



Date: Monday, 15 July 2024

Time: 2.00 pm

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

Contact: Ashley Kendrick Democratic Services Officer,
Tel: 01743 250893
Email: ashley.kendrick@shropshire.gov.uk

TRANSFORMATION AND IMPROVEMENT OVERVIEW AND SCRUTINY COMMITTEE

TO FOLLOW REPORT (S)

7 Financial Monitoring Period 2 (Pages 1 - 14)

To scrutinise financial performance at Period 2 and identify issues that may require further investigation by an overview and scrutiny committee.

This page is intentionally left blank



Committee and Date

Transformation & Improvement Scrutiny
15th July 2024

Cabinet
17th July 2024

Item

Public



Financial Monitoring Period 2

Responsible Officer:	James Walton		
email:	james.walton@shropshire.gov.uk	Tel:	01743 258915
Cabinet Member (Portfolio Holder):	Cllr Gwilym Butler, Finance, Corporate Resources and Communities		

1. Synopsis

The Council's first Period 2 monitor confirms the financial outlook to be exceptionally challenging. While it is very early in the financial year, slower than anticipated savings delivery must be the focus in preparing the P3 position.

2. Executive Summary

- 2.1. This report is the second monthly report presented to Cabinet. It remains early in the year, and the data upon which the forecast is prepared is more accurate than last month, but the estimated position through the remaining months of the year is not yet certain. Importantly, sufficient time remains to enable management action to be put in place to materially improve the forecast. This is an urgent requirement.
- 2.2. The financial position of the council remains highly challenging. The key overall indicator of financial health for the Council is the General Fund Balance. However, a wide range of factors impact on that value. As such, the overall financial position has been analysed into seven separate areas that underpin the strategic risk "Inability to Contain overall committed Expenditure within the Current Available Resources within this Financial Year":
 - a) Sufficient savings not being realised in-year
 - b) Demand in social care is higher than budgeted
 - c) Other unforeseen unbudgeted financial pressures arise

- d) Capital receipts are not sufficient to cover redundancy costs, transformation costs (PwC and staffing) and capital programme requirements
- e) External factors leading to increased cost pressures (e.g. reviews by Ofsted, CQC, DfE (SEND) review; unanticipated geo-political events renew inflationary pressures; a further epidemic)
- f) Project risks (e.g. capital projects impacting on revenue, including payback of grants)
- g) Cashflow - stalled liquidity (no/low cash position leads to late supplier or staff payments)

2.3. The leadership actions taken since Period 1 are as follows:

Theme	Action
Savings (service-led)	Significant movement of individual lines from 'indicative' plans only to 'in delivery' or 'clear delivery plans'.
Savings (organisation-wide transformation)	Extensive work to develop TOM proposals in actionable plans (see TOM report elsewhere on this agenda)

2.4. The leadership actions recommended before Period 3 are as follows:

Theme	Action	Lead
Savings	Urgent work to improve the level of delivery anticipated in service-led savings	Cabinet Portfolio leads/ Executive Directors
	Urgent work to maximise the likely level of transformation savings secured through the resizing proposals	
	Continuation of detailed planning for staffing budgets, to identify 'bottom up' forecasts for P3 including budgets for vacant posts to be removed, likely budgets required for agency staff cover in-year, the result of local service redesign, and budget reductions arising from approved voluntary redundancy applications	
Budget pressures	Urgent review of all adverse budget variances to identify appropriate mitigation plans	Cabinet Portfolio leads/ Executive Directors, supported by the finance leads
Capital receipts	Urgent work to identify a clear delivery pipeline to ensure that sales are secured in a measured way through the coming 2-3 years. Consideration of other opportunities to reduce property holdings through review of operational assets.	Cabinet Portfolio leads/ Executive Director, Place and CFO

2.5. The key issues highlighted by this report are:

- a) A forecast outturn position as at 31 March 2025 which threatens the adequacy of the General Fund Balance, thus limiting the ability of the Council to sustain unforeseen financial pressures which may arise before the end of the financial year.
- b) This situation is driven by projected under-delivery of in-year savings by £24.1m (projected delivery of £38.403m, which is 61.5% of the £62.5m target). At period 2 this is still driven by a high-level, top-down estimate of spending which needs validation through a detailed bottom-up forecast, to be undertaken in period 3 and reported to Cabinet as the Quarter 1 Monitoring Report.
- c) Savings under-delivery has been assessed against early indications of budget pressures, indicating a general budget pressure initially estimated at £38.553m. The budget forecast at Period 1 was a £29.006m budget pressure, so the forecast has deteriorated by over £9m between the two periods. This change is partly due to better information providing a more robust, if still exceptionally early, view of the financial position.
- d) An initial General Fund Balance of £38.821m indicates that while the projected variance can be accommodated, significant action must be taken to ensure the financial survival of the Council.

3. Recommendations

It is recommended that Cabinet Members:

- 3.1. Take necessary actions regarding the seven areas underpinning the strategic risk set out in the report (para 2.2)
- 3.2. Note and endorse the actions achieved and planned (para 2.4 and 2.5)
- 3.3. Take necessary action to improve Period 2 forecast (31st May 2024), by year end in terms of the indicative level of savings delivery of £38.403m (61%), resulting in a projected spend over budget of £38.553m for 2024/25.
- 3.4. Note the projected General Fund Balance of £0.268m arising if no further action were taken.
- 3.5. Formally acknowledge that the current information indicates the need for urgent corrective action, and to request that the Council's senior team undertakes that urgently.

Report

4. Risk Assessment and Opportunities Appraisal

- 4.1. A more regular review of the emerging financial position for the year is an essential part of the risk management approach of the council during the coming year.

4.2. The level of savings delivery and financial pressures in the current year are a recognised risk for the 2024/25 budget, and continued focus and action are being put in place to address this.

4.3. Risk table

Risk	Mitigation
That management actions required to bring the budget into balance do not yield the results being targeted, leading to a larger pressure on the general fund balance.	To deepen engagement and action planning through Directorate Management and Chief Officer teams.
Insufficient reserves to cover projected overspending or other deficits	Improved budget preparation process with more analysis of current and future activity trends. Modelling of current and future reserves levels, including both earmarked and unearmarked, against likely levels of pressure and impact on securing the desirable level of unearmarked (general) reserves. Review of ways in which further funds can be brought into unallocated general fund balances and reserves to support balance sheet repair and reserves improvement with the aim to retain a General Fund Balance within the range of £15m to £30m.

4.4. The key **opportunity** is that the reporting period is to the end of May and this report will be considered in mid-July by Cabinet. There is therefore time left to take necessary action to secure an improved financial position with continued focus and action are being put in place to address this.

5. Financial Implications

5.1. This report sets out the financial projections for the Council in the 2024/25 Financial Year as at Period 2. A summary of the key elements for managing the Council's budget are detailed elsewhere in this report.

6. Climate Change Appraisal

6.1. The Council's Financial Strategy supports its strategies for Climate Change and Carbon Reduction in several ways. A specific climate change revenue budget is held. The climate change schemes involving the Council's assets or infrastructure are included within the capital programme. These two areas of expenditure are anticipated to have a positive contribution towards climate change outcomes.

6.2. Securing a robust and sustainable financial base will help the Council meet the challenges of climate change – this is not separate to our budget management, but integral to it, as set out in the objectives of The Shropshire Plan and our aim to secure a Healthy Environment.

7. Forecast Outturn and Implied General Fund Balance

- 7.1. In overview, the current position indicates a potential spend over budget of £38.5m. This is not acceptable or sustainable and requires urgent management intervention in all portfolio areas to secure corrections. While it is inevitable that not all savings can be delivered exactly to the value planned, there are several areas where further work to improve the forecast can be progressed. Overall, every effort should be made to secure robust forecasts in all areas, based on clear operational plans, which remain within, or close to, budgeted funding limits. (This is also set out in more detail in the Financial Procedure Rules, in Part 4 of the Council's Constitution.)
- 7.2. In terms of the risk areas set out above at para 2.2, the table below provides a summary of current position.

	P2 – current position																																								
1. Sufficient savings not realised in-year	The budgeted £62.5m spending reductions targeted for 2024/25 and set out in the budget papers are currently forecast to deliver £38.4m by 31 March 2025. This indicates a potential under-delivery of £24.1m .																																								
2. Demand in social care is higher than budgeted	Several variances relating to social care commissioned services are evident at P2 with a net pressure of £3m . Work is in hand to determine the causes of this and options to mitigate it.																																								
3. Other unforeseen budget pressures arise	<p>Other pressures as at period 3 are currently estimated to outturn at £11.4m</p> <p>Taking risk areas 1, 2 and 3 together, P2 position indicates a forecast £38.5m overspend, set out below.</p> <table border="1"> <thead> <tr> <th>CCL1 Description</th> <th>Current Budget</th> <th>YTD Actuals Total (Updated Daily)</th> <th>Current Final Projection</th> <th>Forecast to Budget Variance (-Underspend/+Overspend)</th> </tr> </thead> <tbody> <tr> <td>▣ People</td> <td>£208,153,750</td> <td>£84,809,182</td> <td>£220,589,461</td> <td>£12,435,711</td> </tr> <tr> <td>▣ Place</td> <td>£65,209,530</td> <td>£22,853,592</td> <td>£78,778,702</td> <td>£13,569,172</td> </tr> <tr> <td>▣ Resources</td> <td>£3,881,900</td> <td>£16,098,327</td> <td>£7,972,753</td> <td>£4,090,853</td> </tr> <tr> <td>▣ Health and Wellbeing</td> <td>£348,660</td> <td>£2,332,088</td> <td>£531,920</td> <td>£183,260</td> </tr> <tr> <td>▣ Strategic Management Board</td> <td>£185,570</td> <td>£525,730</td> <td>£527,115</td> <td>£341,545</td> </tr> <tr> <td>▣ Corporate Budgets</td> <td>-£16,082,190</td> <td>-£502,139</td> <td>-£8,149,330</td> <td>£7,932,860</td> </tr> <tr> <td>Total</td> <td>£261,697,220</td> <td>£126,116,781</td> <td>£300,250,622</td> <td>£38,553,402</td> </tr> </tbody> </table> <p>This will exhaust all available unearmarked reserves and leave the Council significantly exposed to any further risks that may arise during the year.</p> <p>This is not a sustainable position and requires urgent correction.</p>	CCL1 Description	Current Budget	YTD Actuals Total (Updated Daily)	Current Final Projection	Forecast to Budget Variance (-Underspend/+Overspend)	▣ People	£208,153,750	£84,809,182	£220,589,461	£12,435,711	▣ Place	£65,209,530	£22,853,592	£78,778,702	£13,569,172	▣ Resources	£3,881,900	£16,098,327	£7,972,753	£4,090,853	▣ Health and Wellbeing	£348,660	£2,332,088	£531,920	£183,260	▣ Strategic Management Board	£185,570	£525,730	£527,115	£341,545	▣ Corporate Budgets	-£16,082,190	-£502,139	-£8,149,330	£7,932,860	Total	£261,697,220	£126,116,781	£300,250,622	£38,553,402
CCL1 Description	Current Budget	YTD Actuals Total (Updated Daily)	Current Final Projection	Forecast to Budget Variance (-Underspend/+Overspend)																																					
▣ People	£208,153,750	£84,809,182	£220,589,461	£12,435,711																																					
▣ Place	£65,209,530	£22,853,592	£78,778,702	£13,569,172																																					
▣ Resources	£3,881,900	£16,098,327	£7,972,753	£4,090,853																																					
▣ Health and Wellbeing	£348,660	£2,332,088	£531,920	£183,260																																					
▣ Strategic Management Board	£185,570	£525,730	£527,115	£341,545																																					
▣ Corporate Budgets	-£16,082,190	-£502,139	-£8,149,330	£7,932,860																																					
Total	£261,697,220	£126,116,781	£300,250,622	£38,553,402																																					
4. Capital receipts must be sufficient to fund requirements.	<p>For the purposes of this area of risk, estimated capital receipts required in the current year include provision for capitalisation of staff posts engaged in transformation, other transformation costs and the funding of eligible redundancy payments.</p> <p>Previously, the Council has secured capital receipts at an average annual level of £9m. The overall requirement for the purposes of this risk area is estimated as £30m. A pipeline of delivery and assessment for the remaining year will be included in the Period 3 monitor.</p>																																								
5. External factors leading to increased cost pressures	<p>Under ongoing review. Awaiting CQC report and planning for full Ofsted inspection.</p> <p>An assessment will be included in the Period 3 monitor.</p>																																								
6. Project risks (e.g. capital projects impacting on revenue, including	<p>Under ongoing review, no clear risks identified at present.</p> <p>An assessment will be undertaken each month and included from the Period 3 monitor.</p>																																								

payback of grants)	
7. Cashflow - stalled liquidity	No issues – full year cashflow plan in place and ongoing review to secure liquidity. An assessment will be undertaken each month.

7.3. The overall position is summarised below, including changes since P1.

- a) **Projected delivery of savings of £38.403m (61.5% of the £62.5m target).** Projected savings delivery is currently estimated at £35.175m (56.30%) with a further £3.228m (5.17%) having at least indicative plans in place. Combined, this is against the savings target of £62.480m. Since Period 1 a significant proportion of the savings previously identified as having indicative plans have progressed to having firm plans in place for delivery which is positive. However, some of the overarching savings previously considered as indicatively deliverable, have now been reassessed and some will be undeliverable in the current year. The assessment at period 2 is a gap of £24.1m, which will need urgent action to address at least in part.
- b) **A forecast of spend over budget of £38.553m.** While this forecast triangulates accurately with the developing position for savings delivery and reflects the best information currently available, spending beyond budget to this extent is not a sustainable position. The overall position must be to manage to within (or close to) available budget in all areas. Substantial growth was confirmed by Council to address the pressures identified in 2023/24, which will help a balanced position to be achieved.
- c) **An initial General Fund Balance of £38.821m** as a result of combining the brought forward balance of £8.237m with the budgeted contribution to balances of £30.584m. The forecast spend variance of £38.553m would result in a general fund balance at the end of the year of £0.268m. An overspend of this level would leave the Council with perilously low levels of balances. Several substantial risks will continue to be faced during the coming year, and the available £38m must be protected to mitigate those risks rather than offsetting under-delivery of agreed savings. Nevertheless, the opposite also holds that it is still too early in the year to place ultimate reliance on the projected position ahead of significant management action being undertaken over the remainder of the financial year.

Directorate performance

- 7.4. Table 1 below summarises the position by directorate (see also Appendix 1), including latest projections on funding.

Table 1: Projected Outturn by Directorate

Directorate	Revised Budget (£'000)	Projected Outturn (£'000)	(Under)/Overspend (£'000)	RAGY Classification
Health & Wellbeing	1,055	1,238	183	R
People	220,312	232,748	12,436	R
Place	72,343	85,912	13,569	R
Resources	4,204	7,977	3,773	R
Strategic Management Board	817	1,477	659	R
Service Delivery Budgets	298,731	329,351	30,620	R
Corporate	(37,034)	(29,101)	7,933	R

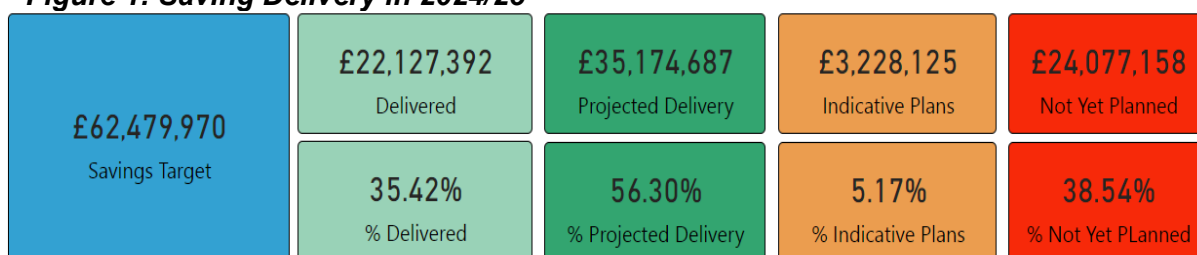
Net Expenditure	261,697	300,250	38,533	
Council Tax	(205,104)	(205,104)	0	G
Business Rates	(41,306)	(41,306)	0	G
Top Up Grant	(10,925)	(10,925)	0	G
Revenue Support Grant	(7,974)	(7,974)	0	G
Collection Fund (Surplus)/Deficit	3,612	3,612	0	G
Funding	(261,697)	(261,697)	0	G
Total	0	38,553	38,553	

7.5. Detail by service area is shown in appendix 1. This also shows the P2 projected overall variance and the level of 'red' (not yet planned) savings. It can be clearly seen that the majority of all variations to budget are driven by the projected level of achievement of savings. This is analysed further in the following paragraphs.

Savings performance

7.6. The current summary position on savings delivery is shown in Figure 1 below (note the 'delivered' values are included within, and not additional to, the 'Projected Delivery' values).

Figure 1: Saving Delivery in 2024/25



7.7. The savings forecast necessarily includes a range of estimates relating to delivery of spending reduction through the course of the financial year. These are being progressively refined as the year develops. Current forecast savings include expected service-led and organisational pay savings as a result of a resizing exercise. Detailed work to confirm the details of these plans at service level will be undertaken in P3 monitoring and included in the Q1 report.

7.8. The impact on overall and service specific performance on financial survival will be assessed over the coming months. It is unlikely that the level of savings being delivered this year will not adversely affect performance. There will be significant changes to the way the Council works over the medium term and it is anticipated that initial assessments can be made as part of the quarterly performance reports to Cabinet over the year. Changes made in the short term to manage the Council's financial position may require reduction, pausing or stopping of services. Public consultation will be undertaken where, for example, short or medium term decisions require policy change.

7.9. Outside the general fund revenue budget, the capital receipts position will also impact on the General Fund Balance if insufficient capital receipts are generated to fully meet the estimated requirements of the transformation programme.

General Fund Balance

7.10. The 2024/25 budget includes a £30.584m contribution to the General Fund Balance. Table 2 details the projected General Fund Balance following this budgeted contribution, but also includes the impact on the Balance should the current spend over budget estimate of £38.553m materialise.

Table 2: General Fund Projection

General Fund Balance	£'000
Balance Brought Forward 1 April 2024	8,237
Budgeted Contribution 2024/25	30,584
2024/25 estimated spending above budget (as projected at P2)	(38,553)
Balance as at 31 March 2025	268

Capital Receipt Delivery

7.11. The Council uses capital receipts to help fund elements of the general capital programme and transformation costs, where appropriate, including costs of restructuring services during 2024/25.

7.12. The anticipated level of capital receipts required for 2024/25 is over £49m taking all of the above into account. Current estimates show projected receipts in-hand of £16.3m, comprising £15.2m brought forward from 2023/24 and £1.1m projected to be realised in-year. A further £20.9m of further assets have been earmarked for disposal, without clear disposal plans currently being in place.

	2024/25	2025/26	2026/27	2027/28
Corporate Resources Allocated in Capital Programme	14,182,250	8,893,385	4,100,000	525,346
Capital Programme Ring-fenced receipt requirements	12,383,333	19,860,627	-	-
Transformation activities	23,097,181	-	-	-
Total Commitments	49,662,764	28,754,012	4,100,000	525,346
Capital Receipts in hand/projected:				
Brought Forward in hand	15,175,259	33,353,622	62,042,634	66,077,634
Generated 2024/25 YTD	-	-	-	-
Projected - 'Green'	1,133,884	65,000	65,000	65,000
Total in hand/projected	16,309,142	33,288,622	61,977,634	66,012,634
Shortfall to be financed from Prudential Borrowing / (Surplus) to carry forward	33,353,622	62,042,634	66,077,634	66,537,980
Further Assets Being Considered for Disposal (Amber/Red)	20,959,391	26,481,440	7,500,750	10,283,182

7.13. These shortfalls in relation to the General Fund capital receipts requirement could be reduced by replacing the requirement arising from the currently approved capital programme with borrowing. This could decrease the requirement for capital receipts over each of the years. This replacement with borrowing would give rise to a revenue pressure by generating an MRP liability. A full assessment will be included in the Quarter 3 monitoring report.

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

Financial Strategy 2024/25 – 2028/29, Council 21st March 2024

Financial Monitoring Period 1, Cabinet 5 June 2024

Financial Rules

Local Member: All

Appendices

Appendix 1 - 2024/25 Projected Revenue Outturn by Service

Appendix 2 – 2024/25 Savings Delivery

APPENDIX 1

2024/25 PROJECTED REVENUE OUTTURN BY SERVICE


Directorate/ Service	Forecast Variance at Period 1 £'000	Budget £'000	Forecast Outturn at Period 2 £'000	Forecast Variance at Period 2 £'000	'Red' savings £000	Movement from P1 to P2 £'000	Explanation of Movement from P1 to P2
People							
Adult Social Care	4,783	131,587	134,094	2,507	2,461	(2,276)	<ul style="list-style-type: none"> Change in estimated organisation-wide staffing savings
Children's Social Care and Safeguarding	4,836	63,321	68,201	4,880	1,540	43	<ul style="list-style-type: none"> Underlying pressure due to numbers of children in high cost residential placements
Early Help, Partnerships and Commissioning	100	3,288	3,188	(100)	0	(200)	<ul style="list-style-type: none"> Adjustment in PWC efficiency savings with £0.053m third-party spend savings now forecast to be achieved. £0.160m increase in forecast spend under budget against Early Help Family Hubs staffing."
Learning and Skills	1,834	23,377	25,457	2,080	0	246	<ul style="list-style-type: none"> £0.379m increase in forecast spend over budget on Home to School Transport following revision to forecasts to reflect the increased number of academic days (198) falling within the 2024/25 financial year. £0.030m additional income forecast resulting from a higher number of academy conversions projected within the 2024/25 financial year. £0.099m forecast spend over budget against former Teacher's Pension compensation payments, as reported at Period 1 has now been offset through a re-allocation of budgets to maximise external funding.
People Directorate Management	(4,141)	(1,261)	1,808	3,069	6,171	7,210	<ul style="list-style-type: none"> Change in estimated organisation-wide staffing savings
People Total	7,413	220,312	232,748	12,436	10,173	5,023	
Place							
Commercial Services	4,891	35,790	44,103	8,313	10,103	3,422	<ul style="list-style-type: none"> Overall variance driven by savings delivery plans which are not yet in place. Current estimates indicate £3.000m shortfall in Green waste charges arising from a revised implementation plan. £1.500m shortfall on Waste PFI contract re-negotiation due to delays in identifying a negotiating strategy. £0.853m adjustment in organisation-wide staffing savings
Economy and Place	1,401	5,835	7,444	1,609	1,153	208	<ul style="list-style-type: none"> £0.669m Change in estimated organisation-wide staffing savings plus forecast underachievement of planning fee income
Highways and Transport	5,490	15,263	19,974	4,711	4,046	(778)	<ul style="list-style-type: none"> £0.730m Change in estimated organisation-wide efficiency savings, offset by including recharges to capital. Underlying pressure due to savings delivery plans not yet in place.
Homes and Communities	1,089	14,935	16,249	1,314	2,642	224	<ul style="list-style-type: none"> £0.991m Change in estimated in organisation-wide efficiency saving. -£0.553 Savings on salaries due to VR.

Page 10

Directorate/ Service	Forecast Variance at Period 1 £'000	Budget £'000	Forecast Outturn at Period 2 £'000	Forecast Variance at Period 2 £'000	'Red' savings £000	Movement from P1 to P2 £'000	Explanation of Movement from P1 to P2
							<ul style="list-style-type: none"> • -£0.213m Saving in external contracts in Housing
Place Directorate Management	(719)	520	(1,858)	(2,378)	(971)	(1,659)	<ul style="list-style-type: none"> • Change in estimated organisation-wide efficiency savings
Place Total	12,151	72,343	85,912	13,569	16,974	1,418	
Resources							
Workforce and Improvement	358	78	1,211	1,133	1,228	776	<ul style="list-style-type: none"> • Change in estimated organisation-wide efficiency savings
Finance and Technology	946	3,270	5,373	2,103	1,936	1,157	<ul style="list-style-type: none"> • £1.348m Change in estimated organisation-wide efficiency savings, offset partly by including recharges to capital
Legal and Governance	54	669	1,312	643	611	589	<ul style="list-style-type: none"> • Change in estimated organisation-wide efficiency savings.
Pensions	0	177	177	0	0	0	<ul style="list-style-type: none"> • No variance to budget at Period 2.
Resources Directorate Management	1,525	10	(96)	(106)	(472)	(1,631)	<ul style="list-style-type: none"> • £0.437m Change in estimated organisation-wide efficiency savings • (£0.915m) initial estimated related to vacancies identified towards resizing targets. • (£1.216m) Directorate wide pay related savings
Resources Total	2,883	4,204	7,977	3,773	3,303	890	
Health & Wellbeing							
Public Health	0	417	417	0	0	0	<ul style="list-style-type: none"> • No variance to budget at Period 2.
Regulatory Services	145	638	821	183	220	38	<ul style="list-style-type: none"> • Change in estimated organisation-wide efficiency savings
Health & Wellbeing Total	145	1,055	1,238	183	220		
Strategic Management Board							
Chief Executive and PAs	(139)	21	(62)	(83)	(40)	56	<ul style="list-style-type: none"> • Change in estimated organisation-wide efficiency savings. • (0.210m) Top up of pay related savings per PWC adj.
Programme Management	(172)	260	684	424	1,737	596	<ul style="list-style-type: none"> • Change in estimated organisation-wide efficiency savings
Communications and Engagement	325	536	854	318		(7)	<ul style="list-style-type: none"> • Minor variance to budget at Period 2.
Strategic Management Board Total	14	817	1,477	659	1,696	645	
Corporate							
Corporate Budgets	6,399	(37,034)	(29,101)	7,933	4,918	1,534	<ul style="list-style-type: none"> • Change in estimated organisation-wide efficiency savings
Corporate Total	6,399	(37,034)	(29,101)	7,933	4,918	1,534	
Total Net Expenditure	29,006	261,697	300,250	38,553	37,288	9,547	

APPENDIX 2

2024/25 SAVINGS DELIVERY

 Shropshire Council 24/25 Individual Savings List									
Savings Name	Savings Target	Delivered to Date (One-off)	Delivered to Date (Ongoing)	Delivered to Date Total	Projected Delivery (One-off)	Projected Delivery (Ongoing)	Projected Delivery Total	Indicative Plans in Place	Not Yet Planned
CM003 - Increase fly tipping charges	£20,000	£0	£0	£0	£0	£0	£0	£20,000	£0
CM007 - Increase wider Fees and charges above those mentioned specifically elsewhere	£2,000,000	£0	£0	£0	£0	£33,740	£33,740	£113,140	£1,853,120
MD001 - Further increase funding of public health reserves to support preventative initiatives at the children's, adults and customer front-door.	£200,000	£0	£200,000	£200,000	£0	£200,000	£200,000	£0	£0
MD004 - Transfer of a leisure asset to an appropriate provider.	£100,000	£0	£0	£0	£0	£0	£0	£0	£100,000
MD006 - Introduce a booking system for household recycling centres	£200,000	£0	£0	£0	£0	£0	£0	£200,000	£0
MD007 - By increasing the use of technology, community and voluntary support reduce the need for formal care by maximising independence	£2,215,811	£0	£290,620	£290,620	£0	£2,215,811	£2,215,811	£0	£0
MD008 - Increase the number of people supported by START inhouse reablement service to maximise independence, preventing readmission and the need for long term social care	£1,596,510	£0	£664,924	£664,924	£0	£1,596,510	£1,596,510	£0	£0
MD011 - Reducing the need to long term residential care - Ensuring that Shropshire Council commission the right care for people in line with their needs	£129,314	£0	£0	£0	£0	£129,314	£129,314	£0	£0
MD012 - Supported living - Reduce the need for 24 hour provision and increase independence through alternative resources such as technology	£1,200,000	£0	£95,626	£95,626	£0	£1,200,000	£1,200,000	£0	£0
MD014 - Enabling the use of wider travel options to increase independence and reduce isolation	£200,000	£0	£0	£0	£0	£0	£0	£200,000	£0
MD015 - Deliver efficiencies through review of service delivery	£300,000	£0	£300,000	£300,000	£0	£300,000	£300,000	£0	£0
MD016 - Night time care and support service enabling people to stay at home	£522,000	£0	£55,923	£55,923	£0	£522,000	£522,000	£0	£0
MD017 - Supporting people to have Direct payment rather than agency care	£110,000	£150,217	£0	£150,217	£150,217	£0	£150,217	£0	-£40,217
NI001 - Increase in income through the Minimum income guarantee national announcement.	£1,500,000	£0	£214,008	£214,008	£0	£1,500,000	£1,500,000	£0	£0
NI002 - Reconciliation of any variance to care hours provided.	£2,300,000	£0	£0	£0	£2,300,000	£0	£2,300,000	£0	£0
NI003 - Set up a charging structure for recipients of telecare	£100,000	£0	£0	£0	£0	£0	£0	£100,000	£0
NI004 - Expand the Handy Person service to a wider range of customers, including fee payers, supporting independent living	£10,000	£0	£0	£0	£0	£0	£0	£10,000	£0
NI005 - Increased income from countryside maintenance contracting activity. Review green asset maintenance arrangements	£39,720	£0	£0	£0	£0	£0	£0	£39,720	£0
NI006 - Increase income from Museums and Archives services	£150,000	£0	£0	£0	£0	£0	£0	£150,000	£0
NI007 - Increase income from an enhanced memorial and ceremony offer at Council sites	£60,000	£0	£0	£0	£0	£0	£0	£60,000	£0
NI008 - Increase income from an improved range of wedding and partnership ceremony packages	£68,000	£0	£0	£0	£0	£0	£0	£68,000	£0
NI009 - Development of commercial model for theatre and cinema income to achieve net zero budget	£295,000	£0	£45,000	£45,000	£0	£295,000	£295,000	£0	£0
NI010 - Introduce charging for fortnightly green waste collection	£4,000,000	£0	£0	£0	£0	£1,000,000	£1,000,000	£0	£3,000,000
NI012 - Charge housing developers for new bins	£70,000	£0	£0	£0	£0	£0	£0	£70,000	£0
NI013 - Review options for car parking charges at Council offices	£100,000	£0	£0	£0	£0	£0	£0	£0	£100,000
RC001 - Redesign the delivery of the statutory service including managing demand.	£105,000	£0	£14,600	£14,600	£0	£14,600	£14,600	£90,400	£0
RC002 - Redesign the delivery of the statutory regulatory (ecology) services including managing demand.	£58,600	£0	£58,600	£58,600	£0	£58,600	£58,600	£0	£0
RC003 - Further increase allocation of the public health grant to support preventative initiatives at the children's, adults and customer front-door.	£90,000	£0	£90,000	£90,000	£0	£90,000	£90,000	£0	£0

Transformation & Improvement Scrutiny 15th July 2024; Cabinet 17th July 2024 – Financial Monitoring Period 2

RC004 - Capitalisation of reserves as one off for staff and projects relating to transformation work to further increase funding of public health reserves to support preventative initiatives. This is for 2024/25, in addition to 1,000,000 in 23/24.	£1,000,000	£850,000	£0	£850,000	£850,000	£0	£850,000	£0	£150,000
RC006 - Increase income through charging for training.	£180,000	£60,000	£0	£60,000	£60,000	£120,000	£180,000	£0	£0
RC007 - Review of our in house day service provision.	£105,000	£0	£44,350	£44,350	£0	£105,000	£105,000	£0	£0
RC008 - Review and reduce 3rd party spend	£2,600,000	£2,000,000	£608,000	£2,608,000	£2,000,000	£608,000	£2,608,000	£0	£8,000
RC009 - Review and reduce the need for 24 hour provision through the use of technology to increase independence	£300,000	£0	£0	£0	£0	£300,000	£300,000	£0	£0
RC011 - Review and resize business support functions	£375,000	£0	£0	£0	£375,000	£0	£375,000	£0	£0
RC012 - Review of external day service provision	£180,000	£0	£0	£0	£0	£180,000	£180,000	£0	£0
RC013 - Improve efficiencies of commissioned services across children's services contracts and secure overall reduction in demand.	£1,600,000	£0	£246,104	£246,104	£0	£1,600,000	£1,600,000	£0	£0
RC014 - Review & resize senior staffing structure in Children's Services against projected activity levels	£87,000	£0	£87,000	£87,000	£0	£87,000	£87,000	£0	£0
RC016 - Agency Staff - reducing use of agency staff; promote permanent staffing.	£85,000	£0	£0	£0	£0	£0	£0	£85,000	£0
RC017 - Review & resize Supported Board and Lodgings (17 & 18 year olds) to ensure full capacity	£30,000	£0	£30,000	£30,000	£0	£30,000	£30,000	£0	£0
RC020 - Ensure that funding for the most complex of children is equitably shared with Health as an equal partner responsible for the safe care of children.	£156,000	£0	£115,578	£115,578	£0	£156,000	£156,000	£0	£0
RC023 - Focus new residential property acquisitions on priority housing needs	£50,000	£0	£0	£0	£0	£50,000	£50,000	£0	£0
RC024 - Optimise the use of existing Council residential properties	£20,000	£0	£0	£0	£0	£0	£0	£20,000	£0
RC025 - Review and resize the Housing Services team	£60,000	£0	£60,000	£60,000	£0	£60,000	£60,000	£0	£0
RC029 - Review staffing and resize the Rights of Way team	£19,395	£0	£17,240	£17,240	£0	£17,240	£17,240	£0	£2,155
RC030 - Review staffing and resize the Outdoor Partnerships team	£41,250	£0	£41,250	£41,250	£0	£41,250	£41,250	£0	£0
RC031 - Removal of Arts Development funding	£17,120	£0	£17,120	£17,120	£0	£17,120	£17,120	£0	£0
RC035 - Review staffing and resize the Culture Leisure and Tourism management team	£350,000	£0	£349,540	£349,540	£0	£349,540	£349,540	£0	£460
RC036 - Service efficiencies from Registrars service digitisation	£50,000	£0	£48,347	£48,347	£0	£48,347	£48,347	£0	£1,653
RC038 - Review staffing and resize the Business and Consumer Protection Team	£35,000	£0	£34,232	£34,232	£0	£34,232	£34,232	£0	£768
RC040 - Dispose of Shirehall quicker and relocate services	£325,000	£0	£0	£0	£0	£0	£0	£0	£325,000
RC043 - Review and resize staffing in Property and Development Services	£550,000	£0	£550,000	£550,000	£0	£550,000	£550,000	£0	£0
RC044 - Review and resize the Climate Change team	£200,000	£0	£200,000	£200,000	£0	£200,000	£200,000	£0	£0
RC045 - Review and re-size staffing in Strategic Transport	£70,000	£0	£0	£0	£0	£37,840	£37,840	£0	£32,160
RC046 - Review staffing and secure workforce reductions in tree work, conservation, and historic environment teams.	£175,000	£0	£163,093	£163,093	£0	£163,093	£163,093	£11,907	£0
RC047 - Review and re-size staffing in Planning Policy team	£160,000	£0	£160,000	£160,000	£0	£160,000	£160,000	£0	£0
RC048 - Review and re-size staffing in Planning team.	£230,000	£0	£183,837	£183,837	£0	£230,000	£230,000	£0	£0
RC049 - Review and re-size staffing in Highways Development team	£100,000	£20,000	£120,000	£100,000	£20,000	£120,000	£100,000	£0	£0
RC050 - Review and re-sizing staffing in Planning Enforcement	£35,000	£0	£29,093	£29,093	£0	£35,000	£35,000	£0	£0
RC051 - Review and re-sizing staffing in Broadband team.	£30,000	£0	£30,000	£30,000	£0	£30,000	£30,000	£0	£0
RC052 - Capitalise post in Strategic Infrastructure.	£37,000	£0	£0	£0	£37,000	£0	£37,000	£0	£0
RC053 - Capitalise part of posts in Economic Growth.	£50,000	£0	£0	£0	£50,000	£0	£50,000	£0	£0
RC054 - Review and re-size staffing in the economic development team, including options to capitalise posts.	£77,000	£0	£59,300	£59,300	£0	£77,000	£77,000	£0	£0
RC055 - Change in percentage split of chargeable/non-chargeable receipts in Building Control	£70,000	£0	£0	£0	£70,000	£0	£70,000	£0	£0
RC057 - Cessation of LEP contribution further to government guidance.	£36,000	£0	£36,000	£36,000	£0	£36,000	£36,000	£0	£0
RC058 - Stop payment of subscription to "Midlands Engine" partnership.	£20,000	£0	£20,000	£20,000	£0	£20,000	£20,000	£0	£0
RC059 - Review contractor provisions relating to pensions costs (one off).	£300,000	£0	£0	£0	£300,000	£0	£300,000	£0	£0
RC060 - Review contracts and secure cost reductions in current 'Green Asset' contracts.	£250,000	£0	£250,000	£250,000	£0	£250,000	£250,000	£0	£0

Transformation & Improvement Scrutiny 15th July 2024; Cabinet 17th July 2024 – Financial Monitoring Period 2

RC061 - Review contract and secure cost reductions in reactive drainage operational team.	£200,000	£0	£200,000	£200,000	£0	£200,000	£200,000	£0	£0
RC062 - Review and resize through highways restructure	£600,000	£0	£338,773	£338,773	£0	£378,723	£378,723	£221,277	£0
RC063 - Cross Directorate structural efficiencies & synergies alongside framework utilisation reductions.	£2,000,000	£0	£700,000	£700,000	£0	£700,000	£700,000	£0	£1,300,000
RC064 - Review and re-size staffing HR/OD Team (1)	£100,000	£0	£80,302	£80,302	£0	£80,320	£80,320	£0	£19,680
RC065 - Review and re-size staffing HR/OD Team (2)	£100,000	£0	£0	£0	£0	£0	£0	£0	£100,000
RC066 - Review and re-size staffing in the Improvement Team	£75,000	£0	£25,693	£25,693	£0	£25,693	£25,693	£0	£49,307
RC068 - Review and re-size staffing in the Overview and Scrutiny Function	£100,000	£0	£0	£0	£0	£0	£0	£0	£100,000
RC071 - Review contract, fleet, and secure cost reductions in use of mobile phones.	£114,000	£0	£0	£0	£0	£0	£0	£114,000	£0
RC072 - Review and resize staffing in ICT (includes systems maintenance and development (hardware and software), user support and helpdesk, and corporate network security).	£1,000,000	£0	£682,579	£682,579	£0	£682,579	£682,579	£317,421	£0
RC073 - Review and resize staffing in Revenues and Benefits (council tax and business rates collection and council tax support and housing benefits payments)	£500,000	£0	£103,379	£103,379	£0	£103,379	£103,379	£0	£396,621
RC074 - Anticipated cost reductions in Revenues & Benefits arising from improvement of in-house Temporary Accommodation provision.	£1,000,000	£0	£1,000,000	£1,000,000	£0	£1,000,000	£1,000,000	£0	£0
RC077 - Centralisation and efficiencies of external legal spending.	£100,000	£0	£0	£0	£0	£0	£0	£100,000	£0
RC078 - New model for future delivery of the Council's Out of Hours calls triage and Shrewsbury Town Centre CCTV monitoring	£334,000	£0	£0	£0	£0	£0	£0	£0	£334,000
RC080 - Review and re-size overall council staffing beyond those listed elsewhere.	£8,500,000	£2,094,588	£5,315,990	£7,410,578	£2,094,588	£5,391,685	£7,486,273	£629,097	£384,630
RC081 - Senior Management review	£710,000	£0	£0	£0	£0	£0	£0	£81,330	£628,670
RC082 - Review and re-size staffing in executive support across the council.	£50,000	£0	£25,242	£25,242	£0	£25,242	£25,242	£0	£24,758
RC083 - Review and secure cost reductions in the pooled training budget	£50,000	£0	£31,610	£31,610	£0	£31,610	£31,610	£0	£18,390
RC085 - Reduce Third Party Spend. The proposal is to identify opportunities to reduce third party spend in a sustainable, recurrent way.	£1,267,600	£92,420	£1,407,580	£1,500,000	£92,420	£1,407,580	£1,500,000	£0	£232,400
RC086 - Efficiency Savings across all areas of the Council, including paying attention to securing reduced carbon emissions within the supply chain.	£12,400,000	£0	£0	£0	£0	£0	£0	£0	£12,400,000
SC002 - Review education transport arrangements - changes to policy (mainstream and SEND)	£350,000	£0	£273,000	£273,000	£0	£273,000	£273,000	£77,000	£0
SC003 - Review education transport arrangements - changes to efficiency and delivery models (mainstream and SEND)	£650,000	£0	£0	£0	£0	£379,167	£379,167	£270,833	£0
SC004 - Decommission block contract and move to SPOT provision.	£200,000	£200,634	£0	£200,634	£0	£200,634	£200,634	£0	£634
SC005 - Review the development of a solo children's home to enable discussions about a joint funded model with Health. 24/25 and 25/26 only	£400,000	£0	£400,000	£400,000	£0	£400,000	£400,000	£0	£0
SC008 - Review staffing and resize the Empty Homes service	£44,650	£0	£0	£0	£0	£18,604	£18,604	£0	£26,046
SC010 - Service efficiencies and increased income from Registrars delivery focus on enhanced venues	£50,000	£0	£0	£0	£0	£0	£0	£50,000	£0
SC012 - Reduce from five to three Household Recycling Centres	£14,000	£0	£0	£0	£0	£0	£0	£14,000	£0
SC013 - Rationalise property and buildings to secure revenue savings (e.g. utilities, security, repairs and maintenance etc). Use reductions to secure additional capital receipts.	£3,000,000	£0	£0	£0	£0	£0	£0	£0	£3,000,000
SC014 - Review the provision of school crossing patrol service (Schools may opt to pay for the service).	£20,000	£0	£6,000	£6,000	£0	£9,010	£9,010	£0	£10,990
SC018 - Review subscription and secure cost reductions in membership of West Midlands Employers	£30,000	£0	£30,000	£30,000	£0	£30,000	£30,000	£0	£0
TO001 - Explore shared emergency planning resource and resilience with partners.	£15,000	£0	£0	£0	£0	£0	£0	£15,000	£0
TO002 - Review the use of the UK Shared Prosperity Fund (UKSPF) to maximise grant funding	£60,000	£0	£0	£0	£0	£60,000	£60,000	£0	£0
TO003 - Review the use of external grant funding for preventative SEND services across the People Directorate.	£50,000	£0	£50,000	£50,000	£0	£50,000	£50,000	£0	£0
TO004 - Review funding arrangements and contributions from external sources to higher cost placements	£500,000	£0	£500,000	£500,000	£0	£500,000	£500,000	£0	£0
TO006 - Limit access to the Housing Register for a fixed period to focus upon priority need cases.	£100,000	£0	£0	£0	£0	£0	£0	£100,000	£0
Total	£62,479,970	£5,427,859	£16,699,533	£22,127,392	£8,359,225	£26,815,462	£35,174,687	£3,228,125	£24,077,157