



Date: Wednesday, 3 December 2025

Time: 10.30 am

Venue: The Council Chamber, The Guildhall, Frankwell Quay, Shrewsbury, SY3 8HQ

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

CABINET

TO FOLLOW REPORT (S)

10 Financial Monitoring Period 7 (Pages 1 - 32)

Lead Member – Councillor Roger Evans, Portfolio Holder for Finance

Lead Officer – James Walton, Executive Director (S151)

This page is intentionally left blank

	Committee and Date Transformation & Improvement Scrutiny 1 st December 2025 Cabinet 3 rd December 2025	Item
		Public






Financial Monitoring Period 7 2025/26

Responsible Officer:	James Walton, Executive Director (Section 151)	
email:	james.walton@shropshire.gov.uk	
Cabinet Member (Portfolio Holder):	Roger Evans, Finance	

1. Synopsis

The completion of the detailed review of financial projections ahead of an application to MHCLG for Exceptional Financial Support in December reflects a forecast outturn overspend of £50.746m. The Council is undertaking emergency actions to ensure the financial survival of the Council in the current year.

2. Executive Summary

2.1. The key issues highlighted by this report are:

- A. The completion of an in depth review into the in-year financial position following the declaration of a financial emergency on 10 September 2025 has resulted in a worsened forecast projected outturn position as at 31 October 2025 of £50.746m - a deterioration of £3.677m from that reported at Quarter 2. The authority is confident that all significant areas have now been reviewed and is working closely with the LGA to support actions to rectify the current position.
- B. An initial General Fund Balance of £34.280m indicates that the projected variance would not be accommodated. Contingency funding has been identified within earmarked reserves to provide further resilience over the remainder of the financial year which includes the winter period.

C. The Council is in active discussions with the Government, via the Ministry for Housing, Communities and Local Government, regarding the need for Exceptional Financial Support for 2025/26 and future years.

2.2. The financial position of the council remains highly challenging. Officers and Members across the Council are working under a declared financial emergency and every action is being taken to ensure in-year spend is minimised and income maximised. 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".

2.3. Table 1 below highlights the scenarios relating to the Council's revenue position only, presenting a range of possible outcomes.

Table 1 – Forecast as at 31 October showing the Revenue Monitoring central forecast and other possible scenarios

Scenario	Potential variation to budget £'000	Available General Fund Balance £'000	Unfunded Overspend £'000
Favourable	48.746	-34.280	14.466
Central	50.746	-34.280	16.466
Adverse	56.924	-34.280	22.644

2.4. The Council's financial position is complicated significantly by two further issues; funding for transformation activity through to March 2026 from Capital Receipts generation, and funding for the North West Relief Road should it be cancelled and/or unfunded from Department for Transport. A description of all seven risks referred to in 2.2 above and the current perspective on these is set out in the table 2 below.

2.5. As a result, the Council has created a three step plan to manage the revenue monitoring position in-year:

- Setting a proposed minimum value for General Fund Balance of £5m by year end to ensure sufficient resilience to unknown shocks over the remaining five months of the financial year.
- Created a contingency fund from earmarked reserves of £5.478m to help manage the financial risks identified within the adverse scenario and help reduce reliance on General Fund Balances from known risks.
- Continuing active discussions with the Ministry for Housing, Communities and Local Government to request Exceptional Financial Support for 2025/26 and future years. An application of £21.466m has been identified to support revenue monitoring projections and the two points listed above.

2.6. The Council will continue to progress an application for in-principle Exceptional Financial Support to cover the issues raised in 2.4, in addition to the points raised in 2.6.

- A Capitalisation Direction for up to £10m to support funding for transformational activity through to March 2026 that cannot be accommodated through capital receipts generation over the remainder of the year.
- A Capitalisation Direction for up to £38.895m to enable the write off of spending relating to the North West Relief Road Project should the scheme be cancelled before year end and all costs fall upon the revenue account.

- 2.7. The issues raised in paragraphs 2.5 and 2.6 result in an in-year application for Exceptional Financial Support of up to £71.361m. The previously reported figure was £64m although, in anticipation of completing the detailed financial review in Period 7, the CEO and s151 Officer discussed a figure of up to £75m with MHCLG.
- 2.8. Confirmation of Exceptional Financial Support to the value of £71.361m, alongside the establishment of a contingency reserve of £5.478m and a proposed year end balance of £5m will ensure that the central, favourable and adverse scenarios can be accommodated would remove the need for a section 114 Report to be issued.
- 2.9. A formal application for Exception Financial Support will be made in December 2025 according to the process yet to be confirmed by MHCLG and based on the information included within this report. On this basis, it is proposed that a Period 8 Financial Monitoring Report is not completed, enabling senior officers, budget holders and the finance team to focus on establishment of the 2026/27 budget and MTFS, reflecting the financial implications arising from the completion of the deep dive review.

3. Recommendations

- 3.1. It is recommended that Cabinet Members:
- A. Ensure actions taken by officers under the declared Financial Emergency are focussed to ensure all spending and income generation over the remainder of the financial year is scrutinised to actively improve the Council's projected year end position. Action must predominantly focus on reducing spend, increasing income, delivering remaining savings and mitigating in-year spending pressures.
 - B. Support the continued use of Operations Boards, which have been in place from August 2025, to challenge all in-year spending, and more recently have been further enhanced to bring greater Service Director scrutiny. The impact of these boards will continue to inform future Finance Monitoring reports.
 - C. Consider the projected spend over budget at Period 7 of £50.746m.
 - D. Consider the indicative level of savings delivery at Period 7 of £20.917m (34.94%).
 - E. Support the proposal for a minimum value of £5m for the General Fund Balance and the ringfencing of a Contingency Fund of £5.478m.
 - F. Support the proposed application for Exceptional Financial Support of £71.361m made up of £21.466m for revenue monitoring pressures, up to £10m for transformation activity and up to £38.895m for NWRR write off costs (should this be necessary). The decision on the final application will be made by the s151 Officer in consultation with the Portfolio Holder for Finance.

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. The level of savings delivery and financial pressures in the current year are a recognised risk for the 2025/26 budget and continued focus and action are being put in place to address this.

4.2. Risk table:

<i>Risk</i>	<i>Mitigation</i>
Savings delivery is below the targeted level; mitigations to unachieved savings are not secured at reasonable levels. Savings of £59.9m were agreed for the 2025/26 budget including £7.7m new savings, £10.9m of demand management activity in social care, and £41.3m of savings carried forward from 2024/25.	Savings delivery is divided into two main areas of activity – service-led activity and organisational-wide initiatives – each with different approaches. Organisational savings are the bulk of the carried forward savings from 2024/25 and are subject to support from the Project Management Office with further, deeper, initiatives proposed to mitigate shortfalls. Some areas of savings proposed by service leads have not yet been wholly achieved (or mitigated). Action must be taken in these areas to secure the savings as planned, or to mitigate unachieved savings through other measures.
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.	Engagement and action planning through the Leadership Board and Service Director's respective teams will provide mitigation to this risk. This includes visibility and closer scrutiny of all spending decisions in both pay and non-pay areas. Implementation of operations boards, with enhanced Service Director scrutiny to oversee spending and recruitment will help enforce management actions. From Period 7, Leadership Board now receive details on any key assumptions and risks underpinning the financial projections, so that an informed position can be agreed for the financial year and appropriate action taken, where necessary, to mitigate any know risks. Budget holder engagement has also been flagged with the Leadership Board to ensure that all areas of the budget are being reviewed by the relevant accountable officers for the budget. This should drive better engagement and ensure that all relevant officers are sighted on actions they can take to manage their budget areas.
Insufficient reserves to cover projected overspending or other deficits	Improved budget preparation process with more analysis of current and future activity trends will help mitigate this risk. 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. The immediate aim is to retain a General Fund Balance of at least £5m by

	year end and then increase within the range of £15m to £30m.
Other unbudgeted risks arise before the end of the financial year	The general fund balance is reviewed as part of setting the budget each year and compared with known areas of local risks (such as the pay settlement for staff, supply chain inflation, resident need for different services). The assessment at the start of the year indicated that the balance at 1 April would be sufficient to cover a range of risks. The current forecast indicates that risks are exceeding this assessment and cannot be sustained.

- 4.3. The key opportunity is that the reporting period is to the end of October, and this report will be considered in early December by Cabinet. Therefore, action can be taken to secure an improved financial position in the last five months of the financial year.
- 4.4. The Council continues to review 7 key risks around financial pressures, as set out in previous reports. These summarise key areas which could substantially change the overall position of the Council. Table 2 (below) summarises the nature of each risk and the P7 view on the position for each, as well as how those might change, both favourably and unfavourably.

Table 2 – Analysis of Three Forecast Scenarios with commentary

Survival factor	MTFS assumption	Period 7			
		Fav	Central	Adv	
1. Savings delivery	Budget and MTFS assume 100% delivery of all savings on a recurrent basis. For 2025/26 a mitigation against in-year optimism bias was included in the GFB calculation at £11.5m (equating to c75% delivery against the 2025/26 target of £59.9m (excluding demand mitigations)	38.959	38.959	41.137	Tracker reds as at 31 Oct are £38.959m of which £34.395m relates to brought forward savings from 2024/25 for which there are not robust delivery plans in place.
2. Social care demand pressure beyond budget estimates	Demand reduction measures assumed to support delivery within budget. Excess demand beyond that will impact overall financial performance.	34.350	34.350	36.350	Tracker reds @ 31 Oct are £38.959m of which £34.395m relates to brought forward savings from 2024/25 for which there are not robust delivery plans in place. Potential risk around amber savings that may not be realised in-year (£2.178m).
3. Other unbudgeted pressures (-benefits)	The budget assumes all material considerations are included in the estimates. Other pressures outside those estimates are not included, hence the provision of a general fund balance (although other Councils include a revenue contingency budget).	-24.563	-22.563	-20.563	No more favourable position currently identified.
Subtotal - Revenue Monitoring Position		48.746	50.746	56.924	Social Care Demand pressures in Adults and Childrens are not managed to available budget. Aim to mitigate against higher overspends in future months. Plus an increased risk of insufficient health contributions towards complex cases in light of increased CHC transfers.
4. Capital receipts sufficiency	Capital receipts are generated at a level that, when added to 'in-hand' and 'de-committed' amounts, will cover VR costs plus transformation costs (capitalised). Any shortfall in capital receipts generated or increase in transformation costs could cause an additional pressure	8.000	10.000	10.000	Assumes an improvement in one-off savings delivery.
5. External factors	A number of factors are known to be able to impact the financial position indirectly, but the timing or likelihood of these is unknown at the time of setting the budget. The GFB level is set on the basis of being a fund of last resort in the face of such pressures.	0.000	0.000	1.500	No material pressures identified beyond those in the two sections above. Significant one-off savings currently identified offsetting pressures in savings delivery and social care. Use of remaining General Fund Balance
6. Project risks	No direct or indirect implications are assumed in the budget. Possible risks include the withdrawal of funding for major capital projects which may lead to revenue pressure as "sunk" costs are written off. This must be balanced against the risk of increased borrowing requirements in the event of continuing with significantly increased project costs. NWRR is currently paused pending review in light of increasing borrowing requirement of £155m.	0.000	13.495	38.895	Assumes a partial improvement in realising capital receipts in 2025/26
7. Cash position (Liquidity)	The MTFS assumes that day-to-day liquidity is planned for an maintained. Failure to do this, or a rapid deterioration in the council's financial position may lead to unbudgeted finance costs, and reputational damage as staff and supplier payments are placed in jeopardy.	0.000	0.000	0.000	Delays in realisation of capital receipts in 2025/26, suggest a potential shortfall during the year, available to fund transformation activities.
Total - Risk Assessed Position		56.75	74.24	107.32	Assume no additional cost pressures arise during the financial year
					Assume no additional cost pressures arise during the financial year
					Decision taken to pause NWRR. If Council decide to cancel the scheme, spend to date of £38.895m needs to be accounted for. Central assumption: £20.4m DFT LLMF retained. £4.2m LEP funding for OLR retained £0.8m other OLR spend retained. Balance £13.495m would need a Capitalisation Direction through EFS to enable write off to revenue funded from borrowing.
					Adverse assumption: All funding clawed back All spend would need a Capitalisation Direction through EFS to enable write off to revenue funded from borrowing.
					Detailed day-to-day cash forecast in place. MUFG (treasury advisors) engaged and advising on externalisation of previous internal borrowing. Clear management with £20m cash buffer. Projected borrowing required for 2025/26 built into monitoring position
					All borrowing anticipated for 2025/26 has been built into the P7 monitoring position.

4.5. The Council is in active discussions with the Government regarding the need for Exceptional Financial Support for 2025/26 and future years. To address the projected financial risks highlighted in the report and in Table 2 above, a request will be made for Exceptional Financial Support in-year for 2025/26. The total financial risks identified under the adverse scenario amount to £107.32m, including insufficient funding for transformation activity through to March 2026 from Capital Receipts generation, and funding for the North West Relief Road should it be cancelled and/or unfunded from Department for Transport.

4.6. The Council has created a three step plan to manage the revenue monitoring position in-year:

- Setting a proposed minimum value for General Fund Balance of £5m by year end to ensure sufficient resilience to unknown shocks over the remaining five months of the financial year.
- Created a contingency fund from earmarked reserves of £5.478m to help manage the financial risks identified within the adverse scenario and help reduce reliance on General Fund Balances from known risks.
- Continuing active discussions with the Ministry for Housing, Communities and Local Government to request Exceptional Financial Support for 2025/26 and future years. An application of £21.466m has been identified to support revenue monitoring projections and the two points listed above.

4.7. The Council will continue to progress an application for in-principle Exceptional Financial Support to cover the issues raised in 4.5, in addition to the points raised in 4.6.

- A Capitalisation Direction for up to £10m to support funding for transformational activity through to March 2026 that cannot be accommodated through capital receipts generation over the remainder of the year.
- A Capitalisation Direction for up to £38.895m to enable the write off of spending relating to the North West Relief Road Project should the scheme be cancelled before year end and all costs fall upon the revenue account.

4.8. As a result, an in-year application for Exceptional Financial Support of up to £71.361m is proposed for December 2025. It has previously been reported that an application for EFS of up to £64m had been discussed with MHCLG. In anticipation of completing the detailed financial review in Period 7, the CEO and s151 Officer met with MHCLG on 14 November 2025 discussing a contingent figure of up to £75m.

4.9. Confirmation of Exceptional Financial Support to the value of £71.361m, alongside the establishment of a contingency reserve of £5.478m and a proposed year end balance of £5m will ensure that the central, favourable and adverse scenarios can be accommodated would remove the need for a section 114 Report to be issued. This assessment is underpinned by legal advice from a leading barrister in this area.

4.10. A formal application for Exception Financial Support will be made in December 2025 according to the process yet to be confirmed by MHCLG and based on the information included within this report. On this basis, it is proposed that a Period 8 Financial Monitoring Report is not completed, enabling senior officers, budget holders and the finance team to focus on establishment of the 2026/27 budget and MTFS, reflecting the financial implications arising from the completion of the deep dive review.

5. Financial Implications

5.1. Shropshire Council continues to manage unprecedented financial demands and a financial emergency was declared by Cabinet on 10 September 2025. The overall financial position of the Council is set out in the monitoring position presented to Cabinet on a monthly basis. Significant management action has been instigated

at all levels of the Council reducing spend to ensure the Council's financial survival. While all reports to Members provide the financial implications of decisions being taken, this may change as officers and/or Portfolio Holders review the overall financial situation and make decisions aligned to financial survivability. All non-essential spend will be stopped and all essential spend challenged. These actions may involve (this is not exhaustive):

- scaling down initiatives,
- changing the scope of activities,
- delaying implementation of agreed plans, or
- extending delivery timescales.

- 5.2. This report sets out the financial projections for the Council in the 2025/26 Financial Year as at Period 7. 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. Background

- 7.1. Given that the financial position of the council remains highly challenging, summary budget monitoring reports highlighting the anticipated year end projection are produced monthly for Cabinet, with detailed updates reported quarterly to Cabinet.

8. Forecast Outturn as at Period 7

- 8.1. At Period 7 (1 April – 31 October), the Council is reporting a forecast overspend of £50.746m. This forecast is based on the current projections for savings delivery and levels of demand and pressures being catered for that exceed available budgets. While this report provides an update on the short-term position, it is important to reference the work being done alongside this to create a more sustainable financial position over the following three years.
- 8.2. Table 3 below summarises the position by service area (see also Appendix 1).

Table 3: Projected Outturn by Service Area

	Revised Budget (£'000)	YTD Actual (£'000)	Projected Outturn (£'000)	(Under)/Overspend (£'000)	RAGY Classification	P6 (Under)/Overspend	DoT
Service Area							
Care & Wellbeing	132,938	116,046	149,661	16,722	R	16,654	↓
Children & Young People	79,845	133,256	90,822	10,976	R	8,729	↓
Commissioning	42,623	32,717	39,916	(2,707)	Y	(2,637)	↑
Communities & Customer	14,757	10,858	12,372	(2,385)	Y	(2,390)	↓
Enabling	6,426	41,212	9,108	2,682	R	2,942	↑
Executive Management Team	5,055	809	5,069	13	G	6350.746	↑
Infrastructure	42,484	25,955	45,152	2,668	R	486	↓
Legal, Governance & Planning	4,904	4,555	4,153	(751)	Y	(717)	↑
Pensions	29	1,939	29	0	Y	0	
Strategy	(199)	12,288	(29)	170	R	298	↑
Service Delivery Budgets	328,863	379,635	356,251	27,389		23,427	
Corporate	(40,277)	9,562	(16,920)	23,357	R	23,641	↑
Net Expenditure	288,586	389,198	339,331	50,746		47,069	
Funding							
Council Tax	(219,283)	0	(219,283)	0	G		
Business Rates	(46,683)	0	(46,683)	0	G		
Top Up Grant	(11,025)	(11,025)	(11,025)	0	G		
Revenue Support Grant	(8,668)	(7,887)	(8,668)	0	G		
Collection Fund	(2,927)	0	(2,927)	0	G		
(Surplus)/Deficit							
Total Funding	(288,586)		(288,586)	0			
Total	0		50,746	50,746			

8.3. The current forecast overspend can be summarised as:

- 38.959m of savings not yet identified or without a clear delivery plan in place. The majority of these savings were brought forward from previous year and were dependent upon a clear transformation plan built around the new operating model. While savings are generally deliverable within service areas, several overarching savings are shown mostly within the 'Corporate' line in the table above. Work to create an Improvement Plan and subsequent Corporate Plan are essential to reconfigure the Council and revise service delivery ambitions to create a sustainable financial position. This will be set out in future Medium Term Financial Strategies.
- £17.851m spend over budget against net purchasing costs within Adult Social Care operations shown within the Care and Wellbeing line as purchasing pressures identified in 2024/25 outturn are continuing. Demand on the service continues to rise as we see increased complexity and cases transferring from health. The service is forecasting (as part of the purchasing costs) to deliver mitigations in increased income against demand pressures. The service is working to mitigate the growing costs from people being transferred from health services to the Local Authority and people that have funded care and fallen below the funding threshold. Given the nature of the Adult Social Care service, risks continue to be acknowledged regarding income levels (particularly from partners), and winter pressures, alongside any other demand led pressures that may materialise before the end of the year.
- £14.050m spend over budget forecast on External Residential Placements shown within Children and Young People. We continue to see similar trends to the last financial year with an increase in number of placements including across the Disabled Children's Team where placement costs are higher due to the needs of the children and young people. Forecasted numbers of external residential placements have been reviewed and increased based

on the Children's Placements Sufficiency Strategy refresh underway, as this takes into account 24/25 and year to date numbers of actual placements being made. This approach will be further refined ahead of Period 9 in line with service delivery and feedback from the LGA Children's Services Diagnostic Review completed w/c 17 November 2025.

- £2.5m shortfall in savings due to rationalisation of Council assets and property plus Housing Benefit overpayments of £1.6m relating to the lack of temporary accommodation. This is shown within Enabling Services, offset by vacancy savings.
- Establishment of a Contingency Fund and a proposal to retain £5m in General Fund Balance by year end provide mitigation to the risks identified in the points above.

8.4. The Council has implemented a series of Operations Boards focussing on controlling spend within the organisation to help deliver short term financial survival. There are three Operations Boards in place:

- A. Spending Control Board – overseeing all items of expenditure processed through the Council's ERP (financial) system over £500.
- B. Workforce Review Board – overseeing all recruitment and staffing activity
- C. Technical Board – overseeing all income and grant funding

8.5. The Spend Control Board, Workforce Review Board and Technical Board continue to meet regularly. The benefits analysis of each of the Operations Boards is being assessed and will be published and fed into projections shown within future monitoring reports. There are several more detailed meetings, boards or processes that sit below the Operations Boards to inform them. These include Commissioning and Procurement Boards and Adults and Children's Forums.

8.6. Emergency action is necessary to deliver reduced projected spend, increased income and greater mitigation against demand pressures, and the Leadership Board of the Council are actively pursuing options to deliver this where possible in the remaining months of the year.

9. General Fund Balance

9.1. The Council holds earmarked reserves and a general reserve referred to as the General Fund Balance (GFB). Earmarked reserves are held for a specific purpose and cannot, generally, be used to cover the impact of overspends or non-delivery of savings proposals.

9.2. The 2024/25 year ended with a General Fund Balance (GFB) of £4.825m, which was brought forward into the new year. The 2025/26 budget included a contribution of £29.455m to the GFB. The total on hand in this reserve at the beginning of the year was therefore £34.280m. This was considered a safe level given the profile of financial risks as anticipated when the budget was set by Council in February and before the final outturn position for 2024/25 was established, at a significantly deteriorated position. As the current year is progressing, maintenance of our level of GFB appears, currently, impossible and it is of great concern that the Council has minimal resilience against any unforeseen variances. This was established at Period 4, and has deteriorated further as at Period 7. The GFB would be exhausted and if projections are borne out, and the authority would be in an illegal financial position.

- 9.3. This position has been reviewed at Period 7 to retain a GFB of at least £5m before year end and establish a contingency fund, taken from earmarked reserves . This is shown in the table below.
- 9.4. Considering the Council's difficult financial position, and GFB projections, conversations continue to be held with Ministry for Housing, Communities and Local Government (MHCLG) to discuss and consider the Council's short term financial viability and requirements for Exceptional Financial Support (EFS). The approach is to maintain open dialogue with MHCLG, including the intention to submit an EFS request, as advised by the LGA and in line with best practice for authorities facing significant financial risk. Updates on EFS discussions will continue to be included in future monitoring reports, to maintain transparency and oversight of the Council's financial resilience strategy.

Table 4: General Fund Projection (Central Projection)

General Fund Balance	£'000
Balance Brought Forward 1 April 2026	4,825
Budgeted Contribution 2025/26	29,455
Budgeted General Fund Balance as at 31st March	34,280
Projected overspend (central projections as at period 7	50,746
Application of Exceptional Financial Support	(21,466)
Estimated Balance as at 31 March 2026	5,000

Table 5: General Fund Projection (Favourable Projection)

General Fund Balance	£'000
Balance Brought Forward 1 April 2026	4,825
Budgeted Contribution 2025/26	29,455
Budgeted General Fund Balance as at 31st March	34,280
Projected overspend (favourable projections as at period 7	48,746
Application of Exceptional Financial Support	(19,466)
Estimated Balance as at 31 March 2026	5,000

Table 6: General Fund Projection (Adverse Projection)

General Fund Balance	£'000
Balance Brought Forward 1 April 2026	4,825
Budgeted Contribution 2025/26	29,455
Budgeted General Fund Balance as at 31st March	34,280
Projected overspend (adverse projections as at period 7	56,924
Application of Exceptional Financial Support	(21,466)
Application of Contingency Fund	(5,478)
Estimated Balance as at 31 March 2026	4,300

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

Financial Strategy 2025/26 – 2029/30, Council 27th February 2025

Financial Monitoring Period 1, Cabinet 11th June 2025

Financial Monitoring Period 2, Cabinet 9th July 2025

Financial Monitoring Quarter 1, Cabinet 10th September 2025

Financial Monitoring Period 4, Cabinet 10th September 2025

Financial Monitoring Period 5, Cabinet 15th October 2025

Financial Monitoring Quarter 2, Cabinet 19th November 2025

Financial Rules

Local Member: All

Appendices

Appendix 1 - 2025/26 Projected Revenue Outturn by Service

Appendix 2 – 2025/26 Savings Delivery

APPENDIX 1

2025/26 PROJECTED REVENUE OUTTURN BY SERVICE

Service Detail

A2R045: Care & Wellbeing		Budget	YTD Actuals	Outturn	Controllable Variance	RAGY	Period 7 Narrative - variance to Budget	Movement Period 6 to 7	Period 7 Narrative - movement from Period 6 to Period 7
RSA002	Adult Social Care Management	942,080	575,773	554,845	(387,235)	Y	• (£0.335m) capitalisation of posts	(16,046)	• Minor variance from Period 6 to Period 7
RSA003	Adult Social Care Provider Services	5,151,670	5,110,565	4,766,053	(385,617)	Y	<ul style="list-style-type: none"> • £0.217m inhouse provision costs that was previously run as an external contract • (£0.262m) spend below budget on salaries due to vacant posts in START team and Day Services • (£0.184m) additional income Four Rivers Nursing Home • (£0.118m) spend below budget on External Provider Services 	(57,920)	• Minor variance from Period 6 to Period 7
RSA005	Adult Social Care Operations	126,346,680	114,083,178	143,593,079	17,246,399	R	<ul style="list-style-type: none"> • £17.851m budget pressure purchasing made up of: <ul style="list-style-type: none"> - £14.149m SPOT purchasing - £7.518m Residential care due to an increased number of capital reductions, £3.854m increase in spend on Individual Service Funds due to an increase in domiciliary care at home and £5.289m Nursing due to increased complexity and cases transferring from health to local authority, an underspend of (£1.161m) in Other Spot purchasing reduction in spend forecast, (£0.159m) spend under budget on forecast children turning 18. - £12.476m BLOCK purchasing 	51,005	• Minor variance from Period 6 to Period 7

							pressure on supported living and supported living Individual Service Funds due to an increase in complexity of care and provider market challenges around capacity and uplifts - £1.023m Reablement increase , a budget virement reallocation of the Better Care Fund to address this - (£9.702m) increase income from client contributions and elsewhere • £0.588m reduction in forecasted income against telecare charging project • (£1.205m) spend below budget on salaries due to vacant posts		
RSA039	Professional Development Unit	214,070	132,800	218,132	4,062	G	• Minor variance to budget as at Period 7	5,309	• Minor variance from Period 6 to Period 7
RSA040	Care & Wellbeing Projects	(7,080)	(4,413,264)	(114,670)	(107,590)	Y	• (£0.108m) Additional Better Care Fund allocation	0	• No variance from Period 6 to Period 7
RSA041	Enable	291,050	557,417	643,274	352,224	R	• £0.187m Income to be identified • £0.088m spend over budget on client expenses • £0.040m reduction in fees & charges for services provided to external organisations	85,893	• Minor variance from Period 6 to Period 7
Total A2R045: Care & Wellbeing		132,938,470	116,046,468	149,660,713	16,722,243			68,241	

A2R043/A2R044: Children & Young People		Budget	YTD Actuals	Outturn	Controllable Variance	RAGY	Period 7 Narrative - variance to Budget	Movement Period 6 to 7	Period 7 Narrative - movement from Period 6 to Period 7
RSA017	Shire Services	0	604,139	(4,359)	(4,359)	Y	• Minor variance to budget as at Period 7	587	• Minor variance from Period 6 to Period 7

RSA021	Learning and Skills	5,096,540	75,731,422	4,737,123	(359,417)	Y	<ul style="list-style-type: none"> • £0.079m forecast spend over budget relates to the fully-traded Schools Library Service • (£0.026m) relates to Academy conversion income from schools exceeding expenditure • (£0.039m) forecast spend under budget relates to ongoing pension compensation payments relating to former teaching staff • (£0.061m) relating to the capitalisation of a post as a one-off working on transformational projects within Learning & Skills Business Support • (£0.155m) savings across the Education Access service as a result of traded income exceeding costs • (£0.157m) one-off efficiencies across both staffing and non-staffing budgets within Learning & Skills Business Support. 	19,886	• Minor variance from Period 6 to Period 7
RSA070	Children & Young People Management	213,280	133,352	211,780	(1,500)	Y	• Minor variance to budget as at Period 7	(5,602)	• Minor variance from Period 6 to Period 7
RSA018	Children's Social Care and Safeguarding	23,144,250	16,409,759	25,593,307	2,449,057	R	Purchasing pressures identified in the 2024/25 outturn are continuing into 2025/26 including: <ul style="list-style-type: none"> • £1.031m spend over budget forecast on staffing budgets across the service. The majority of this relates to Agency Social Workers covering vacancies, but in 2025/26 there is another budget pressure resulting from additional staffing implemented following the Ofsted Staff 	(13,122)	• Minor variance from Period 6 to Period 7

							<p>Improvement plan. £0.105m of this variance relates to Social Worker Retention Payments</p> <ul style="list-style-type: none"> • £1.016m forecast spend over budget relates to Disabled Children's budget area with £0.759m of the value explained by Disabled Children's Team (DCT) prevention and Support payments, £0.278m explained by spend over budget on DCT Short Breaks Contracts. £0.021m spend under budget relates to Disabled Children's Direct Payments. • £0.412m forecast spend over budget relates to Adoption Services. There is a £0.422m spend over budget on Adoption Allowances, the remaining variance relates to the Together4Children (T4C) permanency hub where the percentage contribution from other another Local Authority has reduced in 2025/26. • £0.087m forecast spend over budget relates to taxi costs or other transport related costs across the Social Work teams. • (£0.097m) forecast spend under budget relates Public Law Outline Support packages which includes legal fees, and other court ordered expenditure such as medical assessments 	
--	--	--	--	--	--	--	---	--

RSA019	Children's Placements	48,921,130	37,921,545	58,040,177	9,119,047	R	<ul style="list-style-type: none"> • £14.050m spend over budget forecast on External Residential Placements. £10.770m is an increase in External Residential Spot/Framework placements (19% increase between 31/3/25 and 30/9/25) leading to an increase in expenditure in 2025/26. £2.285m relates to the Disabled Children's Team residential expenditure budget where we have had 5 new high-cost placements since January. The remaining £0.995m of this £14.050m pressure relates to a shortfall in contributions from other partners towards joint funded social care led residential placements. • £0.077m spend over budget forecast on Supported Accommodation or Supported Lodgings Placements for 16-18 year olds. • (£0.510m) spend under budget against Internal Residential Children's Homes due to Devonian being temporarily closed until late 2025. • There is a credit of (£1.690m) spend under budget relating to Stepping Stones Project. The majority of this relates to a one-off capitalisation of posts, while £0.196m relates to the use of the new Children's Social Care Prevention Grant to fund Family Group Conferencing posts previously funded by base 	1,946,352	<ul style="list-style-type: none"> • £2.233m increase in spend over budget forecast on External Residential Placements due to 3 new external residential placements since Period 6, and a delay in forecast savings. The majority of the increase relates to a review of assumptions around in-year growth (£0.397m increase from moving from a forecast of 1 new per month to 2 new per month) and a review of forecast in-year savings where it was felt previous forecasts were optimistic. • (£0.037m) increase in spend under budget against Internal Children's Residential Homes • (£0.073m) increase in spend under budget against Stepping Stones due to the maximisation of external grants • (£0.081m) increase in spend under budget against External Fostering Placements
--------	-----------------------	------------	------------	------------	-----------	---	--	-----------	--

							budget. • (£2.814m) forecast spend under budget relates to fostering placements budgets (£2.598m External Fostering and £0.217m Internal Fostering). External fostering placements were anticipated to increase in 2025/26 hence growth was built into the budget, however instead numbers have decreased by 13% between 31/3/25 and 30/9/25.		• (£0.092m) decrease in spend over budget forecast on 16-18 Supported Accommodation Placements due to 2 placements ending since Period 6
RSA080	Children's Early Help	1,798,890	2,089,164	1,736,061	(62,829)	Y	• Minor variance to budget as at Period 7	331,408	• £0.261m of Children's Social Care Prevention Grant now forecast against other areas of Children's Services • £0.106m unfavourable movement due to review of Children's Social Care Prevention Grant and Children's and Families Grant draw down resulting in £0.106m less Supporting Families Grant reserve being drawn down
RSA081	Youth Support Services	671,350	366,234	507,769	(163,581)	Y	• (£0.164m) forecast under spend against budget on Youth Support Team due to temporary vacancy management savings and maximisation of Local Youth Transformation pilot external funding	(31,629)	• Minor variance from Period 6 to Period 7
Total A2R043/A2R044: Children & Young People		79,845,440	133,255,614	90,821,858	10,976,418			2,247,879	

A2R042: Commissioning		Budget	YTD Actuals	Outturn	Controllable Variance	RAGY	Period 7 Narrative - variance to Budget	Movement Period 6 to 7	Period 7 Narrative - movement from Period 6 to Period 7
RSA001	Adult Social Care Business Support	4,378,300	2,977,681	4,125,256	(253,044)	Y	<ul style="list-style-type: none"> • (£0.190m) Savings on Payments to contractors • (£0.063m) savings on staff salaries 	(64,217)	• Minor variance from Period 6 to Period 7
RSA006	Bereavement Services	(251,020)	(62,637)	(285,364)	(34,344)	Y	• Minor variance to budget as at Period 7	(5,006)	• Minor variance from Period 6 to Period 7
RSA034	Leisure	2,385,110	1,305,020	3,020,210	635,100	R	<ul style="list-style-type: none"> • £0.520m Shortfall on Savings Targets • £0.154m Contract Tender Support • £0.121m Temporary Closure Market Drayton Pool • £0.120m other minor works across leisure Facilities • (£0.280m) Savings on Utility costs 	20,570	• Minor variance from Period 6 to Period 7
RSA038	Waste Management	34,797,770	27,080,208	31,969,533	(2,828,237)	Y	<ul style="list-style-type: none"> • £0.600m shortfall on Green Waste Income due to no price increase in 25-26 • £0.196m shortfall on PFI Grant income • (£2.624m) Contract Savings as a result of lower than budgeted inflationary increases • (£1.000m) Additional Energy Share contribution through Annual Reconciliation 	(12,295)	• Minor variance from Period 6 to Period 7
RSA048	Insurance	1,430	537,954	(25,810)	(27,240)	Y	• Minor variance to budget as at Period 7	(1,430)	• Minor variance from Period 6 to Period 7
RSA065	Housing Development and HRA	35,550	7,073	34,320	(1,230)	Y	• Minor variance to budget as at Period 7	(513)	• Minor variance from Period 6 to Period 7
RSA068	Armed Forces Support	8,990	(150)	7,577	(1,413)	Y	• Minor variance to budget as at Period 7	0	• Minor variance from Period 6 to Period 7

RSA069	Community Services	465,420	314,432	472,165	6,745	G	• Minor variance to budget as at Period 7	(796)	• Minor variance from Period 6 to Period 7
RSA071	Quality Assurance & Independent Review Unit	474,900	300,520	467,084	(7,816)	Y	• Minor variance to budget as at Period 7	33	• Minor variance from Period 6 to Period 7
RSA077	Child Placement Service	192,100	89,684	159,671	(32,429)	Y	• Minor variance to budget as at Period 7	7,620	• Minor variance from Period 6 to Period 7
Total A2R042: Commissioning		42,623,160	32,716,806	39,916,123	(2,707,037)			(69,876)	

A2R048: Communities & Customer		Budget	YTD Actuals	Outturn	Controllable Variance	RAGY	Period 7 Narrative - variance to Budget	Movement Period 6 to 7	Period 7 Narrative - movement from Period 6 to Period 7
RSA004	Housing Services	3,990,040	6,579,361	4,152,790	162,750	R	<ul style="list-style-type: none"> • £0.393m Activity higher than budget for Temporary Accommodation • £0.132m Additional compliance work required on properties for the homeless • (£0.234m) Spend under budget in relation to Salaries • (£0.125m) Spend under budget in relation to Contractor costs 	(20,765)	• Minor variance from Period 6 to Period 7
RSA007	Regulatory Services	1,874,400	1,444,242	1,276,520	(597,880)	Y	<ul style="list-style-type: none"> • (£0.039m) spend under budget in relation to vacancy management • (£0.059m) savings through management charges regarding grant funded activity • (£0.500m) savings due to additional substitutions from Public Health 	1,030	• Minor variance from Period 6 to Period 7
RSA008	Business and Consumer Protection	2,191,810	799,947	1,668,022	(523,788)	Y	• (£0.524m) payroll savings through the Voluntary Redundancy programme and vacancy management	(34,916)	• Minor variance from Period 6 to Period 7

RSA010	Ring Fenced Public Health Services 2	1,224,050	603,144	1,224,050	0	Y	• Minor variance to budget as at Period 7	0	• No variance from Period 6 to Period 7
RSA030	Culture, Leisure & Tourism Development	61,500	7,626	22,318	(39,182)	Y	• Minor variance to budget as at Period 7	(1,417)	• Minor variance from Period 6 to Period 7
RSA035	Libraries	3,282,280	1,644,728	3,285,736	3,456	G	• Minor variance to budget as at Period 7	(15,302)	• Minor variance from Period 6 to Period 7
RSA036	Museums and Archives	1,137,940	749,084	963,967	(173,973)	Y	• £0.085m Spend over budget in relation to storage & rationalisation of museum collection • (£0.255m) additional museum support grant income	76,818	• Minor variance from Period 6 to Period 7
RSA037	Theatre Services	236,840	(3,029,903)	(393,910)	(630,750)	Y	• (£0.631m) increased income generation across Theatre Services	(17,453)	• Minor variance from Period 6 to Period 7
RSA060	Head of Culture, Leisure & Tourism	221,300	850,179	113,760	(107,540)	Y	• (£0.101m) Net Vacancy Management Savings	(14,304)	• Minor variance from Period 6 to Period 7
RSA076	Customer Services	536,720	1,209,092	58,371	(478,349)	Y	• (£0.509m) Net Vacancy Management Savings identified across Customer Services budgets	30,858	• Minor variance from Period 6 to Period 7
Total A2R048: Communities & Customer		14,756,880	10,857,501	12,371,624	(2,385,256)			4,549	

A2R029: Corporate Budgets		Budget	YTD Actuals	Outturn	Controllable Variance	RAGY	Period 7 Narrative - variance to Budget	Movement Period 6 to 7	Period 7 Narrative - movement from Period 6 to Period 7
RSA057	Corporate Budgets	(40,277,000)	9,562,332	(16,920,053)	23,356,947	R	<ul style="list-style-type: none"> £28.305m savings currently unachieved, to be reallocated across services. £3.347m pressures against interest payable relating to borrowing costs. (£0.156m) Forecast under budget across QICS PFI against the Unitary Charge (£0.560m) increased income from profit share WME estimates (£1.094m) interest receivable forecasted above budget (£2.000m) release of gain share from contract relating to Broadband project (£2.012m) release of funds held to cover pay award on review of estimated costs. (£2.539m) release of funds held for minimum revenue provision in relation to financing of capital investments 	(284,528)	<ul style="list-style-type: none"> £0.530m interest on borrowing planned to the end of 25/26 (£0.096m) additional forecast on interest receivable (£0.700m) net impact of virements relating to the pay award settlement for 25/26.
Total A2R029: Corporate Budgets		(40,277,000)	9,562,332	(16,920,053)	23,356,947			(284,528)	

A2R047: Enabling		Budget	YTD Actuals	Outturn	Controllable Variance	RAGY	Period 7 Narrative - variance to Budget	Movement Period 6 to 7	Period 7 Narrative - movement from Period 6 to Period 7
RSA012	Assistant Director Commercial Services	(2,953,540)	0	46,460	3,000,000	R	<ul style="list-style-type: none"> £2.500m Asset rationalisation savings target unachieved. £0.500m forecast for asset rationalisation saving achieved, showing against facilities in corporate landlord. 	0	<ul style="list-style-type: none"> No variance from Period 6 to Period 7

RSA013	Corporate Landlord, Property and Development	3,779,750	6,945,904	3,635,836	(143,914)	Y	<ul style="list-style-type: none"> • £0.964m Shirehall unrealised saving • (£0.500m) Savings achieved - asset rationalisation • (£0.464m) Savings on Property & Development (Vacancy Management) • (£0.144m) additional Income relating to museum collection storage at Bishops Castle 	(183,058)	• (£0.144m) additional Income relating to museum collection storage at Bishops Castle
RSA042	Technology	373,530	8,052,414	(338,103)	(711,633)	Y	<ul style="list-style-type: none"> • £0.651m relating to savings target showing against management (being met across wider IT teams). • (£0.859m) spend under budget relating to the IT restructure which is currently being implemented as a part of rightsizing. • (£0.092m) spend under budget relating to rental costs. • (£0.401m) capitalisation of staff working on the transformation activity 	(20,857)	• Minor variance from Period 6 to Period 7
RSA045	Human Resources and Organisational Development	521,720	2,204,312	280,200	(241,520)	Y	<ul style="list-style-type: none"> • £0.148m income under budget relating to Service Level Agreement income. • (£0.395m) net vacancy efficiencies across the service. 	(35,276)	• Minor variance from Period 6 to Period 7
RSA046	Health & Safety	21,530	261,791	(103,048)	(124,578)	Y	<ul style="list-style-type: none"> • (£0.141m) spend under budget relating to Voluntary Redundancy programme and vacancy efficiencies. 	8,983	• Minor variance from Period 6 to Period 7
RSA047	Finance	2,284,490	2,276,860	1,555,821	(728,669)	Y	<ul style="list-style-type: none"> • (£0.723m) spend under budget relating to Voluntary Redundancy programme and vacancy efficiencies. 	(21,829)	• Minor variance from Period 6 to Period 7

RSA049	Revenues and Benefits	2,353,970	21,037,384	4,003,482	1,649,512	R	<ul style="list-style-type: none"> • £1.100m relating to income not to be achieved against overpayments recovery of Housing Benefits, budget to be realigned in comparison to previous years actuals. • £1.065m Savings target from previous financial year of £1m achieving £0.935m relating to anticipated cost reductions arising from improvement of in-house Temporary Accommodation provision, additional savings target in current financial year unachievable • (£0.489m) relating to spend under budget against vacancy management and Voluntary Redundancy programme. 	(7,653)	• Minor variance from Period 6 to Period 7
RSA056	Personal Assistants	44,180	433,751	27,330	(16,850)	Y	• Minor variance to budget as at Period 7	(342)	• Minor variance from Period 6 to Period 7
Total A2R047: Enabling		6,425,630	41,212,415	9,107,978	2,682,348			(260,032)	

A2R049: Executive Management Team		Budget	YTD Actuals	Outturn	Controllable Variance	RAGY	Period 7 Narrative - variance to Budget	Movement Period 6 to 7	Period 7 Narrative - movement from Period 6 to Period 7
RSA079	Executive Management Team	5,055,300	808,965	5,068,516	13,216	G	• Minor variance to budget as at Period 7	(49,607)	• Minor variance from Period 6 to Period 7
Total A2R049: Executive Management Team		5,055,300	808,965	5,068,516	13,216			(49,607)	

A2R046: Infrastructure		Budget	YTD Actuals	Outturn	Controllable Variance	RAGY	Period 7 Narrative - variance to Budget	Movement Period 6 to 7	Period 7 Narrative - movement from Period 6 to Period 7
RSA024	Assistant Director Economy & Place	0	132,842	0	0	G	• No variance to budget as at Period 7	0	• No variance from Period 6 to Period 7
RSA026	Partnerships & Economic Development	1,574,720	2,108,169	1,479,572	(95,148)	Y	• Minor variance to budget as at Period 7	(4,871)	• Minor variance from Period 6 to Period 7
RSA031	Highways & Transport	12,093,960	5,702,079	13,414,654	1,320,694	R	<ul style="list-style-type: none"> • £1.335m shortfall on Parking Income due to delayed implementation of price increases (scheduled for April 24)implemented Nov 25. • £0.970m shortfall of Highways staff capitalisation & Repair Gangs • £0.240m Overspend on Ash Die back works • £0.215m Additional Kier overheads partly offset by efficiency savings • (£1.050m) additional Street works Income as a result of increased permit volumes and fines. • (£0.235m) forecast reduction in spend on street lighting through energy efficiencies • (£0.155m) forecast reduction in spend on Agency Staff 	(267,015)	<ul style="list-style-type: none"> • (£0.137m) minor variances across the service • (£0.130m) forecast reduction in spend on Street Lighting
RSA032	Shropshire Hills National Landscape	59,170	480,617	59,170	0	Y	• No variance to budget as at Period 7	0	• No variance from Period 6 to Period 7
RSA033	Outdoor Partnerships	988,190	510,155	1,114,112	125,922	R	• £0.126m unachieved savings target	(16,124)	• Minor variance from Period 6 to Period 7
RSA058	Assistant Director Infrastructure	(562,000)	176,585	41,110	603,110	R	<ul style="list-style-type: none"> • £0.500m unachieved savings target • £0.103m other minor variances 	18,788	• Minor variance from Period 6 to Period 7

RSA063	Highway Policy & Strategic Infrastructure	1,735,150	1,122,429	1,677,606	(57,544)	Y	• Minor variance to budget as at Period 7	(1,111)	• Minor variance from Period 6 to Period 7
RSA064	Assistant Director Homes and Communities	0	8,788	8,953	8,953	G	• Minor variance to budget as at Period 7	0	• No variance from Period 6 to Period 7
RSA075	Public Transport	7,033,000	5,415,356	6,435,276	(597,724)	Y	• (£0.397m) use of DFT Grant to offset Core Expenditure • (£0.200m) forecast reduction on concessionary travel	2,101,341	• £2.100m Reversal of DFT Grant used to Offset Core Expenditure
RSA078	Care & Wellbeing Transport	1,422,420	864,975	1,451,420	29,000	G	• Minor variance to budget as at Period 7	6,500	• Minor variance from Period 6 to Period 7
RSA082	Home to School Transport	18,139,660	9,433,309	19,469,929	1,330,269	R	• £1.730m additional SEND transport costs • (£0.400m) Forecast reduction on Primary & Secondary Travel	344,345	• £0.470m additional SEND transport costs • (£0.125m) Forecast reduction on Primary & Secondary Travel
Total A2R046: Infrastructure		42,484,270	25,955,303	45,151,803	2,667,533			2,181,853	

A2R041: Legal & Governance		Budget	YTD Actuals	Outturn	Controllable Variance	RAGY	Period 7 Narrative - variance to Budget	Movement Period 6 to 7	Period 7 Narrative - movement from Period 6 to Period 7
RSA009	Registrars and Coroners	598,730	372,021	519,052	(79,678)	Y	• Minor variance to budget as at Period 7	(18,439)	• Minor variance from Period 6 to Period 7
RSA025	Planning Services	344,440	(2,961,590)	111,162	(233,278)	Y	• (£0.099m) Building Control (high level of commercial activity estimated for 2025/26) • (£0.117m) Development Management additional (net) income	(30,680)	• Minor variance from Period 6 to Period 7
RSA028	Policy and Environment	1,904,410	1,313,034	1,779,084	(125,326)	Y	• (£0.125m) Spend under budget in relation to vacancy management	(3,662)	• Minor variance from Period 6 to Period 7
RSA053	Democratic Services	11,920	1,228,248	(12,023)	(23,943)	Y	• Minor variance to budget as at Period 7	49,976	• Minor variance from Period 6 to Period 7

RSA054	Elections	1,290,090	1,660,324	1,106,324	(183,766)	Y	• (£0.205m) forecast spend lower than budgeted across Council Elections from the current financial year	(16,571)	• Minor variance from Period 6 to Period 7
RSA055	Legal Services	478,710	1,911,143	501,480	22,770	G	• Minor variance to budget as at Period 7	(41,652)	• Minor variance from Period 6 to Period 7
RSA066	Policy and Governance	65,590	479,889	(105,656)	(171,246)	Y	• (£0.177m) spend under budget relating to vacancy management	(11,478)	• Minor variance from Period 6 to Period 7
RSA073	Overview & Scrutiny	198,540	173,281	265,279	66,739	A	• Minor variance to budget as at Period 7	22,907	• Minor variance from Period 6 to Period 7
RSA074	Feedback and Insights	11,490	378,947	(11,369)	(22,859)	Y	• Minor variance to budget as at Period 7	16,436	• Minor variance from Period 6 to Period 7
Total A2R041: Legal & Governance		4,903,920	4,555,298	4,153,331	(750,589)			(33,163)	

Page 27

A2R034: Pensions		Budget	YTD Actuals	Outturn	Controllable Variance	RAGY	Period 7 Narrative - variance to Budget	Movement Period 6 to 7	Period 7 Narrative - movement from Period 6 to Period 7
RSA050	Pensions	28,610	1,938,708	28,610	0	Y	• No variance to budget as at Period 7	0	• No variance from Period 6 to Period 7
Total A2R034: Pensions		28,610	1,938,708	28,610	0			0	

A2R040: Strategy		Budget	YTD Actuals	Outturn	Controllable Variance	RAGY	Period 7 Narrative - variance to Budget	Movement Period 6 to 7	Period 7 Narrative - movement from Period 6 to Period 7
RSA011	Ring Fenced Public Health Services 1	(1,207,640)	6,692,519	(1,207,640)	0	Y	• Minor variance to budget as at Period 7	0	• Minor variance from Period 6 to Period 7
RSA014	Adult Social Care Training	370,390	273,345	370,471	81	G	• Minor variance to budget as at Period 7	(10,049)	• Minor variance from Period 6 to Period 7
RSA015	Children & Young People Learning & Development	172,380	116,112	135,062	(37,318)	Y	• Minor variance to budget as at Period 7	(1,164)	• Minor variance from Period 6 to Period 7
RSA016	Partnerships & Economic Development	220	(857,021)	54,561	54,341	A	• Minor variance to budget as at Period 7	288	• Minor variance from Period 6 to Period 7

RSA020	Emergency Planning	31,510	91,835	71,633	40,123	G	• Minor variance to budget as at Period 7	1,938	• Minor variance from Period 6 to Period 7
RSA027	Broadband	100,610	136,383	85,309	(15,301)	Y	• Minor variance to budget as at Period 7	(15,301)	• Minor variance from Period 6 to Period 7
RSA029	Domestic Abuse	17,790	621,886	17,790	0	G	• No variance to budget as at Period 7	0	• No variance from Period 6 to Period 7
RSA043	Communications	278,400	380,971	108,731	(169,669)	Y	• (£0.237m) Vacancy Management efficiencies achieved • £0.067m Public Health Grant contributions no longer applicable	2,888	• Minor variance from Period 6 to Period 7
RSA044	Business Improvement: Data, Analysis and Intelligence	55,210	794,525	127,314	72,104	A	• Minor variance to budget as at Period 7	(29,604)	• Minor variance from Period 6 to Period 7
RSA052	Risk Management	(24,020)	54,975	(4,971)	19,049	G	• Minor variance to budget as at Period 7	58	• Minor variance from Period 6 to Period 7
RSA059	Commercial Services Business Development	(67,060)	36,391	(30,539)	36,521	G	• Minor variance to budget as at Period 7	(366)	• Minor variance from Period 6 to Period 7
RSA062	Climate Change	(191,580)	30,367	(33,165)	158,415	R	• £0.158m shortfall on Pyrolysis and solar farm Income	404	• Minor variance from Period 6 to Period 7
RSA067	Programme Management	264,810	3,916,091	276,226	11,416	G	• Minor variance to budget as at Period 7	(77,792)	• Minor variance from Period 6 to Period 7
Total A2R040: Strategy		(198,980)	12,288,378	(29,218)	169,762			(128,700)	

APPENDIX 2 2025/26 SAVINGS DELIVERY

2.1 SUMMARY

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

Savings Target	Delivered	Projected Delivery	Indicative Plans	Delivery to be Confirmed
£59,876,040	£16,628,745	£18,739,599	£2,177,791	£38,958,651
	% Delivered	% Projected Delivery	% Indicative Plans	% Delivery to be Confirmed
	27.77%	31.30%	3.64%	65.07%

Projected delivery and indicative plans are in place for 34.94% of the savings identified. Some of these plans may be being achieved through one off means rather than an ongoing basis. Work continues to progress to ensure that savings proposals delivered can be delivered on an ongoing basis in order to reduce any further savings pressures into 2026/27.

The table below shows the projected delivery of each saving proposal.

Shropshire Council 25/26 Individual Savings List											
Individual Savings List 25/26											
Savings Name	Savings Target	Delivered to Date (One-off)	Delivered to Date (Ongoing)	Delivered to Date Total	Projected Delivery (One-off)	Projected Delivery (Ongoing)	Projected Delivery Total	Indicative Plans in Place	Delivery to be Confirmed	2026/27 Full Year Savings Delivery (Ongoing)	26/27 Savings Outstanding
EFF45 - Charge staffing costs to capital budgets where possible and appropriate (capital project support or transformation of revenue services).	£1,790,350	£1,790,350	£0	£1,790,350	£1,790,350	£0	£1,790,350	£0	£0	£0	£1,790,350
EFF81 - New Operating Model - Charge staffing costs delivering transformation to capital budgets where possible and appropriate (Workforce and Improvement).	£645,220	£468,760	£176,460	£645,220	£468,760	£176,460	£645,220	£0	£0	£176,460	£468,760
EFF83 - New Operating Model - Charge staffing costs to capital budgets where possible and appropriate (Legal and Democratic).	£57,330	£57,330	£0	£57,330	£57,330	£0	£57,330	£0	£0	£0	£57,330
EFF84 - New Operating Model - Charge staffing costs to capital budgets where possible and appropriate (Finance and IT).	£20,740	£20,740	£0	£20,740	£20,740	£0	£20,740	£0	£0	£0	£20,740

MD001 - Further increase funding of public health reserves to support preventative initiatives at the children's, adults and customer front-door (earliest point of contact). Was included in the 2024/25 budget for one year only and is shown here as being removed.	-£200,000	£0	-£200,000	-£200,000	£0	-£200,000	-£200,000	£0	£0	-£200,000	£0
MD012 - Supported living - Reduce the need for 24 hour provision and increase independence through alternative resources such as technology	£873,190	£0	£345,794	£345,794	£0	£345,794	£345,794	£0	£527,396	£0	£873,190
MD016 - ASC - nighttime care and support service enabling people to stay at home	£520,000	£0	£0	£0	£0	£0	£0	£250,000	£270,000	£0	£520,000
MD019 - The council would need to encourage more people to foster across the county	£1,375,000	£0	£1,410,018	£1,410,018	£0	£1,415,064	£1,415,064	£0	-£40,064	£864,268	£510,732
MD020 - Stepping Stones	£3,758,000	£0	£1,984,537	£1,984,537	£0	£3,211,690	£3,211,690	£0	£546,310	£0	£3,758,000
MD021 - Increase in income from care contributions	£1,000,000	£0	£583,333	£583,333	£0	£1,000,000	£1,000,000	£0	£0	£0	£1,000,000
MD022 - Increase in in-house provider charges	£60,000	£0	£60,000	£60,000	£0	£60,000	£60,000	£0	£0	£0	£60,000
MD023 - Partnership working CHC and 117	£650,000	£0	£507,431	£507,431	£0	£507,431	£507,431	£142,569	£0	£0	£650,000
MD026 - Shared lives cost avoidance delivered through increase in capacity	£300,000	£0	£111,090	£111,090	£0	£111,088	£111,088	£50,222	£138,690	£0	£300,000
MD027 - Supporting independence through Reviews (including LDSL/DPs and Tech etc)	£1,610,000	£0	£1,610,000	£1,610,000	£0	£1,610,000	£1,610,000	£0	£0	£0	£1,610,000

MD028 - Fee uplift review	£1,500,000	£0	£0	£0	£0	£0	£0	£0	£1,500,000	£0	£1,500,000
MD029 - ASC contracts and performance management	£600,000	£0	£600,000	£600,000	£0	£600,000	£600,000	£0	£0	£0	£600,000
MD030 - Home to school transport - academic days	£178,900	£0	£178,900	£178,900	£0	£178,900	£178,900	£0	£0	£0	£178,900
NI003 - ASC Telecare	£500,000	£0	£0	£0	£0	£0	£0	£500,000	£0	£0	£500,000
NI004 - Expand the Handy Person service to a wider range of customers, including fee payers, supporting independent living	£10,000	£0	£0	£0	£0	£10,000	£10,000	£0	£0	£10,000	£0
NI006 - Increase income from Museums and Archives services	£100,000	£81,440	£18,560	£100,000	£81,440	£18,560	£100,000	£0	£0	£0	£100,000
NI007 - Increase income from an enhanced memorial and ceremony offer at Council sites	£10,000	£0	£10,000	£10,000	£0	£10,000	£10,000	£0	£0	£0	£10,000
NI008 - Increase income from an improved range of wedding and partnership ceremony packages	£2,000	£0	£2,000	£2,000	£0	£2,000	£2,000	£0	£0	£0	£2,000
PRR0 - Rightsizing	£11,723,400	£0	£0	£0	£0	£0	£0	£0	£11,723,400	£0	£11,723,400
PRF&C0 - Income	£3,848,740	£0	£0	£0	£0	£0	£0	£0	£3,848,740	£0	£3,848,740
PRR1 - Legal & Governance Resizing	£100,000	£0	£0	£0	£0	£34,680	£34,680	£0	£65,320	£34,680	£65,320
PRR2 - Enabling Resizing	£1,256,000	£0	£0	£0	£0	£0	£0	£0	£1,256,000	£0	£1,256,000
PRR4 - Children's Rightsizing	£2,000,000	£0	£0	£0	£0	£0	£0	£0	£2,000,000	£0	£2,000,000
PRR5 - Infrastructure Resizing	£850,000	£0	£0	£0	£0	£0	£0	£0	£850,000	£0	£850,000
PRR6 - Care & Wellbeing Rightsizing	£1,300,000	£0	£0	£0	£0	£0	£0	£0	£1,300,000	£0	£1,300,000
PRPS0 - Third Party	£12,991,240	£0	£2,751,842	£2,751,842	£0	£2,751,842	£2,751,842	£0	£10,239,398	£0	£12,991,240

RC003 - Further increase allocation of the public health grant to support preventative initiatives at the children's, adults and customer front-door.	£70,000	£0	£70,000	£70,000	£0	£70,000	£70,000	£0	£0	£70,000	£0
RC004 - Capitalisation of reserves as one off for staff and projects relating to transformation work to further increase funding of public health reserves to support preventative initiatives. This is for 2024/25, in addition to 1,000,000 in 23/24. This is being removed in 2025/26.	-£1,000,000	£0	-£1,000,000	-£1,000,000	£0	-£1,000,000	-£1,000,000	£0	£0	-£1,000,000	£0
RC011/19 - Review and right size business support function	£312,500	£0	£312,500	£312,500	£0	£312,500	£312,500	£0	£0	£0	£312,500
RC016 - Agency Staff - reducing use of agency staff; promote permanent staffing.	£85,000	£0	£0	£0	£0	£0	£0	£0	£85,000	£0	£85,000
RC025 - Review and resize the Housing Services team	£64,000	£64,000	£0	£64,000	£64,000	£0	£64,000	£0	£0	£64,000	£0
RC026 - Review and potential reduction of some leisure provision to achieve cost reductions.	£100,000	£0	£70,000	£70,000	£0	£70,000	£70,000	£0	£30,000	£0	£100,000
RC029 - Review staffing and resize the Rights of Way team	£6,460	£0	£6,460	£6,460	£0	£6,460	£6,460	£0	£0	£0	£6,460
RC030 - Review staffing and resize the Outdoor Partnerships team	£13,840	£0	£13,840	£13,840	£0	£13,840	£13,840	£0	£0	£0	£13,840

RC032 - Review Library Services to ensure maximum efficiencies including funding reviews and reshaping/reductions of services	£220,540	£49,340	£151,200	£200,540	£49,340	£151,200	£200,540	£0	£20,000	£151,200	£69,340
RC040 - Dispose of Shirehall quicker and relocate services	£1,300,000	£0	£1,005,540	£1,005,540	£0	£1,005,540	£1,005,540	£0	£294,460	£0	£1,300,000
RC074 - Anticipated cost reductions in Revenues & Benefits arising from improvement of in-house Temporary Accommodation provision.	£1,000,000	£0	£0	£0	£0	£0	£0	£935,000	£65,000	£0	£1,000,000
RC078 - New model for future delivery of the Council's Out of Hours calls triage and Shrewsbury Town Centre CCTV monitoring	£47,310	£0	£30,000	£30,000	£17,310	£30,000	£47,310	£0	£0	£47,310	£0
RC083 - Review and secure cost reductions in the pooled training budget	£17,270	£0	£17,270	£17,270	£0	£17,270	£17,270	£0	-£0	£0	£17,270
RC087 - DSG funding of SEND pressures	£500,000	£0	£500,000	£500,000	£0	£500,000	£500,000	£0	-£0	£0	£500,000
RC088 - Increased charges for car parking in Shrewsbury and Ludlow but retaining Park and Ride Services.	£250,000	£0	£250,000	£250,000	£0	£250,000	£250,000	£0	£0	£0	£250,000
RC089 - Increased charges for car parking across the County.	£500,000	£0	£0	£0	£0	£0	£0	£0	£500,000	£0	£500,000
RC090 - Residents' only parking will be enforced for an annual residents fee.	£100,000	£0	£0	£0	£0	£0	£0	£0	£100,000	£0	£100,000
RC091 - More fixed penalties issued for dog fouling, littering and illegal parking.	£300,000	£0	£0	£0	£0	£0	£0	£300,000	£0	£0	£300,000

RC092 - Large scale switch off of street lights to reduce energy costs and carbon emissions.	£150,000	£0	£226,000	£226,000	£0	£226,000	£226,000	£0	-£76,000	£0	£150,000
RC094 - Waste contract efficiencies across the waste service including review of garden waste collection costs and HRC opening times to be delivered through negotiated changes to the contract.	£987,000	£0	£387,000	£387,000	£0	£387,000	£387,000	£0	£600,000	£0	£987,000
RC096 - Asking other organisations (commercial companies) to manage our leisure centres for us.	£200,000	£0	£0	£0	£0	£0	£0	£0	£200,000	£0	£200,000
RC097 - Management of green spaces and areas of outstanding natural beauty will be passed to town or parish councils, where they choose to take that on.	£200,000	£0	£200,000	£200,000	£0	£200,000	£200,000	£0	£0	£0	£200,000
SC002 - Review education transport arrangements - changes to policy and delivery models (mainstream and SEND)	£400,000	£0	£0	£0	£0	£400,000	£400,000	£0	£0	£0	£400,000
SC008 - Review staffing and resize the Empty Homes service	£47,010	£0	£47,010	£47,010	£0	£47,010	£47,010	£0	£0	£0	£47,010
SC013 - Rationalise property and buildings to secure revenue savings (e.g. utilities, security, repairs and maintenance etc). Use reductions to secure additional capital receipts.	£3,000,000	£0	£500,000	£500,000	£0	£500,000	£500,000	£0	£2,500,000	£0	£3,000,000

TO001 - Explore shared emergency planning resource and resilience with partners.	£15,000	£0	£0	£0	£0	£0	£0	£0	£15,000	£0	£15,000
TO002 - Review the use of the UK Shared Prosperity Fund (UKSPF) to maximise grant funding	£60,000	£0	£60,000	£60,000	£0	£60,000	£60,000	£0	£0	£0	£60,000
TO004 - Review funding arrangements and contributions from external sources to higher cost placements	£500,000	£0	£500,000	£500,000	£0	£500,000	£500,000	£0	-£0	£0	£500,000
TO009 - Review service synergies to secure cost reductions across Highways, Maintenance, and Outdoors services.	£1,000,000	£0	£600,000	£600,000	£0	£600,000	£600,000	£0	£400,000	£0	£1,000,000
Total	£59,876,040	£2,531,960	£14,096,785	£16,628,745	£2,549,270	£16,190,329	£18,739,599	£2,177,791	£38,958,651	£217,918	£59,658,122