP - Meole Brace Roundabout	KIT03	A Stirling	-	-	-	-	-	-	-	-	-	-	-	<b>Green</b>	<b>Green</b>		-	-	-
LEPSITP - English Bridge Gyrotary	KIT04	A Stirling	-	-	-	-	-	-	-	-	-	-	-	<b>Green</b>	<b>Green</b>		-	-	-
LEPSITP - Coleham Head	KIT05	A Stirling	-	-	-	-	-	-	-	-	-	-	-	<b>Green</b>	<b>Green</b>		-	-	-
LEPSITP - SCOOT English Bridge/Abbey Foregate	KIT06	A Stirling	-	-	-	-	-	-	-	-	-	-	-	<b>Green</b>	<b>Green</b>		-	-	-
LEPSITP - SCOOT Meole Brace Corridor	KIT07	A Stirling	-	-	-	-	-	-	-	-	-	-	-	<b>Green</b>	<b>Green</b>		-	-	-
LEPSITP - VMS	KIT08	A Stirling	-	-	-	-	-	-	-	-	-	-	-	<b>Green</b>	<b>Green</b>		-	-	-



## Shropshire Council - Capital Programme 2016/17 - 2019/20

## Capital Scheme Details Period 9 2016/17

Scheme Description	Code	Project Manager	Total Approved Scheme Budget £	Previous Years Spend £	Revised Budget Q2 2016/17 £	Budget Virements Q3 £	Budget Inc/Dec Q3 £	Reprofile to/from future years Q3 £	Revised Budget Q3 £	Actual Spend 30/12/16 £	Spend to Budget Variance £	Outturn Projection £	Outturn Variance projection £	RAG Status Scheme on Budget	RAG Status Scheme Progress	Note	2017/18 Revised Budget £	2018/19 Revised Budget £	2019/20 Revised Budget £
LEPSITP - Traffic Management Existing 20mph Zone	KIT09	A Stirling	-	-	-	-	-	-	-	-	-	-	-	Green	Green		-	-	-
LEPSITP - Traffic Management Commercial Areas/Town Walls	KIT10	A Stirling	-	-	-	-	-	-	-	-	-	-	-	Green	Green		-	-	-
LEPSITP - Pride Hill Enhancement	KIT11	A Stirling	-	-	-	-	-	-	-	-	-	-	-	Green	Green		-	-	-
LEPSITP - Pedestrian & Cycle Imp - Northern Corridor	KIT12	A Stirling	-	-	-	-	-	-	-	-	-	-	-	Green	Green		-	-	-
LEPSITP - Pedestrian & Cycle Imp - Southern Corridor	KIT13	A Stirling	-	-	-	-	-	-	-	-	-	-	-	Green	Green		-	-	-
LEPSITP - Pedestrian & Cycle Imp - Western Corridor	KIT14	A Stirling	-	-	-	-	-	-	-	-	-	-	-	Green	Green		-	-	-
LEPSITP - Pedestrian Wayfinding	KIT15	A Stirling	-	-	-	-	-	-	-	-	-	-	-	Green	Green		-	-	-
<b>Total LEP Shrewsbury Integrated Transport Package</b>						(500,000)	-	(250,000)	2,064,472	788,737	1,275,735	2,064,472	-	Green	Green		3,550,000	1,679,079	-
<b>Total</b>					3,564,947	(500,000)	-	(250,000)	2,814,947	897,651	1,917,296	2,814,947	-				4,850,000	3,579,079	400,000
<b>Flood Defences &amp; Water Management</b>																			
Much Wenlock - Flood & Water Management	K6FW1	D Edwards	1,979,572	366,828	1,612,744	-	-	-	1,612,744	766,380	846,364	1,612,744	-	Green	Green		-	-	-
Craven Arms - Flood & Water Management	K6FW2	D Edwards	70,000	43,951	26,049	-	-	-	26,049	-	26,049	26,049	-	Green	Green		-	-	-
Church Stretton - Flood & Water Management	K6FW3	D Edwards	35,000	-	-	-	-	-	-	-	-	-	-	Green	Green		35,000	-	-
Shifnal - Flood & Water Management	K6FW4	D Edwards	582,000	37,835	172,165	-	-	-	172,165	972	171,193	172,165	-	Green	Green		150,000	222,000	-
Oswestry - Flood & Water Management	K6FW5	D Edwards	91,640	85,648	5,992	-	-	-	5,992	-	5,992	-	-	Green	Green		-	-	-
Shrewsbury - Flood & Water Management	K6FW6	D Edwards	158,262	125,400	32,862	-	-	-	32,862	-	32,862	32,862	-	Green	Green		-	-	-
The Grove, Minsterley IPP Scheme	K6FW8	D Edwards	66,000	61,008	4,992	-	-	-	4,992	-	4,992	-	-	Green	Green		-	-	-
Shropshire IPP Scheme Phase 1	K6FWA	D Edwards	187,585	57,323	94,262	-	-	-	94,262	3,440	90,822	94,262	-	Green	Green		36,000	-	-
Shropshire Slow the Flow Project	KEF01	D Edwards	350,000	50,552	89,448	-	-	-	89,448	19,559	69,890	89,448	-	Green	Green		70,000	70,000	70,000
<b>Total</b>					2,038,514	-	-	-	2,038,514	790,351	1,248,163	2,038,514	-				291,000	292,000	70,000
<b>Environmental Maintenance - Depots</b>																			
Depot Redevelopment - Unallocated	K6H03	S Brown	197,078	100,457	96,621	-	-	(90,000)	6,621	-	6,621	6,621	-	Green	Green		90,000	-	-
Depot Redevelopment - Hodnet	K6H06	S Brown	121,907	115,907	6,000	-	-	-	6,000	375	5,625	6,000	-	Green	Green		-	-	-
Depot Redevelopment - Craven Arms	K6H08	S Brown	1,036,103	907,690	128,413	-	-	-	128,413	54,068	74,345	128,413	-	Green	Green		-	-	-
Depot Redevelopment - Stourbridge Road, Bridgnorth	K6H09	S Brown	221,797	105,612	116,185	-	-	-	116,185	1,650	114,535	116,185	-	Green	Green		-	-	-
Depot Redevelopment - Stourbridge Road Bridgnorth - Salt Dome	K6H10	S Brown	100,000	-	100,000	-	-	-	100,000	-	100,000	100,000	-	Green	Green		-	-	-
Depot Redevelopment - Manor House Lane Store	K6H11	S Brown	50,000	-	50,000	-	-	-	50,000	-	50,000	50,000	-	Green	Green		-	-	-
Depot Redevelopment - Ice Station Replacement	K6H12	S Brown	100,000	-	100,000	-	-	-	100,000	817	99,183	100,000	-	Green	Green		-	-	-
<b>Total</b>					597,219	-	-	(90,000)	507,219	56,910	450,309	507,219	-				90,000	-	-
<b>Visitor Economy</b>																			
<b>Museums</b>																			
Museum Wall Refurbishment	K5HA9	L Cross	10,106,794	10,027,794	79,000	-	-	-	79,000	53,350	25,650	79,000	-	Green	Green		-	-	-
Heritage Assets Acquisition	K5HAA	E-K Lanyon	11,110	-	-	-	11,110	-	11,110	10,710	400	11,110	-	Green	Green		-	-	-
<b>Venues &amp; Programmes</b>																			
Theatre Severn - Major Maintenance Improvement Works	KBT01	L Cross	114,613	-	114,613	-	-	-	114,613	17,352	97,261	114,613	-	Green	Green		-	-	-
<b>Total</b>					193,613	-	11,110	-	204,723	81,412	123,311	204,723	-				-	-	-
<b>Outdoor Partnerships</b>																			
The Mere Play Area	K5T41	M Blount	102,655	100,184	2,471	-	-	-	2,471	1,395	1,076	2,471	-	Green	Green		-	-	-
Ash Road Oswestry	K5T43	M Blount	73,519	69,437	4,082	-	-	-	4,082	1,582	2,500	4,082	-	Green	Green		-	-	-
Snailbeach Lead Mine Higher Level Stewardship	K5T53	C Dean	197,761	191,803	5,958	-	-	-	5,958	4,565	1,393	5,958	-	Green	Green		-	-	-
Nesscliffe - Higher Level Stewardship	K5T55	C Dean	25,471	15,768	9,703	-	-	-	9,703	-	9,703	9,703	-	Green	Green		-	-	-
Crown Meadow Skatepark, Bridgnorth	K5T57	M Blount	90,001	86,586	3,415	-	-	-	3,415	2,742	673	3,415	-	Green	Green		-	-	-
Mere Wardens Bungalow Refurbishment	KBR05	M Blount	88,974	385	88,589	-	-	-	88,589	71,098	17,491	88,589	-	Green	Green		-	-	-
Broseley BMX & Outdoor Gym (S106)	KBR06	S McCarthy	40,000	8,453	31,547	-	-	-	31,547	25,060	6,487	31,547	-	Green	Green		-	-	-
Shelton Recreation Ground Pavilion (S106)	KBR07	M Blount	109,547	-	104,797	-	-	-	104,797	1,373	103,424	104,797	-	Green	Green		4,750	-	-
Nags Head Engine House	KBR08	J Howells	101,622	-	101,622	-	-	-	101,622	-	101,622	101,622	-	Green	Green		-	-	-
<b>Total</b>					352,184	-	-	-	352,184	107,815	244,369	352,184	-				4,750	-	-
<b>Total Infrastructure &amp; Communities</b>					29,237,663	-	(53,985)	(665,000)	28,518,678	14,733,175	13,785,503	28,518,678	-				27,051,750	17,772,079	470,000
<b>Economic Development</b>																			
<b>Physical Regeneration</b>																			
Food Enterprise Centre - Construction (Battlefield)	KER38	A Stirling	6,658,534	6,629,880	28,654	-	-	-	28,654	165	28,489	28,654	-	Green	Green		-	-	-
Shropshire Small Business Loan Scheme - Phase 1	KED32	C Cox	500,000	400,000	100,000	-	-	-	100,000	100,000	-	100,000	-	Green	Green		-	-	-
<b>MTRP</b>																			
Market Towns Revitalisation - Bridgnorth	KED26	C Cox	300,886	298,646	2,240	-	-	-	2,240	2,240	(0)	2,240	-	Green	Green		-	-	-
<b>Growth Point</b>																			
Shrewsbury Vision	K6GP4	A Stirling	389,294	389,294	-	21,735	(21,735)	-	-	-	-	-	-	Green	Green		-	-	-
Flaxmill Project - Implementation	K6FM1	A Stirling	1,000,000	-	-	-	-	-	-	-	-	-	-	Green	Green		500,000	500,000	-
Shrewsbury Vision - New Riverside Development	K6HR1	A Stirling	298,265	22,516	297,484	(21,735)	-	(150,000)	125,749	111,516	14,233	125,749	-	Green	Green		150,000	-	-
<b>Total</b>					428,378	-	(21,735)	(150,000)	256,643	213,922	42,721	256,643	-				650,000	500,000	-
<b>Natural &amp; Historical Environment</b>																			
Historic Environment Grants	K6HE1	A Cooper	Ongoing	12,480	33,682	-	-	-	33,682	-	33,682	33,682	-	Green	Green		-	-	-
Old Rectory, Whitchurch Section 106	KBN01	A Cooper	250,000	37,154	212,846	-	-	(150,000)	62,846	5,147	57,699	62,846	-	Green	Green		150,000	-	-
<b>Total</b>					246,528	-	-	(150,000)	96,528	5,147	91,381	96,528	-				150,000	-	-
<b>Planning Policy - Affordable Housing</b>																			
Affordable Housing - Rolling Fund	K6AHG	A Cooper	Ongoing	-	200,346	(200,000)	-	(346)	-	-	-	-	-	Green	Green		346	-	-

## Shropshire Council - Capital Programme 2016/17 - 2019/20

## Capital Scheme Details Period 9 2016/17

Scheme Description	Code	Project Manager	Total Approved Scheme Budget £	Previous Years Spend £	Revised Budget Q2 2016/17 £	Budget Virements Q3 £	Budget Inc/Dec Q3 £	Reprofile to/from future years Q3 £	Revised Budget Q3 £	Actual Spend 30/12/16 £	Spend to Budget Variance £	Outturn Projection £	Outturn Variance projection £	RAG Status Scheme on Budget	RAG Status Scheme Progress	Note	2017/18 Revised Budget £	2018/19 Revised Budget £	2019/20 Revised Budget £
Shrewsbury Self Build Scheme	K6AHT	A Cooper	300,000	17,447	282,553	-	-	(150,000)	132,553	9,315	123,238	132,553	-	Green	Green		150,000	-	-
Drapers Almshouses	K6AHU	A Cooper	240,000	-	240,000	-	-	-	240,000	120,000	120,000	240,000	-	Green	Green		-	-	-
Ellesmere Rd, Shrewsbury - Extra Care Scheme	KBH01	A Cooper	340,000	170,000	170,000	-	-	-	170,000	-	170,000	170,000	-	Green	Green		-	-	-
Community Led Affordable Housing Grant Scheme	K6AHV	A Cooper	2,132,000	1,684,000	394,000	-	-	-	394,000	184,000	210,000	394,000	-	Green	Green		54,000	-	-
Affordable Housing Contributions Grant Scheme (S106)	K6AHW	A Cooper	722,576	225,820	296,756	-	-	-	296,756	285,256	11,500	296,756	-	Green	Green		200,000	-	-
<b>Total</b>					<b>1,583,655</b>	<b>(200,000)</b>	<b>-</b>	<b>(150,346)</b>	<b>1,233,309</b>	<b>598,571</b>	<b>634,738</b>	<b>1,233,309</b>	<b>-</b>				<b>404,346</b>	<b>-</b>	<b>-</b>
<b>Broadband</b>																			
Broadband Project - Milestone 0	KB000	C Taylor	874,700	816,459	58,241	-	-	-	58,241	27,544	30,697	58,241	-	Green	Green		-	-	-
Broadband Project - Milestone 1	KB001	C Taylor	9,957,509	6,229,221	3,728,288	-	-	(2,000,000)	1,728,288	923,066	805,222	1,728,288	-	Green	Green		2,000,000	-	-
Broadband Project - Milestone 2	KB002	C Taylor	4,912,390	3,088,271	1,824,119	-	-	-	1,824,119	955,794	868,325	1,824,119	-	Green	Green		-	-	-
Broadband Project - Milestone 3	KB003	C Taylor	1,749,657	-	1,749,657	-	-	(1,000,000)	749,657	-	749,657	749,657	-	Green	Green		1,000,000	-	-
Broadband Project - Phase 2 - Milestone 0	KB004	C Taylor	472,521	-	-	-	-	-	-	-	-	-	-	Green	Green		472,521	-	-
Broadband Project - Phase 2 - Milestone 1	KB005	C Taylor	538,335	-	-	-	-	-	-	-	-	-	-	Green	Green		538,335	-	-
Broadband Project - Phase 2 - Milestone 2	KB006	C Taylor	3,478,092	-	-	-	-	-	-	-	-	-	-	Green	Green		2,335,988	1,142,104	-
Broadband Project - Phase 2 - Milestone 3	KB007	C Taylor	236,261	-	-	-	-	-	-	-	-	-	-	Green	Green		-	236,261	-
Broadband Project - Phase 2b - Lot 1	KB008	C Taylor	9,634,402	-	-	-	-	-	-	-	-	-	-	Green	Green		2,672,000	5,112,402	1,850,000
Broadband Project - Phase 2b - Lot 2	KB009	C Taylor	2,042,389	-	-	-	-	-	-	-	-	-	-	Green	Green		1,021,194	1,021,195	-
<b>Total</b>					<b>7,360,305</b>	<b>-</b>	<b>-</b>	<b>(3,000,000)</b>	<b>4,360,305</b>	<b>1,906,404</b>	<b>2,453,901</b>	<b>4,360,305</b>	<b>-</b>				<b>10,040,038</b>	<b>7,511,962</b>	<b>1,850,000</b>
<b>Total Economic Development</b>					<b>9,618,866</b>	<b>(200,000)</b>	<b>(21,735)</b>	<b>(3,450,346)</b>	<b>5,946,785</b>	<b>2,724,043</b>	<b>3,222,742</b>	<b>5,946,785</b>	<b>-</b>				<b>11,244,384</b>	<b>8,011,962</b>	<b>1,850,000</b>
<b>Business Enterprise &amp; Commercial Services</b>																			
<b>Strategic Asset Services</b>																			
<b>Corporate Landlord</b>																			
Lord Han Statue Repairs	KCS01	S Law	71,374	70,492	-	-	882	-	882	-	882	882	-	Green	Green		-	-	-
18 Shoplatch - toilet facilities	KRP04	S Law	36,000	-	36,000	-	-	-	36,000	-	36,000	36,000	-	Green	Green		-	-	-
The Cannery Demolition	KRP06	S Law	400,000	-	-	400,000	-	-	400,000	-	400,000	400,000	-	Green	Green		-	-	-
<b>Total</b>					<b>36,000</b>	<b>400,000</b>	<b>882</b>	<b>-</b>	<b>436,882</b>	<b>-</b>	<b>436,882</b>	<b>436,882</b>	<b>-</b>				<b>-</b>	<b>-</b>	<b>-</b>
<b>Energy &amp; Sustainability</b>																			
Shrewsbury St Marys Solar PV	KRV01	S Law	62,559	61,023	1,536	-	-	-	1,536	-	1,536	1,536	-	Green	Green		-	-	-
Bishops Castle Primary Solar PV	KRV03	S Law	40,847	39,874	973	-	-	-	973	-	973	973	-	Green	Green		-	-	-
Weston Rhyn Primary Solar PV	KRV04	S Law	33,109	32,321	788	-	-	-	788	-	788	788	-	Green	Green		-	-	-
Harlescott Junior Solar PV	KRV06	S Law	35,191	34,353	838	-	-	-	838	-	838	838	-	Green	Green		-	-	-
Mount Pleasant Primary Solar PV	KRV07	S Law	39,085	38,154	931	-	-	-	931	-	931	931	-	Green	Green		-	-	-
Ludlow Youth Centre Solar PV	KRV11	S Law	43,060	42,036	1,024	-	-	-	1,024	-	1,024	1,024	-	Green	Green		-	-	-
Severn Valley Country Park Solar PV	KRV14	S Law	18,045	17,616	429	-	-	-	429	-	429	429	-	Green	Green		-	-	-
SPARC - Solar PV	KRV15	S Law	60,719	59,200	1,519	-	-	-	1,519	-	1,519	1,519	-	Green	Green		-	-	-
Shirehall - Solar PV	KRV17	S Law	195,858	185,648	10,210	-	-	-	10,210	4,319	5,891	10,210	-	Green	Green		-	-	-
<b>Total</b>					<b>18,248</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>18,248</b>	<b>4,319</b>	<b>13,929</b>	<b>18,248</b>	<b>-</b>				<b>-</b>	<b>-</b>	<b>-</b>
<b>Small Holdings</b>																			
The Clamp - Smallholding Refurbishment	KCS03	S Law	15,830	15,830	134,109	(134,000)	(109)	-	-	-	-	-	-	Green	Green		-	-	-
<b>Total</b>					<b>134,109</b>	<b>(134,000)</b>	<b>(109)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>				<b>-</b>	<b>-</b>	<b>-</b>
<b>Gypsy Sites</b>																			
Travellers Sites Unallocated Grant (Phase 1&2 HCA)	K6T00	S Law	4,866	-	66,648	(61,782)	-	(4,866)	-	-	-	-	-	Green	Green		4,866	-	-
Gypsy Site - Manor House Lane	K6T03	S Law	700,568	653,803	46,765	-	-	-	46,765	31,826	14,939	46,765	-	Green	Green		-	-	-
Gypsy Sites - Whittington Phase 2	K6T04	S Law	671,522	594,346	77,308	(132)	-	-	77,176	67,777	9,399	77,176	-	Green	Green		-	-	-
Gypsy Sites - Craven Arms Phase 2	K6T05	S Law	439,749	406,228	37,607	(4,086)	-	-	33,521	27,247	6,274	33,521	-	Green	Green		-	-	-
<b>Total</b>					<b>228,328</b>	<b>(66,000)</b>	<b>-</b>	<b>(4,866)</b>	<b>157,462</b>	<b>126,849</b>	<b>30,613</b>	<b>157,462</b>	<b>-</b>				<b>4,866</b>	<b>-</b>	<b>-</b>
<b>Total Strategic Asset Services</b>					<b>416,685</b>	<b>200,000</b>	<b>773</b>	<b>(4,866)</b>	<b>612,592</b>	<b>131,168</b>	<b>481,424</b>	<b>612,592</b>	<b>-</b>				<b>4,866</b>	<b>-</b>	<b>-</b>
<b>Total Business Enterprise &amp; Commercial Services</b>					<b>416,685</b>	<b>200,000</b>	<b>773</b>	<b>(4,866)</b>	<b>612,592</b>	<b>131,168</b>	<b>481,424</b>	<b>612,592</b>	<b>-</b>				<b>4,866</b>	<b>-</b>	<b>-</b>
<b>Total Place &amp; Enterprise</b>					<b>39,273,214</b>	<b>-</b>	<b>(74,947)</b>	<b>(4,120,212)</b>	<b>35,078,055</b>	<b>17,588,386</b>	<b>17,489,669</b>	<b>35,078,055</b>	<b>-</b>				<b>38,301,000</b>	<b>25,784,041</b>	<b>2,320,000</b>
<b>Adult Services</b>																			
<b>Social Care</b>																			
Community Capacity Grant	KA000	R Houghton	Ongoing	-	-	225,847	-	(200,000)	25,847	-	25,847	25,847	-	Green	Green		128,000	-	-
Mount Pleasant - Shared Development Site	K5B60	R Houghton	470,253	454,960	15,293	-	-	-	15,293	-	15,293	15,293	-	Green	Green		-	-	-
Telecare Call Monitoring	K5B88	R Houghton	251,412	132,480	118,932	-	-	-	118,932	76,618	42,314	118,932	-	Green	Green		-	-	-
IT Mobile Flexible Working	K5B89	R Houghton	244,999	197,742	27,257	20,000	-	-	47,257	31,437	15,820	47,257	-	Green	Green		-	-	-
Development Trust Development - Raven Site, Market Drayton	K5B94	R Houghton	2,041,307	1,943,440	97,867	-	-	-	97,867	46,479	51,388	97,867	-	Green	Green		-	-	-
Adult Social Care Community Capital Grant Scheme	K5B01	R Houghton	2,872	1,000	1,872	-	-	-	1,872	1,872	-	1,872	-	Green	Green		-	-	-
IT Hardware - Implementation of Care Bill	K5B02	R Houghton	279,000	70,175	208,825	-	-	(208,825)	-	-	-	-	-	Green	Green		208,825	-	-
Baschurch Assisted Living Bungalow - Phase 3	K5B04	R Houghton	480,000	382,696	147,304	(50,000)	-	-	97,304	-	97,304	97,304	-	Green	Green		-	-	-
London Road Assisted Living Bungalow - Phase 4	K5B05	R Houghton	570,000	2,593	544,407	-	-	-	544,407	127,457	416,950	544,407	-	Green	Green		23,000	-	-
Kempsfield/Aquamira Gas Installation	KA001	R Houghton	15,000	-	15,000	-	-	-	15,000	-	15,000	15,000	-	Green	Green		-	-	-

## Shropshire Council - Capital Programme 2016/17 - 2019/20

## Capital Scheme Details Period 9 2016/17

Scheme Description	Code	Project Manager	Total Approved Scheme Budget £	Previous Years Spend £	Revised Budget Q2 2016/17 £	Budget Virements Q3 £	Budget Inc/Dec Q3 £	Reprofile to/from future years Q3 £	Revised Budget Q3 £	Actual Spend 30/12/16 £	Spend to Budget Variance £	Outturn Projection £	Outturn Variance £	RAG Status Scheme on Budget	RAG Status Scheme Progress	Note	2017/18 Revised Budget £	2018/19 Revised Budget £	2019/20 Revised Budget £
Autism Innovation Capital Grant	KA002	R Houghton	18,500	11,020	7,480	-	-	-	7,480	-	7,480	7,480	-	Green	Green		-	-	-
Refurb The Meres for Library Services	KA005	R Houghton	40,000	-	40,000	-	-	-	40,000	-	40,000	40,000	-	Green	Green		-	-	-
Kempfield Pre Lift Housing	KA007	R Houghton	-	-	3,500	(3,500)	-	-	-	-	-	-	-	Green	Green		-	-	-
4 Sandpit Fitouts	KA009	R Houghton	-	-	6,000	(6,000)	-	-	-	-	-	-	-	Green	Green		-	-	-
5 Lawley Gardens External Works	KA010	R Houghton	-	-	1,800	(1,800)	-	-	-	-	-	-	-	Green	Green		-	-	-
Aquamira - Water Filtration System Replacement	KA014	R Houghton	4,799	-	4,799	-	-	-	4,799	4,799	(0)	4,799	-	Green	Green		-	-	-
Glennview - replacement specialist bathing equip	KA015	R Houghton	16,224	-	16,224	-	-	-	16,224	16,224	-	16,224	-	Green	Green		-	-	-
Just Checking - Equipment Purchase	KA016	R Houghton	9,312	-	9,312	-	-	-	9,312	9,312	-	9,312	-	Green	Green		-	-	-
Belulah House - Resurfacing Roadway	KA017	R Houghton	5,363	-	5,799	(436)	-	-	5,363	4,920	443	5,363	-	Green	Green		-	-	-
The Rowans Refurbishment Works	KA019	R Houghton	13,000	-	70,000	(57,000)	-	(13,000)	-	-	-	-	-	Green	Green		13,000	-	-
Hearne Way Caretakers Bungalow Refurbishment	KA022	R Houghton	10,000	-	120,000	(110,000)	-	(10,000)	-	-	-	-	-	Green	Green		10,000	-	-
Redwood - New Kitchen & Bathroom	KA023	R Houghton	15,000	-	15,000	-	-	-	15,000	-	15,000	15,000	-	Green	Green		-	-	-
Hook Farm Road, Bridgnorth - Refurbishment	KA024	R Houghton	50,000	-	50,000	-	-	-	50,000	-	50,000	50,000	-	Green	Green		-	-	-
West Lodge Shelton Adaptions	KA026	R Houghton	33,640	-	50,751	(17,111)	-	-	33,640	33,640	-	33,640	-	Green	Green		-	-	-
Aquamira - New Pool Cover/ additional changing rooms	KA027	R Houghton	60,000	-	-	-	-	-	-	-	-	-	-	Green	Green		60,000	-	-
Aquamira - New Sensory Equipment	KA028	R Houghton	12,000	-	-	-	-	-	-	-	-	-	-	Green	Green		12,000	-	-
<b>Total</b>					<b>1,577,422</b>			<b>(431,825)</b>	<b>1,145,597</b>	<b>352,758</b>	<b>792,839</b>	<b>1,145,597</b>					<b>454,825</b>		
<b>Housing Health &amp; Wellbeing</b>																			
Disabled Facilities Grants	K5P03	A Begley	Ongoing		1,579,128	-	-	-	1,579,128	1,145,161	433,967	1,579,128	-	Green	Green		-	-	-
HOLD Project	K5P04	A Begley	Ongoing		-	-	500,000	-	500,000	-	500,000	500,000	-	Green	Green		1,915,000	-	-
<b>Total</b>					<b>1,579,128</b>		<b>500,000</b>		<b>2,079,128</b>	<b>1,145,161</b>	<b>933,967</b>	<b>2,079,128</b>					<b>1,915,000</b>		
<b>Total Adult Services</b>					<b>3,156,550</b>		<b>500,000</b>	<b>(431,825)</b>	<b>3,224,725</b>	<b>1,497,919</b>	<b>1,726,806</b>	<b>3,224,725</b>					<b>2,369,825</b>		
<b>Public Health</b>																			
<b>Substance Misuse</b>																			
Widene Capital Grant	KSM01	J Randall	380,000	-	380,000	-	-	-	380,000	208,490	171,510	380,000	-	Green	Green		-	-	-
<b>Total</b>					<b>380,000</b>				<b>380,000</b>	<b>208,490</b>	<b>171,510</b>	<b>380,000</b>							
<b>Help 2 Change</b>																			
Help 2 Change Motorised Clinic Vehicle 1	KHC01	J Pearce	67,590	-	-	-	67,590	-	67,590	22,530	45,060	67,590	-	Green	Green		-	-	-
Help 2 Change Motorised Clinic Vehicle 2	KHC02	J Pearce	32,000	-	-	-	32,000	-	32,000	-	32,000	32,000	-	Green	Green		-	-	-
<b>Total</b>							<b>99,590</b>		<b>99,590</b>	<b>22,530</b>	<b>77,060</b>	<b>99,590</b>							
<b>Private Sector Housing</b>																			
Market Drayton Empty Property Incentive Grant	K5P14	K Collier	398,483	386,499	11,984	-	-	-	11,984	11,984	-	11,984	-	Green	Green		-	-	-
Whitchurch Area Empty Property Incentive Grant	K5P17	K Collier	263,970	109,119	154,851	-	-	-	154,851	95,005	59,846	154,851	-	Green	Green		-	-	-
Shropshire County Empty Property Incentive Grant	KPS01	K Collier	529,517	-	279,517	-	-	(250,000)	29,517	-	29,517	-	-	Green	Green		500,000	-	-
<b>Total</b>					<b>446,352</b>			<b>(250,000)</b>	<b>196,352</b>	<b>106,989</b>	<b>89,363</b>	<b>196,352</b>					<b>500,000</b>		
<b>Total Public Health</b>					<b>826,352</b>		<b>99,590</b>	<b>(250,000)</b>	<b>675,942</b>	<b>338,010</b>	<b>337,932</b>	<b>675,942</b>					<b>500,000</b>		
<b>Resources &amp; Support</b>																			
<b>Customer Involvement</b>																			
<b>ICT Digital Transformation</b>																			
ICT Digital Transformation - Unallocated	KIC00	M Leith	9,326,230	-	-	-	9,326,230	(9,256,230)	70,000	-	70,000	70,000	-	Green	Green		9,256,230	-	-
ICT Digital Transformation - BCDR Infrastructure Upgrade	KIC01	M Leith	372,770	-	-	-	372,770	-	372,770	-	372,770	372,770	-	Green	Green		-	-	-
<b>Total</b>							<b>9,699,000</b>	<b>(9,256,230)</b>	<b>442,770</b>		<b>442,770</b>	<b>442,770</b>					<b>9,256,230</b>		
<b>Total Resources &amp; Support</b>							<b>9,699,000</b>	<b>(9,256,230)</b>	<b>442,770</b>		<b>442,770</b>	<b>442,770</b>					<b>9,256,230</b>		
<b>Children's Services</b>																			
<b>Children's Safeguarding</b>																			
<b>Children's Residential Care</b>																			
Children's Residential Care - Buildings Conversion	K3A47	K Bradshaw	35,334	15,986	19,348	-	-	-	19,348	-	19,348	19,348	-	Green	Green		-	-	-
<b>Total</b>					<b>19,348</b>				<b>19,348</b>		<b>19,348</b>	<b>19,348</b>							
<b>Youth Work</b>																			
Youth - Oswestry Teenspace	K3EY4	S Wilkins	2,724,470	2,687,271	37,199	-	-	-	37,199	37,199	(0)	37,199	-	Green	Green		-	-	-
<b>Total</b>					<b>37,199</b>				<b>37,199</b>		<b>(0)</b>	<b>37,199</b>							
<b>Total Children's Safeguarding</b>					<b>56,547</b>				<b>56,547</b>	<b>37,199</b>	<b>19,348</b>	<b>56,547</b>							
<b>Learning &amp; Skills</b>																			

## Shropshire Council - Capital Programme 2016/17 - 2019/20

## Capital Scheme Details Period 9 2016/17

Scheme Description	Code	Project Manager	Total Approved Scheme Budget £	Previous Years Spend £	Revised Budget Q2 2016/17 £	Budget Virements Q3 £	Budget Inc/Dec Q3 £	Reprofile to/from future years Q3 £	Revised Budget Q3 £	Actual Spend 30/12/16 £	Spend to Budget Variance £	Outturn Projection £	Outturn Variance Projection £	RAG Status Scheme on Budget	RAG Status Scheme Progress	Note	2017/18 Revised Budget £	2018/19 Revised Budget £	2019/20 Revised Budget £
<b>Early Years</b>																			
Short Breaks	K3L59	N Ward	453,803	452,876	927	-	-	-	927	927	-	927	-	Green	Green		-	-	-
Early Years Unallocated	KLE00	N Ward	Ongoing	5,000	100,000	5,765	-	(100,000)	5,765	-	5,765	5,765	-	Green	Green		100,000	-	-
Ludlow Junior Demountable Reconfiguration	KLE02	N Ward	216,486	-	216,486	-	-	-	216,486	1,965	214,521	216,486	-	Green	Green		-	-	-
Cressage EY Demountable Refurb	KLE04	N Ward	41,373	-	41,373	-	-	-	41,373	41,373	(0)	41,373	-	Green	Green		-	-	-
Trinity Ford Early Years	KLE06	N Ward	77,078	-	77,078	-	-	-	77,078	-	77,078	77,078	-	Green	Green		-	-	-
Holy Trinity EY	KLE07	N Ward	10,000	-	-	10,000	-	-	10,000	-	10,000	10,000	-	Green	Green		-	-	-
Much Wenlock Extension EY Demountable	KLE08	N Ward	50,000	-	-	50,000	-	(40,000)	10,000	-	10,000	10,000	-	Green	Green		40,000	-	-
Stottesdon PS Extension EY Demountable	KLE09	N Ward	20,000	-	-	20,000	-	-	20,000	-	20,000	20,000	-	Green	Green		-	-	-
Mereside Primary - St Giles Pre-school Extension & Refurbishment	K3L06	N Ward	171,280	167,847	3,433	-	-	-	3,433	-	3,433	3,433	-	Green	Green		-	-	-
Broseley John Wilkinson Primary Early Years	K3L11	N Ward	263,965	105	249,895	13,965	-	-	263,860	4,580	259,280	263,860	-	Green	Green		-	-	-
Worthen Primary Early Years	K3L12	N Ward	130,000	-	130,000	-	-	(110,000)	20,000	-	20,000	20,000	-	Green	Green		110,000	-	-
Whitchurch Children's Centre	K3L14	N Ward	33,784	28,979	104,535	(99,730)	-	-	4,805	4,804	1	4,805	-	Green	Green		-	-	-
<b>Total</b>					<b>923,727</b>			<b>(250,000)</b>	<b>673,727</b>	<b>53,649</b>	<b>620,078</b>	<b>673,727</b>					<b>250,000</b>		
<b>Primary Schools</b>																			
Primary School Refurbishment Unallocated	KLP00	P Wilson	Ongoing	-	26,264	(26,264)	-	-	-	-	-	-	-	Green	Green		-	-	-
Highley - Reconfigure Office Area & Accessible Toilet	K3A08	P Wilson	90,000	618	89,382	-	-	-	89,382	720	88,662	89,382	-	Green	Green		-	-	-
Woodfield Infants - Refurbishment Nursery Demountable/Secure Lobby	K3A30	P Wilson	181,231	181,231	6,000	(6,000)	-	-	-	-	-	-	-	Green	Green		-	-	-
Kinlet Primary - Heads Office/PPA/Lobby Works	K3A54	P Wilson	136,621	2,918	144,509	(10,806)	-	(3,292)	130,411	119,541	10,870	130,411	-	Green	Green		3,292	-	-
Worthen Primary - Secure Lobby	K3A59	P Wilson	195	195	76,541	(76,541)	-	-	-	-	-	-	-	Green	Green		-	-	-
St Laurence Ludlow - Secure Lobby	K3A60	P Wilson	2,004	-	-	2,004	-	-	2,004	2,003	1	2,004	-	Green	Green		-	-	-
Belvidere Primary Toilet Refurbishment	K3A96	P Wilson	56,714	51,877	4,837	-	-	-	4,837	-	4,837	4,837	-	Green	Green		-	-	-
Longnor Toilet refurbishment	KLP04	P Wilson	29,002	4,573	29,326	(4,897)	-	-	24,429	24,428	1	24,429	-	Green	Green		-	-	-
St Peters Wem Toilet Remodelling	KLP06	P Wilson	92,769	63,147	29,622	-	-	-	29,622	29,203	419	29,622	-	Green	Green		-	-	-
Cockshutt - Secure Lobby	KLP09	P Wilson	53,150	-	53,150	-	-	-	53,150	195	52,955	53,150	-	Green	Green		-	-	-
Lower Heath - Entrance Lobby	KLP10	P Wilson	2,534	-	2,534	-	-	-	2,534	2,534	(0)	2,534	-	Green	Green		-	-	-
St Laurence, Ludlow - Entrance Lobby	KLP11	P Wilson	130,800	-	130,800	-	-	-	130,800	195	130,605	130,800	-	Green	Green		-	-	-
Bromley Cleve Secure Lobby	KLP13	P Wilson	10,900	-	-	10,900	-	-	10,900	-	10,900	10,900	-	Green	Green		-	-	-
Biodiversity Eco Classroom	KLP14	P Wilson	240,000	-	-	240,000	(4,694)	-	235,306	-	235,306	235,306	-	Green	Green		4,694	-	-
<b>Total</b>					<b>592,965</b>	<b>(111,604)</b>	<b>240,000</b>	<b>(7,986)</b>	<b>713,375</b>	<b>178,821</b>	<b>534,554</b>	<b>713,375</b>					<b>7,986</b>		
<b>Basic Need</b>																			
Backlog of Unallocated	KLB00	P Wilson	Ongoing	-	26,363	-	-	-	26,363	-	26,363	26,363	-	Green	Green		2,690,671	-	-
Market Drayton - Basic Need	K3181	P Wilson	264,060	225,547	38,513	-	-	-	38,513	-	38,513	38,513	-	Green	Green		-	-	-
Shrewsbury Mount Pleasant	KLB01	P Wilson	473,541	1,920	418,080	-	-	-	418,080	264,068	154,012	418,080	-	Green	Green		53,541	-	-
Shifnal Primary	KLB03	P Wilson	373,637	3,789	369,848	-	-	(14,293)	355,555	39,405	316,150	355,555	-	Green	Green		14,293	-	-
Market Drayton Infant/Junior - Ste TBC	KLB05	P Wilson	400,000	-	20,000	-	-	-	20,000	-	20,000	20,000	-	Green	Green		380,000	-	-
Shifnal St Andrews	KLB06	P Wilson	800,000	-	40,000	-	-	-	40,000	-	40,000	40,000	-	Green	Green		760,000	-	-
Sundome Infants/Harlescott Junior - Site TBC	KLB07	P Wilson	400,000	-	-	-	-	-	-	-	-	-	-	Green	Green		400,000	-	-
Market Drayton Primary	KLB08	P Wilson	400,000	-	-	-	-	-	-	-	-	-	-	Green	Green		400,000	-	-
Shifnal St Andrews	KLB09	P Wilson	400,000	-	-	-	-	-	-	-	-	-	-	Green	Green		400,000	-	-
<b>Total</b>					<b>912,804</b>			<b>(14,293)</b>	<b>898,511</b>	<b>303,473</b>	<b>595,038</b>	<b>898,511</b>					<b>5,098,505</b>		
<b>School Amalgamations</b>																			
School Amalgamations Unallocated	KLA00	P Wilson	Ongoing	-	105,630	-	-	(100,000)	5,630	-	5,630	5,630	-	Green	Green		100,000	-	-
Mount Pleasant	K3200	P Wilson	2,865,218	2,840,218	25,000	-	-	-	25,000	-	25,000	25,000	-	Green	Green		-	-	-
Holy Trinity	K3201	P Wilson	2,011,044	2,008,069	1,380	1,595	-	-	2,975	2,699	276	2,975	-	Green	Green		-	-	-
Bishop Hooper	K3094	P Wilson	3,440,817	3,402,059	38,758	-	-	-	38,758	-	38,758	38,758	-	Green	Green		-	-	-
Shawbury Primary / St Mary's Amalgamation	K3207	P Wilson	1,892,358	1,840,408	51,950	-	-	-	51,950	3,316	48,634	51,950	-	Green	Green		-	-	-
St Martins - All Through School	K3208	P Wilson	3,322,029	3,314,919	7,110	-	-	-	7,110	-	7,110	7,110	-	Green	Green		-	-	-
<b>Total</b>					<b>229,828</b>	<b>1,595</b>		<b>(100,000)</b>	<b>131,423</b>	<b>6,015</b>	<b>125,408</b>	<b>131,423</b>					<b>100,000</b>		
<b>Secondary Schools</b>																			
Secondary School Refurbishment Unallocated	KLS00	P Wilson	Ongoing	-	36,732	(36,576)	-	-	156	-	156	156	-	Green	Green		-	-	-
Belvidere Science College Toilet Refurbishment	K3A97	P Wilson	78,442	77,920	522	-	-	-	522	-	522	522	-	Green	Green		-	-	-
Olbury Wells Sports Hall	K3155	P Wilson	1,224	-	-	1,224	-	-	1,224	1,224	(0)	1,224	-	Green	Green		-	-	-
Belvidere Secondary School - Hall Refurbishment Phase 1	KLS01	P Wilson	85,102	79,764	5,338	-	-	-	5,338	4,182	1,156	5,338	-	Green	Green		-	-	-
Mary Webb - Toilets	KLS02	P Wilson	83,407	69,481	13,926	-	-	-	13,926	743	13,183	13,926	-	Green	Green		-	-	-
Ludlow Secondary School - Science Lab Refurbishment C3	KLS03	P Wilson	104,299	89,438	14,861	-	-	-	14,861	-	14,861	14,861	-	Green	Green		-	-	-
Bishops Castle CC - Changing Rooms	KLS04	P Wilson	79,844	2,359	77,641	(156)	-	-	77,485	77,485	-	77,485	-	Green	Green		-	-	-
Bishops Castle CC - Block B Toilet Refurb	KLS07	P Wilson	-	-	43,600	(43,600)	-	-	-	-	-	-	-	Green	Green		-	-	-
Mary Webb - Secure Lobby & Office remodel	KLS08	P Wilson	88,829	-	88,741	88	-	-	88,829	88,829	-	88,829	-	Green	Green		-	-	-
Grove - Science Lab Refurb	KLS09	P Wilson	115,953	-	109,000	6,953	-	-	115,953	8,335	107,618	115,953	-	Green	Green		-	-	-
Ludlow Secondary - Secure Lobby	KLS10	P Wilson	43,600	-	43,600	-	-	-	43,600	-	43,600	43,600	-	Green	Green		-	-	-
<b>Total</b>					<b>433,961</b>	<b>(72,067)</b>			<b>361,894</b>	<b>180,797</b>	<b>181,097</b>	<b>361,894</b>							
<b>Suitability</b>																			
Farlow Primary- PPA Space & Headteachers Office	KLS11	P Wilson	49,950	-	-	-	-	-	-	-	-	-	-	Green	Green		49,950	-	-
Norbury Primary- PPA Space	KLS12	P Wilson	76,300	-	-	-	-	-	-	-	-	-	-	Green	Green		76,300	-	-
Stoke On Tern Primary - PPA Space	KLS13	P Wilson	32,700	-	-	-	-	-	-	-	-	-	-	Green	Green		32,700	-	-
Hodnet - Secure Access	KLS14	P Wilson	155,400	-	-	-	-	-	-	-	-	-	-	Green	Green		155,400	-	-
<b>Total</b>																	<b>314,350</b>		
<b>Energy Efficiency</b>																			
Various - Boiler Control Replacement	KLGO1	P Wilson	32,700	-	-	-	-	-	-	-	-	-	-	Green	Green		32,700	-	-

## Shropshire Council - Capital Programme 2016/17 - 2019/20

## Capital Scheme Details Period 9 2016/17

Scheme Description	Code	Project Manager	Total Approved Scheme Budget £	Previous Years Spend £	Revised Budget Q2 2016/17 £	Budget Virements Q3 £	Budget Inc/Dec Q3 £	Reprofile to/from future years Q3 £	Revised Budget Q3 £	Actual Spend 30/12/16 £	Spend to Budget Variance £	Outturn Projection £	Outturn Variance Projection £	RAG Status Scheme on Budget	RAG Status Scheme Progress	Note	2017/18 Revised Budget £	2018/19 Revised Budget £	2019/20 Revised Budget £
Whitchurch Infants - phase 2 single pipe heating system	KL02	P Wilson	32,700	-	-	-	-	-	-	-	-	-	-	Green	Green		32,700	-	-
Mereside Primary - Boiler & Controls Upgrade	KL03	P Wilson	54,500	-	-	-	-	-	-	-	-	-	-	Green	Green		54,500	-	-
Woodlands primary - Boiler & Controls Upgrade	KL04	P Wilson	98,100	-	-	-	-	-	-	-	-	-	-	Green	Green		98,100	-	-
Trinity, Ford - Replace Heating Boiler	KL05	P Wilson	54,500	-	-	-	-	-	-	-	-	-	-	Green	Green		54,500	-	-
<b>Total</b>																	<b>272,500</b>		
<b>Universal Infant Free School Meals</b>																			
School Kitchen Unallocated (Capitalised DSG)	KLK00	P Wilson	9,958	-	9,170	788	-	-	9,958	-	9,958	9,958	-	Green	Green		-	-	-
St John the Baptist, Ruyton X1 Towns - Extend Kitchen	KLK05	P Wilson	137,106	3,063	134,043	-	-	-	134,043	122,760	11,283	134,043	-	Green	Green		-	-	-
Gobowen - Kitchen Upgrade	KLK15	P Wilson	4,796	-	5,450	(654)	-	-	4,796	4,796	-	4,796	-	Green	Green		-	-	-
Wooce - Kitchen Upgrade	KLK16	P Wilson	10,900	-	10,900	-	-	-	10,900	-	10,900	10,900	-	Green	Green		-	-	-
Radbrook - Kitchen Ventilation & Fire Door	KLK17	P Wilson	12,964	-	13,098	(134)	-	-	12,964	12,964	(0)	12,964	-	Green	Green		-	-	-
Church Preen - Kitchen Upgrade	KLK18	P Wilson	52,140	-	52,668	(528)	-	-	52,140	52,140	(0)	52,140	-	Green	Green		-	-	-
<b>Total</b>					<b>225,329</b>	<b>(528)</b>			<b>224,801</b>	<b>192,661</b>	<b>32,140</b>	<b>224,801</b>							
<b>Condition</b>																			
Condition Unallocated	KL000	P Wilson	Ongoing	-	20,871	280,638	-	(300,000)	1,509	-	1,509	1,509	-	Green	Green		77,394	-	-
Rushbury Primary Re Roof Pitch Roof	K3RD2	P Wilson	62,906	44,250	18,656	-	-	-	18,656	-	18,656	18,656	-	Green	Green		-	-	-
Albrighton Primary Bring Single Pipe Heating System above Floor	K3RE1	P Wilson	74,452	41,502	34,608	(1,658)	-	-	32,950	30,230	2,720	32,950	-	Green	Green		-	-	-
Bomere Heath Insulate Ceiling Voids	K3RE7	P Wilson	38,894	38,609	46,410	(46,125)	-	-	285	286	(1)	285	-	Green	Green		-	-	-
Crowmoor Primary General Roof Repairs	K3RF6	P Wilson	23,453	18,154	5,299	-	-	-	5,299	-	5,299	5,299	-	Green	Green		-	-	-
Shifnal Primary Replace High Level Window Frames to Hall	K3RJ5	P Wilson	25,714	190	25,524	-	-	-	25,524	21,000	4,524	25,524	-	Green	Green		-	-	-
St George's Roofing & Guttering Issues	K3RJ9	P Wilson	20,200	6,972	13,228	-	-	-	13,228	3,720	9,508	13,228	-	Green	Green		-	-	-
Meole Brace Primary - Re-roof (Southeast) flat roofs	K3RK4	P Wilson	66,666	48,802	17,864	-	-	-	17,864	7,504	10,360	17,864	-	Green	Green		-	-	-
Thomas Adams - Replace Science Classroom Windows	K3RK9	P Wilson	35,164	-	35,164	-	-	-	35,164	32,621	2,543	35,164	-	Green	Green		-	-	-
Woodlands - Replace Slate Roof Coverings	K3RL6	P Wilson	43,100	2,645	40,455	-	-	-	40,455	20,000	20,455	40,455	-	Green	Green		-	-	-
Crowmoor - Refenestration of 7 Classrooms	KL017	P Wilson	59,829	59,327	502	-	-	-	502	-	502	502	-	Green	Green		-	-	-
Belvidere Primary -Window replacements to main school	KL032	P Wilson	4,905	-	4,905	-	-	-	4,905	5,819	(914)	4,905	-	Green	Green		-	-	-
St Marys, Shifnal -Localised reroof	KL034	P Wilson	54,163	52,921	1,242	-	-	-	1,242	1,242	(0)	1,242	-	Green	Green		-	-	-
Ludlow Secondary - Boiler & Controls Upgrade	KL039	P Wilson	40,594	143	44,366	(3,915)	-	-	40,451	40,450	1	40,451	-	Green	Green		-	-	-
Oldbury Wells East - Boiler & Controls Upgrade	KL041	P Wilson	103,233	94,730	8,503	-	-	-	8,503	8,503	(0)	8,503	-	Green	Green		-	-	-
Tilley - Boiler & Controls Upgrade	KL043	P Wilson	66,840	47,349	19,491	-	-	-	19,491	550	18,941	19,491	-	Green	Green		-	-	-
Whitchurch Junior - Boiler & Controls Upgrade	KL044	P Wilson	58,110	190	58,635	(715)	-	-	57,920	57,920	-	57,920	-	Green	Green		-	-	-
Farlow - Re-roofing the Main Pitched Roof	KL045	P Wilson	67,812	22,340	45,472	-	-	-	45,472	37,023	8,449	45,472	-	Green	Green		-	-	-
Beckbury School House - Felt Underside of Roof & Replace	KL049	P Wilson	21,800	-	21,800	-	-	-	21,800	-	21,800	21,800	-	Green	Green		-	-	-
Malvern - Dining Room Roof, Drainage	KL057	P Wilson	116,379	92,318	24,061	-	-	-	24,061	18,111	5,950	24,061	-	Green	Green		-	-	-
John Kinson Primary - Improvement Storm Drainage to GP Road	KL059	P Wilson	-	-	4,360	(4,360)	-	-	-	-	-	-	-	Green	Green		-	-	-
Stoke on Tern - Replacement Windows to Rear Elevation	KL060	P Wilson	34,627	172	34,455	-	-	-	34,455	26,743	7,712	34,455	-	Green	Green		-	-	-
Stiperstones - Repairs to Demountable	KL062	P Wilson	2,813	-	4,392	(1,579)	-	-	2,813	2,813	-	2,813	-	Green	Green		-	-	-
St Giles - Phase 1&2 Rewire	KL066	P Wilson	68,277	250	68,027	-	-	-	68,027	56,032	11,995	68,027	-	Green	Green		-	-	-
Kinlet - Replacement of Rotten Timber Suspended Floor to Old Classroom	KL069	P Wilson	77	77	21,723	(21,723)	-	-	-	-	-	-	-	Green	Green		-	-	-
Moreton Say - Re-Roofing of Original Main Building	KL071	P Wilson	110,335	-	68,162	42,173	-	-	110,335	28,551	81,784	110,335	-	Green	Green		-	-	-
Pontesbury - Reroofing the School Hall & Classroom 6	KL073	P Wilson	39,917	39,045	872	-	-	-	872	-	872	-	-	Green	Green		-	-	-
Hope - 1st Phase re-roof of School to include Remedial Drainage	KL074	P Wilson	10,458	10,458	54,942	(54,942)	-	-	-	-	-	-	-	Green	Green		-	-	-
Albrighton, St Marys - Part Reroof Infants	KL083	P Wilson	71,679	-	76,919	(5,240)	-	-	71,679	71,679	-	71,679	-	Green	Green		-	-	-
Alveley - replace rotten timber classroom external doors.	KL093	P Wilson	8,501	-	12,370	(3,869)	-	-	8,501	8,501	-	8,501	-	Green	Green		-	-	-
Oldbury Wells East - Re-roofing Science Block	KL097	P Wilson	55,121	53,857	1,264	-	-	-	1,264	1,264	(0)	1,264	-	Green	Green		-	-	-
Sheriffhales - Roof repairs to demountable	KL098	P Wilson	2,097	690	1,734	(327)	-	-	1,407	1,407	-	1,407	-	Green	Green		-	-	-
Hadnall - fenestration	KL100	P Wilson	46,870	9,851	37,019	-	-	-	37,019	14,013	23,006	37,019	-	Green	Green		-	-	-
St Georges - Window fenestration	KL104	P Wilson	70,850	24,292	46,558	-	-	-	46,558	-	46,558	46,558	-	Green	Green		-	-	-
St Giles - Reroof 2 no. demountables	KL112	P Wilson	42,923	42,923	1,816	(1,816)	-	-	-	-	-	-	-	Green	Green		-	-	-
Hinstock - Demountable windows	KL113	P Wilson	13,080	7,756	5,324	-	-	-	5,324	-	5,324	-	-	Green	Green		-	-	-
Bishops Castle CC - Hall re fenestration	KL114	P Wilson	81,828	47,244	34,881	(297)	-	-	34,584	31,728	2,856	34,584	-	Green	Green		-	-	-
Cockshutt - Reroof Demountable	KL118	P Wilson	12,577	12,289	288	-	-	-	288	-	288	288	-	Green	Green		-	-	-
Cheswardine - Rewire Phase 1	KL121	P Wilson	31,429	26,778	4,651	-	-	-	4,651	-	4,651	4,651	-	Green	Green		-	-	-
Lower Heath - Rewire Phase 1	KL122	P Wilson	21,528	17,327	4,201	-	-	-	4,201	834	3,367	4,201	-	Green	Green		-	-	-
Ellesmere Primary - Survey Ducts	KL126	P Wilson	-	-	16,350	(16,350)	-	-	-	-	-	-	-	Green	Green		-	-	-
Church Preen - Phase 1 Rewire	KL128	P Wilson	10,871	-	10,871	-	-	-	10,871	10,871	-	10,871	-	Green	Green		-	-	-
Longnor - Retaining Wall	KL130	P Wilson	3,270	-	3,270	-	-	-	3,270	-	3,270	-	-	Green	Green		-	-	-
Much Wenlock Primary - Insulate Roof Space	KL132	P Wilson	5,956	-	5,956	-	-	-	5,956	5,956	-	5,956	-	Green	Green		-	-	-
Ludlow Junior - Replacement Windows	KL135	P Wilson	10,398	-	10,398	-	-	-	10,398	10,398	(0)	10,398	-	Green	Green		-	-	-
Ludlow Secondary - Replace Kitchen Windows	KL136	P Wilson	4,623	-	8,274	(3,651)	-	-	4,241	4,241	382	4,623	-	Green	Green		-	-	-
Castlefields, Bridgnorth EYFS - Replacement Windows	KL137	P Wilson	13,391	7,100	7,816	(1,525)	-	-	6,291	6,291	-	6,291	-	Green	Green		-	-	-
Farlow - Retaining Wall	KL140	P Wilson	-	-	10,900	(10,900)	-	-	-	-	-	-	-	Green	Green		-	-	-
Hinstock - Replace Windows	KL142	P Wilson	12,135	-	12,135	-	-	-	12,135	10,155	1,980	12,135	-	Green	Green		-	-	-
Coleham - New Boiler	KL143	P Wilson	69,892	-	69,892	-	-	-	69,892	33,541	36,351	69,892	-	Green	Green		-	-	-
Meadows Primary - Phase 1 Rewire	KL144	P Wilson	30,893	-	32,014	(1,121)	-	-	30,893	30,893	-	30,893	-	Green	Green		-	-	-
Cockshutt - Classroom Windows	KL145	P Wilson	22,553	-	22,553	-	-	-	22,553	22,553	(0)	22,553	-	Green	Green		-	-	-
Stoke on Tern - Window Replacement Phase 3	KL146	P Wilson	19,551	-	20,514	(963)	-	-	19,551	-	19,551	-	-	Green	Green		-	-	-
Bridgnorth St Leonards - Phase 2 Rewire	KL147	P Wilson	32,297	-	32,700	(403)	-	-	32,297	-	32,297	32,297	-	Green	Green		-	-	-
Coleham - Flat Roofs	KL149	P Wilson	65,704	-	67,147	(1,443)	-	-	65,704	65,704	(0)	65,704	-	Green	Green		-	-	-
Bomere Heath - Phase 3 Rewire & Kitchen Replacement	KL150	P Wilson	139,692	-	116,969	22,723	-	-	139,692	110,343	29,349								

## Shropshire Council - Capital Programme 2016/17 - 2019/20

## Capital Scheme Details Period 9 2016/17

Scheme Description	Code	Project Manager	Total Approved Scheme Budget	Previous Years Spend	Revised Budget Q2 2016/17	Budget Virements Q3	Budget Inc/Dec Q3	Reprofile to/from future years Q3	Revised Budget Q3	Actual Spend 30/12/16	Spend to Budget Variance	Outturn Projection	Outturn Variance Projection	RAG Status Scheme on Budget	RAG Status Scheme Progress	Note	2017/18 Revised Budget	2018/19 Revised Budget	2019/20 Revised Budget
			£	£	£	£	£	£	£	£	£	£	£				£	£	£
Belvidere Primary - Phase 1 Windows	KL151	P Wilson	27,029	-	27,250	(221)	-	-	27,029	9,640	17,389	27,029	-	Green	Green		-	-	-
Highley - Phase 3 Rewire	KL152	P Wilson	83,035	-	83,081	(2,046)	-	-	83,035	-	(1)	83,035	-	Green	Green		-	-	-
Crowmoor - New Floors in Two Classrooms	KL154	P Wilson	19,202	-	19,202	-	-	-	19,202	14,729	4,473	19,202	-	Green	Green		-	-	-
St Andrews CE Primary - Phase 2 Reroof	KL155	P Wilson	34,930	-	34,930	-	-	-	34,930	27,535	7,395	34,930	-	Green	Green		-	-	-
Shifnal - Phase 2 Replace Lighting	KL156	P Wilson	16,941	-	19,871	(2,930)	-	-	16,941	15,542	1,399	16,941	-	Green	Green		-	-	-
Trinity, Ford - Phase 2 Rewire	KL157	P Wilson	55,676	-	55,676	-	-	-	55,676	46,575	9,101	55,676	-	Green	Green		-	-	-
Longnor - Phase 2 Rewire	KL158	P Wilson	28,923	-	30,558	(1,635)	-	-	28,923	28,923	(1)	28,923	-	Green	Green		-	-	-
St Lawrence - Phase 2 Rewire	KL159	P Wilson	43,099	-	45,316	(2,217)	-	-	43,099	39,540	3,559	43,099	-	Green	Green		-	-	-
Oakmeadow - Phase 1 Reroof	KL160	P Wilson	80,305	-	80,305	-	-	-	80,305	215	80,090	80,305	-	Green	Green		-	-	-
BCCC - English Block Toilets	KL161	P Wilson	90,821	-	43,600	47,221	-	-	90,821	-	90,821	90,821	-	Green	Green		-	-	-
BCCC - Phase 1 Rewire	KL162	P Wilson	20,686	-	20,686	-	-	-	20,686	20,686	(1)	20,686	-	Green	Green		-	-	-
Ludlow School - Rosla Block Reroof	KL163	P Wilson	96,176	-	101,525	(5,349)	-	-	96,176	96,176	(1)	96,176	-	Green	Green		-	-	-
Albrighton - Foundation/KS1 Toilets	KL164	P Wilson	30,493	-	27,250	3,243	-	-	30,493	-	30,493	30,493	-	Green	Green		-	-	-
Morda - Replace Main Block Slate Roof	KL165	P Wilson	22,274	-	22,289	(15)	-	-	22,274	20,435	1,839	22,274	-	Green	Green		-	-	-
Grove - Phase 3 Curtain Walling	KL166	P Wilson	119,266	-	119,266	-	-	-	119,266	99,976	19,290	119,266	-	Green	Green		-	-	-
Moreton Say - Windows Replacement	KL172	P Wilson	13,728	-	21,800	(8,072)	-	-	13,728	-	13,728	13,728	-	Green	Green		-	-	-
Ludlow Junior - Phase 2 Rewire	KL168	P Wilson	18,844	-	20,279	(1,435)	-	-	18,844	18,844	(1)	18,844	-	Green	Green		-	-	-
Cheswardine - Phase 2 Rewire	KL169	P Wilson	33,933	-	33,717	216	-	-	33,933	8,185	25,748	33,933	-	Green	Green		-	-	-
Newtown Primary 1st Phase Rewire & Switchgear Change	KL170	P Wilson	32,842	-	32,842	-	-	-	32,842	25,957	6,885	32,842	-	Green	Green		-	-	-
Ludlow Secondary - Phase 2 Rewire	KL171	P Wilson	30,067	-	31,022	(955)	-	-	30,067	30,067	-	30,067	-	Green	Green		-	-	-
Woodfield - Phase 2 Windows	KL172	P Wilson	50,803	-	44,803	6,000	-	-	50,803	50,803	-	50,803	-	Green	Green		-	-	-
Woodfield - Reroof & Insulation of Demountable	KL173	P Wilson	13,571	-	13,571	-	-	-	13,571	8,249	5,322	13,571	-	Green	Green		-	-	-
Moreton Say - Rewire & Toilet Refurb	KL175	P Wilson	98,822	-	98,822	-	-	-	98,822	51,795	47,027	98,822	-	Green	Green		-	-	-
St Peters Wem - Phase 2 Reroof	KL176	P Wilson	98,589	-	98,589	-	-	-	98,589	64,626	33,963	98,589	-	Green	Green		-	-	-
Minsterley - Phase 3 Windows	KL177	P Wilson	23,383	-	23,383	-	-	-	23,383	20,649	2,734	23,383	-	Green	Green		-	-	-
Mary Webb - Reroof Science Block	KL178	P Wilson	68,928	-	68,928	-	-	-	68,928	-	68,928	68,928	-	Green	Green		-	-	-
Hodnet - Phase 2 Reroof	KL179	P Wilson	-	-	98,100	(98,100)	-	-	-	-	-	-	-	Green	Green		-	-	-
Mary Drayton Junior - Replace Stonework	KL180	P Wilson	11,229	-	11,229	-	-	-	11,229	-	11,229	11,229	-	Green	Green		-	-	-
St Martins - Phase 3 Rewire	KL181	P Wilson	31,607	-	32,420	(813)	-	-	31,607	29,175	2,432	31,607	-	Green	Green		-	-	-
St Martins Tern - Phase 2 Rewire	KL182	P Wilson	20,307	-	21,432	(1,125)	-	-	20,307	18,654	1,653	20,307	-	Green	Green		-	-	-
Thomas Adams - Phase 2 Rewire	KL183	P Wilson	32,606	-	34,539	(1,933)	-	-	32,606	32,606	(1)	32,606	-	Green	Green		-	-	-
Myddle - Phase 1 Rewire	KL184	P Wilson	32,434	-	32,434	-	-	-	32,434	26,761	5,673	32,434	-	Green	Green		-	-	-
Cornwall - Phase 1 Rewire	KL185	P Wilson	20,683	-	21,851	(1,168)	-	-	20,683	20,683	-	20,683	-	Green	Green		-	-	-
Church Preen - Phase 2 Rewire	KL186	P Wilson	14,346	-	14,798	(452)	-	-	14,346	14,346	(1)	14,346	-	Green	Green		-	-	-
Selatyn - Phase 1&2 Heating	KL187	P Wilson	42,720	-	42,720	-	-	-	42,720	33,446	9,274	42,720	-	Green	Green		-	-	-
Meole Brace Primary - Phase 2 Rewire & Ceiling Removal	KL188	P Wilson	41,270	-	41,270	-	-	-	41,270	30,266	11,004	41,270	-	Green	Green		-	-	-
Woodfield Inf - Floor & Rebuild Brick Piers	KL189	P Wilson	27,250	-	27,250	-	-	-	27,250	-	27,250	27,250	-	Green	Green		-	-	-
Market Drayton Infant - Replace Floor	KL190	P Wilson	6,089	-	6,089	-	-	-	6,089	6,089	(1)	6,089	-	Green	Green		-	-	-
Prees - Reaplace Heat Pumps	KL192	P Wilson	6,873	-	7,574	(701)	-	-	6,873	6,873	(1)	6,873	-	Green	Green		-	-	-
Stoke on Tern - Replace Oil Tank	KL193	P Wilson	5,155	-	4,906	249	-	-	5,155	5,155	(1)	5,155	-	Green	Green		-	-	-
Highley - Phase 2 Windows	KL194	P Wilson	31,764	-	34,002	(2,238)	-	-	31,764	31,764	(1)	31,764	-	Green	Green		-	-	-
Sheriffhales - Damproof Classroom	KL195	P Wilson	8,267	-	8,703	(436)	-	-	8,267	8,267	-	8,267	-	Green	Green		-	-	-
Radbrook - Demountable Windows	KL196	P Wilson	5,084	-	5,084	-	-	-	5,084	5,084	-	5,084	-	Green	Green		-	-	-
Hadnall Reroofing	KL197	P Wilson	38,239	-	38,239	-	-	-	38,239	-	38,239	38,239	-	Green	Green		-	-	-
Newtown Primary Flat Roof & High Level Cladding	KL198	P Wilson	22,190	-	22,190	-	-	-	22,190	16,420	5,770	22,190	-	Green	Green		-	-	-
Prees - Reroof Main School	KL199	P Wilson	20,664	-	20,664	-	-	-	20,664	380	20,284	20,664	-	Green	Green		-	-	-
Various - Boiler Control Replacement	KL200	P Wilson	49,748	-	49,748	-	-	-	49,748	11,665	38,083	49,748	-	Green	Green		-	-	-
Christ Church Cressage Primary School - Reroof Demountable	KL201	P Wilson	10,601	-	12,136	(1,535)	-	-	10,601	9,726	875	10,601	-	Green	Green		-	-	-
Whitchurch Infants - Phase 1 Rewire	KL202	P Wilson	22,032	-	22,032	-	-	-	22,032	17,755	4,277	22,032	-	Green	Green		-	-	-
Coleham - Replace Floors	KL203	P Wilson	30,637	-	30,502	135	-	-	30,637	30,637	(1)	30,637	-	Green	Green		-	-	-
Belvidere Secondary - Phase 4 Rewire	KL204	P Wilson	87,767	-	87,767	-	-	-	87,767	69,908	17,859	87,767	-	Green	Green		-	-	-
Meole Brace Secondary - Refurb of Demountable	KL205	P Wilson	27,251	-	30,038	(2,787)	-	-	27,251	27,251	(1)	27,251	-	Green	Green		-	-	-
St Leonards Primary School KS1 Hall Refenestration	KL206	P Wilson	63,539	-	63,539	-	-	-	63,539	19,134	44,406	63,539	-	Green	Green		-	-	-
Shifnal St Andrews - KS2 Toilets	KL207	P Wilson	80,861	-	80,000	861	-	-	80,861	-	80,861	80,861	-	Green	Green		-	-	-
Mary Webb - Phase 2 Windows	KL208	P Wilson	147,314	-	65,000	82,314	-	-	147,314	34,410	112,904	147,314	-	Green	Green		-	-	-
Minsterley - Boundary Wall	KL209	P Wilson	11,255	-	13,949	(2,694)	-	-	11,255	11,255	(1)	11,255	-	Green	Green		-	-	-
Hodnet - Phase 4 Rewire	KL210	P Wilson	18,587	-	20,000	(1,413)	-	-	18,587	18,587	-	18,587	-	Green	Green		-	-	-
Whixhall School Drainage	KL211	P Wilson	12,742	-	-	12,742	-	-	12,742	-	12,742	12,742	-	Green	Green		-	-	-
Belvidere Secondary Replace Hot Water Cylinder	KL212	P Wilson	21,800	-	-	21,800	-	-	21,800	-	21,800	21,800	-	Green	Green		-	-	-
Meole Brace Primary Storm Drain Replacement	KL213	P Wilson	10,900	-	-	10,900	-	-	10,900	-	10,900	10,900	-	Green	Green		-	-	-
Community College Bishops Castle - Replace Boiler & Controls	KL214	P Wilson	147,150	-	-	147,150	-	-	147,150	-	147,150	147,150	-	Green	Green		-	-	-
Meole Brace Secondary - Replace External Stairs to B1 Quad	KL216	P Wilson	16,350	-	-	16,350	-	-	16,350	-	16,350	16,350	-	Green	Green		-	-	-
Selatyn - Demolition of Outside Store and make good	KL217	P Wilson	32,700	-	-	32,700	-	-	32,700	-	32,700	32,700	-	Green	Green		-	-	-
Radbrook Primary - External Wall	KL218	P Wilson	1,317	-	-	1,317	-	-	1,317	-	1,317	1,317	-	Green	Green		-	-	-
Belvidere Primary - Re-fenestration and asbestos removal	KL300	P Wilson	27,250	-	-	-	-	-	-	-	-	-	-	Green	Green		27,250	-	-
Belvidere Secondary - Re-roof Hall	KL301	P Wilson	87,200	-	-	-	-	-	-	-	-	-	-	Green	Green		87,200	-	-
Coleham Primary - Phase 1 re-wire	KL302	P Wilson	32,700	-	-	-	-	-	-	-	-	-	-	Green	Green		32,700	-	-
Crowmoor Primary - Re-fenestration to Hall & Kitchen	KL303	P Wilson	87,200	-	-	-	-	-	-	-	-	-	-	Green	Green		87,200	-	-
Bishops Castle Primary - Demountable re-roof	KL304	P Wilson	16,350	-	-	-	-	-	-	-	-	-	-	Green	Green		16,350	-	-
Bishops Castle CC - Block A re-roof	KL305	P Wilson	87,200	-	-	-	-	-	-	-	-	-	-	Green	Green		87,200	-	-

## Shropshire Council - Capital Programme 2016/17 - 2019/20

## Capital Scheme Details Period 9 2016/17

Scheme Description	Code	Project Manager	Total Approved Scheme Budget £	Previous Years Spend £	Revised Budget Q2 2016/17 £	Budget Virements Q3 £	Budget Inc/Dec Q3 £	Reprofile to/from future years Q3 £	Revised Budget Q3 £	Actual Spend 30/12/16 £	Spend to Budget Variance £	Ourtturn Projection £	Ourtturn Variance projection £	RAG Status Scheme on Budget	RAG Status Scheme Progress	Note	2017/18 Revised Budget £	2018/19 Revised Budget £	2019/20 Revised Budget £
Belvidere Secondary - Phase 5 re-wire	KL306	P Wilson	54,500	-	-	-	-	-	-	-	-	-	-	Green	Green		54,500	-	-
St Marys Ablbrihton - Renewal of fan convectors	KL364	P Wilson	38,150	-	-	-	-	-	-	-	-	-	-	Green	Green		38,150	-	-
Gobowen Primary - Replace Kitchen Windows	KL307	P Wilson	10,900	-	-	-	-	-	-	-	-	-	-	Green	Green		10,900	-	-
Mary Webb Secondary - Phase 2 Replacement Windows	KL308	P Wilson	54,500	-	-	-	-	-	-	-	-	-	-	Green	Green		54,500	-	-
Mary Webb Secondary - Humanities Block re-wire	KL309	P Wilson	54,500	-	-	-	-	-	-	-	-	-	-	Green	Green		54,500	-	-
Coleham Primary - Phase 3 Walls, Windows & Doors	KL310	P Wilson	49,050	-	-	-	-	-	-	-	-	-	-	Green	Green		49,050	-	-
Weston Rhyn Primary - Replace Corridor Windows	KL311	P Wilson	21,800	-	-	-	-	-	-	-	-	-	-	Green	Green		21,800	-	-
Whitchurch Infants - Phase 2 re-wire	KL312	P Wilson	21,800	-	-	-	-	-	-	-	-	-	-	Green	Green		21,800	-	-
Market Drayton Infant - Replacement Windows & Doors	KL313	P Wilson	65,400	-	-	-	-	-	-	-	-	-	-	Green	Green		65,400	-	-
St Giles Primary - Phase 3 Re-wire	KL314	P Wilson	76,300	-	-	-	-	-	-	-	-	-	-	Green	Green		76,300	-	-
Thomas Adams - Kitchen Fan & Canopy replacement	KL315	P Wilson	38,150	-	-	-	-	-	-	-	-	-	-	Green	Green		38,150	-	-
Woore Primary - Phase 1 re-wire	KL316	P Wilson	16,350	-	-	-	-	-	-	-	-	-	-	Green	Green		16,350	-	-
Coleham Primary - Replace Gas Meter & Pipework	KL317	P Wilson	16,350	-	-	-	-	-	-	-	-	-	-	Green	Green		16,350	-	-
Meole Brace Primary - Re-roof KS2	KL318	P Wilson	76,300	-	-	-	-	-	-	-	-	-	-	Green	Green		76,300	-	-
Brockton Primary - Phase 1 re-wire	KL319	P Wilson	21,800	-	-	-	-	-	-	-	-	-	-	Green	Green		21,800	-	-
Sundome Infants - Phase 3 window replacement	KL320	P Wilson	27,250	-	-	-	-	-	-	-	-	-	-	Green	Green		27,250	-	-
Pontesbury Primary - Phase 2 window replacement	KL321	P Wilson	21,800	-	-	-	-	-	-	-	-	-	-	Green	Green		21,800	-	-
Whitchurch Infants - Classroom Floors	KL322	P Wilson	21,800	-	-	-	-	-	-	-	-	-	-	Green	Green		21,800	-	-
Hinstock Primary - Re-roof	KL323	P Wilson	65,400	-	-	-	-	-	-	-	-	-	-	Green	Green		65,400	-	-
Trinity,Ford - Final re-wire	KL324	P Wilson	21,800	-	-	-	-	-	-	-	-	-	-	Green	Green		21,800	-	-
Belvidere Secondary - Block 1 re-roof	KL325	P Wilson	109,000	-	-	-	-	-	-	-	-	-	-	Green	Green		109,000	-	-
Hadnall Primary -Main Toilet Refurbishment	KL326	P Wilson	32,700	-	-	-	-	-	-	-	-	-	-	Green	Green		32,700	-	-
Cheswardine Primary - Demountable Window Replacement	KL327	P Wilson	10,900	-	-	-	-	-	-	-	-	-	-	Green	Green		10,900	-	-
Bishops Castle CC - Phase 2 re-wire	KL328	P Wilson	54,500	-	-	-	-	-	-	-	-	-	-	Green	Green		54,500	-	-
Kinnerley Primary - Phase 1 Heating	KL329	P Wilson	49,050	-	-	-	-	-	-	-	-	-	-	Green	Green		49,050	-	-
Lower Heath Primary -Phase 2 Window Replacement	KL330	P Wilson	32,700	-	-	-	-	-	-	-	-	-	-	Green	Green		32,700	-	-
Meole Brace Primary - Phase 1 re-wire	KL331	P Wilson	32,700	-	-	-	-	-	-	-	-	-	-	Green	Green		32,700	-	-
Pontesbury Primary - KS2 Girls Toilet Refurbishment	KL332	P Wilson	54,500	-	-	-	-	-	-	-	-	-	-	Green	Green		54,500	-	-
St Lawrence, Ludlow - Hall & Corridor re-wire	KL333	P Wilson	16,350	-	-	-	-	-	-	-	-	-	-	Green	Green		16,350	-	-
Market Drayton Infant - Demountable Window Replacement	KL334	P Wilson	19,620	-	-	-	-	-	-	-	-	-	-	Green	Green		19,620	-	-
Church Preen Primary - Toilet refurbishment	KL335	P Wilson	43,600	-	-	-	-	-	-	-	-	-	-	Green	Green		43,600	-	-
Colecutt Primary - Toilet refurbishment	KL336	P Wilson	16,350	-	-	-	-	-	-	-	-	-	-	Green	Green		16,350	-	-
Hinstock Primary - Toilet refurbishment	KL337	P Wilson	32,700	-	-	-	-	-	-	-	-	-	-	Green	Green		32,700	-	-
Market Drayton Junior - Phase 1 Windows	KL338	P Wilson	32,700	-	-	-	-	-	-	-	-	-	-	Green	Green		32,700	-	-
Much Wenlock - KS2 Toilet refurbishment	KL339	P Wilson	16,350	-	-	-	-	-	-	-	-	-	-	Green	Green		16,350	-	-
Newtown Primary - Toilet refurbishment	KL340	P Wilson	21,800	-	-	-	-	-	-	-	-	-	-	Green	Green		21,800	-	-
St Georges Primary - Phase 2 Toilet refurbishment	KL341	P Wilson	43,600	-	-	-	-	-	-	-	-	-	-	Green	Green		43,600	-	-
St Lawrence Primary - Toilet refurbishment	KL342	P Wilson	65,400	-	-	-	-	-	-	-	-	-	-	Green	Green		65,400	-	-
Stiperstones Primary - Toilet refurbishment	KL343	P Wilson	43,600	-	-	-	-	-	-	-	-	-	-	Green	Green		43,600	-	-
Trinity,Ford - Junior Toilet refurbishment	KL344	P Wilson	54,500	-	-	-	-	-	-	-	-	-	-	Green	Green		54,500	-	-
Woore Primary - Toilet refurbishment	KL345	P Wilson	38,150	-	-	-	-	-	-	-	-	-	-	Green	Green		38,150	-	-
St Peters Wem, Phase 3 slate re-roof	KL346	P Wilson	98,100	-	-	-	-	-	-	-	-	-	-	Green	Green		98,100	-	-
Castlefields Primary - replacement windows	KL347	P Wilson	32,700	-	-	-	-	-	-	-	-	-	-	Green	Green		32,700	-	-
Thomas Adams - window replacement	KL348	P Wilson	43,600	-	-	-	-	-	-	-	-	-	-	Green	Green		43,600	-	-
Grove - Window fenestration 3 storey block	KL349	P Wilson	152,600	-	-	-	-	-	-	-	-	-	-	Green	Green		152,600	-	-
Hinstock Primary - window replacement	KL350	P Wilson	27,250	-	-	-	-	-	-	-	-	-	-	Green	Green		27,250	-	-
Woodfield Primary - replace kitchen roof	KL365	P Wilson	92,650	-	-	-	-	-	-	-	-	-	-	Green	Green		92,650	-	-
Thomas Adams - Phase 3 re-wire	KL351	P Wilson	54,500	-	-	-	-	-	-	-	-	-	-	Green	Green		54,500	-	-
Bryn Offa Primary - Phase 3 re-wire	KL352	P Wilson	21,800	-	-	-	-	-	-	-	-	-	-	Green	Green		21,800	-	-
Brockton Primary - replace front elevation windows	KL353	P Wilson	21,800	-	-	-	-	-	-	-	-	-	-	Green	Green		21,800	-	-
Brockton Primary - part re-wire, asbestos removal	KL354	P Wilson	32,700	-	-	-	-	-	-	-	-	-	-	Green	Green		32,700	-	-
Much Wenlock - rotten timber replacement	KL355	P Wilson	32,700	-	-	-	-	-	-	-	-	-	-	Green	Green		32,700	-	-
Meole Brace Primary - KS2 Hall re-roof	KL356	P Wilson	49,050	-	-	-	-	-	-	-	-	-	-	Green	Green		49,050	-	-
Meole Brace Secondary - replacement of timber to south	KL357	P Wilson	54,500	-	-	-	-	-	-	-	-	-	-	Green	Green		54,500	-	-
Meole Brace Secondary - replacement of timber to side	KL358	P Wilson	54,500	-	-	-	-	-	-	-	-	-	-	Green	Green		54,500	-	-
Meole Brace Secondary - replacement of timber windows	KL359	P Wilson	38,150	-	-	-	-	-	-	-	-	-	-	Green	Green		38,150	-	-
Minsterley Primary - Phase 1 re-wire	KL360	P Wilson	54,500	-	-	-	-	-	-	-	-	-	-	Green	Green		54,500	-	-
Meole Brace Primary - Phase 3 re-wire	KL361	P Wilson	54,500	-	-	-	-	-	-	-	-	-	-	Green	Green		54,500	-	-
Chirbury Primary - Demountable Toilet refurbishment	KL362	P Wilson	27,250	-	-	-	-	-	-	-	-	-	-	Green	Green		27,250	-	-
Stiperstones Primary - remove render & repair stone	KL363	P Wilson	27,250	-	-	-	-	-	-	-	-	-	-	Green	Green		27,250	-	-
<b>Total</b>					<b>3,639,539</b>	<b>405,540</b>	<b>-</b>	<b>(300,000)</b>	<b>3,745,079</b>	<b>2,177,521</b>	<b>1,567,558</b>	<b>3,745,079</b>	<b>-</b>				<b>2,980,064</b>	<b>-</b>	<b>-</b>
<b>Fire Safety Schemes</b>																			
Fire Safety - Unallocated	KLF00	P Wilson	Ongoing	-	122,745	(119,399)	-	-	3,346	-	3,346	3,346	-	Green	Green		-	-	-
Fire Safety - St Andrews CE Primary	KLF01	P Wilson	36,079	-	36,079	-	-	-	36,079	27,280	8,799	36,079	-	Green	Green		-	-	-
Fire Safety - The Meadows Oswestry	KLF03	P Wilson	25,306	-	26,493	(1,187)	-	-	25,306	25,306	-	25,306	-	Green	Green		-	-	-
Fire Safety - Alveley Primary	KLF05	P Wilson	10,900	-	-	10,900	-	-	10,900	-	10,900	10,900	-	Green	Green		-	-	-
Fire Safety - Market Drayton Infants	KLF08	P Wilson	8,202	-	-	8,202	-	-	8,202	728	7,474	8,202	-	Green	Green		-	-	-
Fire Safety - St Thomas & St Anne	KLF13	P Wilson	6,625	748	33,260	(27,383)	-	-	5,877	-	5,877	5,877	-	Green	Green		-	-	-
Fire Safety - Sheriffhales	KLF14	P Wilson	6,036	457	30,608	(25,029)	-	-	5,579	-	5,579	5,579	-	Green	Green		-	-	-
Fire Safety - Rushbury	KLF15	P Wilson	12,264	469	12,599	(804)	-	-	11,795	11,794	1	11,795	-	Green	Green		-	-	-

## Shropshire Council - Capital Programme 2016/17 - 2019/20

## Capital Scheme Details Period 9 2016/17

Scheme Description	Code	Project Manager	Total Approved Scheme Budget £	Previous Years Spend £	Revised Budget Q2 2016/17 £	Budget Virements Q3 £	Budget Inc/Dec Q3 £	Reprofile to/from future years Q3 £	Revised Budget Q3 £	Actual Spend 30/12/16 £	Spend to Budget Variance £	Outturn Projection £	Outturn Variance £	RAG Status Scheme on Budget	RAG Status Scheme Progress	Note	2017/18 Revised Budget £	2018/19 Revised Budget £	2019/20 Revised Budget £
Fire Safety - Beckbury	KLF16	P Wilson	12,392	436	15,478	(3,522)	-	-	11,956	-	11,956	11,956	-	Green	Green		-	-	-
Fire Safety - Adderley	KLF17	P Wilson	8,042	412	33,487	(25,857)	-	-	7,630	-	7,630	7,630	-	Green	Green		-	-	-
Fire Safety - Trinity Ford	KLF18	P Wilson	33,091	-	-	33,091	-	-	33,091	391	32,700	33,091	-	Green	Green		-	-	-
Fire Safety - Gobowen	KLF19	P Wilson	16,763	-	-	16,763	-	-	16,763	413	16,350	16,763	-	Green	Green		-	-	-
Fire Safety - Weston Rhyn	KLF20	P Wilson	16,715	-	-	16,715	-	-	16,715	365	16,350	16,715	-	Green	Green		-	-	-
Fire Safety - Trefonen	KLF21	P Wilson	16,717	-	-	16,717	-	-	16,717	367	16,350	16,717	-	Green	Green		-	-	-
Fire Safety - Hadnall	KLF23	P Wilson	22,019	-	-	22,019	-	-	22,019	219	21,800	22,019	-	Green	Green		-	-	-
Fire Safety - Myddle	KLF24	P Wilson	13,142	-	12,878	264	-	-	13,142	5,519	7,623	13,142	-	Green	Green		-	-	-
Fire Safety - St Andrews Nesscliffe	KLF25	P Wilson	7,851	-	-	7,851	-	-	7,851	221	7,630	7,851	-	Green	Green		-	-	-
Fire Safety - Brockton	KLF26	P Wilson	14,043	-	22,407	(8,364)	-	-	14,043	2,356	11,687	14,043	-	Green	Green		-	-	-
Fire Safety - Clive Primary Fire Alarm Replacement	KLF30	P Wilson	5,450	-	-	-	-	-	-	-	-	-	-	Green	Green		5,450	-	-
<b>Total</b>					<b>346,034</b>	<b>(79,023)</b>			<b>267,011</b>	<b>74,957</b>	<b>192,054</b>	<b>267,011</b>					<b>5,450</b>		
<b>Special Education Needs</b>																			
Schools Access Initiative Unallocated	KLD00	P Wilson	Ongoing	-	152,788	(151,924)	-	-	864	-	864	864	-	Green	Green		50,000	-	-
Criftns Changing Bench	KLD01	P Wilson	4,816	-	4,816	-	-	-	4,816	5,173	(357)	4,816	-	Green	Green		-	-	-
St Laurence - Changing Table	KLD02	P Wilson	15,536	-	16,400	(864)	-	-	15,536	15,536	-	15,536	-	Green	Green		-	-	-
Mereside Changing Bench & Rail	KLD03	P Wilson	8,875	-	-	8,875	-	-	8,875	8,875	(-)	8,875	-	Green	Green		-	-	-
Stoke-on-Tern Changing Table	KLD04	P Wilson	5,043	-	5,043	-	-	-	5,043	5,043	(-)	5,043	-	Green	Green		-	-	-
Kettlemere Centre - Lakelands	K3CX0	P Wilson	1,014,541	922,777	91,764	-	-	-	91,764	17,737	74,027	91,764	-	Green	Green		-	-	-
<b>Total</b>					<b>270,811</b>	<b>(143,913)</b>			<b>126,898</b>	<b>52,364</b>	<b>74,534</b>	<b>126,898</b>					<b>50,000</b>		
Devolved Formula Capital - Allocated by schools		P Wilson	Ongoing		1,783,125	-	32,123	(900,000)	915,248	541,121	374,127	915,248	-	Green	Green		900,000	-	-
<b>Total Learning &amp; Skills</b>					<b>9,358,123</b>		<b>272,123</b>	<b>(1,572,279)</b>	<b>8,057,967</b>	<b>3,761,378</b>	<b>4,296,589</b>	<b>8,057,967</b>					<b>9,978,855</b>		
<b>Total Children's Services</b>					<b>9,414,670</b>		<b>272,123</b>	<b>(1,572,279)</b>	<b>8,114,514</b>	<b>3,798,577</b>	<b>4,315,937</b>	<b>8,114,514</b>					<b>9,978,855</b>		
<b>Total General Fund Capital Programme</b>					<b>52,670,786</b>		<b>10,495,766</b>	<b>(15,630,546)</b>	<b>47,536,006</b>	<b>23,222,892</b>	<b>24,313,114</b>	<b>47,536,006</b>					<b>60,405,910</b>	<b>25,784,041</b>	<b>2,320,000</b>
<b>Housing Revenue Account</b>																			
<b>Major Repairs Programme - Unallocated</b>																			
Housing Major Repairs Programme	K5P01	A Begley	Ongoing	-	-	-	-	-	-	-	-	-	-	Green	Green		3,769,393	-	-
<b>Total</b>																	<b>3,769,393</b>		
<b>Major Repairs Programme - STAR Housing Contracts</b>																			
STaR Rewires	K5R02	A Begley	1,031,685	731,685	300,000	-	-	-	300,000	173,795	126,206	300,000	-	Green	Green		-	-	-
STaR Electrical Remedial Works	K5R04	A Begley	768,412	568,412	200,000	-	-	-	200,000	124,523	75,477	200,000	-	Green	Green		-	-	-
STaR Roofing	K5R05	A Begley	376,028	206,028	170,000	-	-	(80,000)	90,000	13,504	76,496	90,000	-	Green	Green		80,000	-	-
STaR Major Works	K5R06	A Begley	554,821	304,821	250,000	-	-	(150,000)	100,000	71,463	28,537	100,000	-	Green	Green		150,000	-	-
STaR Kitchens & Bathrooms	K5R07	A Begley	2,139,192	1,239,192	900,000	-	-	(400,000)	500,000	298,783	201,217	500,000	-	Green	Green		400,000	-	-
STaR Fire Safety Works	K5R08	A Begley	188,095	128,095	60,000	-	-	-	60,000	11,283	48,717	60,000	-	Green	Green		-	-	-
STaR One Off Doors	K5R09	A Begley	54,771	44,771	10,000	-	-	-	10,000	-	10,000	10,000	-	Green	Green		-	-	-
STaR External Doors	K5R11	A Begley	327,770	127,770	200,000	-	-	-	200,000	103,233	96,767	200,000	-	Green	Green		-	-	-
STaR External Wall Insulation	K5R12	A Begley	889,695	847,195	20,000	22,500	-	-	42,500	18,190	24,310	42,500	-	Green	Green		-	-	-
STaR Disabled Aids & Adaptations	K5R13	A Begley	672,423	422,423	250,000	-	-	-	250,000	123,124	126,876	250,000	-	Green	Green		-	-	-
STaR Heating Insulation Works (Liberty)	K5R14	A Begley	2,603,312	1,852,312	751,000	-	-	(150,000)	601,000	440,851	160,149	601,000	-	Green	Green		150,000	-	-
STaR Sewage Treatment Works	KSH01	A Begley	70,465	5,465	65,000	-	-	(60,000)	5,000	(345)	5,345	5,000	-	Green	Green		60,000	-	-
STaR Asbestos Removal	KSH02	A Begley	315,112	115,112	200,000	-	-	(90,000)	110,000	80,397	29,603	110,000	-	Green	Green		90,000	-	-
STaR Kitchens & Bathrooms Voids	KSH03	A Begley	354,572	154,572	200,000	-	-	-	200,000	104,511	95,489	200,000	-	Green	Green		-	-	-
STaR Oswestry Castlefields Regeneration	KSH04	A Begley	150,530	530	150,000	-	-	-	150,000	45,009	104,991	150,000	-	Green	Green		-	-	-
STaR Off Grid Properties Investment	KSH06	A Begley	477,500	-	500,000	(22,500)	-	-	177,500	55,249	122,251	177,500	-	Green	Green		300,000	-	-
STaR Heating Works - Reactive	KSH07	A Begley	750,000	-	750,000	-	-	-	450,000	222,044	227,956	450,000	-	Green	Green		300,000	-	-
<b>Total</b>					<b>4,976,000</b>			<b>(1,530,000)</b>	<b>3,446,000</b>	<b>1,885,614</b>	<b>1,560,386</b>	<b>3,446,000</b>					<b>1,530,000</b>		
<b>House re-purchases</b>																			
House re-purchases - 15 Albert Mews, Oswestry	K5RP1	A Begley	Ongoing	-	-	-	94,150	-	94,150	-	94,150	94,150	-	Green	Green		-	-	-
<b>Total</b>							<b>94,150</b>		<b>94,150</b>		<b>94,150</b>	<b>94,150</b>							
<b>New Build Programme</b>																			
Housing New Build Programme - Phase 1	K5NB1	A Begley	7,176,340	7,022,995	153,345	-	-	-	153,345	96,310	57,035	153,345	-	Green	Green		-	-	-
Housing New Build Programme - Phase 2	K5NB2	A Begley	3,815,981	1,397,648	2,365,259	-	-	-	2,365,259	1,773,957	591,302	2,365,259	-	Green	Green		53,074	-	-
Housing New Build Programme - Phase 3	K5NB3	A Begley	672,350	-	-	-	356,031	-	356,031	-	356,031	356,031	-	Green	Green		300,000	16,319	-
<b>Total</b>					<b>2,518,604</b>		<b>356,031</b>		<b>2,874,635</b>	<b>1,870,266</b>	<b>1,004,369</b>	<b>2,874,635</b>					<b>353,074</b>	<b>16,319</b>	
<b>Total Housing Revenue Account</b>					<b>7,494,604</b>		<b>450,181</b>	<b>(1,530,000)</b>	<b>6,414,785</b>	<b>3,755,880</b>	<b>2,658,905</b>	<b>6,414,785</b>					<b>5,652,467</b>	<b>16,319</b>	
<b>Total Capital Programme</b>					<b>60,165,390</b>		<b>10,945,947</b>	<b>(17,160,546)</b>	<b>53,950,791</b>	<b>26,978,772</b>	<b>26,972,019</b>	<b>53,950,791</b>					<b>66,058,377</b>	<b>25,800,360</b>	<b>2,320,000</b>



## Shropshire Council - Capital Programme 2016/17 - 2019/20

Financing	B/F Budget Q2 2016/17 £	Budget Virements Q3 £	Budget Inc/Dec Q3 £	Reprofile to/from future years Q3 £	Revised Budget Q3 16/17 £	2017/18 Revised Budget £	2018/19 Revised Budget £	2019/20 Revised Budget £
<b>Self Financed Prudential Borrowing</b>	-	-	-	-	-	300,000	-	-
<b>Government Grants</b>								
Department for Transport	18,710,000	-	-	-	18,710,000	21,691,000	14,901,000	-
Department for Health - Better Care Fund	2,498,219	-	-	-	2,498,219	-	-	-
Department for Health - HOLD Grant	-	-	500,000	-	500,000	1,915,000	-	-
Department for Education	-	-	-	-	-	-	-	-
- Condition Capital Grant	3,322,364	-	-	-	3,322,364	3,322,364	-	-
- Basic Need Capital Grant	1,795,273	-	-	(14,293)	1,780,980	1,798,306	-	-
- Devolved Formula Capital	1,785,922	-	(11,920)	(900,000)	874,002	900,000	-	-
HCA - Travellers	228,328	-	-	(4,866)	223,462	4,866	-	-
HCA - New Build	68,500	-	62,500	-	131,000	62,500	-	-
BDUK - Broadband	-	-	-	-	-	4,368,038	7,011,962	-
Environment Agency	1,704,512	-	-	-	1,704,512	291,000	292,000	70,000
DEFRA	-	-	-	-	-	-	-	-
Local Enterprise Partnership (LEP) Fund	4,819,405	-	-	(250,000)	4,569,405	4,961,000	2,700,000	1,566,372
Public Health England	380,000	-	-	-	380,000	-	-	-
	<b>35,312,523</b>	-	<b>550,580</b>	<b>(1,169,159)</b>	<b>34,693,944</b>	<b>39,314,074</b>	<b>24,904,962</b>	<b>1,636,372</b>
<b>Other Grants</b>								
Historic England/English Heritage	102,077	-	-	-	102,077	-	-	-
Natural England	9,703	-	-	-	9,703	-	-	-
	<b>111,780</b>	-	-	-	<b>111,780</b>	-	-	-
<b>Other Contributions</b>								
Section 106	869,751	-	(7,451)	(150,000)	712,300	382,750	-	-
Other Contributions	70,489	-	(723)	-	69,766	-	-	-
	<b>940,240</b>	-	<b>(8,174)</b>	<b>(150,000)</b>	<b>782,066</b>	<b>382,750</b>	-	-
<b>Revenue Contributions to Capital</b>	<b>1,932,777</b>	-	<b>10,072,731</b>	<b>(405,040)</b>	<b>11,600,468</b>	<b>709,040</b>	-	-
<b>Major Repairs Allowance</b>	<b>5,681,489</b>	-	-	<b>(1,230,000)</b>	<b>4,451,489</b>	<b>4,833,074</b>	-	-
<b>Corporate Resources (expectation - Capital Receipts only)</b>	<b>16,186,581</b>	-	<b>330,810</b>	<b>(14,206,347)</b>	<b>2,311,044</b>	<b>20,519,439</b>	<b>895,398</b>	<b>683,628</b>
<b>Total Confirmed Funding</b>	<b>60,165,390</b>	-	<b>10,945,947</b>	<b>(17,160,546)</b>	<b>53,950,791</b>	<b>66,058,377</b>	<b>25,800,360</b>	<b>2,320,000</b>

## Shropshire Council - Capital Programme 2016/17 - 2019/20

### Funding changes - Quarter 3

Budget Increase/Decrease	2016/17	2017/18	2018/19	2019/20	Details
<b>Self Financed Prudential Borrowing</b>					
<b>Government Grants</b>					
Department for Transport - Pothole Action Fund		1,335,000			New grant allocation of Pothole Action Fund for 2017/18 to repair potholes or to stop them forming in the first place.
Department for Transport - Incentive/Efficiency Funding		1,236,000			Confirmation of additional Incentivisation Level 2 grant funding for 2017/18, based on self-assessment submission on asset management and efficient and best practice in highway maintenance .
Department for Transport - National Productivity Investment Fund		2,827,000			New 2017/18 funding for local highway and other local transport improvements which aim to reduce congestion at key locations, upgrade or improve the maintenance of local highway assets, to improve access to employment and housing, to develop economic and job creation opportunities.
Department for Education- Devolved Formula Capital	(11,920)				Removal of grant for schools whom have transferred to Academy and grant has transferred with them.
Department of Health - HOLD Grant	500,000	1,915,000			Funding through the 'Home Ownership for Clients with Long Term Disabilities' (HOLD) scheme, to help people with disabilities live independently.
BDUK - Broadband		1,021,194	5,633,597		Further confirmed BDUK funding for Phase 2b of the broadband programme.
<b>Total Government Grants</b>	<b>488,080</b>	<b>8,334,194</b>	<b>5,633,597</b>		
<b>Other Grants</b>					
HCA (New Build)	62,500	62,500			New HCA funding towards HRA New build programme Phase 3.
Other Grants	9,600				New funding towards acquisition of heritage assets.
<b>Total Other Grants</b>	<b>72,100</b>	<b>62,500</b>			
<b>Other Contributions</b>					
Section 106	42,000	28,000			New Section 106 funding towards HRA New build programme Phase 3.
Other Grants Contributions	(10,323)				External contributions to a school scheme and acquisition of heritage asset. Offset by write-off of previously applied contribution.
<b>Total Other Contributions</b>	<b>31,677</b>	<b>28,000</b>			
<b>Revenue Contributions to Capital</b>	10,072,731				£9.699m revenue contribution to ICT Digital Transformation as included in the Q2 Revenue Monitoring report and approved by Council 15/12/16. £0.274m in various school revenue contributions to schemes and £0.100m for the purchase of motorised clinic vehicles for Help to Change.
<b>Capital Receipts</b>	281,359	209,500	16,319		Allocation of ring-fenced HRA capital receipts towards HRA New build programme Phase 3 (£0.477m) and purchase of a new property for affordable rent (£0.094m). Partly offset by savings on other schemes (£0.064m).
	<b>10,945,947</b>	<b>8,634,194</b>	<b>5,649,916</b>	-	
	-	-	-	-	

## Shropshire Council - Capital Programme 2016/17 - 2019/20

<b>Re-profiling</b>					
<b>Place &amp; Enterprise</b>					
In Vessel Composting Facility	(325,000)	325,000			Re-profile of budget for acquisition of land for In Vessel Composting Facility, as acquisition will now not take place this financial year.
LEP Schemes	(250,000)	250,000			Re-profile LEP Funding for Shrewsbury Integrated Transport Projected in-line with forecast underspend report.
Environmental Maintenance - Depots	(90,000)	90,000			Re-profile unallocated to 2017/18 financial year
Growth Point	(150,000)	150,000			Re-profile forecast underspend on Raven Meadows MSCP to 2017/18 financial year
Natural & Historical Environment	(150,000)	150,000			Re-profile forecast underspend to 2017/18 financial year on Old Rectory, Whitchurch based on when third party is now expected to draw down the funding.
Planning Policy - Affordable Housing	(150,346)	150,346			Re-profile of monies in relation to Shrewsbury Self build scheme, as scheme is behind original profile.
Broadband	(3,000,000)	3,000,000			Re-profile funding based on updated funding drawdown profile from BT.
Gypsy Sites	(4,866)	4,866			Re-profile unallocated budget to 2017/18 financial year.
	<b>(4,120,212)</b>	<b>4,120,212</b>	-	-	
<b>Adult Services</b>					
Community Capacity Grant	(431,825)	431,825			Re-profile unallocated monies, budget for IT Hardware Implementation of Care Bill and budget for the retention on two refurbishment schemes to 2017/18 financial year.
	<b>(431,825)</b>	<b>431,825</b>	-	-	
<b>Public Health</b>					
Private Sector Housing	(250,000)	250,000			Re-profile unallocated Empty Property Incentive grant monies to 2017/18 financial year
	<b>(250,000)</b>	<b>250,000</b>	-	-	
<b>Children's Services</b>					
Learning & Skills	(1,572,279)	1,572,279			Re-profiling of unallocated monies that will now not be able to be allocated to deliverable schemes in year and for retention payments that will not be due until 2017/18.
	<b>(1,572,279)</b>	<b>1,572,279</b>	-	-	
<b>Resources &amp; Support</b>					
Customer Involvement	(9,256,230)	9,256,230			Re-profile of funding for ICT Digital Transformation, based on expected level of expenditure to be incurred in 2016/17 from latest project programme.
	<b>(9,256,230)</b>	<b>9,256,230</b>	-	-	
<b>HRA</b>					
Major Repairs Programme	(1,530,000)	1,530,000			Re-profile forecast underspend in deliver of HRA Major Repairs Programme to 2017/18 financial year
	<b>(1,530,000)</b>	<b>1,530,000</b>	-	-	
	<b>(17,160,546)</b>	<b>17,160,546</b>	-	-	
	-	-	-	-	

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## Committee and Date

Cabinet

8 February 2017

## **TREASURY MANAGEMENT UPDATE – QUARTER 3 2016/17**

**Responsible Officer** James Walton

e-mail: james.walton@shropshire.gov.uk

Tel: (01743) 258915

### **1. Summary**

- 1.1. The report outlines the treasury management activities of the Council in the last quarter. It highlights the economic environment in which treasury management decisions have been made and the interest rate forecasts of the Council's Treasury Advisor, Capita Asset Services. It also updates Members on the internal treasury team's performance.
- 1.2. During the third quarter of 2016/17 the internal treasury team achieved a return of 0.47% on the Council's cash balances, outperforming the benchmark by 0.35%. This amounts to additional income of £168,200 during the quarter which is included within the Council's projected outturn position in the monthly revenue monitor.

### **2. Recommendations**

- 2.1. Members are asked to accept the position as set out in the report.

## **REPORT**

### **3. Risk Assessment and Opportunities Appraisal**

- 3.1. The recommendations contained in this report are compatible with the provisions of the Human Rights Act 1998.
- 3.2. There are no direct environmental, equalities or climate change consequences arising from this report.
- 3.3. Compliance with the CIPFA Code of Practice on Treasury Management, the Council's Treasury Policy Statement and Treasury Management Practices and the Prudential Code for Capital Finance together with the rigorous internal controls will enable the Council to manage the risk associated with Treasury Management activities and the potential for financial loss.

## **4. Financial Implications**

- 4.1. The Council makes assumptions about the levels of borrowing and investment income over the financial year. Reduced borrowing as a result of capital receipt generation or delays in delivery of the capital programme will both have a positive impact of the council's cash position. Similarly, higher than benchmarked returns on available cash will also help the Council's financial position. For monitoring purposes, assumptions are made early in year about borrowing and returns based on the strategies agreed by Council in the preceding February. Performance outside of these assumptions results in increased or reduced income for the Council.
- 4.2. The Quarter 3 performance is above benchmark and has delivered additional income of £168,200 which will be reflected in the Period 9 Revenue Monitor.
- 4.3. The Council currently has £181 million held in investments as detailed in Appendix A and borrowing of £324 million at fixed interest rates.

## **5. Background**

- 5.1. The Council defines its treasury management activities as "the management of the authority's investments and cash flows, its banking, money market and capital market transactions, the effective control of the risks associated with those activities, and the pursuit of optimum performance consistent with those risks". The report informs Members of the treasury activities of the Council between 1 October 2016 and 31 December 2016.

## **6. Economic Background**

- 6.1. The Bank of England meeting on 4th August addressed its forecast of a slowdown in growth by cutting the Bank Rate from 0.50% to 0.25%. The August inflation report cut the forecast for growth in 2017 from 2.3% to just 0.8%. The Governor of the Bank of England, Mark Carney, had warned that a vote for Brexit would be likely to cause a slowing in growth, particularly from a reduction in business investment, due to the uncertainty of whether the UK would have continuing full access to the EU single market.
- 6.2. However, the robust growth in the third quarter of 0.6%, plus forward indicating business surveys also being very positive on growth, caused the Monetary Policy Committee (MPC) in November to pull back from another cut in Bank Rate. The November Inflation Report also included a forecast for Inflation to rise to around 2.7% in 2018 and 2019, well above its 2% target, due to a sharp rise in the cost of imports as a result of a sharp fall in sterling after the referendum.
- 6.3. For now at least, the MPC do not appear to be too fazed by this overshoot of the 2% inflation target. Given the uncertainty about the economic outlook and especially the impact from the two year window for Brexit negotiations from March 2017, interest rates look set to remain on hold for a long while yet.
- 6.4. The US economy grew strongly during the quarter and forward indicators are pointing towards robust growth in 2017, especially if Donald Trump's

expansionary plans are put into effect. The Federal Reserve embarked on its long anticipated first increase in interest rates back in December 2015. At that point confidence was high and four more increases were expected to be implemented in 2016. Since then more downbeat news on the international scene and then the Brexit vote caused a delay in the timing of the second increase of 0.25% until December 2016. Further increases are now expected in both 2017 and 2018.

6.5. In the Eurozone, the European Central Bank extended its Quantitative easing programme in December 2016 but these measures have struggled to make a significant impact in boosting economic growth and helping inflation to rise from around zero towards the 2% target. There have been many comments from forecasters that central banks around the world are running out of ammunition to stimulate economic growth and to boost inflation. They stress that national governments will need to do more by way of structural reforms, fiscal measures and direct investment to support demand in their economies and economic growth.

6.6. Japan has been struggling to gain consistent significant growth but has achieved an annualised rate of 2.7% in the third quarter. It has also been struggling to put deflation firmly behind it and to get inflation up to reasonable levels, despite huge monetary and fiscal stimulus. Japan has been making little progress on fundamental reform of the economy.

## 7. Economic Forecast

7.1. The Council receives its treasury advice from Capita Asset Services. Their latest interest rate forecasts to 31 March 2020 are shown below:

	Mar-17	Jun-17	Sep-17	Dec-17	Mar-18	Jun-18	Sep-18	Dec-18	Mar-19	Jun-19	Sep-19	Dec-19	Mar-20
Bank rate	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.50%	0.50%	0.75%	0.75%
5yr PWLB rate	1.60%	1.60%	1.60%	1.60%	1.70%	1.70%	1.70%	1.80%	1.80%	1.90%	1.90%	2.00%	2.00%
10yr PWLB rate	2.30%	2.30%	2.30%	2.30%	2.30%	2.40%	2.40%	2.40%	2.50%	2.50%	2.60%	2.60%	2.70%
25yr PWLB rate	2.90%	2.90%	2.90%	3.00%	3.00%	3.00%	3.10%	3.10%	3.20%	3.20%	3.30%	3.30%	3.40%
50yr PWLB rate	2.70%	2.70%	2.70%	2.80%	2.80%	2.80%	2.90%	2.90%	3.00%	3.00%	3.10%	3.10%	3.20%

7.2. The MPC had previously given a strong steer that it was likely to cut the Bank Rate again from its current level of 0.25% and this was likely to be in November or December 2016. However, economic data since the last cut in August has indicated much stronger growth than had been forecast. Inflation forecasts have also risen substantially as a result of a continuation of the sharp fall in the value of Sterling after early August. Consequently, the Bank Rate was not cut again in November or December and on current trends it now appears unlikely that there will be another cut although this cannot be completely ruled out if there was a significant fall in economic growth.

- 7.3. During the two year period 2017 – 2019, when the UK is negotiating the terms of the withdrawal from the EU, it is likely that the MPC will do nothing to dampen growth prospects (i.e. by raising Bank Rate), which will already be adversely impacted by the uncertainties of what form Brexit will eventually take.
- 7.4. Capita Asset Services have recently undertaken a review of its interest rate forecasts and they now expect the Bank Rate to remain at 0.25% until June 2019 when it is expected to rise to 0.50% after these negotiations have been completed.
- 7.5. Long term PWLB rates are expected to rise from 2.70% in March 2017 to 3% in March 2019 before steadily increasing over time to reach 3.2% by March 2020.
- 7.6. As the threat of potential risks from a number of sources still remains, caution must be exercised in respect of all interest rate forecasts at the current time. Economic forecasting remains difficult with so many influences weighing on the UK. Capita's bank rate forecasts will be liable to further amendment depending on how economic data transpires over 2017.

## **8. Treasury Management Strategy**

- 8.1. The Treasury Management Strategy (TMS) for 2016/17 was approved by Full Council on 25 February 2016. The Council's Annual Investment Strategy, which is incorporated in the TMS, outlines the Council's investment priorities as the security and liquidity of its capital.
- 8.2. The Council aims to achieve the optimum return on investments commensurate with the proper levels of security and liquidity. In the current economic climate it is considered appropriate to keep investments short term (up to 1 year), and only invest with highly credit rated financial institutions using Capita's suggested creditworthiness approach, including sovereign credit rating and Credit Default Swap (CDS) overlay information provided by Capita. The Treasury Team continue to take a prudent approach keeping investments short term and with the most highly credit rated organisations. This approach has been endorsed by our external advisors, Capita.
- 8.3. In the third quarter of 2016/17 the internal treasury team outperformed its benchmark by 0.35%. The investment return was 0.47% compared to the benchmark of 0.12%. This amounts to additional income of £168,200 during the quarter which is included in the Council's projected outturn position in the monthly revenue monitor.
- 7.4. A full list of investments held as at 31 December 2016, compared to Capita's counterparty list, and changes to Fitch, Moody's and Standard & Poor's credit ratings are shown in Appendix A. None of the approved limits within the Annual Investment Strategy were breached during the third quarter of 2016/17. Officers continue to monitor the credit ratings of institutions on a daily basis. Delegated authority has been put in place to make any amendments to the approved lending list.
- 7.5. As illustrated in the economic forecast section above, investment rates



available in the market are at an historical low point. The average level of funds available for investment purposes in the third quarter of 2016/17 was £193 million.

## 9. Borrowing

9.1. It is a statutory duty for the Council to determine and keep under review the “Affordable Borrowing Limits”. The Council’s approved Treasury and Prudential Indicators (affordability limits) are included in the approved Treasury Management Strategy. A list of the approved limits is shown in Appendix B. The Prudential Indicators were not breached during the third quarter of 2016/17 and have not been previously breached. The schedule at Appendix C details the Prudential Borrowing approved and utilised to date.

9.2. Capita’s target rate for new long term borrowing (50 years) for the third quarter of 2016/17 started at 2.1% and ended at 2.70%. No new external borrowing is currently required in 2016/17 due to a review of the Capital Programme. The low and high points during the quarter can be seen in the table below.

	1 Year	5 Year	10 Year	25 Year	50 Year
<b>Low</b>	0.76%	1.04%	1.56%	2.32%	2.15%
<b>Date</b>	28/12/16	03/10/16	03/10/16	03/10/16	04/10/16
<b>High</b>	0.99%	1.58%	2.34%	2.97%	2.72%
<b>Date</b>	26/10/16	14/11/16	12/12/16	12/12/16	12/12/16
<b>Average</b>	0.88%	1.40%	2.09%	2.74%	2.51%

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

Cabinet, 27 July 2016, Treasury Management Update Quarter 1 2016/17  
 Cabinet, 21 December 2016, Treasury Management Update Quarter 2 2016/17  
 Council, 25 February 2016, Treasury Strategy 2016/17.

### Cabinet Member:

Malcolm Pate, Leader

### Local Member

N/A

### Appendices

A. Investment Report as at 31 December 2016  
 B. Prudential Limits  
 C. Prudential Borrowing Schedule

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# Shropshire Council

## Monthly Investment Analysis Review

December 2016



## Shropshire Council Monthly Economic Summary

### General Economy

As announced earlier this month, tax cuts, increased government spending and deregulation are a few economic tools that President-elect, Donald Trump, will look to use in order to boost US economic growth. Therefore, the unanimous decision by the Federal Reserve to raise interest rates for the first time since December 2015, to 0.5% - 0.75% was universally expected. This rate hike was just the second since the onset of the Financial Crisis, which saw the Federal Reserve cut rates to almost zero in order to stabilise the economy. The accompanying economic forecasts from the central bank were altered to reflect a faster pace of tightening in the coming year. These now suggest three rate hikes in 2017, up from two previously anticipated. Fed Chair, Janet Yellen, announced that the rate hike was in response to the “expected labour market conditions and inflation”, as the unemployment rate fell to a 9-year low in November at 4.6% and non-farm payrolls rose 156,000 from the revised figure of 135,000 in October. Moreover, Q3 GDP was finalised at its best rate in two years, at 3.5% annually, as consumer expenditure continued to perform strongly. Both pieces of data supported the decision to increase interest rates. Meanwhile, the potential impact of “Trumponomics” bolstered the view on a more aggressive rate outlook, despite an uncertain global economic outlook.

Moving on to the UK economy, the Purchasing Managers’ Index (PMI) figures released for November all revealed how the slump in Sterling after the Brexit vote has variously affected the Services, Construction and Manufacturing sectors. Unexpectedly, manufacturing activity cooled, with the headline reading falling to 53.4 from 54.2 in October. The survey revealed that higher input prices for factories and a fall in export orders took its toll on the index. In contrast, the construction PMI reading hit an 8-month high of 52.8 from 52.6 in October. The improvement was as a result of stronger productivity in commercial and civil engineering, as well as robust growth in house building. Likewise, the services sector PMI remained upbeat, rising to 55.2 from 54.5 in October, as Britain’s dominant sector grew at its fastest pace since January. Despite this strength in current conditions, the continued rise in inflation forecasted over the coming months is likely to raise input prices, which will be fed through to consumers in the form of higher prices. This saw most respondents to the survey having a negative outlook about the year ahead.

Consumer-level inflation figures hit a 2-year high of 1.2% in November, with rising prices for clothing and technology goods being key components of the increase. At the wholesale level, core prices (which exclude volatile elements such as food, drink and petrol) increased by 2.2% on the year, the highest annual increase since February. Looking ahead, the cost of imports will continue to upwardly impact on prices, with the Bank of England (BoE) forecasting consumer level prices to rise to 2.8% by mid-2018. Nevertheless, Mark Carney has previously stated that the Bank will tolerate some overshoot of its inflation target, hence why the MPC stuck to the status quo in its December meeting. In terms of growth, the final reading of Q3 GDP came in higher than the forecasted 0.5%, at 0.6%, while the annual rate was lowered due to revisions to growth figures in the first half of the year. Overall, while growth may have moderated from the first half of the year, it has not been as negatively affected by Brexit as some had feared.

Elsewhere, figures showed that the number of people in the labour force fell for the first time in more than a year. The drop of 6,000 came despite the unemployment rate falling to 4.8% in the three months to October, from 4.9% previously. Average weekly earnings excluding bonuses rose by 2.5% on an annual basis, from 2.4% in the three months to September. This rise was the joint strongest in more than a year. However, as Britain’s relationship with the EU creates uncertainty, it is widely expected that the unemployment rate will rise over the coming months as companies hold off from hiring until solid foundations about Britain’s future outside the EU have been made.

Discounts on ‘Black Friday’ saw the majority of consumer expenditure occurring in the last week of November, damaging sales for retailers such as clothing stores who did not take part as much as department stores. Higher fuel prices also impacted last month as the annual rate of retail sales fell to 5.9% in November from 7.2% in October. Nevertheless, the October rate was always seen as unsustainable. Furthermore, the BoE has warned that despite retail sales growth being relatively robust even after the Brexit vote, the depreciation in Sterling will increasingly feed through into the economy in the form of higher prices next year, causing growth to slow.

Public Finances seemed to be on track, when compared with the new deficit reduction goals set out by Chancellor Philip Hammond last month. The deficit for November was the lowest for a month since 2007 coming in at £12.6 billion, 4.4% lower than the deficit for the same month in 2015. The Office for Budget Responsibility (OBR) stated that the recent deterioration in public finances is a reflection of weaker tax revenue for this financial year as tax revenue growth for November of 3.6%, was some way below the average 4.4% seen so far in 2016.

Meanwhile, the European Central Bank (ECB) altered its policy during their monthly meeting. While it left the Asset Purchase Programme at its current monthly pace of €80 billion until the end of March 2017, new policy purchases thereafter will be at €60 billion per month until the end of December 2017, or beyond, if necessary. While ECB President Draghi insisted this was not policy tapering, market participants were not convinced, pushing up bond yields across the currency bloc. Elsewhere, data for the Eurozone showed growth had remained steady in the third quarter at 0.3%, with the year-on-year growth figure being revised to 1.7% from 1.6%. The latter figure matched that recorded in the second quarter. The unemployment rate for October was the lowest rate recorded in the Euro area since July 2009, as it fell to 9.8% from 9.9% in September.

Over the coming months the economic outlook for Britain remains unclear as plans for Brexit have yet to be finalised. While the threat of this and higher prices via Sterling depreciation weighed in, the GfK consumer confidence index registered a modest increase in December. In addition to Brexit progress, the spotlight will focus on the inauguration of Donald Trump on the 20th January as the effect of his administration on the US economy and that of its major trading partners in the coming years will become clearer.

### Housing

House price growth sped up in November for the first time since March, according to Halifax. However, looking ahead, it is suggested that price increases may slow. On the month, prices increased by 0.2%, with the three month annual figure increasing by 6.0%, up from the 5.2% growth recorded in the three months to October. Nationwide reported that house prices continued to rise in December with annual house prices growth up 4.5%, from 4.4% in November. However, economic uncertainty is likely to slow the pace of growth in 2017 with Nationwide currently forecasting house prices to rise by just 2% in 2017.

### Forecast

Capita Asset Services (CAS) did not alter their forecasts this month with a rate hike to 0.50% forecast in Q3 2019. Capital Economics now expect the bank rate to remain at 0.25% from Q4 2016 to Q2 2019 when it will increase to 0.50% and then increase again to 0.75% in Q4 2019.

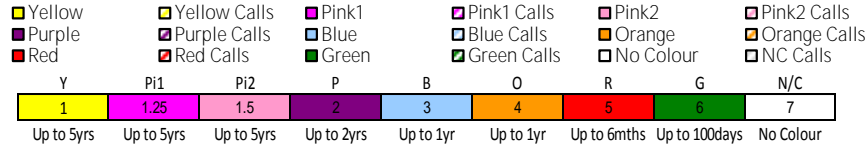
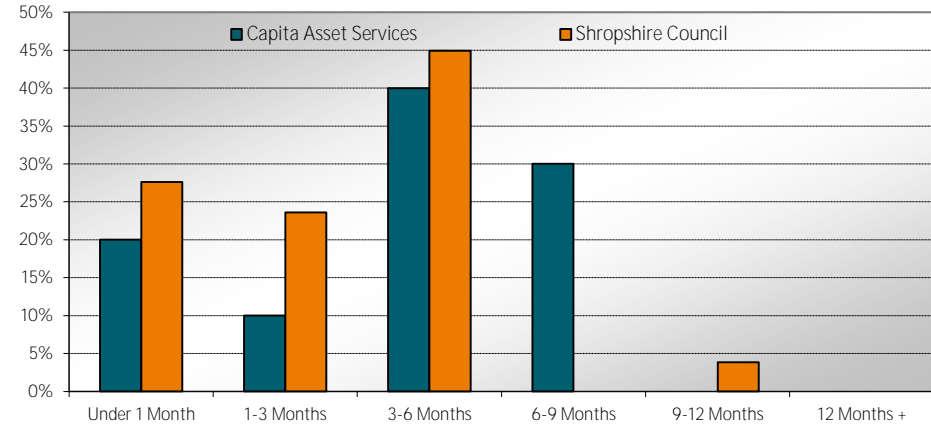
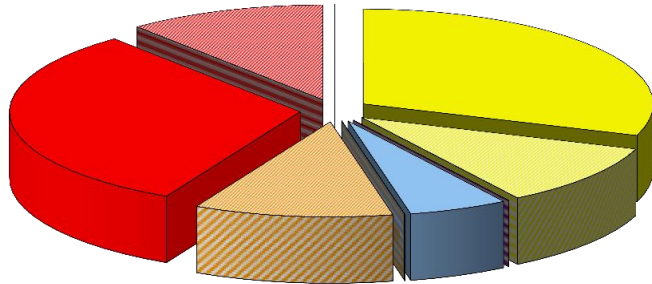
Bank Rate	Mar-17	Jun-17	Sep-17	Dec-17	Mar-18
Capita Asset Services	0.25%	0.25%	0.25%	0.25%	0.25%
Capital Economics	0.25%	0.25%	0.25%	0.25%	0.25%

## Shropshire Council

### Current Investment List

Borrower	Principal (£)	Interest Rate	Start Date	Maturity Date	Lowest Long Term Rating	Historic Risk of Default
HSBC Bank plc	20,000,000	0.55%		Call	AA-	0.000%
MMF Standard Life	15,000,000	0.30%		MMF	AAA	0.000%
MMF Insight	4,220,000	0.28%		MMF	AAA	0.000%
London Borough of Barking & Dagenham	3,000,000	0.25%	09/11/2016	09/01/2017	AA	0.000%
Leeds Building Society	2,000,000	0.44%	11/07/2016	11/01/2017	A-	0.002%
Highland Council	3,000,000	0.29%	16/09/2016	16/01/2017	AA	0.000%
Barclays Bank Plc	1,750,000	0.30%	17/10/2016	17/01/2017	A-	0.003%
Torfaen County Borough Council	1,000,000	0.26%	21/10/2016	23/01/2017	AA	0.000%
Telford & Wrekin Council	3,000,000	0.27%	03/10/2016	03/02/2017	AA	0.001%
Barclays Bank Plc	5,000,000	0.32%		Call35	A-	0.006%
Goldman Sachs International Bank	5,000,000	0.42%	08/11/2016	08/02/2017	A	0.007%
Nationwide Building Society	2,900,000	0.40%	15/08/2016	15/02/2017	A	0.008%
Coventry Building Society	5,000,000	0.35%	16/08/2016	16/02/2017	A	0.009%
Leeds City Council	3,000,000	0.30%	15/11/2016	16/02/2017	AA	0.001%
Lancashire County Council	10,000,000	0.60%	27/05/2016	27/02/2017	AA	0.001%
Leeds Building Society	2,000,000	0.34%	14/09/2016	14/03/2017	A-	0.013%
Leeds Building Society	1,000,000	0.39%	30/09/2016	30/03/2017	A-	0.016%
Lloyds Bank plc	2,580,000	0.65%	30/09/2016	30/03/2017	A	0.016%
Lloyds Bank plc	3,260,000	0.65%	30/09/2016	30/03/2017	A	0.016%
Glasgow City Council	5,000,000	0.38%	03/10/2016	03/04/2017	AA	0.002%
Lloyds Bank plc	1,520,000	0.65%	04/10/2016	04/04/2017	A	0.017%
Lloyds Bank plc	5,000,000	0.65%	05/10/2016	05/04/2017	A	0.017%
Santander UK Plc	15,000,000	0.65%		Call95	A	0.017%
Lloyds Bank plc	4,320,000	0.65%	07/10/2016	07/04/2017	A	0.018%
Lloyds Bank plc	3,600,000	0.65%	07/10/2016	07/04/2017	A	0.018%
Nationwide Building Society	2,100,000	0.42%	12/10/2016	12/04/2017	A	0.019%
Birmingham City Council	10,000,000	0.35%	13/10/2016	13/04/2017	AA	0.002%
Lloyds Bank plc	5,000,000	0.65%	14/10/2016	13/04/2017	A	0.019%
Lloyds Bank plc	1,400,000	0.60%	11/11/2016	11/05/2017	A	0.024%
North Lanarkshire Council	5,000,000	0.35%	01/12/2016	31/05/2017	AA	0.003%
Glasgow City Council	3,000,000	0.42%	05/12/2016	07/06/2017	AA	0.003%
Goldman Sachs International Bank	5,000,000	0.65%	07/12/2016	07/06/2017	A	0.029%
National Westminster Bank Plc	10,000,000	0.75%	15/06/2016	14/06/2017	BBB+	0.068%
Lloyds Bank plc	2,420,000	0.60%	16/12/2016	16/06/2017	A	0.031%
Blaenau Gwent County Borough Council	2,000,000	0.36%	16/12/2016	16/06/2017	AA	0.003%
Lloyds Bank plc	900,000	0.60%	21/12/2016	21/06/2017	A	0.032%
North Tyneside Metropolitan Borough Council	7,000,000	0.50%	20/12/2016	19/12/2017	AA	0.006%
<b>Total Investments</b>	<b>£180,970,000</b>	<b>0.49%</b>				<b>0.011%</b>

Portfolio Composition by Capita Asset Services' Suggested Lending Criteria



Portfolios weighted average risk number =

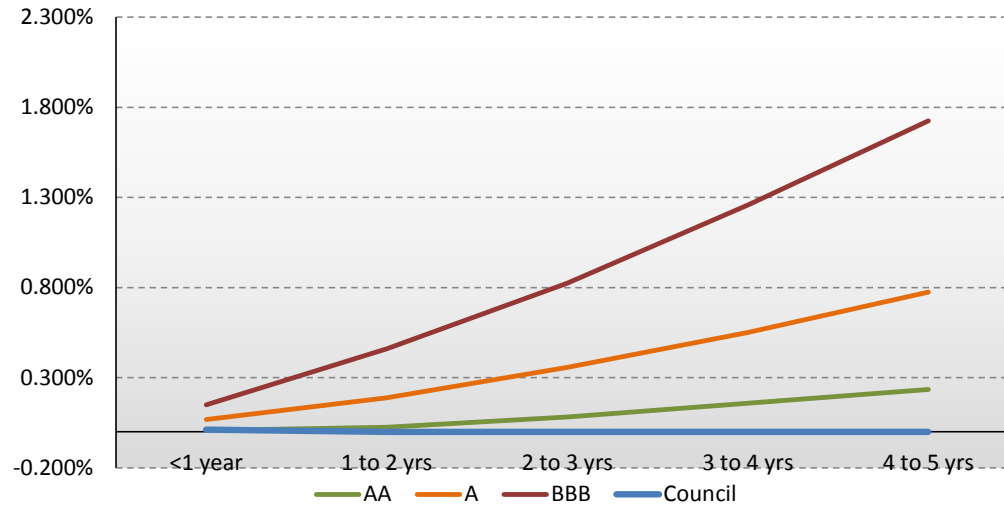
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WARoR = Weighted Average Rate of Return  
WAM = Weighted Average Time to Maturity

	% of Portfolio	Amount	% of Colour in Calls	Amount of Colour in Calls	% of Call in Portfolio	WARoR	WAM	WAM at Execution	Excluding Calls/MMFs/ECFs	
									WAM	WAM at Execution
Yellow	41.01%	£74,220,000	25.90%	£19,220,000	10.62%	0.38%	87	150	117	203
Pink1	0.00%	£0	0.00%	£0	0.00%	0.00%	0	0	0	0
Pink2	0.00%	£0	0.00%	£0	0.00%	0.00%	0	0	0	0
Purple	0.00%	£0	0.00%	£0	0.00%	0.00%	0	0	0	0
Blue	5.53%	£10,000,000	0.00%	£0	0.00%	0.75%	165	364	165	364
Orange	11.05%	£20,000,000	100.00%	£20,000,000	11.05%	0.55%	0	0	0	0
Red	42.41%	£76,750,000	26.06%	£20,000,000	11.05%	0.55%	86	148	88	171
Green	0.00%	£0	0.00%	£0	0.00%	0.00%	0	0	0	0
No Colour	0.00%	£0	0.00%	£0	0.00%	0.00%	0	0	0	0
<b>Total</b>	<b>100.00%</b>	<b>£180,970,000</b>	<b>32.72%</b>	<b>£59,220,000</b>	<b>32.72%</b>	<b>0.49%</b>	<b>81</b>	<b>144</b>	<b>108</b>	<b>201</b>

Investment Risk and Rating Exposure

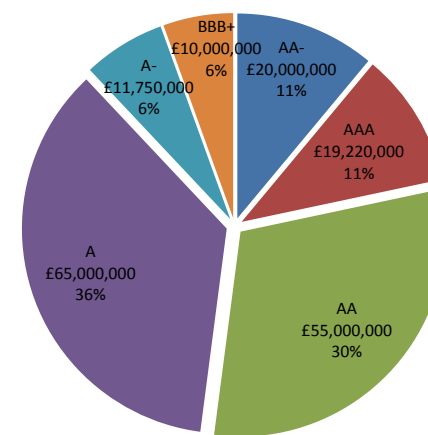
Investment Risk Vs. Rating Categories



Historic Risk of Default

Rating/Years	<1 year	1 to 2 yrs	2 to 3 yrs	3 to 4 yrs	4 to 5 yrs
AA	0.007%	0.024%	0.081%	0.158%	0.234%
A	0.067%	0.189%	0.356%	0.551%	0.775%
BBB	0.150%	0.460%	0.824%	1.257%	1.726%
Council	0.011%	0.000%	0.000%	0.000%	0.000%

Rating Exposure



**Historic Risk of Default**

This is a proxy for the average % risk for each investment based on over 30 years of data provided by Fitch, Moody's and S&P. It simply provides a calculation of the possibility of average default against the historical default rates, adjusted for the time period within each year according to the maturity of the investment.

**Chart Relative Risk**

This is the authority's risk weightings compared to the average % risk of default for "AA", "A" and "BBB" rated investments.

**Rating Exposures**

This pie chart provides a clear view of your investment exposures to particular ratings.



## Shropshire Council

### Monthly Credit Rating Changes

FITCH

Date	Update Number	Institution	Country	Rating Action
14/12/2016	1491	Goldman Sachs International Bank	U.K	Long Term Rating affirmed at 'A', Outlook changed to Stable from Positive. Short Term Rating affirmed at 'F1'.
28/12/2016	1495	Belgium Sovereign Rating	Belgium	Sovereign Rating downgraded to 'AA-' from 'AA', Outlook changed to Stable from Negative.

**Monthly Credit Rating Changes**  
**MOODY'S**

Date	Update Number	Institution	Country	Rating Action
08/12/2016	1489	Italy Sovereign Rating	Italy	Sovereign Rating affirmed at 'Baa2', Outlook changed to Negative from Stable
13/12/2016	1490	Barclays Bank Plc	U.K	Long Term Rating upgraded to 'A1' from 'A2', Negative Outlook. Short Term Rating affirmed at 'P-1'.
14/12/2016	1492	DBS Bank Ltd.	Singapore	Long Term Rating affirmed at 'Aa1', Outlook changed to Stable from Negative. Short Term Rating affirmed at 'P-1'.
14/12/2016	1492	Oversea-Chinese Banking Corporation Ltd.	Singapore	Long Term Rating affirmed at 'Aa1', Outlook changed to Stable from Negative. Short Term Rating affirmed at 'P-1'.
14/12/2016	1492	United Overseas Bank Ltd.	Singapore	Long Term Rating affirmed at 'Aa1', Outlook changed to Stable from Negative. Short Term Rating affirmed at 'P-1'.

Shropshire Council

Monthly Credit Rating Changes  
S&P

Date	Update Number	Institution	Country	Rating Action
16/12/2016	1493	Commerzbank AG	Germany	Long Term Rating affirmed at 'BBB+', removed from Stable Outlook and placed on Positive Watch. Short Term affirmed at 'A-2'.
16/12/2016	1493	Deutsche Bank AG	Germany	Long Term Rating affirmed at 'BBB+', removed from Negative Outlook and placed on Positive Watch. Short Term affirmed at 'A-2'.
19/12/2016	1494	Goldman Sachs International Bank	U.K	Long Term Rating upgraded to 'A+' from 'A', removed from Positive Watch and placed on Stable Outlook. Short Term Rating affirmed at 'A-1'.
19/12/2016	1494	Bank of America, N.A.	U.S.A	Long Term Rating upgraded to 'A+' from 'A', removed from Positive Watch and placed on Stable Outlook. Short Term Rating affirmed at 'A-1'.
19/12/2016	1494	Citibank, N.A.	U.S.A	Long Term Rating upgraded to 'A+' from 'A', removed from Positive Watch and placed on Stable Outlook. Short Term Rating affirmed at 'A-1'.

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Appendix B

Prudential Indicators – Quarter 3 2016/17

Prudential Indicator	2016/17 Indicator £m	Quarter 1 – Actual £m	Quarter 2 – Actual £m	Quarter 3 – Actual £m	Quarter 4 – Actual £m
Non HRA Capital Financing Requirement (CFR)	246	253	253	253	
HRA CFR	85	85	85	85	
Gross borrowing	324	329	326	324	
Investments	140	173	175	181	
Net borrowing	184	156	151	143	
Authorised limit for external debt	449	329	326	324	
Operational boundary for external debt	402	329	326	324	
Limit of fixed interest rates (borrowing)	449	329	326	324	
HRA debt Limit	96	85	85	85	
Limit of variable interest rates (borrowing)	225	0	0	0	
Principal sums invested > 364 days	40	0	0	0	
Maturity structure of borrowing limits	%	%	%	%	
Under 12 months	15	2	3	2	
12 months to 2 years	15	2	2	2	
2 years to 5 years	45	4	6	6	
5 years to 10 years	75	6	2	2	
10 years to 20 years	100	31	32	32	
20 years to 30 years	100	21	21	21	
30 years to 40 years	100	16	16	17	
40 years to 50 years	100	10	10	10	
50 years and above	100	8	8	8	

\* Based on period 9 Capital Monitoring report

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Capital Financing 2016/17 - Period 9

Prudential Borrowing Approvals	Date Approved	Amount Approved	Applied (Spent) 2006/07	Applied (Spent) 2007/08	Applied Outturn 08/09	Applied Outturn 09/10	Applied Outturn 10/11	Applied Outturn 11/12	Applied Outturn 12/13	Applied Outturn 13/14	Applied Outturn 14/15	Applied Outturn 15/16	Budgeted Period 7 16/17	Budgeted Period 7 16/17	First year MRP Charged	Asset Life	Final year MRP Charged	
		£	£	£	£	£	£	£	£	£	£	£	£	£	£			
Monkmoor Campus	24/02/2006	3,580,000																
Capital Receipts Shortfall -Cashflow Applied:	24/02/2006	5,000,000																
Monkmoor Campus			3,000,000		0													2007/08 25 2031/32
William Brooks					0		3,580,000											2011/12 25 2035/36
Tern Valley					2,000,000													2010/11 35 2044/45
		<b>8,580,000</b>	<b>3,000,000</b>	<b>0</b>	<b>2,000,000</b>	<b>0</b>	<b>3,580,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
Highways	24/02/2006	2,000,000	2,000,000															2007/08 20 2026/27
Accommodation Changes	24/02/2006	650,000	410,200	39,800														2007/08 6 2012/13
Accommodation Changes - Saving	31/03/2007	(200,000)																
		<b>450,000</b>	<b>410,200</b>	<b>39,800</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
The Ptarmigan Building	05/11/2009	3,744,000					3,744,000											2010/11 25 2034/35
The Mount McKinley Building	05/11/2009	2,782,000					2,782,000											2011/12 25 2035/36
The Mount McKinley Building	05/11/2009	0					-											2011/12 5 2015/16
Capital Strategy Schemes - Potential Capital Receipts shortfall - Desktop Virtualisation	25/02/2010	187,600					187,600	-	-	-	0	-	-	-	-	-	-	2010/11 25 2014/15
Carbon Efficiency Schemes/Self Financing	25/02/2010	1,512,442						115,656	1,312,810	83,976	-	-	-	-	-	-	-	2011/12 5 2017/18
Transformation schemes		92,635							92,635	-	-							2012/13 3 2014/15
Renewables - Biomass - Self Financing	14/09/2011	92,996							82,408	98,258	(87,670)	-						2014/15 25 2038/39
Solar PV Council Buildings - Self Financing	11/05/2011	56,342							1,283,959	124,584	(1,352,202)	-						2013/14 25 2038/39
Depot Redevelopment - Self Financing	23/02/2012	0								-	-	-						2014/15 10 2023/24
Oswestry Leisure Centre Equipment - Self Financing	04/04/2012	124,521							124,521									2012/13 5 2016/17
Leisure Services - Self Financing	01/08/2012	711,197								711,197								2013/14 5 2016/17
Mardol House Acquisition	26/02/2015	4,160,000										4,160,000	-					2015/16 25 2039/40
Mardol House Adaptation and Refit	26/02/2015	3,340,000										167,640.84	3,172,358.86	-	-	-	-	2016/17 25 2041/41
Oswestry Leisure Centre Equipment - Self Financing	01/08/2012	300,000														300,000		2018/19 5 2022/23
Previous NSDC Borrowing		955,595			821,138	134,457												2009/10 5/25
		<b>29,089,327</b>	<b>5,410,200</b>	<b>39,800</b>	<b>2,821,138</b>	<b>6,848,057</b>	<b>3,695,656</b>	<b>2,896,333</b>	<b>1,018,015.37</b>	<b>(1,439,872)</b>	<b>4,327,641</b>	<b>3,172,359</b>	<b>0</b>	<b>300,000</b>	<b>300,000</b>	<b>0</b>	<b>0</b>	<b>0</b>
									0	0	0	0	0	0				

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## Committee and Date

Cabinet

Date: 8 February 2017

## **DETERMINATION OF ADMISSION ARRANGEMENTS 2018/19**

**Responsible Officer** Karen Bradshaw - Director of Children's Services

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### **1. Summary**

The School Admissions Code 2014 requires consultation on admission arrangements every 7 years where no changes are proposed.

Shropshire Council, the admission authority for community and voluntary controlled schools in Shropshire, carried out a consultation last year on its admission arrangements for 2017/18 and these were determined by Cabinet on 10 February 2016.

The timetable for consultation and determination of arrangements for 2018/19 has been condensed recently due to changes in the School Admissions Code. Consultation must now be completed by 31 January and arrangements must be determined, or formally agreed, before 28 February. The admission arrangements are therefore brought to Cabinet for determination earlier than in previous years.

The arrangements for 2018/19 are largely unchanged, other than a proposed reduction to the published admission number (PAN) at one primary school, minor alignments of designated catchment areas and the unification of the designated catchment areas of three schools that are proposed to merge. A number of schools have proposed an increase to their published admission numbers (PANs) but there is no requirement to consult on such changes. It is only proposed reductions that are subject to consultation.

Consultation on Shropshire Council's admission arrangements for 2018/19 took place between 16 December 2016 and 27 January 2017. The Local Admissions Forum has approved the proposed arrangements. Cabinet is therefore requested to approve the Council's admission arrangements for the 2018/19 academic year.

### **2. Recommendations**

2.1 That Cabinet approves the proposal to amend the local authority's admission arrangements in the following respects:

- a) The merger of the designated catchment area of Hope, Worthen and Westbury Primary Schools;

- b) The rationalisation of the designated secondary school catchment areas for individual properties at Hope Bagot, Hemford and Roughton;
- c) The reduction of the Published Admission Number of St Giles CE Primary School, Shrewsbury.

2.2 That Cabinet approves the admission arrangements for 2018/19 without further amendment to those determined in February 2016.

2.3 That Cabinet agrees to the publication of the approved admission arrangements for Shropshire Council for the academic year 2018/19 in accordance with the School Admissions Code 2014.

## **REPORT**

### **3. Risk Assessment and Opportunities Appraisal**

If determination of admission arrangements does not take place before the specified date, Shropshire Council would not be compliant with the appropriate legislation as an admission authority. This determination will ensure that admissions arrangements are considered fair and that parents have sufficient time to challenge arrangements they consider to be unlawful or unfair. Objections to admission arrangements for 2018 must be made by 15 May 2017 for the Office of the Schools Adjudicator to make decisions prior to the application year.

### **4. Financial Implications**

There are no financial implications for Shropshire Council connected with the determination of admission arrangements.

### **5. Background**

#### **5.1 The amalgamation of Hope CE Primary School, Worthen CE Primary School and St Mary's CE Primary School Westbury.**

The amalgamation of Hope CE Primary School, Worthen CE Primary School and St Mary's CE Primary School Westbury is the subject of formal closure proposals following Cabinet's decision to proceed on 21 December 2016. This will result in the consolidation of provision onto the current Worthen CE Primary School site in the academic year 2017/18, and the closure of the sites at Hope and Westbury. The merger of the three designated catchment areas is part of this proposal. (See Map A.)

Responses from consultees have been positive for this community-led proposal. Only one response was received specifically regarding the catchment area consultation. This suggested that children from the Gritt and Shelve area should be part of the Stiperstones CE Primary School catchment because it is closer than Worthen CE School. This suggestion would impede the community's vision to unite the three school populations and would have an impact on pupils' entitlement to school transport to the Worthen site. The merger of the three catchment areas is therefore recommended to Cabinet.

5.2 The rationalisation of the designated secondary school catchment areas for individual properties at Hope Bagot, Hemford and Roughton.

The Local Authority has identified 3 minor catchment anomalies where individual properties have been separated from the rest of a hamlet and the secondary school catchment area boundary has deviated from that of the primary school. The following adjustments will correct the anomalies:

Hope Bagot (Ludlow/Lacon Childe)- Map B

1 property to transfer from Ludlow CE School to Lacon Childe's catchment area.

Hemford (Bishops Castle Community College/Mary Webb School) – Map C

3 properties to transfer from the catchment area for Mary Webb School to that of Bishops Castle Community College.

Roughton (Bridgnorth Endowed/Oldbury Wells) – Map D

1 property to transfer from Oldbury Wells School to Bridgnorth Endowed School's catchment area.

Individual occupants of affected properties, the appropriate parish council and the relevant schools are consultees to the above proposals. All responses to the consultation have been supportive of the proposals and no objections have been received. This change is therefore recommended to Cabinet.

5.3 The reduction of the Published Admission Number of St Giles CE Primary School, Shrewsbury.

St Giles CE Primary School in Shrewsbury has proposed the reduction of their published admission number (PAN) from 46 to 45. This would reduce the school's intake to exactly one and a half forms of entry which would enable the school to better manage the organisation of classes. No responses have been received to the consultation and this change is therefore recommended to Cabinet.

All the proposed changes are recommended to Cabinet and the admission arrangements in entirety are recommended for approval.

5.4 Where schools propose increases to their PAN, the current School Admissions Code makes it clear that these requests should be approved without the need to consult on changes. However, where a reduction is proposed to PANs, the admission authority must consult on the proposed changes and their admission arrangements in entirety. Shropshire Council will respond as appropriate to proposed reductions to PANs.

There are no proposals to increase PANs for 2018/19. However, as indicated above, St Giles CE Primary School has proposed a reduction to their PAN from 46 to 45:

<b>Proposed <u>Reduction</u> in PAN</b>	<b>School Type</b>	<b>Existing PAN</b>	<b>New PAN</b>	<b>+ / -</b>
St Giles CE Primary School Shrewsbury	Community	46	45	-1

5.5 Shropshire schools that are an admission authority in their own right must also consult on proposed admission arrangements where changes are proposed or every 7 years, whichever is sooner. Shropshire Council is a consultee in these circumstances. Where admission authorities in Shropshire have proposed changes, the Local Admissions Forum has recommended a response, if considered appropriate, to ensure the needs of pupils within the Local Authority's area are met.

Shrewsbury Academy in Shrewsbury is an admission authority school. The Trust are consulting on a proposal to reduce their PAN from 237 to 187, a reduction of 50 places per year group. Shropshire Council is a consultee to this proposal and, as local authority for the area, has a statutory responsibility for place planning. There is evidence to show that the 50 places that would be lost in each year group are required in the north of the town and so the local authority has raised an objection to this proposal. The objection has the support of the Local Admissions Forum.

<b>Proposed <u>Reduction</u> in PAN</b>	<b>School Type</b>	<b>Existing PAN</b>	<b>New PAN</b>	<b>+ / -</b>
Shrewsbury Academy, Shrewsbury	Academy	237	187	-50

No other proposals have been received.

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

School Admissions Code 2014 (available from [www.education.gov.uk](http://www.education.gov.uk))

Shropshire Council Determined Admission Arrangements 2017/18 (available from [www.shropshire.gov.uk/schooladmissions](http://www.shropshire.gov.uk/schooladmissions))

Parents' Guide to Education in Shropshire 2017/18 (available from [www.shropshire.gov.uk/schooladmissions](http://www.shropshire.gov.uk/schooladmissions))

**Cabinet Member (Portfolio Holder)**

Councillor David Minnery

**Local Member**

All local members

**Appendices**

Appendix A – Shropshire Council Admission Arrangements 2018/19

Map A – Proposed merger of Hope, Westbury and Worthen catchment areas.

Map B - Hope Bagot transfer from Ludlow to Lacon Childe's catchment area.

Map C – Hemford transfer from Mary Webb to Bishops Castle Community College.

Map D - Roughton transfer from Oldbury Wells Bridgnorth Endowed School.



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## **Learning & Skills Group Admission Arrangements 2018/19**

- 1. ADMISSION ARRANGEMENTS FOR 2018/19: SECONDARY AND PRIMARY SCHOOLS, INCLUDING THE CO-ORDINATED SCHEME**
- 2. ADMISSION ARRANGEMENTS FOR SCHOOL SIXTH FORMS**
- 3. ADMISSION ARRANGEMENTS FOR IN-YEAR ADMISSIONS**
- 4. CHANGES TO PUBLISHED ADMISSION NUMBERS FOR 2018/19**
- 5. CHANGES TO CATCHMENT AREAS FOR 2018/19**

### **Introduction**

This document is designed to fulfil the requirements of the School Standards and Framework Act 1998, as amended by the Education Acts 2002 and 2005 and the Education and Inspections Act 2006, and subsequent School Admissions Regulations for the determination of admission arrangements. The policy applies to Shropshire community and voluntary controlled schools and to own admission authority schools who have determined to adopt Shropshire Council's arrangements.

### **Requirements of the Legislation**

Consultation on admission arrangements is required every 7 years if no changes in the intervening period are proposed. Shropshire Council carried out consultation on its admission arrangements in 2015/16 and these were determined by Cabinet in February 2016. No significant changes are proposed to the arrangements for 2018/19 apart from changes to published admission numbers (PANs), minor alignments of designated catchment areas and the unification of the designated catchment areas of three schools that are proposed to merge. In these circumstances Shropshire Council is required to formally consult again on their admission arrangements in entirety.

It is a legal requirement for consultation to have taken place between 1 October 2016 and 31 January 2017 for 6 weeks and for the arrangements to then be determined before 28 February 2017. The timetable for consultation and determination of admission arrangements has been condensed by the Department for Education and these requirements have been met.

The co-ordinated arrangements are applicable to the admission of pupils to state-funded schools in the relevant area, so that parents apply to their home local authority and receive one offer of a school place. The 'relevant area' for Shropshire is the whole of the County and at secondary level includes the Parish Councils of Bayton and Mamble in Worcestershire, including the village of Clows Top (as part of the catchment area for the Lacon Childe School) and an area in Powys adjoining the Shropshire boundary to the east of the Offa's Dyke (as part of the catchment area for the Community College at Bishop's Castle).

**(1) Admission Arrangements for 2018/19****Secondary**

The oversubscription criteria for rural secondary community and voluntary controlled schools in North and South Shropshire are as follows (**schools that are an admission authority may have determined their own arrangements**):

Children who have a Statement of Special Educational Needs or Education Health and Care Plan, which names the school which the child should attend because their needs can be met best by that particular school, will be offered places before other children. After that places will be offered up to the admission number in the following priority order:

**Priority 1:**

Priority will be given to Looked after Children and children who were Looked after but ceased to be so because they were adopted as defined in the current School Admissions Code.

**Priority 2:**

Children living inside the catchment area will have next priority. If there are not enough places for all the children living in the catchment area, we will look at the following two criteria:

- 1) Priority will be given to children living within the catchment area who will have an older sibling of compulsory school age (11 – 16) at the school on the day they are due to start there.
- 2) After that, priority will be given to other children who live within the catchment area.

**Priority 3:**

Any places that are left will be offered to children who live outside the catchment area. If there are not enough places for all of them, we will look at the following criteria:

- 1) Priority will be given to children living outside the catchment area who will have an older sibling of compulsory school age (11 – 16) at the school on the day they are due to start there.
- 2) Next, priority will be given to children living outside the catchment area, who have attended a state-funded primary school that lies within the secondary school's catchment area, for more than a whole academic year immediately prior to transfer.
- 3) Finally, all other children who live outside the catchment area.



If, within any of the above categories, there are more applications than there are places available, priority will be given on the basis of distance measured as a straight line on a computerised mapping system between the home address and the nearest appropriate entrance gate of the school by pinpointing their eastings and northings. The shortest distance will be given priority. Where two addresses are within the same block of flats, the lowest number of flat or nearest the ground floor will be deemed to be the nearest in distance.

***Please note that the oversubscription criteria for Shrewsbury Secondary Schools (set out below) are administered slightly differently to include a “nearest school” test. This is more fully explained with a diagram in the “Parents’ Guide to Education in Shropshire” booklet. (Schools that are an admission authority may have determined their own arrangements)***

Children who have a Statement of Special Educational Needs or Education Health and Care Plan, which names the school which the child should attend because their needs can be met best by that particular school, will be offered places before other children. After that places will be offered up to the admission number in the following priority order:

**Priority 1:** Priority will be given to Looked after Children and children who were Looked after but ceased to be so because they were adopted as defined in the current School Admissions Code.

**Priority 2:** Children living inside the Shrewsbury catchment area who will have an older sibling of compulsory school age (11 – 16) at the school on the day they are due to start there.

**Priority 3:** After that, priority is given to children living within the Shrewsbury catchment area for whom the preferred school is their nearest Shrewsbury secondary school and this is checked through the “Nearest `School” test. For the avoidance of doubt, we measure this as a straight line on a computerised mapping system between home and the nearest appropriate official entrance gate to the school site as compared with the straight line distance from other applicants’ homes to their nearest school.

**Priority 4:** After we have considered all applicants for whom the “Nearest School” test applies, all other applicants living within the Shrewsbury catchment area are determined on a proximity basis, between home and the nearest appropriate entrance gate of the school, the nearest being given priority.

**Priority 5:** After that, any places that are left will be offered to children who live outside the overall catchment area for Shrewsbury. If there are not enough places for all of them, we will look at the following two criteria:

Firstly, priority will be given to children outside the catchment area who will have an older sibling of compulsory school age (11 – 16) at the school on the day they are due to start there.

After that all other children who live outside the catchment area.

If, in any of the above priority categories, there are more applications than there are places available, priority will be given on the basis of distance measured as a straight line on a computerised mapping system between the home address and the nearest appropriate entrance gate of the school by pinpointing their eastings and northings. The shortest distance will be given priority. Where two addresses are within the same block of flats, the lowest number of flat or nearest the ground floor will be deemed to be the nearest in distance. (Please see tiebreaker below.)

**Notes which apply to both sets of oversubscription criteria:**

Very exceptionally, where a child has a particular health reason requiring them to attend a specific school, that child may be given a place before any of the children who qualify under Priority 2 above. This will only be allowed if parents/carers can provide written evidence from a medical professional that in the view of the local authority attending that particular school is **essential** to the medical well-being of the child. The Council reserves the right to check the relevance of the medical condition.

Catchment area maps can be viewed on LocalView available from 'Maps' at the foot of the website [www.shropshire.gov.uk](http://www.shropshire.gov.uk) or, in case of doubt, individual addresses can be checked by contacting the Admissions Team. Published admission numbers can be found in the Parents' Guide to Education booklet.

The definition of a sibling is the brother or sister, stepbrother or stepsister, half-brother or half-sister living at the same address as part of the same family unit and of compulsory school age (i.e. 5 – 16 years). Adopted and foster siblings are also included. Older siblings must still be attending the school on the date the younger sibling is due to start there. However, cousins or other relatives who take up residence in the home will not be given priority under the sibling criterion. In the case of twins or triplets from the same address the school will endeavour to admit both or all siblings.

All applicants are required to give correct information about the genuine residential address of the child. This is normally expected to be with the parent/carer who has care of the child for the majority of the time (that is school nights during the week in term time) but where care is shared equally, the home address will be determined by which parent receives the relevant Child Benefit.

In the event that two individual applications are exactly the same after all other criteria have been taken into account a tie breaker will be used. This will be by random allocation and overseen by an independent party not connect with the admissions process.

There is no cost associated with the admissions process to Shropshire Local Authority maintained schools.

Parents may request that their child defers transfer to secondary school in a later cohort. Such requests should be made in writing to the local authority by the closing date for applications (31 October) in the age-appropriate application year. Requests will be considered by the admission authority on the basis of the individual circumstances of each case and in the best interests of the child concerned.

## Co-ordinated Admission Arrangements for 2018/19 – Secondary

Shropshire Council operates co-ordinated arrangements with other admission authorities in Shropshire (such as academies) and all neighbouring English LAs. Welsh LAs are not currently part of the formal co-ordinated proposals; however, we communicate with Powys, Wrexham and Denbighshire over the allocation of places.

The Admissions Code of Practice requires LAs to use a national date of 1 March each year or next working day for allocating all secondary school places. Therefore the allocation date for 2018/19 will be **1 March 2018**. All parents living within Shropshire are required to use a common application process, which seeks three ranked preferences. All applications must be made to the home LA including applications to academies (which retain the responsibility for their own admission policy). Under the co-ordinated scheme, all Year 6 pupils only receive **one offer of a secondary place, on 1 March** (or next working day), **via their home LA and not from the LA in which the school is located**. Shropshire operates an equal preference scheme, therefore, where more than one school may have places available, applicants will be offered a place at the school which appears highest on their list of preferences. Parents from other neighbouring authorities may also apply to Shropshire schools, but must do so via their own Authority. Such applications will be notified to Shropshire and considered under the appropriate admissions criteria. The full timetable applicable to both schools and admissions authorities for the exchange of information will be published on the website in advance of the relevant year.

### Late Applications:

The online application facility will close at midnight on the closing date (31 October). If application forms are completed they must be returned to the child's primary school or direct to the LA by 31 October. It will not be possible to consider any late applications or changes to the original preferences where a school is oversubscribed, unless there are some exceptional circumstances, such as a house move or exceptional difficulties such as those caused by a family bereavement. Up until the beginning of February we shall endeavour to include such exceptional cases in the allocation process but no guarantees can be given. Any other application received after the beginning of February will not be considered for over-subscribed schools but will be included on the waiting list after the allocation date, or if possible offered the nearest available Shropshire school to their home address.

### Applicants who do not receive an offer for any of their preferred schools:

The LA endeavours to accommodate as many first preferences as possible. However, where this cannot be achieved the LA will consider the applicant's second preference, giving it equal weighting with all other first preferences for that school. If the second preference is also unavailable, then the third preference will be considered in the same way as above. Where there are a small number of applicants resident within the county who do not receive any of their preferred schools, they will be offered a place at the nearest school to their home address with places available within the LA. Parents or carers may then be responsible for their

child's transport arrangements as the offer of a place does not confer any right to free transport, eligibility for which is completely different to admission.

Where no application is received for a known child at a local primary school, that parent will be informed by letter that no school place has been allocated, and will be asked to inform the LA of what arrangements they are intending to make for their child. Where no response is received, we may follow this up by a home visit by an Education Welfare Officer.

#### Unsuccessful Applicants:

Where applicants cannot be offered their first preference they will be sent an appeal form. If they are not satisfied with the place offered they will be able to request an appeal and pending the appeal their name will be included on a waiting list. Applicants who no longer wish to accept places offered will also be asked to notify the LA of their intention to decline an offer by the response date and inform the LA of the educational arrangements they are making for their child. Applicants who were too late to be included in the main allocation process and were not able to be offered a school place on offer day will be included in the waiting list. The re-allocation of any vacancies to people on the waiting lists will commence in late March. Where a place becomes available the same oversubscription criteria will be used. Where applicants requesting an appeal are residents in a neighbouring authority, that authority will be informed if a place can be offered.

#### Right of Appeal:

After the review, those on the waiting lists who cannot be offered a place can proceed to the appeal stage. Appeals will be heard by an independent panel within 40 school days. The decision of the panel is binding on all parties. Where appeals from parents resident in neighbouring authorities are upheld, the relevant LA will be informed.

#### Waiting Lists:

After appeals, the waiting list, held in order of oversubscription criteria, continues to operate for the first term of the academic year of admission. The following parents will be automatically included on a waiting list, unless they specifically decline:

- Parents who have been unsuccessful at the main round of appeals for admission at the start of Year 7 (secondary school).
- Any new applicants for such places who have moved into the oversubscribed school's area subsequent to the date of appeals for these places.

If any vacancies arise, places will be offered to applicants included on the waiting list in strict accordance with normal published oversubscription criteria. If a place can be offered the applicant will be expected to take up the place within 6 school weeks or by the start of the next half term, whichever is the earliest date. If an offer of a place is refused, the name will be removed from the waiting list. At the end of first term of the academic year of admission, the local authority will cease to operate a

waiting list. Any further new applications will be treated as mid-term admission applicants.

### Fraudulent or Misleading Information

See page 12.

### **Primary**

A separate application must be made to transfer from nursery to primary school.

For entry to school in 2018/19, the national offer day for primary school applications for all English local authorities will be **16 April 2018**.

All children in Shropshire are entitled to start school full-time in the September following their fourth birthday. Parents may also defer entry to school until later in the year or until their child reaches compulsory school age (the term following their child's fifth birthday) or elect for their child to attend part-time. Where summer born children defer entry to September they will normally be admitted into Year 1 (not Reception) and will need to make a separate application, but please see information below. Previous applications cannot be held over into a different academic year.

Parents may request that their child begins Reception in a later cohort. Such requests should be made in writing to the local authority by the closing date for applications (15 January) in the age-appropriate application year. Requests will be considered by the admission authority on the basis of the individual circumstances of each case and in the best interests of the child concerned.

The oversubscription criteria for all Community and Voluntary Controlled Primary Schools for 2018/19 are as follows. (N.B - Schools that are an admission authority may have determined their own arrangements):

Children who have a Statement of Special Educational Needs or Education Health and Care Plan, which names the school which the child should attend because their needs can be met best by that particular school, will be offered places before other children. After that places will be offered in the following priority order:

#### **Priority 1:**

Priority will be given to children who are Looked after Children and children who were Looked after but ceased to be so because they were adopted as defined in the current School Admissions Code.

#### **Priority 2:**

Children living inside the catchment area will have next priority. If there are not enough places for all the children living in the catchment area, we will look at the following two criteria:

- 1) Priority will be given to children living within the catchment area who will have an older sibling at the school on the day they are due to start there.
- 2) After that, priority will be given to other children who live within the catchment area.

**Priority 3:**

After that, any places that are left will be offered to children who live outside the catchment area. If there are not enough places for all of them, we will look at the following two criteria:

- 1) Children living outside the catchment area who will have an older sibling at the school on the day they are due to start there.
- 2) After that other children who live outside the catchment area.

For admission purposes all distances are measured by the Admissions Team as a straight line distance on a computerised mapping system between the home address and the nearest entrance gate of the school by pinpointing their eastings and northings. The shortest distance will be given priority. Where two addresses are within the same block of flats, the lowest number of flat or nearest the ground floor will be deemed to be the nearest in distance. (Please see tiebreaker below.)

**Notes:**

Very exceptionally, where a child has a particular health reason requiring them to attend a specific school, that child may be given a place before any of the children who qualify under Priority 2 above. This will only be allowed if parents/carers can provide written medical evidence that in the view of the local authority makes attending that particular school essential to the medical well-being of the child. The Council reserves the right to check the relevance of the medical condition.

Catchment area maps can be viewed on LocalView available from 'Maps' at the foot of the website [www.shropshire.gov.uk](http://www.shropshire.gov.uk) or, in case of doubt, individual addresses can be checked by contacting the Admissions Team. Published admission numbers can be found in the Parents' Guide to Education booklet.

The definition of a sibling is the brother or sister, stepbrother or stepsister, half-brother or half-sister living at the same address as part of the same family unit and of compulsory school age (i.e. 5 – 16 years). Adopted and foster siblings are also included. Older siblings must still be attending the school on the date the younger sibling is due to start there. However, cousins or other relatives who take up residence in the home will not be given priority under the sibling criterion. In the case of twins or triplets from the same address the school will endeavour to admit both or all siblings.

In the event that two individual applications are exactly the same after all other criteria have been taken into account a tiebreaker will be used. This will be by random allocation and overseen by an independent party not connect with the admissions process.

There is no cost associated with the admissions process to Shropshire Local Authority maintained schools.

### **Co-ordinated Admission Arrangements for 2018/19 – Primary**

Shropshire Council operates co-ordinated arrangements with other admissions authorities in Shropshire (such as academies) and all neighbouring English LA's. Welsh LAs are not part of the formal primary co-ordinated proposals.

The national allocation date across England for 2018/19 will be **16 April 2018**. All parents living within Shropshire are required to use a common application process, which seeks three ranked preferences. All applications must be made to the home LA including applications to academies (who have responsibility for their own admission policy). Under the co-ordinated scheme, all children applying for Reception places in infant and primary schools and for year 3 in junior schools receive only **one offer, on 16 April** (or next working day), **via their home LA and not from the LA in which the school is located**. Shropshire operates an equal preference scheme; therefore, where more than one school may have places available, applicants will be offered a place at the school which appears highest on their list of preferences. Parents from other English neighbouring authorities may also apply to Shropshire schools, but must do so via their own authority. Such applications will be notified to Shropshire and considered under the same admissions criteria. The full timetable applicable to both schools and admissions authorities for the exchange of information will be published on the website in advance of the relevant year.

#### Late Applications:

The online application facility will close at midnight on the closing date (15 January). If application forms are completed they must be returned to the child's primary school or direct to the LA by 15 January. It will not be possible to consider any late applications or changes to the original preferences where a school is oversubscribed, unless there are some exceptional circumstances, such as a house move or difficulties such as those caused by a family bereavement. Up until mid-March we shall endeavour to include such exceptions in the allocation process but no guarantees can be given. Any application received after mid-March will not be considered for over-subscribed schools but will be included on the waiting list after the allocation date, or if possible offered the nearest available Shropshire school to their home address.

#### Applicants who do not receive an offer for any of their preferred schools:

The LA endeavours to accommodate as many first preferences as possible. However, where this cannot be achieved the LA will consider the applicant's second preference, giving it equal weighting to all other first preferences for that school. If the second preference is also unavailable, then the third preference will be considered in the same way as above. Where there are a small number of applicants resident within the county who do not receive any of their preferred schools, they will be offered a place at the nearest available school to their home

address within the LA, however no free school transport will be offered unless the school offered is either the catchment area school or the nearest school to the home address and it is more than 2 miles distant.

#### Unsuccessful Applicants:

Where applicants cannot be offered their first preference they will be sent an appeal form. If they are not satisfied with the place offered they will be able to request an appeal and pending the appeal their name will be included on a waiting list. Applicants who no longer wish to accept places offered will also be asked to notify the LA of their intention to decline an offer by the response date and inform the LA of the educational arrangements they are making for their child. Applicants who were too late to be included in the main allocation process and were not able to be offered a school place will be included in the waiting list. The re-allocation of any vacancies to people on the waiting lists will commence at the beginning of May. Where a place becomes available the same oversubscription criteria will be used as applicable on Offer Day. Where applicants requesting an appeal are residents in a neighbouring authority, that authority will be informed if a place can be offered.

#### Right of Appeal:

After the review, those on the waiting lists who cannot be offered a place can proceed to the appeal stage. Appeals will be heard by an independent panel within 40 school days. The decision of the panel is binding on all parties. Where appeals from parents resident in neighbouring authorities are upheld, the relevant LA will be informed.

#### Waiting Lists:

After appeals, the waiting list, held in order of oversubscription criteria, continues to operate for the first term of the academic year of admission. The following parents will be automatically included on a waiting list, unless they specifically decline:

- Parents who have been unsuccessful at the main round of appeals for admission at the start of Reception (infant and primary schools) and year 3 (junior schools).
- Any new applicants for such places who have moved into the oversubscribed school's area subsequent to the date of appeals for these places.

If any vacancies arise, places will be offered to applicants included on the waiting list in strict accordance with normal published oversubscription criteria. If an offer of a place is refused, the name will be removed from the waiting list. At the end of first term of the academic year of admission, the local authority will cease to operate a waiting list. Any further new applications will be treated as mid-term admission applicants.

#### Fraudulent or Misleading Information

See page 12.



**(2) Admission arrangements for school sixth forms**

Shropshire Council has delegated responsibility to maintained schools for admission to sixth forms. Individual policies are available on the schools' own websites and Shropshire Council's website [www.shropshire.gov.uk/schooladmissions](http://www.shropshire.gov.uk/schooladmissions).

**(3) Mid-term /In-year Admissions:**

Shropshire LA has delegated responsibility to schools for in-year admission applications (after first term of entry). Parents and carers can apply for a place for their child at any time to any school. The LA can inform parents of where places might be available but application should be made directly to the school on a mid-term application form. Forms can be obtained from any Shropshire school, or printed from Shropshire Council's website ([www.shropshire.gov.uk/admissions](http://www.shropshire.gov.uk/admissions)) or a hard copy can be sent by second class post from the School Admissions Team.

Schools must inform the LA of all applications received and their outcome to allow the LA to keep up to date figures on availability of places. If there are more applications than places available schools will apply the relevant oversubscription criteria. If refusing an application, an admission authority (such as academies and aided schools or the LA for community and controlled schools) must inform parents of their right to appeal against the refusal.

The governing body of a foundation or voluntary aided school may require parents who make an application to provide supplementary information in order to apply their own admissions policy. Where supplementary information is required it must be returned along with the application form so that all information can be considered by the relevant admissions authority.

Some applications may be considered under the Fair Access Protocol. Applications such as those from traveller families or from Forces applicants, who meet the criteria for consideration under this protocol, will be offered a place at a suitable school without delay.

**Appeals**

Where applicants cannot be offered their preferred school they will be informed of the right to appeal. Where application is refused for an academy, the Academy Trust is responsible for arranging the admission appeal although they may ask another body to carry out some or all of the functions on their behalf. The earliest possible date for an appeal will be offered. Appeals are generally held on one day each month, and an appeal date must be offered within 30 schools days of the appeal being lodged, but generally it takes up to 4 weeks to set up an appeal. Where an appeal is upheld or where a parent is informed that the school has a place available, the pupil would be expected to commence at the school within 6 school weeks or by the start of the next half-term (whichever is the earliest) in which the place is offered, otherwise the offer of a place can be withdrawn by the admission authority. Mid-term or in-year admissions will not normally be accepted where this is for a place more

than one term ahead. The only exception to this would be parents who are applying for a boarding place at Thomas Adams School and where parents are going abroad so that it may be necessary to make arrangements early in the academic year.

#### Fraudulent or Misleading Information

All applicants are required to give correct information about the genuine residential address of the child, which is normally expected to be with the parent/carer who has care of the child for the majority of the time (that is, school time during the week in term time). In cases of equal shared care, the recipient of Child Benefit will be the deciding factor. When someone owns a property and comes to live with a relation, the substantive home address will be used to allocate a place and not that of the relation. Trial separation may not be accepted as proof of a permanent move. Addresses may be checked when deemed necessary, especially for oversubscribed schools. Parents/carers might be required to provide evidence that the residential address is genuine and council tax records may be verified. On occasions a home visit may be made by an officer from the Local Authority. Where a house move is made, applicants are required to produce a letter of confirmation from their solicitor that contracts have been exchanged or provide a copy of a signed tenancy agreement for a minimum period of 6 months. Short-term tenancy agreements may not be acceptable where the substantive parental address has not been sold at the time of allocation. Where any information regarding a home address is found to be fraudulent or misleading the Local Authority has the right to withdraw the offer of a school place even if the child has been admitted to the school.

#### **(4) Changes to Published Admission Numbers 2018/19**

Current admission numbers are shown in the Parents' Guide to Education in Shropshire 2017/18 booklet and changes for 2018/19 are listed here.

Following changes introduced by the School Admissions Code 2012, admission authorities are not required to consult where they propose to increase a Published Admission Number (PAN). Increases to PAN are therefore given purely for information and are not subject to consultation. At present there are no proposals to increase the PAN at any of our schools.

Where a reduction is proposed to published admission numbers, the admission authority must consult on their admission arrangements in entirety. St Giles CE Primary School in Shrewsbury has proposed a slight reduction in their PAN from 46 to 45 to enable better structure of their class organisation. Shropshire Council is the admission authority for this school and so they must consult on the proposal.

<b>Proposed <u>Reduction</u> in PAN</b>	<b>School Type</b>	<b>Existing PAN</b>	<b>New PAN</b>	<b>+ / -</b>
St Giles CE Primary School, Shrewsbury	VC	46	45	-1

Shrewsbury Academy currently operates on both the former Grange and Sundorne school sites. As an academy, the trust is an admission authority in their own right and they have proposed a reduction to their PAN from 237, the combined PAN of the former Grange and Sundorne schools, to 187 and they are consulting on that proposal. Shropshire Council is a consultee and as local authority for the area, has a statutory responsibility for place planning. There is evidence to show that the 50 places that would be lost in each year group are required in the north of the town and so the local authority will be raising an objection to this proposal.

<b>Proposed <u>Reduction</u> in PAN</b>	<b>School Type</b>	<b>Existing PAN</b>	<b>New PAN</b>	<b>+ / -</b>
Shrewsbury Academy	Academy	237	187	-50

## **(5) Catchment Area Changes**

### **i. Hope/Worthen/Westbury - Map A**

A proposed amalgamation of Hope CE Primary School, Worthen CE Primary School and St Mary's CE Primary School Westbury is the subject of a consultation. The proposal would result in the consolidation of provision onto the current Worthen CE Primary School site in the academic year 2017/18, resulting in the closure of the sites at Hope and Westbury.

The results of the consultation will be set out for Cabinet members on 21 December 2016 when they will consider whether to take the proposal on to the next stage. If this is approved, public notices would need to be published. The amalgamation of the three catchment areas would then be required as part of the admission arrangements for 2018/19.

The Local Authority has identified 3 minor anomalies where individual properties have been separated from the rest of a hamlet and the secondary school catchment area boundary has deviated from that of the primary school. Individual occupants of affected properties and the relevant schools are consultees to these arrangements. The following adjustments will correct the anomalies:

### **ii. Hope Bagot (Ludlow/Lacon Childe)- Map B**

1 property to transfer from Ludlow CE School to Lacon Childe's catchment area.

iii. Hemford (Bishops Castle Community College/Mary Webb School) – Map C

3 properties to transfer from the catchment area for Mary Webb School to that of Bishops Castle Community College.

iv. Roughton (Bridgnorth Endowed/Oldbury Wells) – Map D

1 property to transfer from Oldbury Wells School to Bridgnorth Endowed School's catchment area.

Appendices

Maps A-D showing proposed changes to catchment areas.

## SHROPSHIRE COUNCIL TIMETABLE FOR ADMISSIONS PROCESS FOR ADMISSION TO SCHOOL IN 2018/19

<b>DETERMINATION YEAR (2016/17)</b>		
November 2016 – 31 January 2017	Consultation on proposed admission arrangements	
28 February 2017	Admission arrangements must be determined	
15 March 2017	Admission arrangements to be published on website	
15 May 2017	Deadline for objections to Schools Adjudicator	
8 August 2017	Governing bodies must provide information to LA for Parents' Guide booklet	
<b>OFFER YEAR (2017/18)</b>		
	<b>Secondary</b>	<b>Primary</b>
By 12 September 2017	Parents' Guide must be published. Online application facility available. LA distributes application information via schools to Year 2 and Year 6 pupils and Reception applicants via post. LA also informs neighbouring LAs of their residents attending Shropshire schools.	
September/October 2017	Open evenings held	
<b>31 October 2017</b>	<b>Closing date for secondary applications.</b> After this date any further applications will be deemed to be late unless there are exceptional circumstances.	
Week beginning 20 November 2017	LA sends application details to other LAs and other Shropshire admission authorities for consideration.	
Week beginning 2 January 2018	Shropshire admission authority schools inform LA of application ranking.	
Week beginning 15 January 2018	First exchange of results shared between LAs.	
<b>15 January 2018</b>		<b>Closing date for Reception and Year 3 (Junior Schools) applications.</b> After this date any further applications will be deemed to be late unless there are exceptional circumstances.
Week beginning 22 January 2018	Provisional offers exchanged between LAs.	
<b>5 February 2018</b>	Second cycle of results shared. <b>From this date no exceptional late applications can be considered</b> until after the allocation date.	LA sends application details to neighbouring LAs
12 February 2018	Final offers exchanged with other LAs.	
19 February 2018	Shropshire Primary and Secondary schools given preliminary list of allocations.	LA sends application details to other Shropshire admission authorities for consideration.

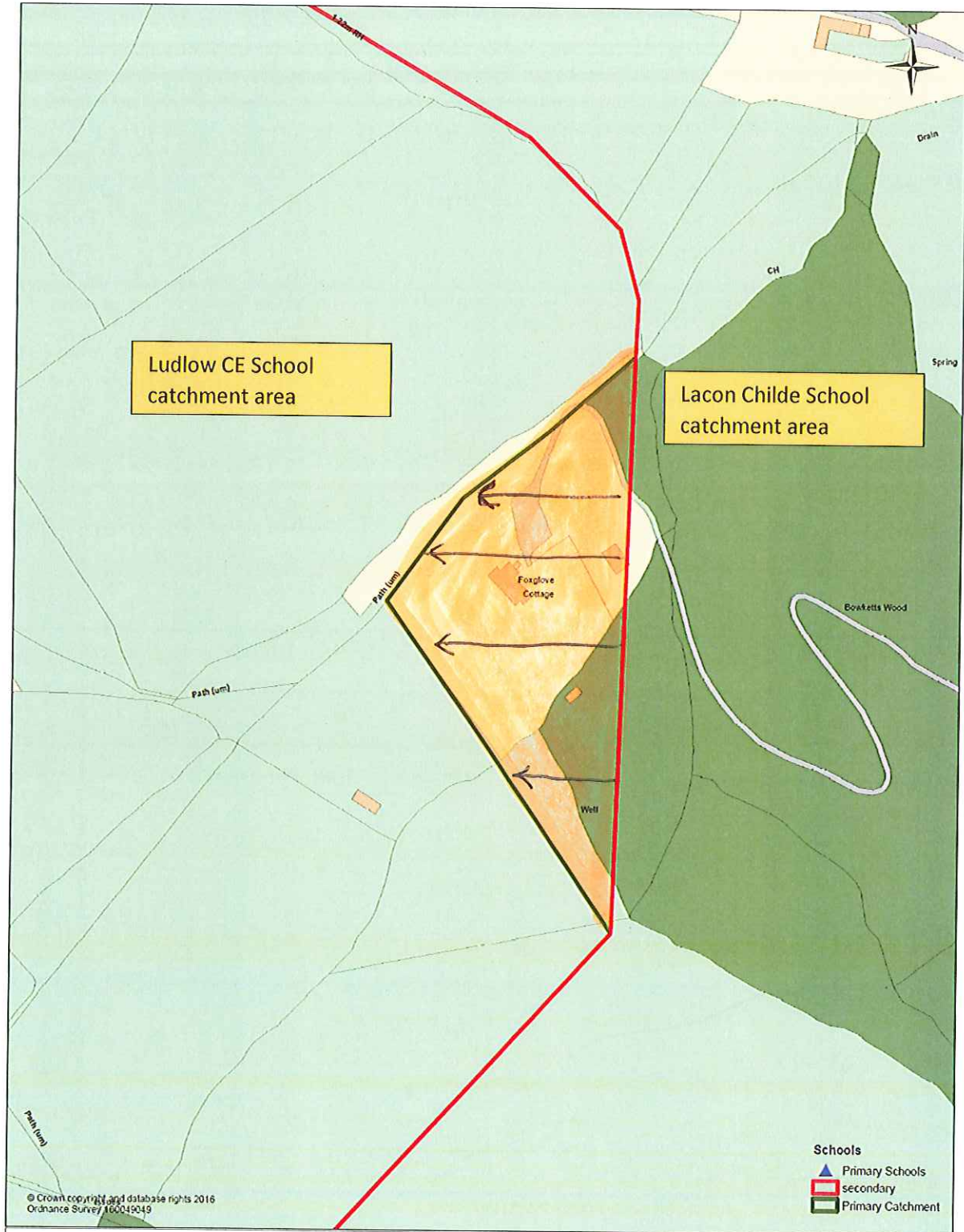
## SHROPSHIRE COUNCIL TIMETABLE FOR ADMISSIONS PROCESS FOR ADMISSION TO SCHOOL IN 2018/19

	<b>Secondary</b>	<b>Primary</b>
<b>1 March 2018</b>	<b>Allocation Day for all Year 6 pupils</b>	Other Shropshire admission authority schools inform LA of application ranking.
<b>12 March 2018</b>		Provisional offers shared between LAs. <b>From this date no exceptional late applications can be considered</b> until after the allocation date.
16 March 2018	<b>Review deadline</b> - Unsuccessful applicants ask to be included on a waiting list pending an appeal. Late applicants who could not be included in the allocations process earlier are also included on the waiting list at this stage.	
23 March 2018	<b>Review outcome</b> - Applicants who have completed and returned appeal forms by 16 March and have therefore been included on the waiting list will be notified if any vacancies have occurred and places can be allocated. If not, they will remain on the waiting list pending an appeal or further vacancies being available to re-allocate.	
31 March 2018		Final offers exchanged with LAs.
9 April 2018		LA sends preliminary lists to schools.
<b>16 April 2018</b>		<b>Allocation day for Reception/Junior applicants.</b>
4 May 2018		<b>Review deadline</b> - Unsuccessful applicants ask to be included on a waiting list pending an appeal. Late applicants who could not be included in the allocations process earlier are also included on the waiting list at this stage.
11 May 2018		<b>Review outcome</b> - Applicants who have completed and returned appeal forms by 4 May and who have therefore been included on the waiting list will be notified if any vacancies have occurred and places can be allocated. If not, they will remain on the waiting list pending an appeal or further vacancies being available to re-allocate.
May/June/July	Appeals take place	Appeals take place



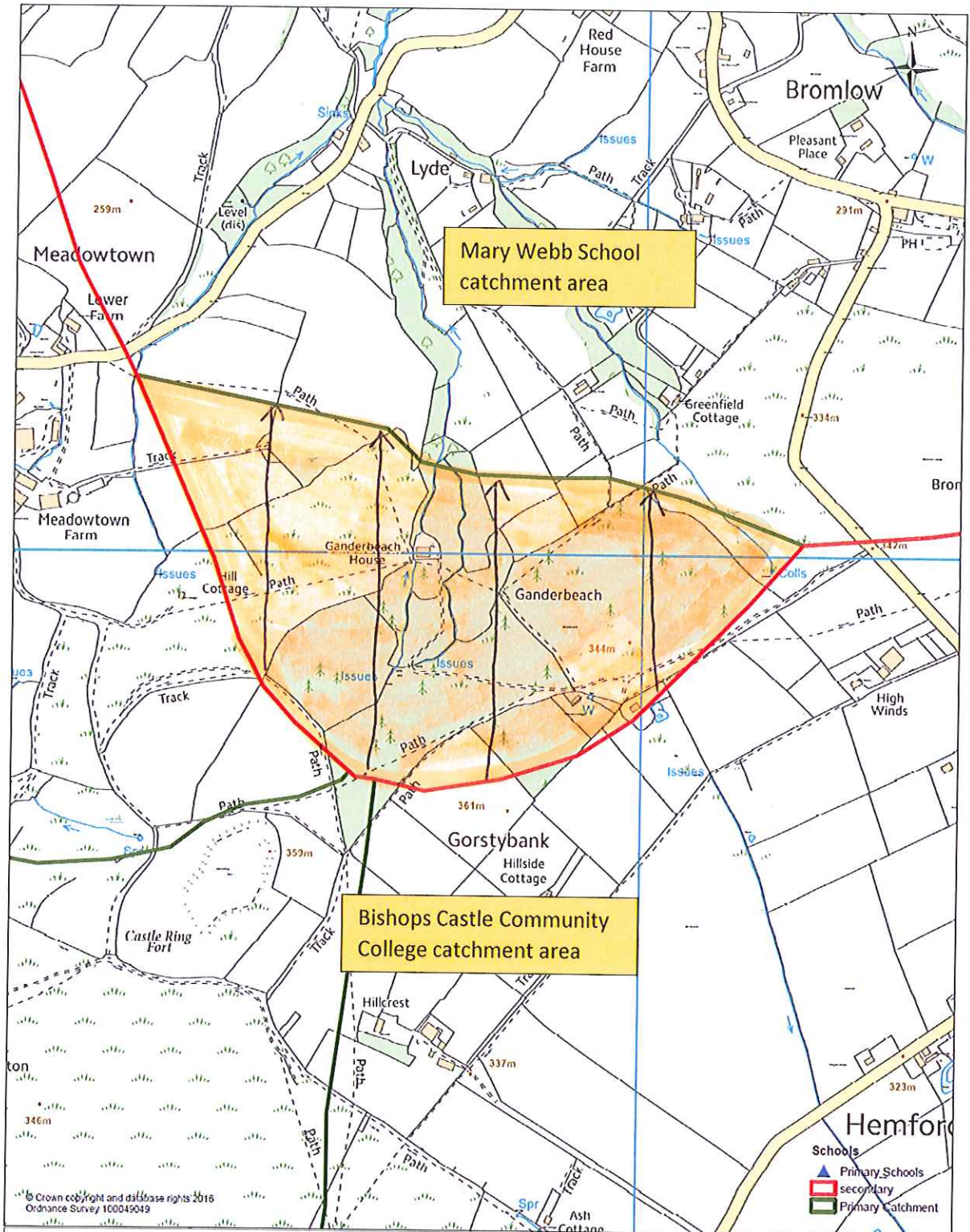
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Hope Bagot  
Ludlow/Lacon Childe  
Bishop Hooper/Clee Hill

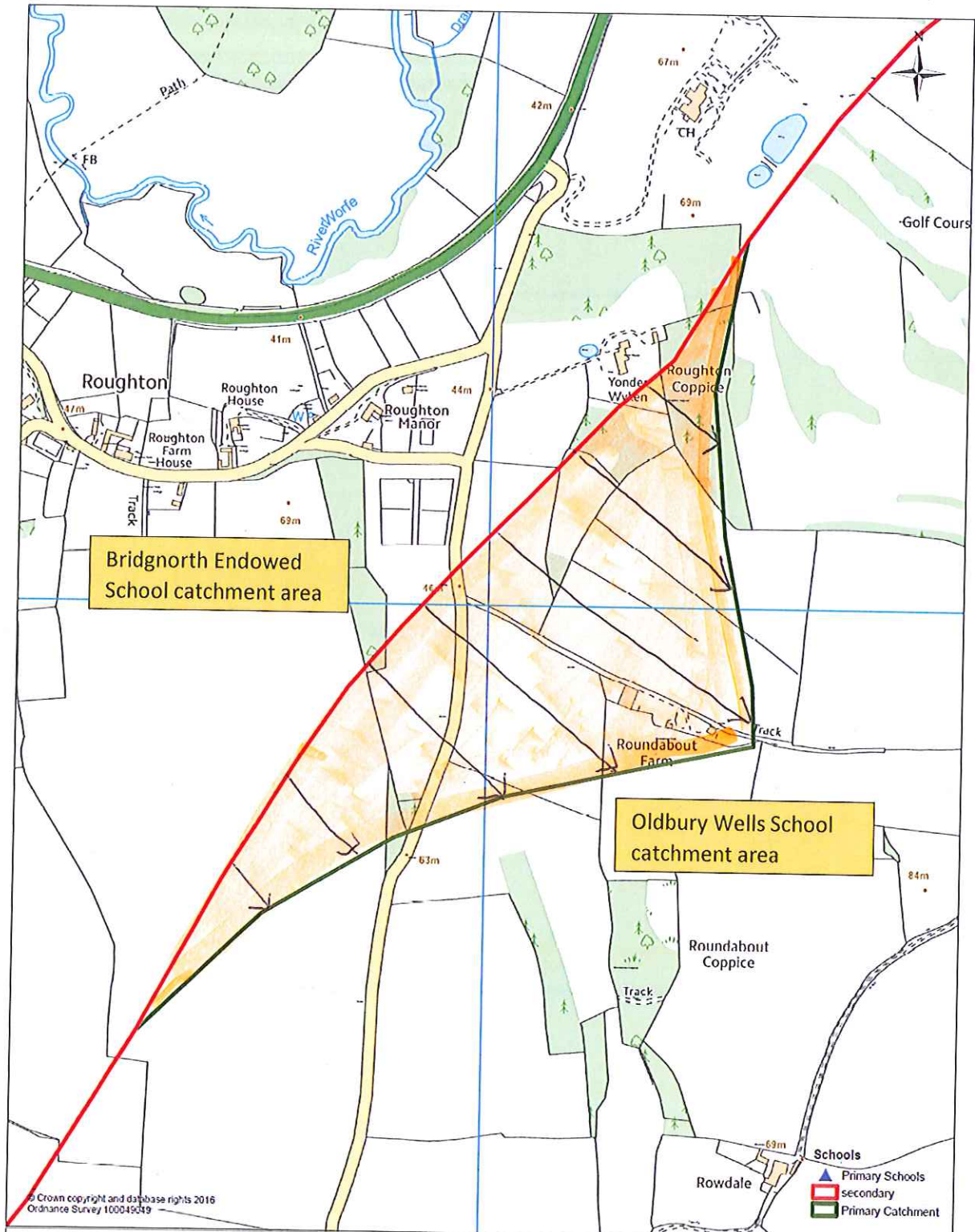
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Hemford  
BCCC/Mary Webb  
Worthen/Hope

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Roughton  
Endowed/Oldbury W  
Worfield/Claverley

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