



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

Date: Tuesday, 29 August 2017

**Committee: Cabinet**

**Date: Wednesday, 6 September 2017**

**Time: 12.30 pm**

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

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

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

**Members of Cabinet**

Peter Nutting (Leader)  
Steve Charmley (Deputy Leader)  
Joyce Barrow  
Lezley Picton  
David Minnery  
Robert Macey  
Nic Laurens  
Nicholas Bardsley  
Lee Chapman  
Steve Davenport

**Deputy Members of Cabinet**

Clare Aspinall  
Dean Carroll  
Rob Gittins  
Roger Hughes  
Elliott Lynch  
Alex Phillips

Your Committee Officer is:

**Jane Palmer** Senior Democratic Services Officer

Tel: 01743 257712

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

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May 2015

# AGENDA

## 1 Apologies for Absence

## 2 Disclosable Pecuniary Interests

## 3 Minutes (Pages 1 - 10)

To approve as correct records and sign the Minutes of the ordinary and Special Cabinet meetings held on 12 and 25 July 2017 respectively.

## 4 Public Question Time

To receive any questions or petitions from members of the public, notice of which has been given in accordance with Procedure Rule 14. Deadline for notification for this meeting is 5.00pm on Friday 1 September 2017.

## 5 Member Questions

To receive any questions of which Members of the Council have given notice. Deadline for notification is 5.00 pm on Friday 1 September 2017.

## 6 Scrutiny Items

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

## 7 Performance Report Quarter 1 2017/18 (Pages 11 - 18)

Lead Member – Councillor Steve Charmley – Portfolio Holder for Corporate Support

Report of the Director of Place and Enterprise

Contact: George Candler Tel: 01743 255003

## 8 Application by Condoval Parish Council to be considered as a Neighbourhood Plan Area (Pages 19 - 28)

Lead Member – Councillor Robert Macey – Portfolio Holder for Planning and Regulatory Services

Report of the Director of Place and Enterprise

Contact: George Candler Tel: 01743 255003

**9 Financial Monitoring Report Quarter 1 2017/2018 (Pages 29 - 64)**

Lead Member – Councillor David Minnery – Portfolio Holder for Finance

Report of the Head of Finance, Governance and Assurance [Section 151 Officer]

Contact: James Walton Tel: 01743 258915

**10 Annual Treasury Report 2016/2017 (Pages 65 - 78)**

Lead Member – Councillor Peter Nutting – Leader and Portfolio Holder for Strategy

Report of the Head of Finance, Governance and Assurance [Section 151 Officer]

Contact: James Walton Tel: 01743 258915

**11 Treasury Management Update Quarter 1 2017/18 (Pages 79 - 98)**

Lead Member – Councillor Peter Nutting – Leader and Portfolio Holder for Strategy

Report of the Head of Finance, Governance and Assurance [Section 151 Officer]

Contact: James Walton Tel: 01743 258915

**12 New Business Rates Discretionary Relief Scheme 2017/18 (Pages 99 - 120)**

Lead Member – Councillor David Minnery – Portfolio Holder for Finance

Report of the Head of Finance, Governance and Assurance [Section 151 Officer]

Contact: James Walton Tel: 01743 258915

**13 Variation to West Mercia Energy Joint Agreement (Pages 121 - 128)**

Lead Members – Councillors Nic Laurens and Robert Macey – Shropshire Council's Representatives on the West Mercia Energy Joint Committee

Report of the Head of Finance, Governance and Assurance [Section 151 Officer]

Contact: James Walton Tel: 01743 258915

**14 The Minimum Income Guarantee [MIG]**

Lead Member – Councillor Lee Chapman – Portfolio Holder for Health and Adult Social Care

Report of the Director of Adult Services **TO FOLLOW**

Contact: Andy Begley Tel: 01743 258911

**15 Exclusion of the Public and Press**

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

**16 Confidential Minutes (Pages 129 - 132)**

To approve as correct records and sign the confidential Minutes of the ordinary and Special Cabinet meetings held on 12 and 25 July 2017 respectively.

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## Committee and Date

Cabinet

6 September 2017

## **CABINET**

**Minutes of the meeting held on 12 July 2017 in the Shrewsbury Room, Shirehall, Abbey Foregate, Shrewsbury, Shropshire, SY2 6ND  
12.30 - 1.20 pm**

**Responsible Officer:** Jane Palmer  
Email: jane.palmer@shropshire.gov.uk Tel: 01743 257712

### **Present**

Councillor Peter Nutting (Leader)  
Councillors Steve Charmley (Deputy Leader), Joyce Barrow, Lezley Picton, David Minnery, Robert Macey, Nic Laurens, Nicholas Bardsley, Lee Chapman and Steve Davenport

### **25 Apologies for Absence**

There were no apologies for absence.

### **26 Disclosable Pecuniary Interests**

None were declared.

### **27 Minutes**

#### **RESOLVED:**

That the Minutes of the Cabinet meeting held on 21 June 2017 be approved as a correct record and signed by the Leader.

### **28 Public Question Time**

No questions had been received from members of the public.

#### **a Member Question**

Councillor A Boddington had submitted the following question but was not present at the meeting:

'The draft parking strategy is at Agenda 8 of this meeting. If this policy is implemented, what are the council's estimates of how much revenue in total and how much extra revenue will be raised? To what purposes will the extra revenues be assigned?'

The following response was tabled:

The draft Parking Strategy builds on the original strategy implemented in 2012. The draft strategy considers parking in light of current and future levels of supply and demand, takes into account changes in patterns of use and to utilise new technology, which will provide Shropshire Council with the ability to manage car parks in a more efficient way. The efficient use and management of car parks will allow these assets to be used as a traffic management tool and a contributing factor in reducing carbon emissions, improving air quality, minimising congestion, support retail centres and improve vibrancy in our market towns.

Whilst we do anticipate an increase in additional revenue, it would be premature to do any detailed modelling, until the outcomes of the consultation are complete. The strategy is primarily aimed at improving the experience of all visiting or working in our town centres and other locations rather than generating revenue.

By law, any money we do raise from car parking must be used for the benefit of road users. Any additional income generated from these new proposals would be put towards a number of new parking developments, including the replacement of the existing payment machines to enable payment by card, contactless payments, and payment by mobile phone – helping us move with the times and greatly improving the service that we offer. We will also look to improve signage, lighting, car park surfacing and white lining, by ensuring the annual refurbishment budget for car parks is increased. Any further surplus money would be used to fund public transport services, road improvements projects and environmental improvements.

## 29 **Scrutiny Items**

There were no scrutiny matters for consideration.

## 30 **Treasury Management Update Quarter 4 2016/17**

The Portfolio Holder for Finance presented the report outlining the Council's treasury management activities during the last quarter.

Responding to a Member's questions, the Head of Finance, Governance and Assurance explained how the treasury management decisions had been made and stated that he would provide further information to the Member concerned outside of the meeting. The Chief Executive added that the Council worked hard to make sound investments in order to generate interest on its monies at all times.

### **RESOLVED:**

That the position detailed in the report be accepted.



### 31 **Draft Library Services Strategy for Shropshire 2018 to 2023**

The Portfolio Holder for Culture and Leisure presented the report seeking approval to consult on a new draft Library Services Strategy for Shropshire. She explained that the report set out how the Council would continue to meet its statutory services. She stressed that no closure of existing services was being planned but prioritisation of future library services would be needed.

Members were pleased to note that no planned closure of static libraries was being proposed. Several Members spoke in support of library services in general and their value to the local community. Some concern was expressed regarding the reduction in mobile library stop offs; the Portfolio Holder stated that this list was constantly refined and would form part of the consultation so local residents would be informed.

Whilst acknowledging the Council's commitment to maintain libraries, a Member stated that the Shrewsbury Town Council was disappointed that it had not been consulted prior to the release of the consultation document. The Portfolio Holder stated that feedback from the Town Council would be most welcome and would be considered as part of the consultation process.

#### **RESOLVED:**

- i. That the draft Library Services Strategy for Shropshire, 2018 to 2023 be confirmed.
- ii. That a ten-week public and stakeholder consultation be undertaken on the draft Library Services Strategy for Shropshire prior to bringing the outcomes of the consultation and the final Strategy back to Cabinet for approval.
- iii. That delegated authority be granted to the Director of Place and Enterprise in consultation with the Portfolio Holder for Culture and Leisure to finalise the draft Strategy and public consultation before a report is brought back to Cabinet in Autumn 2017.

### 32 **Shropshire Draft Parking Strategy**

The Portfolio Holder for Highways and Transport presented a report detailing the framework rationale, communication plan and programme for the public consultation on the draft Shropshire Parking Strategy. He explained that there would be a ten-week consultation period during which time he intended to speak to Parish and Town Councils en bloc. The Chief Executive added that the Strategy was currently in draft format and it was premature to pre-empt the outcome of the feedback during the consultation period. The Leader commented that any potential increase in fees would not be palatable but the Council was looking to update the strategy that was now five years old.

A Member queried whether any surplus revenue would be used in the area where it was generated i.e. money raised in Shrewsbury to be used in Shrewsbury. The Leader commented that money raised would be used for the benefit of Shropshire.

Concerns were raised regarding future damage to businesses by an increase in parking fees, the use of residents' parking spaces by non-residents and people choosing to shop in areas offering free car parking. Whilst noting these initial concerns, the Portfolio Holder stressed that all issues would be considered as part of the consultation process.

Another Member commented that pay by phone initiatives would be welcome and the proposed increases were set at a sensible level. He suggested that the consultation period should be extended as many Parish and Town Councils did not meet during August. The Leader stated that responses up to the end of September would be accepted. The Portfolio Holder stressed the importance of the involvement of Parish and Town Councils in the consultation process and assured Members that all representations made would be taken into consideration.

**RESOLVED:**

- i) That approval be granted to consult on the four consultations as set out in paragraph 5.1 of the report. The Parking Strategy Proposals to be consulted on are:
  - i. The use of standard criteria and setting of standard banding levels (including associated criteria and methodology) for each identified car park
  - ii. The introduction of a set price per hour (known as 'linear' pricing)
  - iii. To introduce charging and pay and display in the following car parks:
    - Gobowen Station, Gobowen
    - Newport Road, Market Drayton
    - Crown Hotel, High Street, Albrighton
  - iv. A Proposal to introduce linear tariffs and charging between 9.00am and 8.00pm.
  - v. The extension of opening hours in Raven Meadows multi storey car park in Shrewsbury 24 hours a day, 7 days a week.
  - vi. A new trades person waiver system
  - vii. The removal of restrictions on periods of maximum stay and minimum return subject to purchase of an appropriate ticket
  - viii. Removal of the 15-minute 'pop and shop' period
  - ix. Extend times of loading bay restrictions to 8.00pm in line with the proposal to introduce linear tariffs and extend charging until 8.00pm in the evening.
  - x. To make all existing loading bays available within the Shrewsbury river loop as taxi bays between 8.00 pm and 7.30 am.

- xi. A new On-Street Residents parking policy framework
  - xii. The introduction of weekly parking tickets
  - xiii. The setting of new standard tariffs and criteria for Season tickets, Coach, HGV and Off-street Residents permits
  - xiv. Change of use of the HGV / Coach park, Crossways Church Stretton to a band 6 pay and display car park
- ii) That following the end of the consultation exercise and consideration of the responses to the consultation, a further report be brought back to Cabinet, setting out the results of the consultation and next steps around the adoption of a new parking and permit scheme.
  - iii) That authority be delegated to the Head of Infrastructure and Communities in consultation with the Portfolio Holder for Highways and Transport to assess and implement the roll out of pay by phone to 'on and off street parking areas' across the county as soon as possible.

### **33 Economic Growth Strategy**

The Portfolio Holder for Economy and Growth presented a report relating to the Shropshire Economic Growth Strategy 2017-2021 that had been finalised following the seven week public consultation period; the document set the strategic direction for economic growth in Shropshire over the next five years. Members noted that an Action Plan would be reviewed annually and an evaluation of achievements and updates would be presented to Cabinet. The Portfolio Holder commended the work of the Head of Economic Growth in bringing this document to fruition.

In conclusion, the Portfolio Holder stated that Shropshire was truly 'open for business' and working with educational institutions in the area would create the workforces of the future. Both the Leader and Deputy Leader added their support to the Strategy as the signpost for the future economic development of Shropshire.

#### **RESOLVED:**

- i) That the final Economic Growth Strategy 2017-2021 be agreed following feedback from the public consultation;
- ii) That an annual review of the Action Plan and the preparation of a Communications Plan to support the dissemination of the Strategy, be endorsed.

### **34 Update on Future Swimming Provision in Shrewsbury**

The Portfolio Holder for Culture and Leisure presented the report providing an update on the future swimming provision in Shrewsbury. She stated that, since the change in the Council's Administration, the intention was to carry out a review of

the different location options for the future provision of swimming in the town centre of Shrewsbury. She stressed that the options needed to be revisited.

**RESOLVED:**

- i. That a review is carried out of the different location options for swimming provision in Shrewsbury town centre.
- ii. That the current Terms of Reference for the submission of Full Business Cases is stopped until the outcomes of this review are concluded.
- iii. That a report on the outcome of the review be brought back to Cabinet in due course for a recommendation on the preferred location for public swimming in Shrewsbury.
- iv. That the detailed implementation of all aspects of the recommendations made within this report be delegated to the Director of Place and Enterprise in consultation with the Portfolio Holder for Culture and Leisure.

**35 Exclusion of the Public and Press**

**RESOLVED:**

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

**36 0-25 Public Health Nursing Service: Tender Award**

The Portfolio Holder for Health and Adult Social Care presented the confidential report relating to the award of the tender for the 0 to 25 Public Health Nursing Service.

**RESOLVED:**

That the two recommendations detailed in the confidential report be approved.

**37 Shrewsbury Town Centre**

The Deputy Leader stated that it was essential for all Members to be fully appraised on this issue. He stated that two Member briefing sessions [20 July at 6.00pm and 24 July at 9.00am] would be held prior to a Special Cabinet meeting in July 2017. Members agreed the need for all to be briefed in detail before a decision was taken by Cabinet.

**RESOLVED:**

That consideration of the report be deferred for consideration at a Special Cabinet meeting at 1.00pm on Tuesday 25 July 2017.

Signed ..... (Leader)

Date: .....

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**Committee and Date**

Cabinet

6 September 2017

**CABINET**

**Minutes of the meeting held on 25 July 2017 in the Council Chamber, Shirehall, Abbey Foregate, Shrewsbury, SY2 6ND  
1.00 pm - 1.28 pm**

**Responsible Officer:** Linda Jeavons  
Email: linda.jeavons@shropshire.gov.uk Tel: 01743 257716

**Present**

Councillor Peter Nutting (Leader)  
Councillors Steve Charmley (Deputy Leader), Joyce Barrow, Lezley Picton,  
David Minnery, Robert Macey, Nicholas Bardsley, Lee Chapman and Steve Davenport

**38 Apologies for Absence**

An apology for absence was received from Councillor Nic Laurens.

**39 Disclosable Pecuniary Interests**

No declarations of interest were declared.

**40 Public Question Time**

No questions or petitions had been received from members of the public.

**41 Member Questions**

No questions or petitions had been received from Members.

**42 Exclusion of the Public and Press**

**RESOLVED:**

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

43 **Shrewsbury Town Centre**

**RESOLVED:**

That, in accordance with Paragraph 17(ii) (Call-in and Urgency), Part 4, Overview and Scrutiny Procedure Rules, of Shropshire Council’s Constitution (the item having been identified as urgent by the Chief Executive for the reasons set out in the confidential minutes), the recommendations as listed in the report be agreed and not be subject to call-in.

Signed ..... (Leader)

Date: .....





## Committee and Date

Cabinet

6<sup>th</sup> September 2017

## **Quarter 1 Performance Report 2017/18**

**Responsible:** Tom Dodds, Performance Manager

e-mail: [tom.dodds@shropshire.gov.uk](mailto:tom.dodds@shropshire.gov.uk)

01743 253068

### **1. Summary**

- 1.1 This report presents Cabinet with the Council's Performance against its key Outcomes for Quarter 1 2017/18.
- 1.2 The Corporate Plan and the High Level Outcomes provide the shape and focus of the updated Performance Management Framework. The measures in the framework will be refined as the strategic action plans for the coming 12 to 18 months set out how the outcomes will be delivered.

The new framework will include project milestones from the strategic action plans, as they are confirmed, to help demonstrate the change being delivered.

- 1.3 The new framework is presented with four key outcome areas: Healthy People, Prosperous Economy, Resilient Communities and Your Council. The range of performance measures covers a broader range of service areas than previously reported.
- 1.4 As part of developing the new Performance Management Framework and reporting of additional measures, a different way of presenting performance information has been developed. The online performance portal has been to be used in conjunction with this report, and can be accessed here -  
  
<https://shropshireperformance.inphase.com/>
- 1.5 This is the first stage of improving access to performance information and that of data transparency. Member and user feedback will help to inform further development of performance information, which will form part of the new IT system developments.

## **2. Recommendations**

Members are asked to:

- A. Consider the key underlying and emerging issues in the reports and appendices.
- B. Review the performance portal and identify any performance areas that they would like to consider in greater detail or refer to the appropriate Overview Scrutiny Committee.

## **REPORT**

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

- 3.1 Poor performance could have implications for vulnerable people (including children) who are supported by Council services and economic growth in Shropshire. In turn, there may be significant financial, legal and reputational risk to the Council, Schools (and Academies), and partners from across the public and voluntary and independent care sectors.
- 3.2 Effective monitoring and follow-up against key measures of success provides the opportunity to manage risks and ensure that Children and Young People and vulnerable adults in Shropshire remain safe and achieve the desired outcomes. Increasingly, performance reporting will reflect the impact of commissioning decisions by the Council, linking directly with the management of contracts and building on the current approach of looking at how effective the Council is at delivering its outcomes.

### **4. Financial Implications**

- 4.1 This report does not have any direct financial implications, but presents service and financial information to support decision making. Accountable officers and senior managers may use the information to inform actions or interventions for improving service performance and the prioritisation and use of resources.
- 4.2 Full financial details are presented as part of the Financial Reports.

### **5. Introduction**

Each of the four outcome areas contains a number of sub-outcomes with a range of associated performance measures. The frequency of the availability of the data varies from monthly and quarterly updates to annual updates. All measures, regardless of frequency will be available on the performance portal to improve accessibility to information.

Quarterly Cabinet reports will be used to highlight performance exceptions and changes to measures reported annually.

## 6. **Healthy People**

The sub outcomes for Healthy People are; Improving Public Health, Keeping People Safe, Participation in Positive Activities for Health and Well-being.

- 6.1 Measures for Improving Public Health are mainly updated annually and will be reported as and when new data becomes available. One measure has been updated during this quarter. The flu vaccination coverage of people aged 65+ has decreased slightly from 71.9% to 71.6% in the year to March 2017. This remains higher than the national rate of 70.5%. The national and local long-term trend for this measure has seen a decrease in the rate of flu vaccinations.
- 6.2 Participation in positive activities is beneficial for both physical and mental well-being. Participation rates have been mainly positive with increased visitors to leisure centres, outdoor recreation sites, visitor attractions, Theatre Severn and the Old Market Hall.

The Country Parks and Countryside Heritage Sites remain popular and are an important asset for local people and visitors. Collection of accurate visitor data has always been difficult, relying on sample counts. Following a review, a number of electronic counters have been installed at sites, which should provide more accurate figures and better coverage of our sites. The figures being gathered now are much more accurate and will provide a better baseline going forward.

The 17/18 Q1 figure of 1,006,029 is one of the highest recorded which can mainly be attributed to the improved accuracy of recording visitors numbers; including new counters in Snailbeach, Ifton Meadows and Lyth Hill. Increased Q1 visitor figures are also linked the timing of Easter holiday period which normally occurs in the Q4 reporting period.

Annual visitor figures to visitor attractions have remained fairly static at Q1 17/18 (148,863) compared to Q1 16/17 (149,933).

There has been a significant increase in the number of visitors to the Shrewsbury Museum, 27,475 at Q1 17/18 compared to 11728 at Q1 16/17; this increase can be attributed to several factors. Improved accuracy of recording visitor numbers, along with good weather and the Easter period falling in the Q1 period helped to increase footfall to the information centre, café and museum.

There has been a continued overall reduction in visits to libraries. The annual visitor numbers to March has reduced from 1,054,538 in 16/17 to 973,707 in 17/18. The closure of Shawbury library in Sept 2016 is one contributing factor. Shifnal, Albrighton and Broseley Libraries all re-opened following refurbishment in April/May 2016 causing an initial spike in visits, thus affecting the comparison with this year.

- 6.3 Keeping safe measures show that food and drink premises in Shropshire continue to maintain high food safety standards. 98.2% of premises are rated as generally satisfactory or higher.

- 6.4 As identified and detailed in previous cabinet reports the number of people killed or seriously injured on the roads in Shropshire has continued to increase. Five years of road accident data is currently being analysed to identify any potential causal factors.

## **7. Prosperous Economy**

The sub outcomes for Prosperous Economy are; Physical and Digital Infrastructure, Employment and Income, Educational Achievement.

- 7.1 Being young and unemployed can lead to increase in the risk of poverty, de-skilling and social exclusion as well as cause loss of motivation and mental health problems. Current rate of claimants for Job Seekers Allowance or Universal Credit actively seeking work in Shropshire is below the regional and national averages. The claimant count for young people (aged 18 – 24) saw a continued reduction from the peak in February 2013 when there were 1370 claimants. Since June 2015 the number of claimants has remained fairly constant. The number of young claimants as at June 2017 was 450.
- 7.2 The % of Premises with Access to Fibre-Based Network Broadband as a result of the connecting Shropshire broadband programme has continued to increase. The Q1 level is now at 97%. The % of Premises with Access to Superfast Broadband has also increase to 85%.

On Monday 10 July 2017, Connecting Shropshire announced that Airband Community Internet Ltd will be the delivery partner for the next phase of Shropshire Council's superfast broadband programme. Since 2002, Airband has been providing high-speed wireless broadband access to rural areas. The Worcester-based company will be responsible for delivering superfast broadband to over 14,000 homes and businesses in the Shropshire Council area over the next three years.

## **8. Resilient Communities**

The sub outcomes for Resilient Communities are; Support for Families and Keeping Children Safe, Volunteering, Keeping Communities Clean, People are Supported to Stay in their Local Communities, Adults Entering Paid for Care and Adult Social Care - User Feedback.

- 8.1 The number of Looked After Children (LAC) remained stable throughout 2016/17; there has been a slight increase at Q1 17/18. It is important to reaffirm that our LAC strategy is not about reducing the number of children in care, but is about ensuring the right children are in care, at the right time and for the right duration. As evidenced by our reducing section 20 (legal status for children entering care) by providing care and support packages to keep children safely in the family home.

The slight increase in LAC at Q1 can be attributed to two factors. There has been a very slightly higher number of children newly accommodated and less children have exited the system, 24 compared to 37 this time last year.

- 8.2 The overall aim of a Child Protection Plan is to ensure the child is safe and prevent him or her from suffering further harm. Numbers of Children with a Child Protection Plan are continually monitored to ensure children have the right support to promote welfare, health and development.

The rate of children with a Child Protection Plan (CPP) has begun to decline during Q1. Progress in the quality of our child protection planning is evidenced in the Independent Review Unit RAG Rating Reports. Where safeguarding concerns are addressed, we are now ending CPP as appropriate and stepping down to Child In Need planning. The annual rate of children becoming subject to a CPP for year ending June 2017 is 34.1; this has now fallen below both the national and Statistical Neighbours average.

- 8.3 The rate of permanent admissions of adults aged 65+ into residential or nursing homes is lower (better) than the profile and is currently lower than in previous years. The rate of admissions for adults aged 18 – 64 at the end of quarter 1 is slightly higher than profile. Due to the relatively small numbers of admissions this equates to 1 person. The service is confident that the number of 18 -64 admissions is on track to meet the end of year profile. The service remains committed to enabling people to remain in their homes and maintain a decent quality of life for as long as possible. The service also confirms that it assesses the needs of each person to ensure that the right service is provided at the right time ensuring that residential and nursing care is provided at the most appropriate time.
- 8.4 Previously reported measures on delayed transfer of care from hospital have been changed by the NHS. There is now a new measure for delayed transfer and this is the first report of this measure.

National targets have been set to reduce the number of patients who are delayed in their transfer from hospital. The aim is to reduce bed blocking to less than 3.5% of all available NHS beds.

The target set for Shropshire Adult Social Care by the Department of Health is to reduce delays attributed to social care by 60%. This is based on a baseline of delayed patients between February and April 2017. This reduction is to be achieved by September 2017 and will be reported in November. **It should be noted** that this performance target was announced in July. This provides a very short time frame in which to achieve the required improvements or to measure the long-term effectiveness and sustainability of new service measures or resources.

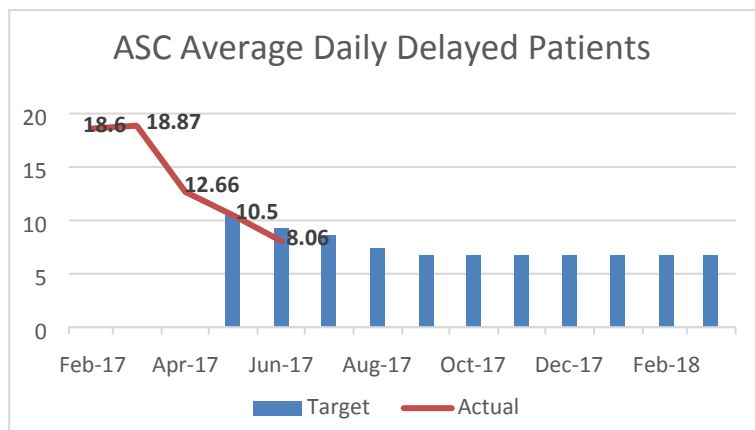
Additional funding for social care services was announced in the last budget statement. This funding will be used to provide additional resources and care capacity to improve our rate of delayed transfers. However, **it should be noted** that the time to develop and procure new services means that not all of these activities will not be in place by the start of September.

The additional funding has a number of financial caveats attached to it. Failure to achieve targets may result in financial penalties. This creates a degree of uncertainty with the service unsure of future levels of funding. The Department for Health have stated the following;

“In November we will take stock of progress to date and will consider **a review of 2018/19 allocations** of the social care funding provided at Spring Budget 2017 for areas that remain poorly performing at the end of November.”

Details of this review are expected during the summer.

From September the daily number of Shropshire residents who are delayed in hospital due to social care should, on average, be no more than 6.7 patients per day. Current performance indicates that the service is on track to meet this target.



Whilst initial data shows a significant reduction in the number of delays, historic data shows that there can be wide monthly variations in performance. The service is monitoring patient requirements for transfer from hospital on a daily basis and seeks to find the most appropriate care packages to avoid re-admission to hospital.

## 9. Your Council

- 9.1 Projected revenue forecast spend for the year, at Quarter 1, will be reported to Cabinet in the revenue monitoring report. Details will be added to the performance portal when figures are reported.
- 9.2 The number of non-school FTE employees has continued to reduce. From June 2016 to June 2017, there has been a reduction from 2542 to 2473, a reduction of 2.7%.

## 10. Conclusion

- 10.1 This performance report provides an update on the results achieved and the impact on delivering the outcomes for Shropshire.
- 10.2 Performance for the first quarter of 2017/18 has generally been positive with continued improvements or stabilisation of performance.
  - The number of looked after children by the authority has continued to remain stable.
  - Combined attendance at Theatre Severn and the Old Market Hall has reached the highest ever figure of nearly a quarter of a million visits.
  - Permanent admissions to residential care was better than the expected profile.

In addition to these improvements there are confirmed challenges to be faced, and these are being managed by the relevant service areas.

- Delayed transfer of care is a key area of focus. The rate of required improvement is very high over a short period of time. The effectiveness and sustainability of any service changes cannot be accurately assessed in this time. The uncertainty of future funding may place initiatives to improve services at risk.
- The number of people killed or seriously injured has continued to increase. Accident data is currently being analysed to identify potential causes for this rise.

<b>List of Background Papers (This MUST be completed for all reports, but does not include items containing exempt or confidential information)</b> Business Plan and Financial Strategy 2014 – 2017 Draft Corporate Plan 2016/17 – 2018/19
<b>Cabinet Member (Portfolio Holder)</b> Cllr Steve Charmley - Portfolio Holder for Corporate Support
<b>Local Member</b> All
<b>Appendices</b> <a href="https://shropshireperformance.inphase.com/">https://shropshireperformance.inphase.com/</a>

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Committee and Date:

Cabinet

6<sup>th</sup> September 2017

## **Application by Condover Parish Council to be considered as a Neighbourhood Plan Area**

**Responsible Officer** George Candler Director of Place and Enterprise  
Email: [George.candler@shropshire.gov.uk](mailto:George.candler@shropshire.gov.uk) Tel: 01743 258671

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### **1. Summary**

- 1.1 This report seeks approval for the application by Condover Parish Council for the Parish Council area to be considered as an appropriate area for a potential Neighbourhood Plan to be prepared by the Parish Council (attached as Appendix A, map as Appendix B).
- 1.2 Condover Parish Council made the application to Shropshire Council in April 2017 under the provisions of the Town and Country Planning Act 1990. Shropshire Council consulted on the proposed area for a period of four weeks between May and June 2017. Five responses were received to this consultation, none of which objected to the principle of designating Condover Parish as a Neighbourhood Plan Area.
- 1.3 It is Shropshire Council's role to decide if the Condover Parish area is appropriate for the purposes of preparing a Neighbourhood Plan. This consideration takes into account views expressed through the consultation process as well as information from the Parish Council.
- 1.4 The recommendation focusses solely on the extent of the area to be used in the preparation of the proposed Neighbourhood Plan. This recommendation does not deal with the potential content of the Neighbourhood Plan, which are issues to be considered by Condover Parish Council in cooperation with Shropshire Council in due course.

### **2. Recommendations**

1. Cabinet agrees that the Condover Parish Council area (shown in Appendix B) is appropriate for the development of a Neighbourhood Plan, and that the Parish Council will be notified accordingly.
2. Cabinet notes that if the proposed Neighbourhood Plan Area is agreed, Condover Parish Council will be able to prepare a Neighbourhood Plan for this area, which will be subject to public consultation, examination and local referendum as set out in Regulations. Assuming any subsequent local referendum if successful, Shropshire Council's full Council will then be asked to adopt the final version on the Neighbourhood Plan.

## REPORT

### 3 Risk Assessment and Opportunities Appraisal

- 3.1 The power to designate a Neighbourhood Area is exercisable under Section 61G of the Town and Country Planning Act 1990. Under Regulation 5(1) of The Neighbourhood Planning (General) Regulations 2012 an Area Application has to include a map that identifies the area to which the application relates and a statement to explain why the area is considered appropriate to be designated as a neighbourhood area and that the body is in fact a “relevant body” for the purposes of Section 61 G(2) of the Act. Condover Parish Council is a relevant body for the purposes of the Act.
- 3.2 The relevant material (Area Application (Appendix A) and Map (Appendix B)) was received by Shropshire Council in April 2017 and as required by regulation, advertised for a period of four weeks. In advertising this information comments were invited through the ‘Get Involved’ section of the Shropshire Council website and locally on Condover Parish Council’s website and noticeboards. Shropshire Council received five responses to the consultation, none of which objected to the principle of the proposed Neighbourhood Plan Area.
- 3.3 In determining the application Shropshire Council must have regard to the desirability of designating the whole of the area of a parish council as a neighbourhood. In the event the designation is approved, it will be published on the Council’s website. In the event a designation is refused under Section 61G (9) of the Act reasons must be given and the decision publicised in accordance with Regulation 7 of the Regulations.
- 3.4 The designation of an appropriate area for a neighbourhood plan is to confirm the geographic area the Plan will cover. This does not set policies to be contained in the Neighbourhood Plan, or determine the thematic scope of that Plan. Indeed, the designation of a neighbourhood plan area does not commit the Parish or Town Council to produce or complete the Neighbourhood Plan for that area.
- 3.5 When approved, neighbourhood plans form part of the statutory development plan for the area. The statutory framework covering the production of neighbourhood plans is therefore quite prescriptive and there is little risk for either Shropshire Council or Condover Parish Council as long as the process is followed carefully. However, it is important that a high degree of trust and cooperation between Shropshire Council and Condover Parish Council is maintained in order to reduce any risk of the inconsistency and conflict between the Neighbourhood Plan and those other parts of Shropshire’s Development Plan.
- 3.6 Shropshire Council’s ongoing review of the Local Plan is a key issue to be considered as part of the Neighbourhood Plan’s preparation. Regulations state that neighbourhood plans must be broadly consistent with other parts of the adopted development plan for the area. Shropshire’s Development Plan currently consists of the Core Strategy and the SAMDev Plan, although in due course this will be replaced by the Local Plan Review. Work on the Local Plan Review is ongoing and Shropshire Council has already undertaken an initial consultation into ‘Issues and Strategic Options’ in January 2017. It is expected a final version of the new Local Plan will be submitted to the Secretary of State in December 2018 for examination and adopted by the Council in December 2019. If the proposed Condover Neighbourhood Plan area is approved as recommended, it is clear that early discussions between the two Councils will be required in order to define the role and scope of their respective plans, and in particular, to determine the respective timeframes for the two Plans to ensure consistency is maintained.
- 3.7 By definition, the Neighbourhood Plan should be a product of the community and as such will contain policies that, whilst in general conformity with other elements of the

Development Plan, should have its own distinct character. The degree of scrutiny to be applied to neighbourhood plans through the examination process is dependent upon the scope of the plan but is unlikely to be to the same degree as the other elements of the Development Plan. However, it will continue to be important for appropriate evidence to be produced to inform the Plan. Statute provides that planning applications should be determined in accordance with the provisions of relevant Development Plan policies unless material considerations indicate otherwise. Therefore the weight given to neighbourhood plans remains to be balanced with other considerations when taken into the round by decision makers.

#### **4. Financial Implications**

- 4.1 The Localism Act and Regulations provide that the following costs would fall to Shropshire Council: delivering a supporting role particularly in the latter stages of the Plan's development; appointing an Examiner for the Plan; and conducting an Examination and holding a Referendum. Current provisions allow an application for these additional costs to be met, and a reimbursement of costs will therefore be sought from the Government. As previously acknowledged in reports on the Much Wenlock and Shifnal Neighbourhood Plans, it is considered likely the robustness of the Neighbourhood Plan Policies will be tested over time by independent Planning Inspectors on Planning appeals made under Section 78 of the Planning Act. Members are advised that the liability for future appeal costs rests with Shropshire Council as Local Planning Authority and as such the usability of such plans and their impact on local decision making will need to be carefully monitored.

#### **5. Background**

- 5.1 Shropshire Council's localised planning approach supports Neighbourhood Plans being brought forward under the Localism Act and the 2012 Neighbourhood Planning Regulations, indeed the Council is legally obliged to do so. However, the Council is also committed to promoting and supporting other forms of locality planning for neighbourhoods as potentially more cost effective and sustainable alternatives to a full Neighbourhood Plan through Community-led planning, parish planning, design guides etc. It is acknowledged these other forms of locality planning do not form part of the statutory development plan, but instead can be considered as material considerations in planning decisions.
- 5.2 Interestingly, the three success criteria cited by the government in their Impact Assessment for neighbourhood planning are - increasing housing supply, reducing opposition to economic growth, and increasing community engagement and involvement in planning and development; all of which are key components of Shropshire's localised approach to planning. This is very much in conformity with the emphasis placed upon neighbourhood plans and how they should shape and direct sustainable development in their area, as outlined in paragraphs 184 and 185 of the National Planning Policy Framework.
- 5.3 The development of a Neighbourhood Plan must be facilitated by the Parish Council and will in most cases proceed with support and assistance from volunteers across the community. It is expected Conover Parish Council will be asking for volunteers to help the Plan's preparation in due course. Very early discussions have taken place between Shropshire Council and the Parish Council regarding the scope of the proposed Neighbourhood Plan. It is evident the Parish Council believe this process presents a real opportunity for the community to have greater ownership on future planning policy for the parish, with particular focus on detailed policy in order to supplement the strategic policies of the adopted Core Strategy/SAMDev as well as the future 'Partial Review' of the Local Plan.

5.4 In due course and as part of the Neighbourhood Plan preparation process, Shropshire Council will consider whether the Condover Neighbourhood Plan conforms to the adopted strategic policies in the Local Plan and, in agreement with the Parish Council, will put it forward for independent assessment. It will be the responsibility of Shropshire Council to arrange a local referendum to assess local support for the plan proposals and subject to a successful referendum outcome, a “yes” vote, Shropshire Council will have a legal duty to ‘make’ the Neighbourhood Plan for Condover and bring it into force. This final decision to make the plan will be a matter for Full Council.

**Consideration of Designation**

5.5 Shropshire Council received five responses to the consultation. Gladman Developments Ltd did not seek to query the proposed designated area, but instead gave a generic summary of the role of neighbourhood plans and the regulatory requirements governing their preparation. Whilst clearly of help and interest, Gladman’s response does not require further consideration in defining the Neighbourhood Planning area. Likewise the Coal Authority and Natural England responded with useful comments relating to the later stages of Plan preparation, but did not object to the principle of the Parish Council area being designated. In addition Acton Burnell and Berrington Parish Councils both confirmed they had no objection.

5.6 Whilst the exact scope and remit of the Plan is to be defined through further discussions, at this stage it is clear there is an understanding from the Parish Council as to the general role of the Neighbourhood Plan and the type of policies it is likely to introduce. It is considered the proposed Designated Area, which covers the Parish of Condover only, is a sensible and appropriate one, and will allow flexibility as the Parish Council further defines the scope of the Plan. Shropshire Council can also confirm there are no other designated areas in this area.

<p><b>List of Background Papers (This MUST be completed for all reports, but does not include items containing exempt or confidential information):</b></p>
<p><b>Portfolio Holder:</b></p> <p>Councillor Robert Macey, Portfolio Holder for Planning and Regulatory Services</p>
<p><b>Local Member:</b></p> <p>Councillor Dan Morris (Burnel)</p>
<p><b>Appendices:</b></p> <p>Appendix A: Area Application Appendix B: Area Application map</p>

# **Neighbourhood Plan Application**

by

## **Condover Parish Council**

**24<sup>th</sup> April 2017**

**Submitted by: Brigid Carey**

**Clerk and Responsible Finance Officer to Condover Parish Council**

**Dorrington Village Hall, The Maitlands, Dorrington SY5 7LD**

**Prepared by Condover Parish Council**

### **1 Introduction**

The purpose of this document is to apply to Shropshire Council for designation of a Neighbourhood Plan area, in accordance with Town and Country Planning Act 1990 and Regulation 5 of The Neighbourhood Planning (General) Regulations 2012. The application is made by Condover Parish Council.

### **2 Background**

Condover Parish Council currently has a Parish Plan which is regularly updated in collaboration with local communities and groups. In order to embed this participative and community-based approach, at its meetings on 7<sup>th</sup> February 2017 and 7<sup>th</sup> March 2017, the Parish Council resolved to proceed with the preparation of a Neighbourhood Plan.

Notification of the intention to consider development of a Neighbourhood Plan was broadly publicised through the Parish Council meeting papers, with provision at the Public Sessions for residents to seek further information and express their views. Residents from each of the ward areas have come forward keen to be engaged with the neighbourhood planning process in a range of capacities. A series of higher profile engagement events is planned along with a formal consultation questionnaire in order to capture and evaluate local priorities, concerns and aspirations. This work will begin once the application to develop a Neighbourhood Plan has been accepted.

A Steering Group has been set up (28/3/2017), comprising initially of a resident and a Councillor for each of the four wards within the Parish. The purpose of the Steering Group is to manage the task of preparing the Neighbourhood Plan on behalf of the Parish Council, who will remain the qualifying body. The Area Designation for the Condover Parish Neighbourhood Plan is proposed to be consistent with the existing Parish Boundary: please see comments below for clarification of the reasoning behind this. The name of the proposed Plan has been agreed to be Condover Parish Neighbourhood Plan

The intention is that this Neighbourhood Plan will be introduced in accordance with the provisions of the Localism Act, the National Planning Policy Framework, and the Shropshire Local Plan.

### **3 The Application**

Regulation 5 requires the submission of the following to the local planning authority:

a) a map which identifies the area to which the application relates:

A map of the proposed area is shown as Appendix 1;

b) a statement explaining why this area is considered appropriate to be designated as a neighbourhood area;

The area applied for is the existing Parish of Conover, which does not overlap any other neighbourhood areas nor include land within another Town or Parish Council's administrative boundaries.

Conover Parish Council comprises four wards: Conover; Dorrington; Stapleton; and Ryton wards. Within the existing Shropshire Local Plan, Conover Dorrington and Stapleton form a cluster. Stapleton is designated open countryside. The geographical proximity of the four villages and effective distribution of infrastructure between them means that together they make up a balanced whole, sharing rather than duplicating amenities and resources. In addition, residents and businesses in Ryton and Stapleton have a keen interest in the scale and nature of development and service provision in Conover and Dorrington as these directly impact the sustainability of both these smaller villages.

It is recognised that the current partial review of the Local Plan may result in changes to existing patterns of community hub and cluster settlements across the County. Conover Parish Council is mindful of this and should any changes be implemented during the development of the Conover Parish Neighbourhood Plan, these would be incorporated into the structure of the Plan. This could for example reflect the potential designation of two community hub settlements and two open countryside villages within the area. Having a single overarching Neighbourhood Plan would however better support sustainable development of the Parish area as a whole, rather than leading to fragmentation of what is currently a coherent cluster of settlements.

The Conover Parish Neighbourhood Plan will reflect the priorities and aspirations of the local residents and those with business interests, while seeking to sustain the unique character of Conover Parish; the proposed boundary represents an established administrative and political boundary, which does not bisect any existing or proposed major development sites and is well understood by local residents and the Local Planning Authority, Shropshire Council.

c) a statement that the organisation or body making the area application is a relevant body for the purpose of Section 61(G)2 of the Town and Country Planning Act 1990 (as amended by the Localism Act 2011):

Under Section 61G(2) of the Town and Country Planning Act 1990, a relevant body is defined as a Parish Council or an organisation or body which is, or is capable of being, designated a Neighbourhood Forum.

The application for designation of a Neighbourhood area is submitted by Condover Parish Council, which is a relevant body for the purposes of this matter and therefore, authorised under Section 61G(2).

#### **4 Conclusion**

Condover Parish Council formally requests that Shropshire Council acknowledges the intention to produce a Neighbourhood Plan for Condover Parish, and confirm agreement to the existing Parish boundary being designated as the area that this proposed Plan will cover.

It is requested that Shropshire Council, as the local planning authority, publicise this application in accordance with Regulation 6, this being for a required six week period.

The Parish Council confirms that no previous applications have been made for designation of the neighbourhood area for Condover.

#### **Contact Information:**

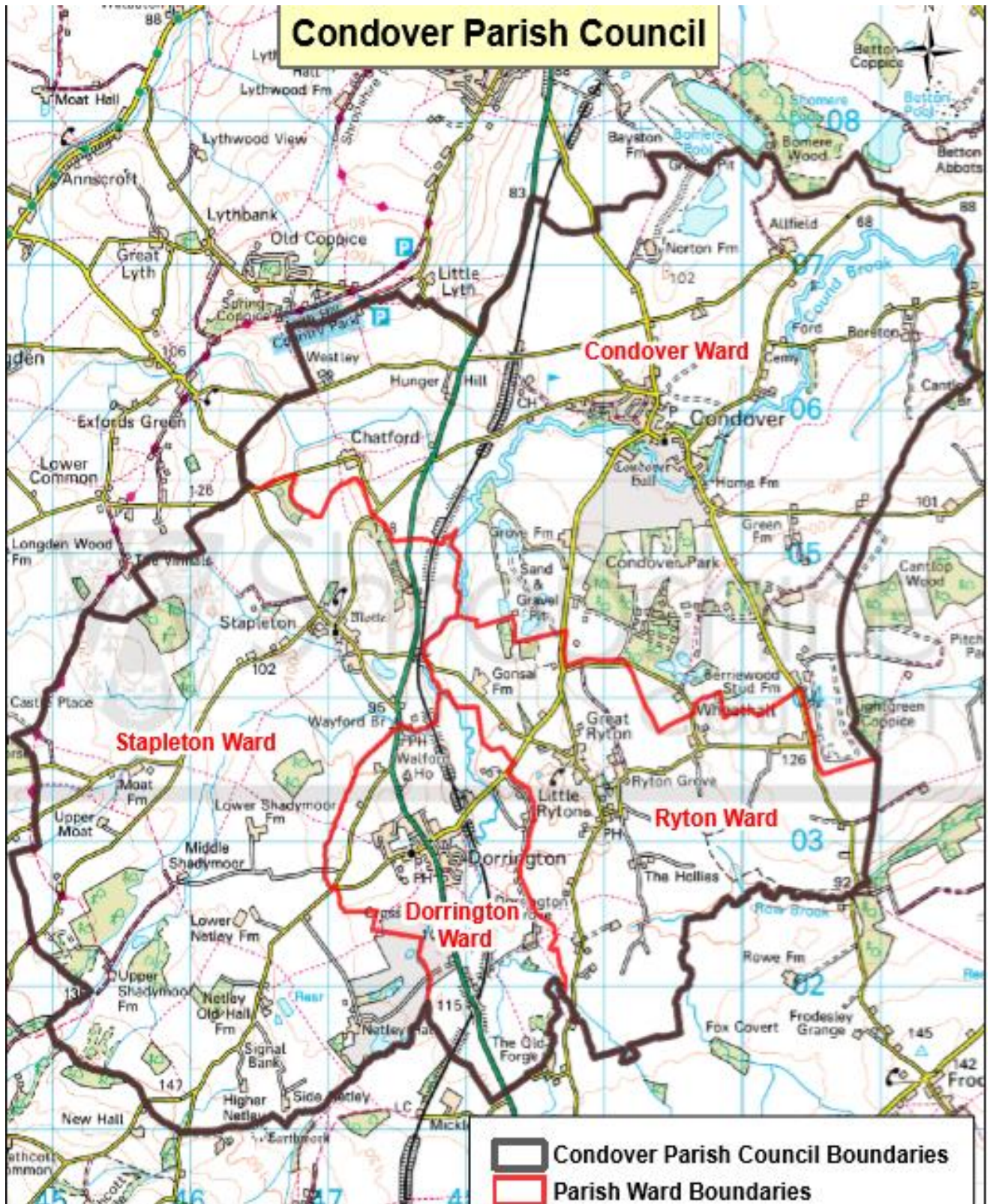
Parish Clerk: Brigid Carey

Tel: 07516 445872

Email: [condoverpc@gmail.com](mailto:condoverpc@gmail.com)

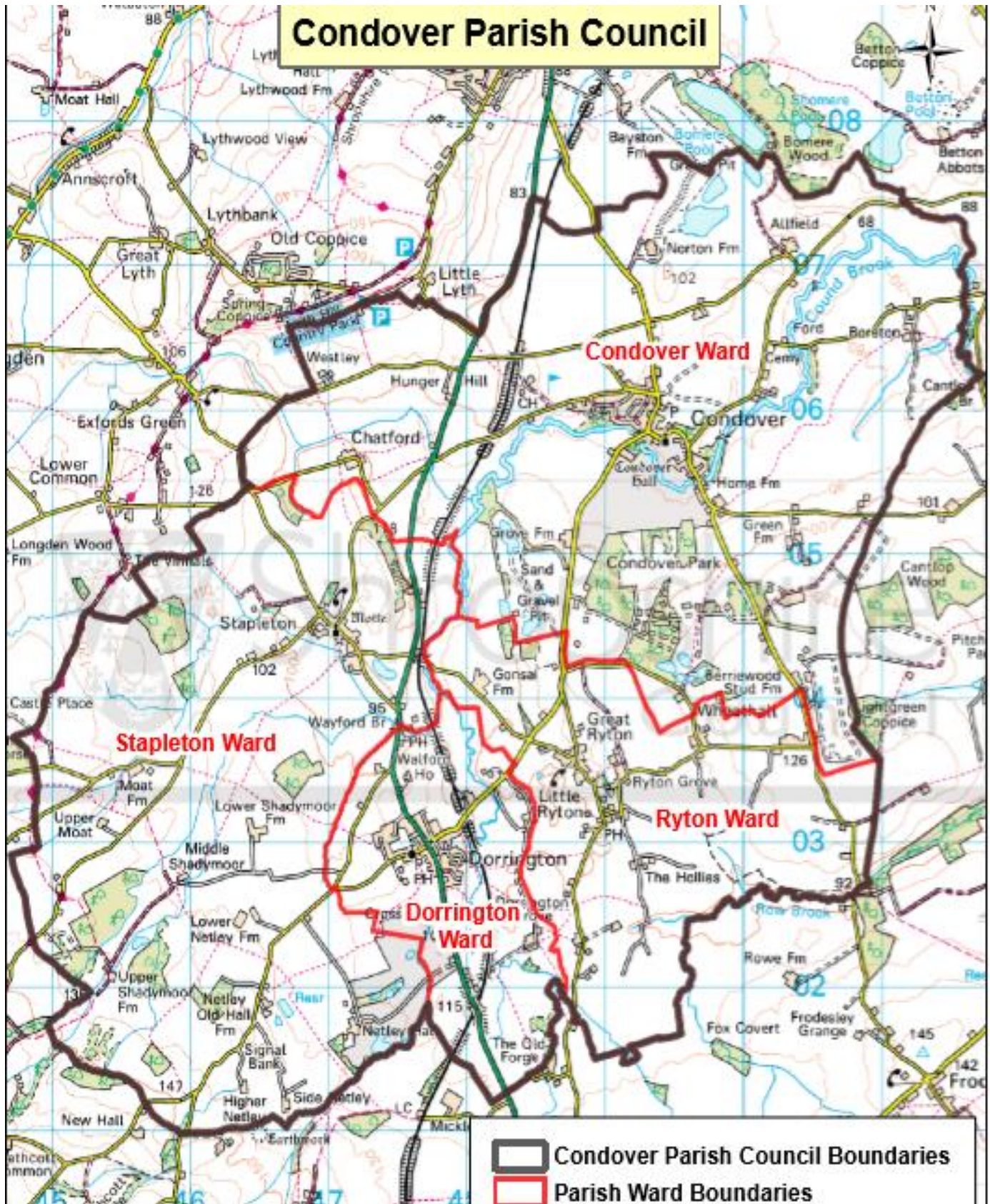


# APPENDIX 1





# Condover Parish Proposed Neighbourhood Plan Area



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Committee and date

Cabinet

06 September 2017

## FINANCIAL MONITORING REPORT - QUARTER 1 2017/18

**Responsible Officer** James Walton

Email: james.walton@shropshire.gov.uk

Tel: (01743) 255011

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### 1. Summary

- 1.1 The report sets out the projected revenue expenditure for the whole of 2017/18 as at Quarter 1 and for capital sets out the expenditure up to the end of quarter 1. For capital any budget increases and decrease and any re-profiling of budgets between 17/18 and future years is also set out for decision making.
- 1.2 The Financial Strategy for 2017/18 – 2019/20 was approved by Council in February 2017. This was a short-term financial strategy for 2017/18 and 2018/19 based on achievable, lower impact savings and using one-off resources to close the resultant funding gap.
- 1.3 Ahead of the 2019/20 Financial Year the Council continues to develop strategies alongside the emerging themes emanating from Central Government including the mechanics and implications of the Fair Funding mechanism. These strategies include fit for purpose and consistent Corporate Plan, Economic Growth and Commercial Strategies, which will form the infrastructure within which a coherent, long-term Financial Strategy can be developed. An update to the Financial Strategy is being prepared and will be presented to Members on the next Cabinet agenda on 27 September 2017.
- 1.4 The revenue monitoring within this report is the first produced for this Financial Year and is based on financial information held for the first three months of the year extrapolated to year end to produce an estimated outturn position. The financial transactions resulting from the first 3 months of activity within the Council have not been fully processed at the time of writing and as the year progresses and further financial information becomes available, the quality of the estimates used within this report are expected to increase.
- 1.5 Variances in the overall projected position for the Council will not yet reflect all management action that can be taken and are reported using a RAGY (Red, Amber, Green, Yellow) rating as explained in the background to the report. Management action that will be instigated as a result of the Q1 monitoring projections identified in this report will be reflected in the projected outturn reported within the Q2 Monitoring Report.
- 1.6 The report identifies the current projections on delivery of revenue savings included within the forecast. To aid reporting of savings delivery the Council

uses a RAG (Red, Amber, Green) rating to identify a rating for the delivery of savings proposals (more details provided in the report below). As at Quarter 1, evidence currently suggests that of the £15.026m of proposals to be delivered in 2017/18, £12.225m are rated as Green – with a high degree of certainty of being delivered.

- 1.7 The Quarter 1 position indicates that £2.453m of the £15.026m savings planned are categorised as red, and further work is required within service areas to ensure that the total value of savings proposals are fully deliverable within the financial year. Furthermore additional ongoing service pressures to a net value of £5.403m are already being highlighted which services will need to address alongside delivering their savings targets, £0.476m of this value is from savings unachieved in previous years. These pressures have been partially offset by the identification of a number of one off sources of funding that have not been committed and will instead be held to partially address the service pressures identified in year.
- 1.8 The key issues highlighted by this report are that:
- The projected revenue outturn is an overspend of £4.188m.
  - Management action will now be instigated to attempt to bring the budget, as far possible, back into balance. As described below, the variance is currently projected within the red zone and thus above what would be considered a “reasonable variance”.
  - The projected General Fund Balance as at 31 March 2018, taking account of the current anticipated overspend, is £10.639m.
  - The projected capital outturn is £77.162m, in line with the current budget. This follows a net capital budget decrease of £3.367m in Quarter 1.
  - Current capital expenditure is £6.709m, representing 9% of the revised budget at Quarter 1, with 25% of the year elapsed.
  - A number of virements are recommended as set out within the report.

## 2. Recommendations

It is recommended that Members:

- A. Note that at the end of Quarter 1 (30 June 2017), the full year revenue forecast is a potential overspend of £4.188m;
- B. Consider the impact of this on the Council’s General Fund Balance.
- C. Approve that a budget of £0.783m for the remaining elements of the Education Services Grant is vired from Corporate Budgets to Learning and Skills as detailed in Appendix 2.
- D. Approve net budget variations of £3.367m to the 2017/18 capital programme, detailed in Appendix 3/Table 6 and the re-profiled 2017/18 capital budget of £77.162m.
- E. Approve re-profiled capital budgets of £29.438m for 2018/19 and £3.600m for 2019/20 and £0.167m for 2020/21 as detailed in Appendix 1/Table 9.
- F. Accept the capital expenditure to date of £6.709m, representing 9% of the revised capital budget for 2017/18, with 25% of the year having elapsed.
- G. Approve the virement of £1m of Department of Transport National Productivity Investment Funding from Highways to the University project as set out in paragraph 8.2.



## REPORT

### 3. Background

3.1 In previous years budget monitors have been produced for directors for each period from June (Period 2) to February (Period 11) inclusive with the quarterly reports going forward to Cabinet. For 2017/18, however, the formal reports for Periods 4, 8 and 10 will not be produced for directors. This will allow the Finance Team to focus on a number of added value activities and provide effective support to the Digital Transformation Programme. This approach has been risk assessed and agreed with directors.

3.2 The monitoring reports track progress against the agreed budget decisions, consider any budget changes (including re-profiling on Capital), forecast any significant variances to the budget, and overall enable corrective action to be taken to attempt to ensure a balanced budget at year end.

3.3 Revenue variances are reported on an exceptions basis depending on the total variance from budget, and the percentage change in projection in any one period.

Green      Variance +/- 1% (or £0.05m if budget less than £5m)

Amber      Overspend between 1%-2% (or £0.05m-£0.1m if budget less than £5m)

Red         Overspend variance over 2% (or £0.1m if budget less than £5m)

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

3.4 In addition, given the level of savings proposals identified for delivery in 2017/18, this report also includes a second RAG rating, specifically relating to the delivery of savings. The ratings are as follows:

Green – Saving identified, quantified and confirmed

Amber – Saving identified but not yet confirmed

Red – Saving not achieved or unachievable

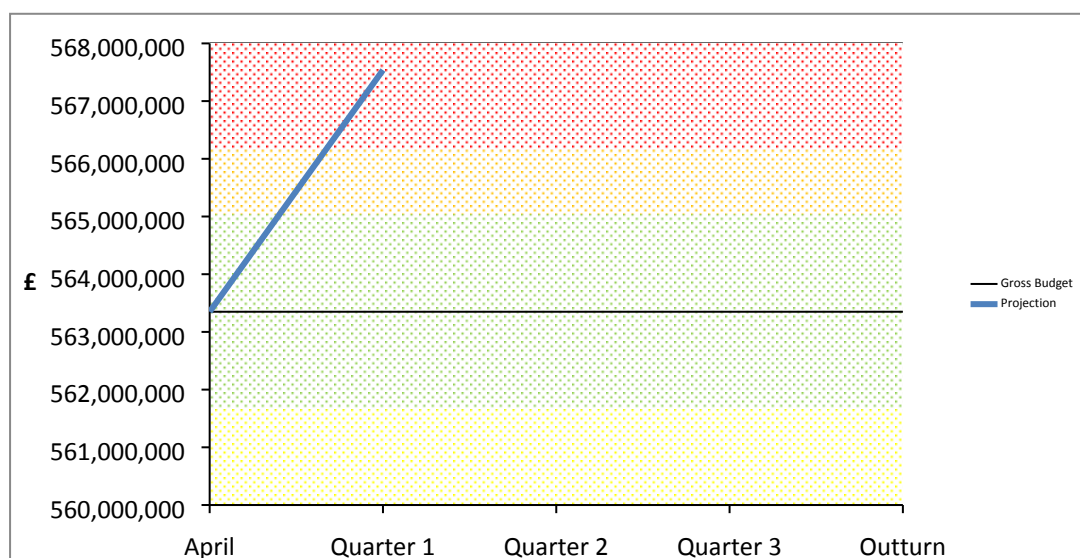
3.5 Capital schemes are also reported on an exception basis, based on being delivered within budget and the expectation of being delivered within scheme timeframe.

### 4. Revenue Monitoring 2017/18 Budget - Overall Position

4.1 The projected revenue forecast for the year, at Quarter 1, shows a potential overspend of £4.188m (0.74%) on a gross budget of £563.3m (net £206.1m) for the full year. The forecast year end position for the whole council is revised each quarter and reported using the graph below. The area of the graph banded green shows the extent of variance from the budget that would be seen as reasonable given the size and complexity of the Council's budget. At Quarter 1

the projected year end overspend of £4.188m is falling within the red banding, as shown in Graph One below.

**Graph 1: Projected outturn variance to Gross Budget**



- 4.2 The projected overspend of £4.188m for 2017/18 is presented by service area below and analysed in more detail in Appendix 1.

**Table 1: 2017/18 Projected Budget Variations Analysed by Service Area**

Service Area	Revised Budget £'000	Forecast Outturn £'000	(Under) / Overspend £'000	RAGY Classification
Adult Services	91,987	91,921	(66)	Y
Children's Services	47,530	50,974	3,444	R
Place & Enterprise	82,819	83,881	1,062	G
Public Health	5,528	5,429	(99)	Y
Resources & Support	3,514	4,540	1,026	R
Corporate	(25,305)	(26,484)	(1,179)	Y
<b>Total</b>	<b>206,073</b>	<b>210,261</b>	<b>4,188</b>	<b>R</b>

## 5. Update on Savings Delivery

- 5.1 The savings projections for 2017/18 have been RAG rated in order to establish the deliverability of the savings and any potential impact on the outturn projection for the 2017/18 financial year. The RAG ratings have been categorised as follows:

- Red – Savings are not solved on an ongoing basis, nor have they been achieved in the current financial year. These are reflected as unachieved within this monitoring report.
- Amber – Savings have been identified on an ongoing basis in the current financial year, however there is no clear evidence to support the

delivery as yet. The projected outturn within this report assumes these savings will be delivered (see 5.3. below).

Green – Savings have been identified on an ongoing basis in the current financial year, with evidence of delivery.

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

**Table 2: Update on Delivery of 2017/18 Savings Proposals**

Service Area	Red £'000	Amber £'000	Green £'000	Total Savings £'000
Adult Services	-	-	-	-
Children's Services	1,008	212	970	2,190
Place & Enterprise	974	109	2,992	4,075
Public Health	48	-	321	369
Resources & Support	423	27	2,074	2,524
Corporate	-	-	5,868	5,868
<b>Total Savings</b>	<b>2,453</b>	<b>348</b>	<b>12,225</b>	<b>15,026</b>

5.2 The figures presented above show that 81% of the 2017/18 savings target have been flagged as green with a further 2% having plans in place to be delivered.

5.3 Management have provided assurance that plans are in place to deliver the savings that have been categorised as amber, however as evidence of the delivery has not yet been identified, there is still a risk that these could impact on the outturn position for 2017/18. As the year progresses, these amber savings should gradually turn to green as the evidence becomes available. However if the amber rated savings are not delivered as planned, the effect on the outturn position is shown in Table 3 below:

**Table 3: Effect of Non-Delivery of Amber Savings in 2017/18**

Service Area	Quarter 1 Projected Outturn £'000	Amber Savings £'000	Potential Outturn if Amber Savings not Achieved £'000
Adult Services	(66)	-	(66)
Children's Services	3,444	212	3,656
Place & Enterprise	1,062	109	1,171
Public Health	(99)	-	(99)
Resources & Support	1,026	27	1,053
Corporate	(1,179)	-	(1,179)
<b>Total</b>	<b>4,188</b>	<b>348</b>	<b>4,536</b>

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

6.1 The monitoring position detailed in Table 1 includes the current position on delivery of savings proposals for 2017/18 in addition to new monitoring pressures identified any one off solutions to reduce the projected overspend. Table 4 provides further analysis of the projected overspends for each service area.

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

	Quarter 1 Projection	Savings Pressure in 2017/18	Ongoing Monitoring Pressures from previous years unachieved savings	Ongoing Monitoring Pressures Identified	Ongoing Monitoring Savings Identified	One off Monitoring Pressures Identified	One off Monitoring Savings Identified
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Adult Business Support & Development	(135)	-	-	-	-	19	(154)
Contracts & Provider	(55)	-	-	32	-	195	(282)
Social Care Operations	233	-	-	465	-	941	(1,173)
Adult Services Management	(69)	-	-	-	-	-	(69)
Housing Health & Wellbeing	(40)	-	-	-	-	-	(40)
<b>Adult Services</b>	<b>(66)</b>	<b>-</b>	<b>-</b>	<b>497</b>	<b>-</b>	<b>1,155</b>	<b>(1,718)</b>
Learning & Skills	797	338	52	479	-	179	(251)
Children's Safeguarding	2,647	670	205	1,926	(120)	301	(335)
Children's Services Management	-	-	-	-	-	-	-
<b>Children's Services</b>	<b>3,444</b>	<b>1,008</b>	<b>257</b>	<b>2,405</b>	<b>(120)</b>	<b>480</b>	<b>(586)</b>
Director of Place & Enterprise	1	-	-	-	-	1	-
Business Enterprise & Commercial Services	123	395	-	694	-	138	(1,104)
Commissioning Support	(47)	-	-	-	-	-	(47)
Procurement & Contracts	(17)	-	-	-	-	-	(17)
Economic Development	21	-	-	-	-	49	(28)
Infrastructure & Communities	981	579	-	730	-	258	(586)
<b>Place &amp; Enterprise</b>	<b>1,062</b>	<b>974</b>	<b>-</b>	<b>1,424</b>	<b>-</b>	<b>446</b>	<b>(1,782)</b>
<b>Public Health</b>	<b>(99)</b>	<b>48</b>	<b>-</b>	<b>12</b>	<b>-</b>	<b>48</b>	<b>(207)</b>
Customer Involvement	944	223	219	508	-	152	(158)
Finance, Governance & Assurance	238	200	-	257	(80)	-	(139)
Human Resources	(57)	-	-	-	-	61	(118)
Legal, Democratic & Strategy	(81)	-	-	53	-	8	(142)
SMB	(18)	-	-	-	-	-	(18)
<b>Resources &amp; Support</b>	<b>1,026</b>	<b>423</b>	<b>219</b>	<b>818</b>	<b>(80)</b>	<b>221</b>	<b>(575)</b>
Corporate	(1,179)	-	-	338	(367)	164	(1,314)
<b>Corporate</b>	<b>(1,179)</b>	<b>-</b>	<b>-</b>	<b>338</b>	<b>(367)</b>	<b>164</b>	<b>(1,314)</b>
<b>Total</b>	<b>4,188</b>	<b>2,453</b>	<b>476</b>	<b>5,494</b>	<b>(567)</b>	<b>2,514</b>	<b>(6,182)</b>

6.2 The 2017/18 savings not projected to be delivered in the Quarter 1 position are within Educational Support Services, Short Breaks and Children's Centres in Children's Services. Place & Enterprise within: Corporate Landlord, Libraries,



Car Parks, the Energy Company and the Grey Fleet saving from Transport. In Resources & Support are from delays of a restructure within Customer Involvement and from unachievable savings within Revenues and Benefits. More detail on these is provided within the relevant service sections in appendix 1.

- 6.3 A number of ongoing pressures are being identified within service areas. £0.476m of these ongoing pressures have arisen as a result of previous years unachieved savings. £0.257m is within Children's Services and relates to Education Access and Early Help savings which have not yet been fully achieved. And £0.219m within Resources & Support relating to Multi-Functional Device contracts, Lync telephones and Credit Union savings.
- 6.4 Other ongoing pressures include increased property and transport costs within social care, residential and foster placements within Children's safeguarding, increased property costs and reduced income within Corporate Landlord, pressures within Environmental Maintenance reactive maintenance, Highways & Transport bus subsidies and concessionary fares, and within IT Services in relation to corporate licensing, support and maintenance and the Lync system. Some ongoing savings have been identified to mitigate these pressures, but these only equate to around 10% of the level of the pressures. Further work is required within service areas to find an ongoing basis for managing and funding these pressures so that further growth is not required within the financial strategy and hence an increase in the funding gap.

## **7. General Fund Balance**

- 7.1. The effect on the Council's Reserves of the forecast is detailed below. The Council's policy on balances is to have a general fund balance (excluding schools balances) of between 0.5% and 2% of the gross revenue budget. For 2017/18 the minimum balance required would therefore be £2.817m, although this is no longer considered to be an acceptable guide. The more appropriate risk based target balance for the General Fund, as calculated in the Robustness of Estimates and Adequacy of Reserves reported to Council on 23 February 2017, was £13.289m. This figure had been revised downwards reflecting the fact that the Council has undertaken a strategy of only pursuing robust and deliverable savings proposals for the next two financial years, and financing the remaining funding gap through the use of one off resources.
- 7.2. Based on the current monitoring position, however, the General Fund Balance will be below the required target, as shown in table 5 below, and significant management action will need to be taken:

**Table 5: Projected General Fund Balance As At 31 March 2018**

	<b>£'000</b>
General Fund Balances as at 31 March 2017	14,827
This report – projected outturn (underspend)	<b>(4,188)</b>
<b>Projected Balance at 31 March 2018</b>	<b>10,639</b>

## 8. Movement in Capital Programme for 2017/18

8.1 The capital budget for 2017/18 is subject to change, the largest element being slippage from 2016/17 and re-profiling into future years. In Quarter 1 there has been a net budget decrease of £3.367m for 2017/18, compared to the position reported at Outturn 2016/17. Table 6 summarises the overall movement between that already approved, changes for Quarter 1 and the programme financing.

**Table 6: Revised Capital Programme Quarter 1 2017/18**

Service Area	Agreed Capital Programme - Council 23/02/17	Slippage and budget changes approved to Outturn 2016/17	Q1 budget changes to be approved	Revised 2017/18 Capital Programme Q1
<b>General Fund</b>				
Place & Enterprise	38,301,000	5,178,730	<b>(1,051,065)</b>	42,428,665
Adult Services	2,369,825	3,824,298	-	6,194,123
Public Health	500,000	117,032	-	617,032
Children's Services	9,978,855	1,771,892	<b>(2,254,803)</b>	9,495,944
Resources & Support	9,256,230	<b>(1,451,292)</b>	<b>(61,200)</b>	7,743,738
<b>Total General Fund</b>	<b>60,405,910</b>	<b>9,440,660</b>	<b>(3,367,068)</b>	<b>66,479,502</b>
Housing Revenue Account	5,652,467	5,029,584	-	10,682,051
<b>Total Approved Budget</b>	<b>66,058,377</b>	<b>14,470,244</b>	<b>(3,367,068)</b>	<b>77,161,553</b>

8.2 Full details of all budget changes are provided in Appendix Three to this report. Significant budget changes across the life of the programme in Quarter 1 are:

### Budget Increases

- New allocations of Department of Education funding of £0.568m in Devolved Formula Capital (DFC), to be spent direct by schools and £0.369m in Early Years Capital grant to support Early Years providers in the delivery of 30-hour free childcare. New funding of £0.167m per annum has also been provided for 2018/19 to 2020/21 to support Local Authorities to create new places and improve facilities for pupils with complex special educational needs.
- Environment Agency funding of £0.153m for two new flood and water management schemes at Westbury and Shifnal.

### Budget Decreases

- Department of Education Condition grant has decreased by £0.213m. Initial allocation was provisional, and has reduced to reflect schools that have transferred from the Council’s control since the provisional allocation.

**Budget Virements**

- £1m of the Department of Transport National Productivity Investment Fund has been vired from Highways to the University project. This is in accordance with the conditions on what the funding can be used for.

**Budget Re-profiling**

- **Place & Enterprise:** re-profiling of £1.242m on the Oxon Link Road LEP scheme to reflect current scheme reported profile.
- **Learning & Skills:** re-profiling of £3m of unallocated Basic Need funding, which will not be required to deliver schemes until later years.

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

9.1 The capital programme is reviewed on a regular basis to re-profile the budget to reflect the multi-year nature of capital schemes, whereby spend may slip into later years. However, it is possible that a level of underspend or overspend may be experienced against the revised capital budget at outturn. Outturn projections are incorporated into the capital monitor to enhance the monitoring information provided and allow the early identification where schemes are deviating from budget. At this early stage of the financial year we are forecasting outturn to budget as this is what is expected to be delivered throughout the 2017/18 year. Table 7 summarises the outturn position for 2017/18.

**Table 7: Current Capital Programme and Forecast Outturn Quarter 1 2017/18**

	2017/18 Revised Capital Programme	2017/18 Forecast Outturn	Variance
<b>General Fund</b>			
Expenditure	66,479,502	66,479,502	-
Financing	(66,479,502)	(66,479,502)	-
<b>Shortfall/(surplus) in Resource</b>	-	-	-
<b>Housing Revenue Account</b>			
Expenditure	10,682,051	10,682,051	-
Financing	(10,682,051)	(10,682,051)	-
<b>Shortfall/(surplus) in Resource</b>	-	-	-

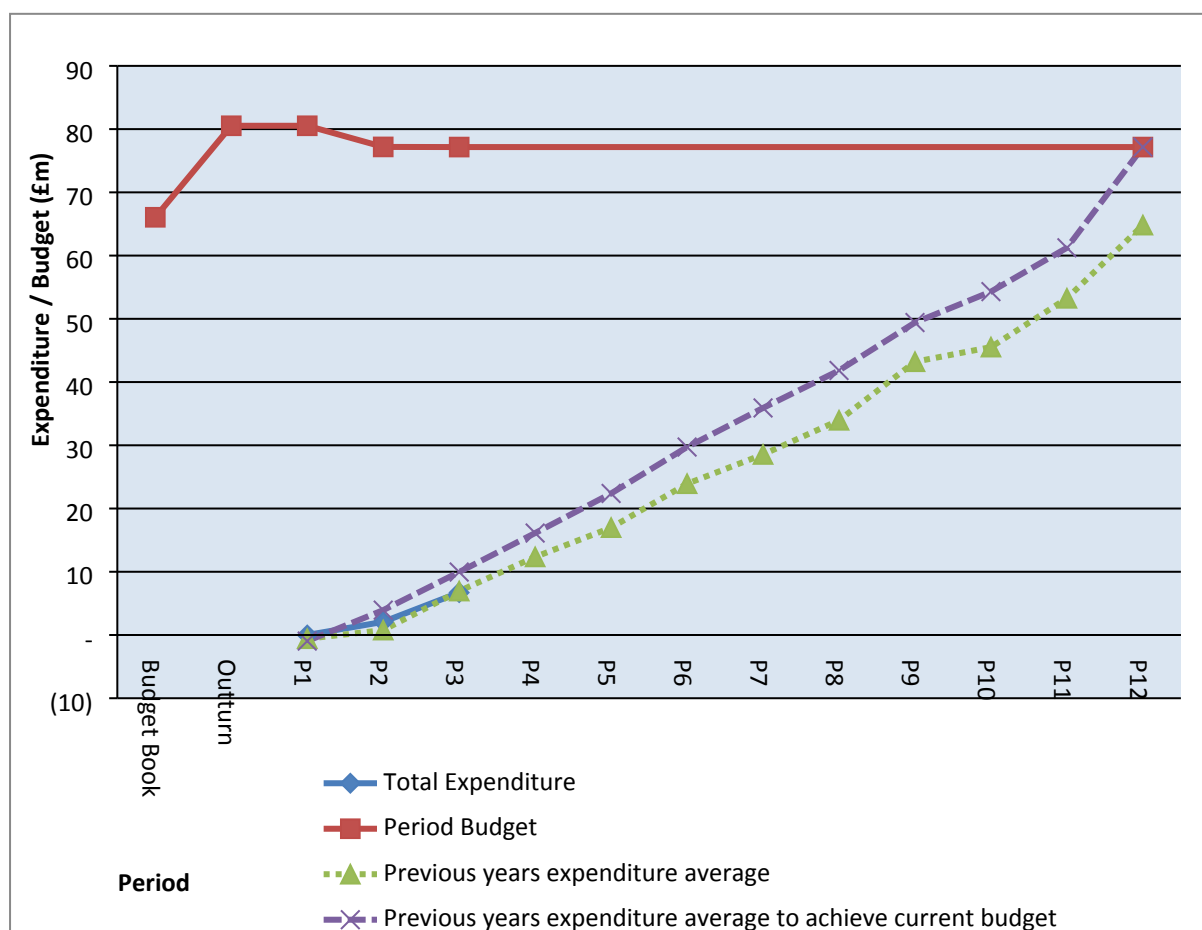
**10. Actual versus Planned Expenditure to Date**

10.1 The actual capital expenditure at Quarter 1 is £6.708m, which represents 9% of the revised capital budget at Quarter 1, 25% of the year. This is low in comparison to the total budget, but in line with the average expenditure percentage at this period in previous years. All budgets are fully allocated to projects and will be monitored for levels of spend throughout the year. Based on recent years, the capital programme has out turned at around 85% of the outturn budget, which on average has been around 20% lower than the Quarter 1 budget, due to further re-profiling later in the year.

10.2 The level of spend is low across the programme, in terms of the major areas the spend position is as follows: Highways & Transport 13% (budget £20.136m), LEP schemes 24% (£4.249m), Broadband 0% (£12.017m), Corporate Landlord 18% (£1.025m), Adult Social Care 12% (£0.990m), Housing Health & Wellbeing 5% (£5.204m), ICT Digital Transformation Programme 0% (£7.744m) Learning & Skills Programme 6% (£9.496m), HRA Major Repairs 12% (£6.347m) and HRA New Build Programme 8% (£3.954m).

10.3 Graph Two below shows actual expenditure by period and also tracks the period by period changes to the budget.

**Graph 2: Total Expenditure and budget changes**



## 11. Financing the Capital Programme

11.1 Appendix 1 provides a full summary of the financing of the 2017/18 capital programme. Table 8 summarises the financing sources and changes made to Outturn 2016/17 and to be approved to Quarter 1.

**Table 8: Revised Capital Programme Financing**

Financing	Agreed Capital Programme - Council 23/02/17	Slippage and budget changes approved to Outturn 2016/17	P2 budget changes to be approved	Revised 2017/18 Capital Programme P2
Self Financed Prudential Borrowing	300,000	-	-	300,000
Government Grants	39,314,074	4,900,015	(50,345)	44,163,744
Other Grants	-	52,401	-	52,401
Other Contributions	382,750	157,149	38,258	578,157
Revenue Contributions to Capital	709,040	7,772,715	(41,200)	8,440,555
Major Repairs Allowance	4,833,074	575,719	-	5,408,793
Corporate Resources (expectation - Capital Receipts)	20,519,439	1,012,245	(3,313,781)	18,217,903
<b>Total Confirmed Funding</b>	<b>66,058,377</b>	<b>14,470,244</b>	<b>(3,367,068)</b>	<b>77,161,553</b>

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

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

**Table 9: Capital Programme 2018/19 to 2020/21**

Service Area	2018/19	2019/20	2020/21
<b>General Fund</b>			
Place & Enterprise	26,047,583	3,433,781	-
Adult Services	-	-	-
Public Health	-	-	-
Children's Services	3,166,667	166,667	166,667
Resources & Support	61,200	-	-
<b>Total General Fund</b>	<b>29,275,450</b>	<b>3,600,448</b>	<b>166,667</b>
Housing Revenue Account	162,219	-	-
<b>Total Approved Budget</b>	<b>29,437,669</b>	<b>3,600,448</b>	<b>166,667</b>
<b>Financing</b>			
Self Financed Prudential Borrowing	-	-	-
Government Grants	25,405,171	2,603,039	166,667
Other Grants	-	-	-
Other Contributions	-	-	-
Revenue Contributions to Capital	137,100	-	-
Major Repairs Allowance	-	-	-
Corporate Resources (expectation - Capital Receipts)	3,895,398	997,409	-
<b>Total Confirmed Funding</b>	<b>29,437,669</b>	<b>3,600,448</b>	<b>166,667</b>

12.2 The Corporate Resources financing line in the above table is the element of internal resources required to finance the programme. These internal resources are either capital receipts and/or corporately financed prudential borrowing. The current expectation is that these will all be through capital receipts, see section 13 for the current projected position. Proposals are currently been considered by officers through the Capital Investment Board for

new schemes for the Council to invest in, with an emphasis on invest to save schemes or schemes that create revenue generation.

### 13. Capital Receipts Position

13.1 The current capital programme is heavily reliant on the Council generating capital receipts. There is a high level of risk in these projections as they are subject to changes in property and land values, the actions of potential buyers and being granted planning permission on sites. Table 5 below, summarises the current allocated and projected capital receipt position across 2017/18 to 2019/20. A RAG analysis has been included for capital receipts projected, based on the current likelihood of generating them by the end of each financial year. Those marked as green are where they are highly likely to be completed by the end of the financial year, amber are where they are achievable but challenging and thus there is a risk of slippage, and red are highly unlikely to complete in year and thus there is a high risk of slippage. However, no receipts are guaranteed to complete in this financial year as there may be delays between exchanging contracts and completing.

**Table 10: Projected capital receipts position**

Detail	2017/18	2018/19	2019/20	2020/21
	£	£	£	£
Corporate Resources Allocated in Capital Programme	18,217,903	3,895,398	997,409	-
To be allocated from Ring Fenced Receipts	8,395,816	8,014,688	-	-
<b>Total Commitments</b>	<b>26,613,719</b>	<b>11,910,086</b>	<b>997,409</b>	-
<b>Capital Receipts in hand/projected:</b>				
Brought Forward in hand	18,370,400	1,158,897	-	-
Generated 2017/18 YTD	2,070,455	-	-	-
Projected - 'Green'	7,331,761	-	-	-
<b>Total in hand/projected</b>	<b>27,772,616</b>	<b>1,158,897</b>	-	-
Shortfall to be financed from Prudential Borrowing / (Surplus) to carry forward	(1,158,897)	10,751,189	997,409	-
Further Assets Being Considered for Disposal	1,644,500	18,217,644	-	-

10.2 Capital receipts of £18.370m were brought forward from 2017/18 and £2.070m has been generated to date in 2017/18. A further £7.332m is currently projected as 'Green' for 2017/18. Based on delivering the revised capital programme and delivering all the receipts profiled as Green for 2017/18; the programme is affordable, and there will be a balance of receipts to carry forward.

10.3 Based on the current approved position, across the life of the programme there is significant headroom in capital receipts in-hand/projected above the current expenditure commitments. There is, however, still the requirement to progress the disposals programmed for future years, to ensure they are realised, together with realising the revenue running cost savings from some of the properties. Considerable work is required to realise these receipts, with generally a lead in time of at least 12 to 18 months on larger disposals. In addition to the current expenditure commitments, the programme will also grow as new schemes are approved through the Capital Investment Board or if the Council further utilises

the new flexibilities around the use of Capital Receipts for transformational revenue purposes over the 2 year period to 2018/19.

- 10.4 It is important that work progresses, to avoid a funding shortfall in future years. Failure to generate the required level of capital receipts will result in the need to further reduce or re-profile the capital programme, some of which will occur naturally as part of the review of the delivery of schemes; or undertake prudential borrowing, which will incur future year's revenue costs that are not budgeted in the revenue financial strategy.

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

Financial Strategy 2017/18-2019/20  
Financial Rules

**Cabinet Member (Portfolio Holder)**  
Councillor David Minnery (Finance)

**Local Member**  
All

**Appendices**

1. Service Area Pressures and Actions 2017/18
2. Amendments to Original Budget 2017/18
3. Capital Budget and Expenditure 2017/18

**Service Area Pressures and Actions 2017/18**Summary

	Full year			RAGY
	Budget	Forecast	Variance	
	£	£	£	
Adult Services	91,986,650	91,920,427	(66,223)	Y
Children Services	47,530,200	50,974,671	3,444,471	R
Place & Enterprise	82,818,980	83,880,670	1,061,690	G
Public Health	5,528,350	5,429,292	(99,058)	Y
Resources & Support	3,513,880	4,539,926	1,026,046	R
Corporate	(25,305,050)	(26,483,784)	(1,178,734)	Y
<b>Total</b>	<b>206,073,010</b>	<b>210,261,202</b>	<b>4,188,192</b>	<b>A</b>

Detail

ADULT SERVICES	Full year			RAGY
	Budget	Forecast	Variance	
	£	£	£	
<b>Total</b>	<b>91,986,650</b>	<b>91,920,427</b>	<b>(66,223)</b>	<b>Y</b>

<b>Adult Business Support &amp; Development</b>	<b>Portfolio Holder Health &amp; Adult Social Care</b>	3,136,740	3,001,134	(135,606)	<b>Y</b>
Overall underspend of £0.136m due to a number of small and managed variances across the service which are not sustainable beyond the short-term, but which are not expected to impact on service delivery in 2017/18. A summary of the major variances are £0.015m overspend due to Safeguarding board costs and a one-off additional cost of the CM2000 electronic homecare monitoring system of £0.004m, offset by £0.072m underspends on staff costs due to vacancies, £0.035m underspend on supplies & services budgets within Business Support and Development, £0.026m additional income projected for the Client Property team and £0.021m underspend on Joint Training, Professional Development Unit and Enable.					
<b>Contracts &amp; Provider</b>	<b>Portfolio Holder Health &amp; Adult Social Care</b>	5,666,400	5,611,465	(54,935)	<b>Y</b>
Overall underspend of £0.556m due to a number of small and managed variances across the service which are not sustainable beyond the short-term, but which are not expected to impact on service delivery in 2017/18. A summary of the major variances are £0.041m projected overspend on Assistive Technology and Occupational Therapists equipment, £0.129m underspend projected across all day services due to various in year vacancies and managed variances in working budgets such as office costs, equipment and furniture replacement etc.. £0.047m overspend relating to purchasing costs. £0.034m one-off cost of decanting residents from Kempfield to Crowmoor whilst the development of Kempfield takes place. £0.037m underspend relating to Crowmoor contract. £0.010m underspend on supplies & services budgets.					
<b>Social Care Operations</b>	<b>Portfolio Holder Health &amp; Adult Social Care</b>	75,943,570	76,176,763	233,193	<b>G</b>
We are currently projecting an overall overspend of £0.233m within the Social Care Operations section of Adults. To date in 2017/18 we have seen in the region of 440 new clients since 1st April costing in the region of £5.23m for the financial year. Some of this will be offset by people leaving the system. There are still concerns about the disinvestment intentions and actions of the Clinical Commissioning Group (CCG) particularly around the removal of Discharge to Assess Beds from the market, 4 of which we have agreed to fund from the Improved Better Care Fund funding that is available to adults. The overall Better Care Fund has still not been agreed and we are waiting for the final guidance to be issued to confirm the amounts Shropshire Council will be receiving from the CCG. We are presently assuming the same levels as 2016-17 where Shropshire Council received £8.190m. If this level of funding is reduced then it will adversely affect the projected position. A summary of the major variances are £0.478m projected overspend on property costs,. £0.027m estimated underspend on transport costs. £0.416m estimated staffing underspend due to delays in appointing a number of staff vacancies – the					



ADULT SERVICES		Full year			RAGY
		Budget	Forecast	Variance	
		£	£	£	
<p>saving is estimated at £0.416m as the majority of posts will be filled within the next 2 months. £0.916m estimated overspend within Integrated Community Services (ICS)*, however we are at an early stage of the year and changes are being made to the operating model in order to bring this projected overspend down. Purchasing overall is currently estimating to underspend by £0.650m, £0.707m is included within Social Care Operations. Finance continue to monitor actual and projected spend against the Adult Social Care (ASC) Growth Model that has been developed. £0.011m underspends projected on supplies &amp; services budgets. *ICS is the team which facilitates hospital discharge and admission avoidance.</p>					
<b>Adult Services Management</b>	<b>Portfolio Holder Health &amp; Adult Social Care</b>	2,662,000	2,593,125	(68,875)	<b>Y</b>
Overall underspend of £0.069m due to a small number of managed vacancies within the Management section of Adults which are not sustainable beyond the short-term, but which are not expected to impact on service delivery in 2017/18					
<b>Housing Health</b>	<b>Portfolio Holder Health &amp; Adult Social Care</b>	4,577,940	4,537,940	(40,000)	<b>Y</b>
£0.040m underspend relates to projected spend in the Housing Options and Homepoint Team.					

CHILDRENS SERVICES		Full year			RAGY
		Budget	Forecast	Variance	
		£	£	£	
<b>Total</b>		<b>47,530,200</b>	<b>50,974,671</b>	<b>3,444,471</b>	<b>R</b>

<b>Learning &amp; Skills</b>	<b>Portfolio Holder for Children and Young People</b>	20,394,540	21,191,508	796,968	<b>R</b>
<p>The current monitoring position reflects unachieved 2017/18 savings of £0.338m. Originally savings targets totalling this value were assigned to Education Support Service budgets, however the subsequent removal of the general duties part of the Education Services Grant has rendered it impossible to achieve any further savings in these areas as the budgets have either already been removed, or alternatively schools have agreed to maintain the current level of service on a one-off basis for 2017/18 through a top-slicing of their School Budget Shares. This is for a 12 month period while these services review their structures and service offers, and move to a self-sufficient, fully traded model from 2018/19. There is also £0.052m of unachieved saving carried forward from last year against Education Support Services.</p> <p>Besides unachieved savings targets, Learning and Skills is projecting overspends resulting from reductions in Central Government grants. £0.087m relates to the loss of Education Services Grant and a further £0.274m relates to the loss of Dedicated Schools Grant funding. The latter is a direct result of a baselining exercise undertaken by the Department for Education to remove any Dedicated Schools Grant funding that did not meet strict criteria that constitutes a historic spending commitment.</p> <p>There is a £0.048m ongoing budget pressure against the Education Improvement Service's traded income and a historic budget pressure totalling £0.033m within Learning and Skills Business Support relating to the high-speed schools network.</p> <p>A 2017/18 savings target attributable to the Information, Advice and Guidance Service will be achieved fully through a major reduction in the size of this team. A difficult decision was made to cease the trading arm of this service with schools, with the Council's net budget reduced to a level sustainable to deliver only the core statutory duties of this team. Due to slippage in the implementation date of the service restructure the savings target will</p>					

CHILDRENS SERVICES		Full year			RAGY
		Budget	Forecast	Variance	
		£	£	£	
<b>Total</b>		<b>47,530,200</b>	<b>50,974,671</b>	<b>3,444,471</b>	<b>R</b>
<p>only be achieved in part in 2017/18 resulting in a one-off monitoring pressure of £0.104m.</p> <p>The cost pressures above have been partially offset by the forecast underspend of £0.048m against the Schools' Redundancy Fund. This budget is highly volatile and this position could change at short notice. There are also one-off projected underspends of £0.065m on Education Improvement Service staffing and net one-off savings of £0.026m across the rest of Learning and Skills.</p> <p>In order to address the overspend in Learning and Skills, officers are undertaking a review of traded services with schools, to ensure that they are cost neutral to the Council. Efficiencies in home to school transport costs are also being made where possible, through further promotion of independent travel training and SEN personal transport budgets.</p>					
<b>Children's Safeguarding</b>	<b>Portfolio Holder for Children and Young People</b>	26,689,780	29,337,312	2,647,532	<b>R</b>
<p>This single service area represents over 60% of the projected overspend for the Council and reflects the national picture of 75% of councils overspending on Children's Services in order to keep vital protections in place.</p> <p>Unachieved 2017/18 savings targets account for £0.670m of the £2.648m projected overspend. £0.120m of the £0.670m relates to Short Breaks commissioning, where the contracts originally targeted with savings have been renewed achieving better service outcomes and greater value for money but with no reduction in contract value due to increased demand in the service. The remaining £0.550m relates to Early Help where only £0.450m of a total target savings target of £1.000m has been achieved; this being through a staff restructure. An options appraisal document is being produced to identify various proposals to deliver different levels of savings, the impact of implementing these savings plans on service delivery, and the impact on costs elsewhere in Children's Social Care. There is a further £0.205m of unachieved savings carried forward from 2016/17, which is subject to the same options appraisal.</p> <p>There is a projected overspend of £1.141m on external residential and foster care placements. The planned reduction in Looked After Children numbers as stated in the Council's Looked After Children Strategy has not come to fruition as there are a growing number of young people with complex needs. The service is satisfied that the children and young people coming into the care of Shropshire Council in this financial year are children that need to be in the care system. The service has experienced an increase in the breakdown of some fostering placements, meaning children are leaving placements with Shropshire foster carers to be placed in higher cost residential placements. 7 children have moved from foster to residential placements resulting in an average increase in cost of £0.105m per placement and a total additional cost of £0.735m. There is a continued drive to reduce higher cost residential placements for children where it is appropriate and this will have a positive impact on the budget. It is notable that this is a volatile area where projections can change significantly in year.</p> <p>In addition to the above there is a new ongoing pressure of £0.449m related to Unaccompanied Asylum Seeking Children. Central Government funds a proportion of these costs through a weekly value based on the child's age. Previously the Council has managed to fund these costs within the grant funding available but due to some complex safeguarding needs and high flight risks there has been a need to place some children in high cost placements that are not fully funded placing a pressure on the service. This outlines the worst case scenario financially and plans are in hand to reduce the cost of the high cost placements.</p> <p>In order to try to reduce the ongoing pressure on Children's Safeguarding in the medium to long term, officers are exploring options to reduce placement costs through a range of measures such as increasing the cohort of internal foster carers. A review of Early Help provision is also underway, as described above</p> <p>A new ongoing pressure of £0.077m has been imposed in Early Help relating to the loss of Public Health grant contributions. Meetings are in place to work with Public Health to manage the reduction in support to Council funded services in year.</p> <p>There is an historic budget pressure of £0.139m caused by agency staffing costs in the social work teams. This pressure continues to reduce through managing recruitment effectively. However, the need to ensure that children who are looked after or who are on a Child Protection Plan or in need of a plan are adequately supported,</p>					

<b>CHILDRENS SERVICES</b>		<b>Full year</b>			<b>RAGY</b>
		Budget	Forecast	Variance	
		£	£	£	
<b>Total</b>		<b>47,530,200</b>	<b>50,974,671</b>	<b>3,444,471</b>	<b>R</b>
<p>in line with statutory timescales, will dictate that any sickness, maternity or temporary vacancy must be covered in the interim through agency staff. Historically, there has been no budget assigned to cover the need for agency staff.</p> <p>Finally, there are some smaller in year one-off savings on contracts and vacancy management, offset by one-off in year monitoring pressures, which net to an in year saving of £0.034m.</p>					
<b>Children's Services Management</b>	<b>Portfolio Holder for Children and Young People</b>	445,880	445,851	(29)	<b>Y</b>
Minor variation from budget as at Quarter 1.					

<b>PLACE &amp; ENTERPRISE</b>		<b>Full year</b>			<b>RAGY</b>
		Budget	Forecast	Variance	
		£	£	£	
<b>Total</b>		<b>82,818,980</b>	<b>83,880,670</b>	<b>1,061,690</b>	<b>G</b>

<b>Director of Place &amp; Enterprise</b>		538,100	539,087	987	<b>G</b>
Minor variation from budget as at Quarter 1.					
<b>Director of Place &amp; Enterprise Total</b>		<b>538,100</b>	<b>539,087</b>	<b>987</b>	<b>G</b>

<b>Head of Business Enterprise &amp; Commercial Services</b>	<b>Portfolio Holder Corporate Support</b>	185,530	185,128	(402)	<b>Y</b>
Minor variation from budget as at Quarter 1.					
<b>Strategic Asset Management</b>	<b>Portfolio Holder Corporate Support</b>	1,468,350	1,466,412	(1,938)	<b>Y</b>
Minor variation from budget as at Quarter 1.					
<b>Corporate Landlord</b>	<b>Portfolio Holder Corporate Support</b>	937,060	1,028,224	91,164	<b>A</b>
The total overspend of £0.091m is due to a number of large compensating variances. There is a £0.370m pressure from an unachieved savings target on accommodation income in relation to University Centre					

PLACE & ENTERPRISE		Full year			RAGY
		Budget	Forecast	Variance	
		£	£	£	
Shrewsbury occupation of Guildhall. Ongoing pressures within Corporate Landlord include student income underachievement by £0.129m, rents paid shortfall of £0.041m, a budget pressure of £0.148m on Wide Area Network bill charges, unbudgeted expenditure items of £0.052m and a rates pressure of £0.323m due to revaluations. The rates pressure has been offset this year by a number of anticipated rates refunds following successful appeals, these will provide a £0.590m one-off saving. There are also anticipated underspends of £0.138m on utilities and a further £0.225m one-off use of the Repairs and Maintenance reserve.					
<b>Enterprise Initiatives</b>	<b>Portfolio Holder Economic Growth</b>	(27,390)	(2,390)	25,000	<b>G</b>
The £0.025m variance relates to income arising from the Shropshire Council and Scottish and Southern Energy partnership, which is anticipated to be less than budgeted for. The energy partnership offer is being re-launched in September and this is anticipated to improve commission income.					
<b>Premises Services</b>	<b>Portfolio Holder Corporate Support</b>	140,870	138,700	(2,170)	<b>Y</b>
Minor variation from budget as at Quarter 1.					
<b>Shire Services</b>	<b>Portfolio Holder Corporate Support</b>	537,210	537,210	-	<b>G</b>
No variation from budget as at Quarter 1.					
<b>Theatre Severn</b>	<b>Portfolio Holder Culture and Leisure</b>	262,550	273,703	11,153	<b>G</b>
Minor variation from budget as at Quarter 1, primarily due to staffing overspends					
<b>One Public Estate</b>	<b>Portfolio Holder Corporate Support</b>	530	0	(530)	<b>G</b>
Minor variation from budget as at Quarter 1.					
<b>Business Enterprise &amp; Commercial Services Total</b>		<b>3,504,710</b>	<b>3,627,517</b>	<b>122,807</b>	<b>G</b>
<b>Commissioning Support</b>	<b>Portfolio Holder Corporate Support</b>	50	(46,640)	(46,690)	<b>Y</b>
Projected underspend due to vacancies within the team.					
<b>Commissioning Support Total</b>		<b>50</b>	<b>(46,640)</b>	<b>(46,690)</b>	<b>Y</b>
<b>Procurement &amp; Contracts</b>	<b>Portfolio Holder Corporate Support</b>	180,680	163,175	(17,505)	<b>Y</b>
Minor variation from budget as at Quarter 1.					
<b>Procurement &amp; Contracts Total</b>		<b>180,680</b>	<b>163,175</b>	<b>(17,505)</b>	<b>Y</b>
<b>Head of Economic Development</b>	<b>Portfolio Holder Economic Growth</b>	122,400	122,713	313	<b>G</b>
Minor variation from budget as at Quarter 1.					
<b>Development Management</b>	<b>Portfolio Holder Planning and Regulation</b>	905,070	954,484	49,414	<b>G</b>
Planning application fees are set nationally by Government. In 2017/18 a fee increase was anticipated, however delays in the Parliamentary process mean that there will be a delay in fee increases. Consequently income from fees is anticipated to be less than budgeted for.					
<b>Economic Growth</b>	<b>Portfolio Holder Economic Growth</b>	839,870	811,250	(28,620)	<b>Y</b>
A new structure is planned for this service area. The budget has been set to enable the restructure to take place, however there will be a number of vacancies until the restructure is complete.					
<b>Broadband</b>	<b>Portfolio Holder Economic Growth</b>	162,380	162,380	-	<b>G</b>

PLACE & ENTERPRISE		Full year			RAGY
		Budget	Forecast	Variance	
		£	£	£	
No variation from budget as at Quarter 1.					
<b>Planning Policy</b>	<b>Portfolio Holder Planning and Regulation</b>	498,150	498,183	33	<b>G</b>
Minor variation from budget as at Quarter 1.					
<b>Strategic Review Officer</b>	<b>Portfolio Holder Economic Growth</b>	69,550	69,550	-	<b>G</b>
No variation from budget as at Quarter 1.					
<b>Economic Development Total</b>		<b>2,597,420</b>	<b>2,618,560</b>	<b>21,140</b>	<b>G</b>
<b>Head of Infrastructure &amp; Communities</b>	<b>Portfolio Holder Highways and Transport</b>	183,210	181,929	(1,281)	<b>Y</b>
Minor variation from budget as at Quarter 1.					
<b>Arts</b>	<b>Portfolio Holder Culture and Leisure</b>	90,430	90,166	(264)	<b>Y</b>
Minor variation from budget as at Quarter 1.					
<b>Community Working</b>	<b>Portfolio Holder Communities</b>	787,420	785,418	(2,002)	<b>Y</b>
Minor variation from budget as at Quarter 1.					
<b>Environmental Maintenance</b>	<b>Portfolio Holder Highways and Transport</b>	27,672,490	27,783,470	110,980	<b>G</b>
There are a number of areas of additional expenditure as managers respond to urgent safety related works whilst attempting to reschedule programmed maintenance to mitigate the unforeseen expenditure as far as possible.					
<b>Highways &amp; Transport</b>	<b>Portfolio Holder Highways and Transport</b>	2,841,260	3,833,940	992,680	<b>R</b>
There are a number of significant variations: £0.304m relates to an assumed saving from a Grey Fleet scheme (staff mileage and vehicles) which it is hoped will be implemented later in the year; ongoing budget pressures of £0.210m for subsidies to bus operators for current routes; and additional costs of £0.230m for concessionary fares (a Central Government initiative with uncontrollable demand), Streetworks income is projected conservatively as income is only generated when a contractor is found to be at fault. This has resulted in a further forecast overspend of £0.082m. Further to this, £0.200m additional income in car parking is yet to be achieved.					
<b>Outdoor Partnerships</b>	<b>Portfolio Holder Culture and Leisure</b>	1,340,230	1,378,797	38,567	<b>G</b>
An in-year reduction in Public Health grant funding has caused a budget variance of £40,000. Meetings are in place to work with Public Health to manage the reduction in support to Council funded services in year.					
<b>Leisure</b>	<b>Portfolio Holder Culture and Leisure</b>	3,446,980	3,486,495	39,515	<b>G</b>
Variance caused by staffing overspends at our in-house leisure facilities.					
<b>Libraries</b>	<b>Portfolio Holder Culture and Leisure</b>	3,752,900	3,836,764	83,864	<b>A</b>
There is an unachievable saving of £0.075m relating to the transfer of Shrewsbury Library and the remaining overspend relates to staffing variances across various libraries.					
<b>Locality Commissioning</b>	<b>Portfolio Holder Communities</b>	471,330	470,808	(522)	<b>Y</b>
Minor variation from budget as at Quarter 1.					
<b>Passenger Transport</b>	<b>Portfolio Holder Highways and Transport</b>	518,350	518,350	-	<b>G</b>
No variation from budget as at Quarter 1.					

PLACE & ENTERPRISE		Full year			RAGY
		Budget	Forecast	Variance	
		£	£	£	
<b>Visitor Economy</b>	<b>Portfolio Holder Culture and Leisure</b>	1,658,120	1,644,758	(13,362)	<b>Y</b>
Minor variation from budget as at Quarter 1.					
<b>Waste</b>	<b>Portfolio Holder Planning and Regulation</b>	33,235,300	32,968,076	(267,224)	<b>Y</b>
The forecast value of the annual reconciliation has led to a significant projected underspend. This is partly due to forecast landfill tonnage being less than budgeted for.					
<b>Infrastructure &amp; Communities Total</b>		<b>75,998,020</b>	<b>76,978,971</b>	<b>980,851</b>	<b>G</b>

PUBLIC HEALTH		Full year			RAGY
		Budget	Forecast	Variance	
		£	£	£	
<b>Total</b>		<b>5,528,350</b>	<b>5,429,292</b>	<b>(99,058)</b>	<b>Y</b>

<b>Coroners &amp; Bereavement</b>	<b>Portfolio Holder Health and Adult Social Care</b>	213,680	136,890	(76,790)	<b>Y</b>
Overall underspend of £0.077m due to a number of small and managed variances across the service which are not sustainable beyond the short-term, but which are not expected to impact on service delivery in 2017/18. A summary of the major variances are £0.072m projected one off saving in Coroners due to lower than expected fees and costs. Fees and Costs are dependent on the number of coroners' cases. Bereavement services showing slight underspend of £0.004m due to a number of small variances on supplies & services budgets.					
<b>Multi Agency</b>	<b>Portfolio Holder Health and Adult Social Care</b>	946,990	1,020,986	73,996	<b>A</b>
Overall overspend of £0.074m due to a number of small variances across the service which are not expected to impact on service delivery in 2017/18. A summary of the major variances are £0.038m overspend currently projected on the Links service* £0.031m projected underspend on Targeted Mental Health in Schools and Healthy Child Development Programme due to slippages in salary costs and project budgets. Shropshire Partnership £0.010m overspent as a result of unachieved 2016/17 savings carried forward, the Service are looking at ways to address this. £0.060m overspend in Community Safety, £0.048m as a result of unachieved savings for 2017/18 and the remainder as a result of lower than budgeted income recharges and higher than budgeted maintenance costs. The service are looking at ways of claiming funding towards the cost of management posts and other delivery models in order to try and achieve the required savings. *This is the healthwatch service which aims to give patients, services users, carers and the wider public a say in the way that health and social care services are run.					
<b>Public Health</b>	<b>Portfolio Holder Health and Adult Social Care</b>	92,700	92,701	1	<b>G</b>
The ring-fenced element of Public Health has achieved all required savings as per the Financial Strategy, however the projected draw from the ring-fenced Public Health reserve is £0.186m, as this year's Public Health grant is not sufficient to cover the projected in-year costs. Public Health is working on a number of savings initiatives in order to bring the overall cost of the ring-fenced services down to within available funds in future years. Further grant cuts for 2018/19 and 2019/20 are being planned for.					
<b>Public Protection</b>	<b>Portfolio Holder Health and Adult Social Care</b>	4,070,030	4,042,136	(27,894)	<b>Y</b>
Overall underspend of £0.028m due to a number of small and managed variances across the service which are not sustainable beyond the short-term, but which are not expected to impact on service delivery in 2017/18. The underspends are mainly as a result of slippage on salary costs and small underspends on supplies & services budgets such as equipment maintenance.					
<b>Registrars</b>	<b>Portfolio Holder Health and Adult Social Care</b>	204,950	136,579	(68,371)	<b>Y</b>
Overall underspend of £0.068m which may not be sustainable beyond the short-term, but which are not expected to impact on service delivery in 2017/18. Underspends are the result of higher than expected projected income from sources such as registration fees and advanced ceremony bookings.					

RESOURCES & SUPPORT	Full year			RAGY
	Budget	Forecast	Variance	
	£	£	£	
<b>Total</b>	<b>3,513,880</b>	<b>4,539,926</b>	<b>1,026,046</b>	<b>R</b>

Customer Involvement	Portfolio Holder Corporate Support	479,710	1,424,375	944,665	R
<p>The total over spend of £0.945m across Customer Involvement is mainly due to known budget pressures within IT Services. Of these £0.655m relates to ongoing budget pressures against corporate licensing, support and maintenance contracts, and shortfalls of £0.083m in the achievement of incomes targets within Print Services.</p> <p>There are outstanding historic savings targets of £ 0.120m regarding the Lync telephony systems, these should be either partly or fully delivered by 2018/19. Other historic savings of £0.041m are not able to be delivered against the MFD Fleet, but alternatives are being investigated.</p> <p>Savings targets set against the redesign of Customer Access Services of £0.223m are unlikely to be fully achieved in year, a restructure of the service is planned in year, which should deliver part of the saving ongoing from 2018/19.</p> <p>The outstanding saving of £0.057m regarding the Credit Union is planned to be achieved over a 3 year period.</p> <p>To offset the known pressures in year savings of £0.139m have been identified so far relating to staffing efficiencies and contract management, further one off savings and service improvements will be identified in year to partly offset the unachieved savings and budget pressures identified above.</p>					
Finance, Governance & Assurance	Portfolio Holder Finance	1,587,790	1,825,613	237,823	R
<p>The over spend of £0.238m within Finance, Governance &amp; Assurance is mainly due to budget pressures within Revenues and Benefits of £0.200m relating to unachieved red savings, combined with £0.205m due to additional staffing expenditure in order to meet service requirements. These pressures have been partly offset by in year savings of -£0.151m, these savings are all considered to be one off and have arisen from a combination of vacancy management and restructuring services. Small variances within Audit, Treasury and Risk contribute £0.020m.</p>					
Human Resources & Development	Portfolio Holder Corporate Support	128,020	71,311	(56,709)	Y
<p>Overall there is a forecast underspend within Human Resources &amp; Development of £0.057m. Overspends have been identified within Employment Services of £0.018m and Human Resources Advice Team of £0.041m which are mainly due to increased staffing costs, these are currently being offset by additional income identified within Occupational Health of (£0.014) and from vacancy efficiencies within Business Partner Team (£0.046m),</p>					

RESOURCES & SUPPORT	Full year			RAGY
	Budget	Forecast	Variance	
	£	£	£	
<b>Total</b>	<b>3,513,880</b>	<b>4,539,926</b>	<b>1,026,046</b>	<b>R</b>

Business Design (£0.020m) and Communications Team (£0.035m).					
<b>Legal, Democratic &amp; Strategy</b>	<b>Portfolio Holder Corporate Support</b>	1,263,610	1,182,188	(81,422)	<b>Y</b>
<p>Legal, Democratic &amp; Strategy are currently forecast to be underspent by £0.081m. This will be achieved from a combination of planned vacancy Management and efficiencies in supplies and services within Committee Services of £0.029m and Legal Services £0.099m these are partly being offset by outstanding savings target due to lost income and increased legal disbursements for 2017/18 within Legal Services of £0.053m. It has been identified that these budget pressures are likely to be ongoing, and how these will be managed in future years is currently being reviewed. There are various small under spends against supplies and services across Legal &amp; Democratic Services totalling £0.006m.</p>					
<b>Strategic Management Board</b>	<b>Portfolio Holder Strategy</b>	54,750	36,439	(18,311)	<b>Y</b>
Minor variation from budget as at Quarter 1.					

CORPORATE	Full year			RAGY
	Budget	Forecast	Variance	
	£	£	£	
<b>Total</b>	<b>(25,305,050)</b>	<b>(26,483,784)</b>	<b>(1,178,734)</b>	<b>Y</b>

<b>Corporate Budgets</b>	<b>Portfolio Holder Finance</b>	<b>(25,305,050)</b>	<b>(26,483,784)</b>	<b>(1,178,734)</b>	<b>Y</b>
<p>The underspend within Corporate Budgets has resulted from an in year review of existing Corporate Budgets, this has identified £0.800m held but not fully committed in the current financial year and has been made available to resolve on a one off basis existing pressures in year such as delays in the achievement of savings within other services.</p> <p>A reduction in MRP requirements has been identified in year of £0.417m, alongside savings relating to Non-distributable cost of £0.064m, and other general corporate expenditure budgets of £0.033m. In year pressures have been identified of £0.131m relating to the reduced trading surplus from West Mercia Energy, and £0.032m in reduced Education Support Grant which is being funded from corporate budget.</p>					



**Appendix 2: Amendments to Original Revenue Budget 2017/18**

	<b>Total £'000</b>	<b>Adult Services £'000</b>	<b>Children's Services £'000</b>	<b>Place &amp; Enterprise £'000</b>	<b>Public Health £'000</b>	<b>Resources &amp; Support £'000</b>	<b>Corporate £'000</b>
Original Budget as agreed by Council	<b>206,073</b>	91,976	47,528	82,733	5,600	3,511	<b>(25,275)</b>
<b>Quarter 1</b>							
National Minimum Wage and National Living wage budget allocation	-	11	2	13	1	3	<b>(30)</b>
Transfer of posts between Business Development & Improvement and Planning	-			73	<b>(73)</b>		
<b>Revised Budget</b>	<b>206,073</b>	<b>91,987</b>	<b>47,530</b>	<b>82,819</b>	<b>5,528</b>	<b>3,514</b>	<b>(25,305)</b>

**Details of virements over £140,000 and below £500,000 to Cabinet for information**

Quarter 1: none.

**Proposed virements between £500,000 and £1m for Cabinet approval****Proposed Transfer of the Remaining Elements of the Education Services Grant Budget from Corporate Budgets to Learning and Skills**

Historically, the Education Services Grant has always been non-ringfenced and has been received into the Council's Corporate budget to support the Council's core expenditure. However, the Education Services Grant in its historical non-ringfenced form no longer exists, as the 'general duties' element of the grant has been removed as part of the Department for Education's national review of school funding. Changes to the Education Services Grant funding were first highlighted in the Government's 2015 Spending Review announcement, during which the Government's intention to achieve savings of £600m from the removal of Education Services Grant general rate funding to local authorities and academies by 2019/20 were set out.

With the exclusion of £611,016 that has been received this year as one-off funding for general duties, the remaining elements of the grant that have been received this year have been ring-fenced for specific purposes. From 1<sup>st</sup> April 2017, £570,000 of the retained duties element of the grant has been rolled into the central schools block of Dedicated Schools Grant, and £212,940 has been received in the form of a completely new grant specific to Education Improvement Services. It is therefore proposed that the budget total of the £570,000 and £212,940 ring-fenced and ongoing elements of the Education Services Grant is vired from the Corporate budget into Learning and Skills. This will have no effect on the Council's budget monitoring position, but will simply correct Learning and Skills' budget to include £782,940 ring-fenced grant income, which will be removed from the Corporate budget.

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## Shropshire Council - Capital Programme 2017/18- 2020/21

### Capital Programme Summary - Quarter 1 2017/18

Scheme Description	Revised Budget Outturn 16/17 £	Budget Virements Q1 £	Budget Inc/Dec Q1 £	Reprofile to/from future years Q1 £	Revised Budget Q1 17/18 £	Actual Spend 30/06/17	Spend to Budget Variance £	% Budget Spend	Outturn Projection £	Outturn Projection Variance £	2018/19 Revised Budget £	2019/20 Revised Budget £	2020/21 Revised Budget £
<b>General Fund</b>													
Place & Enterprise	43,479,730	-	191,258	(1,242,323)	42,428,665	4,618,981	37,809,684	11%	42,428,665	-	26,047,583	3,433,781	-
Adult Services	6,194,123	-	-	-	6,194,123	366,602	5,827,521	6%	6,194,123	-	-	-	-
Public Health	617,032	-	-	-	617,032	22,910	594,122	4%	617,032	-	-	-	-
Children's Services	11,750,747	-	745,197	(3,000,000)	9,495,944	589,112	8,906,832	6%	9,495,944	-	3,166,667	166,667	166,667
Resources & Support	7,804,938	-	-	(61,200)	7,743,738	-	7,743,738	0%	7,743,738	-	61,200	-	-
<b>Total General Fund</b>	<b>69,846,570</b>	<b>-</b>	<b>936,455</b>	<b>(4,303,523)</b>	<b>66,479,502</b>	<b>5,597,606</b>	<b>60,881,896</b>	<b>8%</b>	<b>66,479,502</b>	<b>-</b>	<b>29,275,450</b>	<b>3,600,448</b>	<b>166,667</b>
Housing Revenue Account	10,682,051	-	-	-	10,682,051	1,111,056	9,570,995	10%	10,682,051	-	162,219	-	-
<b>Total Approved Budget</b>	<b>80,528,621</b>	<b>-</b>	<b>936,455</b>	<b>(4,303,523)</b>	<b>77,161,553</b>	<b>6,708,662</b>	<b>70,452,891</b>	<b>9%</b>	<b>77,161,553</b>	<b>-</b>	<b>29,437,669</b>	<b>3,600,448</b>	<b>166,667</b>

#### RAG Analysis on Schemes

##### For Current year outturn expenditure on budget:

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

##### Scheme progress:

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

## Shropshire Council - Capital Programme 2017/18- 2020/21

## Capital Scheme Details Quarter 1 2017/18

Scheme Description	Code	Project Manager	Total Approved Scheme Budget £	Previous Years Spend £	Revised Budget Outturn 2016/17 £	Budget Virements Q1 £	Budget Inc/Dec Q1 £	Reprofile to/from future years Q1 £	Revised Budget Q1 £	Actual Spend 30/06/17 £	Spend to Budget Variance £	Outturn Projection £	Outturn Variance Projection £	RAG Status Scheme on Budget	RAG Status Scheme Progress	Note	2018/19 Revised Budget £	2019/20 Revised Budget £	2020/21 Revised Budget £
<b>Place &amp; Enterprise</b>																			
<b>Infrastructure &amp; Communities</b>																			
<b>Leisure</b>																			
Sports Equipment Phase 2	KCL01	P Davis	300,000	-	300,000	-	-	-	300,000	165,041	134,959	300,000	-	Green	Green		-	-	-
<b>Total</b>					<b>300,000</b>	-	-	-	<b>300,000</b>	<b>165,041</b>	<b>134,959</b>	<b>300,000</b>	-				-	-	-
<b>Libraries</b>																			
Much Wenlock Library Refurbishment	KCR02	R Parslow	25,000	-	25,000	-	-	-	25,000	-	25,000	25,000	-	Green	Green		-	-	-
<b>Total</b>					<b>25,000</b>	-	-	-	<b>25,000</b>	-	<b>25,000</b>	<b>25,000</b>	-				-	-	-
<b>Local Commissioning</b>																			
Whitchurch Civic Centre	K5T48	N Willcox	857,297	826,831	30,466	-	-	-	30,466	988	29,478	30,466	-	Green	Green		-	-	-
<b>Total</b>					<b>30,466</b>	-	-	-	<b>30,466</b>	<b>988</b>	<b>29,478</b>	<b>30,466</b>	-				-	-	-
<b>Waste Management</b>																			
In Vessel Composting Facility	K6WM0	P Beard	325,000	-	325,000	-	-	-	325,000	-	325,000	325,000	-	Green	Green		-	-	-
<b>Total</b>					<b>325,000</b>	-	-	-	<b>325,000</b>	-	<b>325,000</b>	<b>325,000</b>	-				-	-	-
<b>Highways &amp; Transport - LTP</b>																			
<b>Structural Maintenance of Bridges &amp; Structures</b>																			
Bridgeguard - Unallocated	KBG01	T Sneddon	Ongoing	-	104,095	(130,008)	-	-	(25,913)	-	(25,913)	-	-				1,500,000	-	-
Bridgeguard - Miscellaneous Expenditure	KBG02	T Sneddon	113,313	113,313	-	-	-	-	-	-	-	-	-				-	-	-
Bridgeguard - Consultancy Fees	KBG03	T Sneddon	853,698	408,698	540,000	(95,000)	-	-	445,000	26,314	418,686	-	-				-	-	-
Bridgeguard - Hadnall Culvert	KBG05	T Sneddon	257,204	87,204	30,155	139,845	-	-	170,000	75,574	94,426	-	-				-	-	-
Bridgeguard - Snailbeach Retaining Wall	KBG07	T Sneddon	5,703	2,385	1,750	1,568	-	-	3,318	-	3,318	-	-				-	-	-
Bridgeguard - Twmpath Bridge	KBG29	T Sneddon	-	-	5,000	(5,000)	-	-	-	-	-	-	-				-	-	-
Bridgeguard - Eaton No3 Bridge	KBG32	T Sneddon	-	-	-	-	-	-	-	2,355	(2,355)	-	-				-	-	-
Bridgeguard - Sandyford Bridge	KBG33	T Sneddon	153,545	345	100,000	53,200	-	-	153,200	210	152,990	-	-				-	-	-
RoW - Dorville No 1 Footbridge	KBG39	T Sneddon	55,410	5,410	50,000	-	-	-	50,000	-	50,000	-	-				-	-	-
RoW - Eaton Brook Footbridge	KBG41	T Sneddon	-	-	20,000	(20,000)	-	-	-	-	-	-	-				-	-	-
Bridgeguard - Bridgnorth Bypass	KBG45	T Sneddon	2,232,647	18,897	2,600,000	(386,250)	-	-	2,213,750	18,551	2,195,199	-	-				-	-	-
Bridgeguard - Dark Lane Broseley	KBG46	T Sneddon	208,538	-	-	208,538	-	-	208,538	84,997	123,541	-	-				-	-	-
Bridgeguard - Winterburn Bridge	KBG49	T Sneddon	2,500	-	160,000	(157,500)	-	-	2,500	-	2,500	-	-				-	-	-
Bridgeguard - Dean Culvert Bridge	KBG50	T Sneddon	1,500	-	1,500	-	-	-	1,500	-	1,500	-	-				-	-	-
Bridgeguard - Harpswood No 2 Culvert	KBG51	T Sneddon	-	-	65,000	(65,000)	-	-	-	-	-	-	-				-	-	-
Bridgeguard - Castlewalk Footbridge Shrewsbury	KBG52	T Sneddon	20,000	-	40,000	(20,000)	-	-	20,000	365	19,635	-	-				-	-	-
Bridgeguard - Swan Bach (Boundary) Bridge	KBG60	T Sneddon	-	-	-	-	-	-	-	-	-	-	-				-	-	-
Bridgeguard - Windmill Lane Canal Bridge	KBG61	T Sneddon	84,380	-	-	84,380	-	-	84,380	17,359	67,021	-	-				-	-	-
Bridgeguard - Gasworks Bridge	KBG63	T Sneddon	195,000	-	150,000	45,000	-	-	195,000	(2,557)	197,557	-	-				-	-	-
Bridgeguard - Belton Street Footbridge	KBG64	T Sneddon	-	-	2,500	(2,500)	-	-	-	-	-	-	-				-	-	-
Bridgeguard - Inwood Cattle Grid	KBG66	T Sneddon	15,000	-	15,000	-	-	-	15,000	-	15,000	-	-				-	-	-
Bridgeguard - Ledwyche Bridge	KBG67	T Sneddon	15,000	-	-	15,000	-	-	15,000	-	15,000	-	-				-	-	-
Bridgeguard - Condover Bridge	KBG68	T Sneddon	30,000	-	-	30,000	-	-	30,000	-	30,000	-	-				-	-	-
Bridgeguard - Llanyblodwell No 1 Bridge	KBG70	T Sneddon	50,000	-	-	50,000	-	-	50,000	-	50,000	-	-				-	-	-
Row - Ford Footbridge	KBG53	T Sneddon	-	-	50,000	(50,000)	-	-	-	-	-	-	-				-	-	-
Row - Mill Meadow Footbridge	KBG54	T Sneddon	68,727	-	-	68,727	-	-	68,727	-	68,727	-	-				-	-	-
Row - Hogstow Hall Footbridge	KBG55	T Sneddon	-	-	15,000	(15,000)	-	-	-	-	-	-	-				-	-	-
Row - Adcote Mill	KBG65	T Sneddon	-	-	50,000	(50,000)	-	-	-	-	-	-	-				-	-	-
<b>Total</b>					<b>4,000,000</b>	<b>(300,000)</b>	-	-	<b>3,700,000</b>	<b>223,169</b>	<b>3,476,831</b>	<b>3,700,000</b>	-	Green	Green		<b>1,500,000</b>	-	-
<b>Structural Maintenance of Roads</b>																			
Structural Maintenance of Principal Roads		T Sneddon	Ongoing		2,072,483	(445,369)	-	-	1,627,114	(312,479)	1,939,593	1,627,114	-	Green	Green		-	-	-
Structural Maintenance of Secondary Roads		T Sneddon	Ongoing		7,692,231	539,769	-	-	8,232,000	2,141,123	6,090,877	8,232,000	-	Green	Green		-	-	-
Structural Maintenance of all Roads		T Sneddon	Ongoing		5,563,894	(794,400)	-	-	4,769,494	544,381	4,225,113	4,769,494	-	Green	Green		10,601,000	-	-
<b>Total</b>					<b>15,328,608</b>	<b>(700,000)</b>	-	-	<b>14,628,608</b>	<b>2,373,025</b>	<b>12,255,583</b>	<b>14,628,608</b>	-				<b>10,601,000</b>	-	-
<b>Street Lighting</b>																			
Programme of structural replacement of lighting columns	K6SL1	J Hughes	Ongoing		600,000	-	-	-	600,000	64,533	535,467	600,000	-	Green	Green		690,000	-	-
Street Lighting LED Conversions	K6SL2	J Hughes	Ongoing		-	-	-	-	-	-	-	0	-	Green	Green		100,000	-	-
Part Night Lighting	K6SL3	J Hughes	Ongoing		-	-	-	-	-	356	(356)	0	-	Green	Green		10,000	-	-
Programme of replacement signs and bollards	K6SL4	J Hughes	Ongoing		-	-	-	-	-	-	-	0	-	Green	Green		-	-	-
<b>Total</b>					<b>600,000</b>	-	-	-	<b>600,000</b>	<b>64,889</b>	<b>535,111</b>	<b>600,000</b>	-				<b>800,000</b>	-	-
<b>Local Transport Plan - Integrated Transport Plan</b>																			
<b>Pedestrian &amp; Cycle Facilities</b>																			
<b>Central</b>																			
ITP Central - Spring Gardens Cyclepath / St Michaels Street	KST09	V Merrill	20,927	17,427	3,500	-	-	-	3,500	-	3,500	3,500	-				-	-	-
ITP Central - Minor Footpath Improvements	KST19	V Merrill	-	-	-	-	-	-	-	3,837	(3,837)	0	-				-	-	-
<b>North</b>																			
ITP North - Station Rd Whitchurch Pedestrian Crossing	KTC36	V Merrill	15,000	-	15,000	-	-	-	15,000	-	15,000	15,000	-				-	-	-
<b>South</b>																			
ITP South - Broseley Rd Bridgnorth Pedestrian Improvements	KTC12	V Merrill	4,000	-	4,000	-	-	-	4,000	-	4,000	4,000	-				-	-	-

## Shropshire Council - Capital Programme 2017/18- 2020/21

## Capital Scheme Details Quarter 1 2017/18

Scheme Description	Code	Project Manager	Total Approved Scheme Budget £	Previous Years Spend £	Revised Budget Outturn 2016/17 £	Budget Virements Q1 £	Budget Inc/Dec Q1 £	Reprofile to/from future years Q1 £	Revised Budget Q1 £	Actual Spend 30/06/17 £	Spend to Budget Variance £	Outturn Projection £	Outturn Variance Projection £	RAG Status Scheme on Budget	RAG Status Scheme Progress	Note	2018/19 Revised Budget £	2019/20 Revised Budget £	2020/21 Revised Budget £
ITP South - B4373 Wenlock Road & Wgate Crossing	KTC13	V Merrill	6,000	-	6,000	-	-	-	6,000	-	6,000	6,000	-				-	-	-
ITP South - B4379 Sherriffales Pedestrian Improvements	KTC15	V Merrill	76,801	19,301	57,500	-	-	-	57,500	-	57,500	57,500	-				-	-	-
ITP South - A464 Park Street Shifnal Pedestrian Crossing	KTC16	V Merrill	74,706	72,268	2,438	-	-	-	2,438	(2,265)	4,703	2,438	-				-	-	-
ITP South - B4373 Cross Lane, Cantreyn, Footway	KTC23	V Merrill	63,760	9,260	54,500	-	-	-	54,500	-	54,500	54,500	-				-	-	-
ITP South - Salop Road Bridgnorth Pedestrian Crossing (S106)	KTC29	V Merrill	87,096	83,096	4,000	-	-	-	4,000	-	4,000	4,000	-				-	-	-
ITP South - Bromfield Road Ludlow, Pedestrian Crossing	KTC31	V Merrill	101,907	96,305	5,602	-	-	-	5,602	(3,763)	9,365	5,602	-				-	-	-
ITP South - Sandpits Road Ludlow Pedestrian Crossing	KTC35	V Merrill	15,000	-	15,000	-	-	-	15,000	-	15,000	15,000	-				-	-	-
<b>Total</b>					<b>167,540</b>				<b>167,540</b>	<b>(2,190)</b>	<b>169,730</b>	<b>167,540</b>		<b>Green</b>	<b>Green</b>				
<b>Signal Enhancements</b>																			
<b>Countywide</b>																			
ITP Countywide - Future years Signal Scheme Designs	KTS14	V Merrill	39,858	39,858	9,500	(9,500)	-	-	-	(8,148)	8,148	0	-				-	-	-
<b>Central</b>																			
ITP Central - Whitchurch Rd (Morrison's) Jnct	KTS01	V Merrill	5,000	-	-	5,000	-	-	5,000	-	5,000	5,000	-				-	-	-
ITP Central - Shelton/Welshpool Road Signal Enhancement	KTS15	V Merrill	22,000	-	22,000	-	-	-	22,000	-	22,000	22,000	-				-	-	-
ITP Central - Belle Vue/Trinity Street Signals	KTS16	V Merrill	8,000	-	8,500	(500)	-	-	8,000	-	8,000	8,000	-				-	-	-
ITP Central - Longden/Coleham Shrewsbury	KTS24	V Merrill	-	-	-	-	-	-	-	-	-	0	-				-	-	-
<b>North</b>																			
ITP North - A495 Scotland Street Ellesmere	KTS09	V Merrill	103,268	101,768	1,500	-	-	-	1,500	(88,791)	90,291	1,500	-				-	-	-
ITP North - A495 Willow Street Ellesmere Pedestrian Crossing	KTS10	V Merrill	41,706	4,706	37,000	-	-	-	37,000	-	37,000	37,000	-				-	-	-
ITP North - A495 Mereside Ellesmere Pedestrian Crossing	KTS12	V Merrill	44,023	42,523	1,500	-	-	-	1,500	-	1,500	1,500	-				-	-	-
ITP North - Alexandra Road Market Drayton	KTS17	V Merrill	37,000	-	37,000	-	-	-	37,000	1,350	35,650	37,000	-				-	-	-
ITP North - Brownlow Street/ St John Street Whitchurch	KTS18	V Merrill	37,000	-	74,000	(37,000)	-	-	37,000	5,199	31,801	37,000	-				-	-	-
ITP North - Brownlow Street/Deermoss Lane Whitchurch	KTS19	V Merrill	37,000	-	-	37,000	-	-	37,000	-	37,000	37,000	-				-	-	-
ITP North - Frogmore Road Market Drayton	KTS20	V Merrill	4,000	-	4,000	-	-	-	4,000	-	4,000	4,000	-				-	-	-
ITP North - Beatrice St/Whittington Rd Oswestry	KTS21	V Merrill	-	-	-	-	-	-	-	-	-	0	-				-	-	-
<b>South</b>																			
ITP South - A41 Cosford junction signal Refurbishment	KTS07	V Merrill	472,960	472,960	-	-	-	-	-	-	-	0	-				-	-	-
ITP South - Bull Ring Jctn Refurb Ludlow	KTS08	V Merrill	10,812	9,312	1,500	-	-	-	1,500	-	1,500	1,500	-				-	-	-
ITP South - A442 Hospital Steet, Bridgnorth - Pedestrian Cross	KTS11	V Merrill	78,101	41,101	37,000	-	-	-	37,000	852	36,148	37,000	-				-	-	-
ITP South - Broadway Shifnal	KTS22	V Merrill	-	-	-	-	-	-	-	-	-	0	-				-	-	-
ITP South - Underhill Rd Bridgnorth	KTS23	V Merrill	-	-	-	-	-	-	-	-	-	0	-				-	-	-
<b>Total</b>					<b>229,500</b>	<b>(1,000)</b>			<b>228,500</b>	<b>(89,539)</b>	<b>318,039</b>	<b>228,500</b>		<b>Green</b>	<b>Green</b>				
<b>Safety/Speed Reductions</b>																			
<b>Countywide</b>																			
ITP Countywide - VAS Replacement Programme	KTR46	V Merrill	56,918	56,918	-	-	-	-	-	127	(127)	0	-				-	-	-
<b>Central</b>																			
ITP Central - Featherbed Lane Shres, Traffic Management	KTR32	V Merrill	135,920	125,962	9,958	-	-	-	9,958	(5,008)	14,966	9,958	-				-	-	-
ITP Central - Coleham School Safety Scheme	KTR33	V Merrill	88,861	80,681	8,180	-	-	-	8,180	(3,053)	11,233	8,180	-				-	-	-
ITP Central - B4380 Leighton Speed Management	KTR34	V Merrill	27,292	10,292	17,000	-	-	-	17,000	-	17,000	17,000	-				-	-	-
ITP Central - Priory & Meole Race Schools Safety Scheme	KTR35	V Merrill	122,213	112,198	10,015	-	-	-	10,015	(4,588)	14,603	10,015	-				-	-	-
ITP Central - Acton Burnell Crossroads	KTR36	V Merrill	17,695	9,695	8,000	-	-	-	8,000	2,626	5,374	8,000	-				-	-	-
ITP Central - A488 Hanwood Speed Management	KTR37	V Merrill	23,038	11,038	12,000	-	-	-	12,000	-	12,000	12,000	-				-	-	-
ITP Central - Meadow Farm Drive Speed Management	KTR39	V Merrill	37,652	20,652	17,000	-	-	-	17,000	-	17,000	17,000	-				-	-	-
ITP Central - B5062 Sundorne Road Medical Centre Junction	KTR43	V Merrill	28,177	6,177	22,000	-	-	-	22,000	-	22,000	22,000	-				-	-	-
ITP Central - New Park Rd Shrewsbury - School Safety	KTR61	V Merrill	20,000	-	20,000	-	-	-	20,000	-	20,000	20,000	-				-	-	-
<b>North</b>																			
ITP North - B5069 Moors Bank St Martins speed reduction	KTR06	V Merrill	6,341	5,741	600	-	-	-	600	-	600	600	-				-	-	-
ITP North - Prees Lower Heath speed reduction	KTR07	V Merrill	1,501	901	600	-	-	-	600	211	389	600	-				-	-	-
ITP North - B4397 Baschurch speed reduction	KTR08	V Merrill	13,231	12,631	600	-	-	-	600	-	600	600	-				-	-	-
ITP North - B4396 Knockin Village speed reduction	KTR09	V Merrill	1,272	672	600	-	-	-	600	-	600	600	-				-	-	-
ITP North - A49 Hadnall to Preston Brock safety	KTR10	V Merrill	40,960	37,460	3,500	-	-	-	3,500	(1)	3,501	3,500	-				-	-	-
ITP North - Chirk Road Gobowen speed reduction	KTR11	V Merrill	3,932	-	-	-	-	-	-	(3,121)	3,121	0	-				-	-	-
ITP North - A49 Prees Higher Heath speed reduction	KTR13	V Merrill	29,269	25,769	3,500	-	-	-	3,500	273	3,227	3,500	-				-	-	-
ITP North - B5063 The Blamer speed reduction	KTR14	V Merrill	24,244	20,744	3,500	-	-	-	3,500	(3,268)	6,768	3,500	-				-	-	-
ITP North - A528 Speed Reduction Cocksbutt	KTR27	V Merrill	45,962	13,962	32,000	-	-	-	32,000	-	32,000	32,000	-				-	-	-
ITP North - A529 Hinstock Safety Measures	KTR45	V Merrill	2,650	2,650	-	-	-	-	-	2,746	(2,746)	0	-				-	-	-
ITP North - A51 Pipegate To Woore Speed Reduction	KTR54	V Merrill	9,496	996	8,500	-	-	-	8,500	1,350	7,150	8,500	-				-	-	-
ITP North - Ellesmere Town Centre 20mph Speed Limit	KTR56	V Merrill	6,750	6,750	-	-	-	-	-	2,320	(2,320)	0	-				-	-	-
ITP North - A41 Sandford Speed Reduction	KTR57	V Merrill	24,730	7,730	17,000	-	-	-	17,000	1,350	15,650	17,000	-				-	-	-
ITP North - Weston Speed Reduction	KTR59	V Merrill	12,000	-	12,000	-	-	-	12,000	2,600	9,400	12,000	-				-	-	-
ITP North - Myddle Primary School Safety	KTR62	V Merrill	16,000	-	16,000	-	-	-	16,000	-	16,000	16,000	-				-	-	-
<b>South</b>																			
ITP South - A442 Norton	KTR15	V Merrill	58,928	57,928	1,000	-	-	-	1,000	(12,063)	13,063	1,000	-				-	-	-
ITP South - A456 Burford Speed Reduction	KTR16	V Merrill	85,815	70,815	15,000	-	-	-	15,000	19,894	(4,894)	15,000	-				-	-	-
ITP South - A458 Morville Road Safety Improvements	KTR21	V Merrill	7,973	2,973	5,000	-	-	-	5,000	-	5,000	5,000	-				-	-	-
ITP South - Hope Valley Speed Reduction	KTR22	V Merrill	40,212	13,712	26,500	-	-	-	26,500	-	26,500	26,500	-				-	-	-
ITP South - Chorley speed limit	KTR23	V Merrill	2,000	-	2,000	-	-	-	2,000	-	2,000	2,000	-				-	-	-
ITP South - B4378 Shipton Speed Limit	KTR24	V Merrill	1,853	1,853	-	-	-	-	-	146	(146)	0	-				-	-	-
ITP South - Ironbridge Road Broseley Speed Reduction	KTR25	V Merrill	58,310	11,810	46,500	-	-	-	46,500	-	46,500	46,500	-				-	-	-

## Shropshire Council - Capital Programme 2017/18- 2020/21

## Capital Scheme Details Quarter 1 2017/18

Scheme Description	Code	Project Manager	Total Approved Scheme Budget £	Previous Years Spend £	Revised Budget Outturn 2016/17 £	Budget Virements Q1 £	Budget Inc/Dec Q1 £	Reprofile to/from future years Q1 £	Revised Budget Q1 £	Actual Spend 30/06/17 £	Spend to Budget Variance £	Outturn Projection £	Outturn Variance Projection £	RAG Status Scheme on Budget	RAG Status Scheme Progress	Note	2018/19 Revised Budget £	2019/20 Revised Budget £	2020/21 Revised Budget £
ITP South - A4169 Sheinton Street Much Wenlock	KTR26	V Merrill	146,542	145,542	1,000	-	-	-	1,000	22,403	(21,403)	1,000	-				-	-	-
ITP South - A454 Spoonleygate Crossroads Improvement	KTR29	V Merrill	1,000	-	1,000	-	-	-	1,000	-	1,000	1,000	-				-	-	-
ITP South - A41 Stanton Road Junction Improvement Tong	KTR30	V Merrill	95,134	17,134	78,000	-	-	-	78,000	2,598	75,403	78,000	-				-	-	-
ITP South - Coalport Road Traffic Management, Broseley	KTR31	V Merrill	104,211	100,412	3,799	-	-	-	3,799	(4,037)	7,836	3,799	-				-	-	-
ITP South - B4373 Bridgnorth Rd Speed Reduction, Broseley	KTR38	V Merrill	50,177	8,677	41,500	-	-	-	41,500	-	41,500	41,500	-				-	-	-
ITP South - Dark Lane Broseley Road Safety	KTR40	V Merrill	85,011	15,011	70,000	-	-	-	70,000	-	70,000	70,000	-				-	-	-
ITP South - B4194 Button Oak - Sped Limit Alterations	KTR48	V Merrill	64,873	63,873	1,000	-	-	-	1,000	(41,383)	42,383	1,000	-				-	-	-
ITP South - A442 VAS	KTR50	V Merrill	6,391	5,391	1,000	-	-	-	1,000	41,383	(40,383)	1,000	-				-	-	-
ITP South - Redstone Drive Highley Road Safety Review	KTR51	V Merrill	41,601	10,101	31,500	-	-	-	31,500	-	31,500	31,500	-				-	-	-
ITP South - Much Wenlock, Barrow & Broseley Hgv Mgmt	KTR53	V Merrill	67,684	16,184	51,500	-	-	-	51,500	7,668	43,832	51,500	-				-	-	-
ITP South - Henley Road, Ludlow sign scheme	KST15	V Merrill	12,749	7,749	5,000	-	-	-	5,000	-	5,000	5,000	-				-	-	-
ITP South - B4176 Royal Oak Speed Mgmt	KTR58	V Merrill	10,000	-	10,000	-	-	-	10,000	-	10,000	10,000	-				-	-	-
ITP South - Clun Road Craven Arms Speed Mgmt	KTR60	V Merrill	20,000	-	20,000	-	-	-	20,000	-	20,000	20,000	-				-	-	-
ITP South - A456 Burford Speed Reduction	KTR63	V Merrill	17,000	-	17,000	-	-	-	17,000	933	16,067	17,000	-				-	-	-
ITP South - Tenbury Road Cleobury Mortimer Jct	KTR64	V Merrill	25,000	-	25,000	-	-	-	25,000	-	25,000	25,000	-				-	-	-
ITP South - Coppice Green Lane (Idsall School) Road Widening	KTR65	V Merrill	-	-	-	-	-	-	-	12,975	(12,975)	0	-				-	-	-
<b>Total</b>					<b>675,852</b>				<b>675,852</b>	<b>45,083</b>	<b>630,769</b>	<b>675,852</b>		<b>Green</b>	<b>Green</b>				
<b>Traffic Management</b>																			
<b>Central</b>																			
ITP Central - Racecourse Lane, Shrewsbury	KTM03	V Merrill	33,025	29,525	3,500	-	-	-	3,500	-	3,500	3,500	-				-	-	-
ITP Central - Cross Street Bridge, Shrewsbury, Warning Sign	KTM12	V Merrill	16,531	3,531	13,000	-	-	-	13,000	-	13,000	13,000	-				-	-	-
<b>South</b>																			
ITP South - A464 Upton Crossroads Shifnal	KTM09	V Merrill	-	-	-	-	-	-	-	15,144	(15,144)	0	-				-	-	-
ITP South - Albrighton cross road	KTM10	V Merrill	3,000	-	3,000	-	-	-	3,000	-	3,000	3,000	-				-	-	-
<b>Total</b>					<b>19,500</b>				<b>19,500</b>	<b>15,144</b>	<b>4,356</b>	<b>19,500</b>	<b>0</b>	<b>Green</b>	<b>Green</b>				
<b>Parking Infrastructure</b>																			
<b>South</b>																			
ITP South - The Innage Shifnal Parking	KTP01	V Merrill	21,880	19,880	2,000	-	-	-	2,000	-	2,000	2,000	-				-	-	-
ITP Countywide - Parking Machine Replacement Programme	KTP02	V Merrill	125,000	-	125,000	-	-	-	125,000	-	125,000	125,000	-				-	-	-
<b>Total</b>					<b>127,000</b>				<b>127,000</b>		<b>127,000</b>	<b>127,000</b>	<b>0</b>	<b>Green</b>	<b>Green</b>				
<b>Accident Hotspots</b>																			
Countywide Accident Cluster Sites	KTA00	V Merrill	70,000	-	70,000	-	-	-	70,000	-	70,000	70,000	-				-	-	-
ITP South - A5 Crackley Bank - Marsh Lane Jctn	KTA01	V Merrill	31,332	9,332	10,000	12,000	-	-	22,000	-	22,000	22,000	-				-	-	-
ITP Central - Heathgates Rbout	KTA02	V Merrill	18,000	3,000	15,000	-	-	-	15,000	6,512	8,488	15,000	-				-	-	-
ITP South - A442 Worfe Bridge	KTA03	V Merrill	5,000	-	5,000	-	-	-	5,000	-	5,000	5,000	-				-	-	-
ITP Central - Ditherington Road/Mount Pleasant Junction	KTA04	V Merrill	-	-	11,000	(11,000)	-	-	-	-	-	0	-				-	-	-
ITP North - A529 40mph end to Mount Pleasant Crossroads	KTA05	V Merrill	25,310	14,310	11,000	-	-	-	11,000	-	11,000	11,000	-				-	-	-
ITP Central - Column Roundabout	KTA06	V Merrill	30,686	8,686	22,000	-	-	-	22,000	(1,908)	23,908	22,000	-				-	-	-
ITP Central - Smithfield Road	KTA07	V Merrill	17,306	8,306	9,000	-	-	-	9,000	(1,212)	10,212	9,000	-				-	-	-
<b>Total</b>					<b>153,000</b>	<b>1,000</b>			<b>154,000</b>	<b>3,393</b>	<b>150,607</b>	<b>154,000</b>		<b>Green</b>	<b>Green</b>				
<b>Network Improvements</b>																			
<b>Countywide</b>																			
ITP Countywide - Bus Shelters	KTN02	V Merrill	55,483	40,483	15,000	-	-	-	15,000	126	14,874	15,000	-				-	-	-
<b>South</b>																			
ITP South - Shifnal Network Improvement (S106)	KTN03	V Merrill	148,304	148,304	-	-	-	-	-	-	-	0	-				-	-	-
ITP South - Shifnal Bradford Street Enhancement	KTN05	V Merrill	-	-	-	-	-	-	-	1,950	(1,950)	0	-				-	-	-
<b>Total</b>					<b>15,000</b>				<b>15,000</b>	<b>2,076</b>	<b>12,924</b>	<b>15,000</b>		<b>Green</b>	<b>Green</b>				
<b>Integrated Transport Unallocated</b>																			
<b>Countywide</b>																			
ITP Countywide - Unallocated	KT000	V Merrill	Ongoing									0	-				1,000,000	-	-
<b>Total</b>												<b>0</b>	<b>0</b>	<b>Green</b>	<b>Green</b>		<b>1,000,000</b>		
<b>Total Integrated Transport Plan</b>					<b>1,387,392</b>				<b>1,387,392</b>	<b>(26,033)</b>	<b>1,413,425</b>	<b>1,387,392</b>					<b>1,000,000</b>		
<b>Total Highways &amp; Transport - LTP</b>					<b>21,316,000</b>	<b>(1,000,000)</b>			<b>20,316,000</b>	<b>2,635,049</b>	<b>17,680,951</b>	<b>20,316,000</b>					<b>13,901,000</b>		
<b>LEP Schemes</b>																			
LEP Oxon Relief Road Project	KOX01	M Johnson	4,568,000	525,677	1,742,323	-	-	(1,242,323)	500,000	238,172	261,828	500,000	-	Green	Green		2,028,542	1,513,781	-
LEPSITP - Unallocated Contingency	KIT00	M Johnson	-	-	-	-	-	-	-	-	-	0	-	Green	Green		-	-	-
LEPSITP - Project Management/Design	KIT01	M Johnson	7,944,985	2,516,782	3,749,124	-	-	-	3,749,124	788,609	2,960,515	3,749,124	-	Green	Green		1,679,079	-	-
<b>Total</b>					<b>5,491,447</b>			<b>(1,242,323)</b>	<b>4,249,124</b>	<b>1,026,781</b>	<b>3,222,343</b>	<b>4,249,124</b>					<b>3,707,621</b>	<b>1,513,781</b>	
<b>Flood Defences &amp; Water Management</b>																			
Much Wenlock - Flood & Water Management	K6FW1	T Sneddon	2,332,572	1,543,361	654,211	-	-	-	654,211	471,533	182,678	654,211	-	Green	Green		135,000	-	-
Craven Arms - Flood & Water Management	K6FW2	T Sneddon	70,000	43,951	26,049	-	-	-	26,049	-	26,049	26,049	-	Green	Green		-	-	-
Church Stretton - Flood & Water Management	K6FW3	T Sneddon	35,000	-	35,000	-	-	-	35,000	-	35,000	35,000	-	Green	Green		-	-	-
Shifnal - Flood & Water Management	K6FW4	T Sneddon	582,000	46,252	313,748	-	-	-	313,748	-	313,748	313,748	-	Green	Green		222,000	-	-
Oswestry - Flood & Water Management	K6FW5	T Sneddon	91,640	85,648	5,992	-	-	-	5,992	-	5,992	5,992	-	Green	Green		-	-	-
Shrewsbury - Flood & Water Management	K6FW6	T Sneddon	158,262	125,400	32,862	-	-	-	32,862	-	32,862	32,862	-	Green	Green		-	-	-
The Grove, Minsterley IPP Scheme	K6FW8	T Sneddon	66,000	61,008	4,992	-	-	-	4,992	-	4,992	4,992	-	Green	Green		-	-	-

## Shropshire Council - Capital Programme 2017/18- 2020/21

## Capital Scheme Details Quarter 1 2017/18

Scheme Description	Code	Project Manager	Total Approved Scheme Budget £	Previous Years Spend £	Revised Budget Outturn 2016/17 £	Budget Virements Q1 £	Budget Inc/Dec Q1 £	Reprofile to/from future years Q1 £	Revised Budget Q1 £	Actual Spend 30/06/17 £	Spend to Budget Variance £	Outturn Projection £	Outturn Variance Projection £	RAG Status Scheme on Budget	RAG Status Scheme Progress	Note	2018/19 Revised Budget £	2019/20 Revised Budget £	2020/21 Revised Budget £
Shropshire IPP Scheme Phase 1	K6FWA	T Sneddon	187,585	92,778	94,807	-	-	-	94,807	24,760	70,047	94,807	-	Green	Green		-	-	-
Shropshire Slow the Flow Project	KEF01	T Sneddon	350,000	104,821	105,179	-	-	-	105,179	5,790	99,389	105,179	-	Green	Green		70,000	70,000	-
Westbury - Surface Water Flood Alleviation Scheme	KEF02	T Sneddon	58,000	-	-	-	58,000	-	58,000	-	58,000	58,000	-	Green	Green		-	-	-
Wesley Brook, Shifnal - Flood Alleviation Scheme	KEF03	T Sneddon	95,000	-	-	-	95,000	-	95,000	-	95,000	95,000	-	Green	Green		-	-	-
<b>Total</b>					<b>1,272,840</b>		<b>153,000</b>		<b>1,425,840</b>	<b>502,083</b>	<b>923,757</b>	<b>1,425,840</b>					<b>427,000</b>	<b>70,000</b>	
<b>Environmental Maintenance - Depots</b>																			
Depot Redevelopment - Unallocated	K6H03	S Brown	170,788	100,457	96,621	(26,290)	-	-	70,331	-	70,331	70,331	-	Green	Green		-	-	-
Depot Redevelopment - Park Hall	K6H02	S Brown	-	14,388	-14,388	-	-	-	(14,388)	-	(14,388)	-14,388	-	Green	Green		-	-	-
Depot Redevelopment - Longden Road	K6H04	S Brown	26,290	-	-	26,290	-	-	26,290	-	26,290	26,290	-	Green	Green		-	-	-
Depot Redevelopment - Hodnet	K6H06	S Brown	121,907	128,896	-6,989	-	-	-	(6,989)	-	(6,989)	-6,989	-	Green	Green		-	-	-
Depot Redevelopment - Craven Arms	K6H08	S Brown	1,036,103	1,034,161	1,942	-	-	-	1,942	-	1,942	1,942	-	Green	Green		-	-	-
Depot Redevelopment - Stourbridge Road, Bridgnorth	K6H09	S Brown	221,797	163,167	58,630	-	-	-	58,630	6,508	52,122	58,630	-	Green	Green		-	-	-
Depot Redevelopment - Stourbridge Road Bridgnorth - Salt Dome	K6H10	S Brown	100,000	-	100,000	-	-	-	100,000	-	100,000	100,000	-	Green	Green		-	-	-
Depot Redevelopment - Manor House Lane Store	K6H11	S Brown	50,000	-	50,000	-	-	-	50,000	-	50,000	50,000	-	Green	Green		-	-	-
Depot Redevelopment - Ice Station Replacement	K6H12	S Brown	100,000	64,115	35,885	-	-	-	35,885	-	35,885	35,885	-	Green	Green		-	-	-
<b>Total</b>					<b>321,701</b>				<b>321,701</b>	<b>6,508</b>	<b>315,193</b>	<b>321,701</b>	<b>0</b>						
<b>Visitor Economy</b>																			
<b>Museums</b>																			
Music Hall Refurbishment	K5HA9	S Law	10,107,494	10,081,844	25,650	-	-	-	25,650	-	25,650	25,650	-	Green	Green		-	-	-
Heritage Assets Acquisition	K5HAA	E-K Lanyon	-	-	-	-	-	-	-	-	-	0	-	Green	Green		-	-	-
<b>Venues &amp; Programmes</b>																			
Theatre Severn - Major Maintenance Improvement Works	KBT01	S Law	114,613	38,455	76,158	-	-	-	76,158	-	76,158	76,158	-	Green	Green		-	-	-
<b>Total</b>					<b>101,808</b>				<b>101,808</b>		<b>101,808</b>	<b>101,808</b>	<b>0</b>						
<b>Outdoor Partnerships</b>																			
Oswestry Play & Recreational Improvements	K5BC7	M Blount	-	-	-	-	-	-	-	-	-	0	-	Green	Green		-	-	-
The Meadow Play Area	K5T41	M Blount	103,979	103,979	-	-	-	-	-	-	-	0	-	Green	Green		-	-	-
Ash & St Oswald	K5T43	M Blount	74,291	74,291	-	-	-	-	-	-	-	0	-	Green	Green		-	-	-
Snailwell Lead Mine Higher Level Stewardship	K5T53	C Dean	197,761	196,368	1,393	-	-	-	1,393	-	1,393	1,393	-	Green	Green		-	-	-
Nesscliffe - Higher Level Stewardship	K5T55	C Dean	25,471	15,768	9,703	-	-	-	9,703	-	9,703	9,703	-	Green	Green		-	-	-
Crow Meadow Skatepark, Bridgnorth	K5T57	M Blount	89,327	89,327	-	-	-	-	-	-	-	0	-	Green	Green		-	-	-
Mere Wardens Bungalow Refurbishment	KBR05	M Blount	95,374	88,818	6,556	-	-	-	6,556	1,510	5,046	6,556	-	Green	Green		-	-	-
Brosely BMX & Outdoor Gym (S106)	KBR06	S McCarthy	34,816	33,513	6,487	(5,184)	-	1,303	569	734	1,303	1,303	-	Green	Green		-	-	-
Shelton Recreation Ground Pavilion (S106)	KBR07	M Blount	8,993	-	8,993	-	-	-	8,993	261	8,732	8,993	-	Green	Green		-	-	-
Nags Head Engine House	KBR08	J Howells	42,698	-	42,698	-	-	-	42,698	41,267	1,431	42,698	-	Green	Green		-	-	-
Severn Valley Country Park Visitor Centre Improvements	KBR09	M Blount	49,745	-	49,745	-	-	-	49,745	12,631	37,114	49,745	-	Green	Green		-	-	-
Whitchurch Skate Park (S106)	KBR10	S McCarthy	43,442	-	-	43,442	-	-	43,442	-	43,442	43,442	-	Green	Green		-	-	-
<b>Total</b>					<b>125,575</b>		<b>38,258</b>		<b>163,833</b>	<b>56,237</b>	<b>64,154</b>	<b>163,833</b>	<b>0</b>						
<b>Total Infrastructure &amp; Communities</b>					<b>29,309,837</b>		<b>(1,000,000)</b>		<b>191,258</b>	<b>(1,242,323)</b>	<b>27,258,772</b>	<b>4,392,688</b>	<b>22,822,642</b>				<b>18,035,621</b>	<b>1,583,781</b>	
<b>Economic Development</b>																			
<b>Physical Regeneration</b>																			
Food Enterprise Centre - Construction (Battlefield)	KER38	G Davies	6,658,534	6,630,045	28,489	-	-	-	28,489	-	28,489	28,489	-	Green	Green		-	-	-
Shrewsbury Business Park Phase 3	KBE02	G Davies	-	-	-	-	-	-	-	695	(695)	0	-	Red	Green		-	-	-
<b>Growth Point</b>																			
Flaxmill Project - Implementation	K6FM1	G Davies	1,000,000	-	500,000	-	-	-	500,000	-	500,000	500,000	-	Green	Green		500,000	-	-
Shrewsbury Vision - New Riverside Development	K6HR1	G Davies	298,265	136,072	162,193	-	-	-	162,193	400	161,793	162,193	-	Green	Green		-	-	-
<b>Total</b>					<b>690,682</b>				<b>690,682</b>	<b>1,095</b>	<b>689,587</b>	<b>690,682</b>					<b>500,000</b>		
<b>Natural &amp; Historical Environment</b>																			
Historic Environment Grants	K6HE1	A Cooper	Ongoing	12,480	33,682	-	-	-	33,682	-	33,682	33,682	-	Green	Green		-	-	-
Old Rectory, Whitchurch Section 106	KBN01	A Cooper	250,000	42,301	207,699	-	-	-	207,699	-	207,699	207,699	-	Green	Green		-	-	-
<b>Total</b>					<b>241,381</b>				<b>241,381</b>		<b>241,381</b>	<b>241,381</b>							
<b>Planning Policy - Affordable Housing</b>																			
Affordable Housing - Rolling Fund	K6AHG	A Cooper	Ongoing	-	346	200,000	-	-	200,346	-	200,346	200,346	-	Green	Green		-	-	-
Shrewsbury Self Build Scheme	K6AHT	A Cooper	300,000	33,102	266,898	-	-	-	266,898	-	266,898	266,898	-	Green	Green		-	-	-
Ellesmere Rd, Shrewsbury - Extra Care Scheme	KBH01	A Cooper	200,000	170,000	30,000	-	-	-	30,000	30,000	-	30,000	-	Green	Green		-	-	-
Community Led Affordable Housing Grant Scheme	K6AHV	A Cooper	2,132,000	1,868,000	264,000	-	-	-	264,000	-	264,000	264,000	-	Green	Green		-	-	-
Affordable Housing Contributions Grant Scheme (S106)	K6AHW	A Cooper	804,042	592,542	211,500	-	-	-	211,500	-	211,500	211,500	-	Green	Green		-	-	-
<b>Total</b>					<b>772,744</b>		<b>200,000</b>		<b>972,744</b>	<b>30,000</b>	<b>942,744</b>	<b>972,744</b>							
<b>Broadband</b>																			
Broadband Project - Milestone 0	KB000	C Taylor	874,700	844,003	30,697	-	-	-	30,697	-	30,697	30,697	-	Green	Green		-	-	-
Broadband Project - Milestone 1	KB001	C Taylor	9,957,509	7,251,540	2,705,969	-	-	-	2,705,969	2,099	2,703,870	2,705,969	-	Green	Green		-	-	-
Broadband Project - Milestone 2	KB002	C Taylor	4,912,390	4,142,743	769,647	-	-	-	769,647	-	769,647	769,647	-	Green	Green		-	-	-
Broadband Project - Milestone 3	KB003	C Taylor	1,749,657	239,009	1,510,648	-	-	-	1,510,648	-	1,510,648	1,510,648	-	Green	Green		-	-	-
Broadband Project - Phase 2 - Milestone 0	KB004	C Taylor	432,552	39,969	432,552	-	-	-	432,552	-	432,552	432,552	-	Green	Green		-	-	-
Broadband Project - Phase 2 - Milestone 1	KB005	C Taylor	538,335	-	538,335	-	-	-	538,335	-	538,335	538,335	-	Green	Green		-	-	-
Broadband Project - Phase 2 - Milestone 2	KB006	C Taylor	3,478,092	-	2,335,988	-	-	-	2,335,988	-	2,335,988	2,335,988	-	Green	Green		1,142,104	-	-



## Shropshire Council - Capital Programme 2017/18- 2020/21

## Capital Scheme Details Quarter 1 2017/18

Scheme Description	Code	Project Manager	Total Approved Scheme Budget £	Previous Years Spend £	Revised Budget Outturn 2016/17 £	Budget Virements Q1 £	Budget Inc/Dec Q1 £	Reprofile to/from future years Q1 £	Revised Budget Q1 £	Actual Spend 30/06/17 £	Spend to Budget Variance £	Outturn Projection £	Outturn Variance Projection £	RAG Status Scheme on Budget	RAG Status Scheme Progress	Note	2018/19 Revised Budget £	2019/20 Revised Budget £	2020/21 Revised Budget £
Broadband Project - Phase 2 - Milestone 3	KB007	C Taylor	236,261	-	-	-	-	-	-	-	-	0	-	Green	Green		236,261	-	-
Broadband Project - Phase 3 - Lot 1	KB008	C Taylor	9,634,402	-	2,672,000	-	-	-	2,672,000	-	2,672,000	2,672,000	-	Green	Green		5,112,402	1,850,000	-
Broadband Project - Phase 3 - Lot 2	KB009	C Taylor	2,042,389	-	1,021,194	-	-	-	1,021,194	-	1,021,194	1,021,194	-	Green	Green		1,021,195	-	-
<b>Total</b>					<b>12,017,030</b>				<b>12,017,030</b>	<b>2,099</b>	<b>12,014,931</b>	<b>12,017,030</b>					<b>7,511,962</b>	<b>1,850,000</b>	
<b>Total Economic Development</b>					<b>13,721,837</b>	<b>200,000</b>			<b>13,921,837</b>	<b>33,194</b>	<b>13,888,643</b>	<b>13,921,837</b>	<b>0</b>				<b>8,011,962</b>	<b>1,850,000</b>	
<b>Business Enterprise &amp; Commercial Services</b>																			
<b>Strategic Asset Services</b>																			
<b>Corporate Landlord</b>																			
18/19 Shoplatch - toilet facilities	KRP04	S Law	36,000	8,132	27,868	-	-	-	27,868	-	27,868	27,868	-	Green	Green		-	-	-
The Tannery Demolition	KRP06	S Law	1,000,000	3,153	396,847	600,000	-	-	996,847	179,910	816,937	996,847	-	Green	Green		-	-	-
<b>Total</b>					<b>424,715</b>	<b>600,000</b>			<b>1,024,715</b>	<b>179,910</b>	<b>844,805</b>	<b>1,024,715</b>	<b>0</b>						
<b>Energy &amp; Sustainability</b>																			
Shawbury St Marys Solar PV	KRV01	S Law	62,559	61,023	1,536	-	-	-	1,536	-	1,536	1,536	-	Green	Green		-	-	-
Bishops Castle Primary Solar PV	KRV03	S Law	40,847	39,874	973	-	-	-	973	-	973	973	-	Green	Green		-	-	-
Weston Rhyn Primary Solar PV	KRV04	S Law	33,109	32,321	788	-	-	-	788	-	788	788	-	Green	Green		-	-	-
Harlescote Junior Solar PV	KRV06	S Law	35,191	34,353	838	-	-	-	838	-	838	838	-	Green	Green		-	-	-
Mount Pleasant Primary Solar PV	KRV07	S Law	39,085	38,154	931	-	-	-	931	-	931	931	-	Green	Green		-	-	-
Ludlow Youth Centre Solar PV	KRV11	S Law	43,060	42,036	1,024	-	-	-	1,024	-	1,024	1,024	-	Green	Green		-	-	-
Severn Valley Country Park Solar PV	KRV14	S Law	18,045	17,616	429	-	-	-	429	-	429	429	-	Green	Green		-	-	-
SPARC - Solar PV	KRV15	S Law	60,719	60,646	73	-	-	-	73	-	73	73	-	Green	Green		-	-	-
Shrewsbury Solar PV	KRV17	S Law	195,858	189,967	5,891	-	-	-	5,891	9,306	(3,415)	5,891	-	Red	Green		-	-	-
<b>Total</b>					<b>12,483</b>				<b>12,483</b>	<b>9,306</b>	<b>3,177</b>	<b>12,483</b>	<b>0</b>						
<b>Small Holdings</b>																			
The Camp - Smallholding Refurbishment	KCS03	S Law	149,830	15,830	-	134,000	-	-	134,000	3,884	130,116	134,000	-	Green	Green		-	-	-
<b>Total</b>						<b>134,000</b>			<b>134,000</b>	<b>3,884</b>	<b>130,116</b>	<b>134,000</b>							
<b>Gypsy Sites</b>																			
Traveling Sites Unallocated Grant (Phase 1&2 HCA)	K6T00	S Law	49,866	-	4,866	45,000	-	-	49,866	-	49,866	49,866	-	Green	Green		-	-	-
Gypsy Site - Manor House Lane	K6T03	S Law	700,568	694,576	5,992	-	-	-	5,992	-	5,992	5,992	-	Green	Green		-	-	-
Gypsy Sites - Whittington Phase 2	K6T04	S Law	692,522	671,522	-	21,000	-	-	-	21,000	21,000	21,000	-	Green	Green		-	-	-
Boars Den Gypsy Transit Site	K6T06	S Law	-	-	-	-	-	-	-	-	-	0	-	Green	Green		-	-	-
<b>Total</b>						<b>66,000</b>			<b>76,858</b>		<b>76,858</b>	<b>76,858</b>							
<b>Total Strategic Asset Services</b>					<b>448,056</b>	<b>800,000</b>			<b>1,248,056</b>	<b>193,099</b>	<b>1,054,957</b>	<b>1,248,056</b>							
<b>Total Business Enterprise &amp; Commercial Services</b>					<b>448,056</b>	<b>800,000</b>			<b>1,248,056</b>	<b>193,099</b>	<b>1,054,957</b>	<b>1,248,056</b>							
<b>Total Place &amp; Enterprise</b>					<b>43,479,730</b>		<b>191,258</b>	<b>(1,242,323)</b>	<b>42,428,665</b>	<b>4,618,981</b>	<b>37,766,242</b>	<b>42,428,665</b>					<b>26,047,583</b>	<b>3,433,781</b>	
<b>Adult Services</b>																			
<b>Social Care</b>																			
Community Capacity Grant	KA000	T Miles	Ongoing	-	1,077,192	(771,882)	-	-	305,310	-	305,310	305,310	-	Green	Green		-	-	-
Mount Pleasant - Shared Development Site	K5B60	T Miles	470,253	454,960	15,293	-	-	-	15,293	-	15,293	15,293	-	Green	Green		-	-	-
Telecare Call Monitoring	K5B88	T Miles	251,412	212,454	38,958	-	-	-	38,958	-	38,958	38,958	-	Green	Green		-	-	-
IT Mobile Flexible Working	K5B89	T Miles	244,999	229,179	15,820	-	-	-	15,820	12,098	3,722	15,820	-	Green	Green		-	-	-
Development Trust Development - Raven Site, Market Drayton	K5B94	T Miles	2,041,307	1,992,254	49,053	-	-	-	49,053	-	49,053	49,053	-	Green	Green		-	-	-
IT Hardware - Implementation of Care Bill	K5B02	T Miles	70,175	70,175	208,825	(208,825)	-	-	-	-	-	0	-	Green	Green		-	-	-
Baschurch Assisted Living Bungalow - Phase 3	K5B04	T Miles	480,000	382,696	97,304	-	-	-	97,304	-	97,304	97,304	-	Green	Green		-	-	-
London Road Assisted Living Bungalow - Phase 4	K5B05	T Miles	570,000	361,005	208,995	-	-	-	208,995	103,360	105,635	208,995	-	Green	Green		-	-	-
Autism Innovation Capital Grant	KA002	T Miles	11,020	11,020	7,480	(7,480)	-	-	-	-	-	0	-	Green	Green		-	-	-
Refurb The Meres for Library Services	KA005	T Miles	40,000	-	40,000	-	-	-	40,000	-	40,000	40,000	-	Green	Green		-	-	-
Belulah House - Resurfacing Roadway	KA017	T Miles	5,363	4,920	443	-	-	-	443	-	443	443	-	Green	Green		-	-	-
The Rowans Refurbishment Works	KA019	T Miles	35,000	-	13,000	22,000	-	-	35,000	-	35,000	35,000	-	Green	Green		-	-	-
Redwood - New Kitchen & Bathroom	KA023	T Miles	15,000	-	15,000	-	-	-	15,000	-	15,000	15,000	-	Green	Green		-	-	-
Hook Farm Road, Bridgnorth - Refurbishment	KA024	T Miles	55,000	-	55,000	-	-	-	55,000	-	55,000	55,000	-	Green	Green		-	-	-
West Lodge Shelton Adaptations	KA026	T Miles	43,640	33,640	-	10,000	-	-	10,000	1,557	8,443	10,000	-	Green	Green		-	-	-
Aquamira - New Pool Cover/ additional changing rooms	KA027	T Miles	60,000	-	60,000	-	-	-	60,000	-	60,000	60,000	-	Green	Green		-	-	-
Aquamira - New Sensory Equipment	KA028	T Miles	12,000	-	12,000	-	-	-	12,000	-	12,000	12,000	-	Green	Green		-	-	-
67/69 Whitehouse Gardens Adaptations	KA030	T Miles	20,000	-	-	20,000	-	-	20,000	210	19,790	20,000	-	Green	Green		-	-	-
<b>Total</b>					<b>1,926,054</b>	<b>(936,187)</b>			<b>989,867</b>	<b>117,225</b>	<b>872,642</b>	<b>989,867</b>							
<b>Housing Health &amp; Wellbeing</b>																			
Disabled Facilities Grants - Fast track system	K5P02	A Begley	Ongoing	-	-	936,187	-	-	936,187	-	936,187	936,187	-	Green	Green		-	-	-
Disabled Facilities Grants	K5P03	A Begley	Ongoing	-	1,853,069	-	-	-	1,853,069	243,138	1,609,931	1,853,069	-	Green	Green		-	-	-
HOLD Project	K5P04	A Begley	2,415,000	-	2,415,000	-	-	-	2,415,000	6,239	2,408,761	2,415,000	-	Green	Green		-	-	-



## Shropshire Council - Capital Programme 2017/18- 2020/21

## Capital Scheme Details Quarter 1 2017/18

Scheme Description	Code	Project Manager	Total Approved Scheme Budget £	Previous Years Spend £	Revised Budget Outturn 2016/17 £	Budget Virements Q1 £	Budget Inc/Dec Q1 £	Reprofile to/from future years Q1 £	Revised Budget Q1 £	Actual Spend 30/06/17 £	Spend to Budget Variance £	Outturn Projection £	Outturn Variance Projection £	RAG Status on Budget	RAG Status Scheme Progress	Note	2018/19 Revised Budget £	2019/20 Revised Budget £	2020/21 Revised Budget £
<b>Total</b>					4,268,069	936,187	-	-	5,204,256	249,377	4,954,879	5,204,256	-				-	-	-
<b>Total Adult Services</b>					6,194,123	-	-	-	6,194,123	366,602	5,827,521	6,194,123	-				-	-	-
<b>Public Health</b>																			
<b>Substance Misuse</b>																			
Willowdene Capital Grant	KSM01	J Randall	380,000	378,049	1,951	-	-	-	1,951	1,951	(0)	1,951	-	Green	Green		-	-	-
<b>Total</b>					1,951	-	-	-	1,951	1,951	(0)	1,951	-				-	-	-
<b>Help 2 Change</b>																			
Help 2 Change Motorised Clinic Vehicle 2	KHC02	J Pearce	32,000	-	32,000	-	-	-	32,000	-	32,000	32,000	-	Green	Green		-	-	-
<b>Total</b>					32,000	-	-	-	32,000	-	32,000	32,000	-				-	-	-
<b>Private Sector Housing</b>																			
Whitchurch Area Empty Property Incentive Grant	K5P17	K Collier	263,970	210,406	53,564	-	-	-	53,564	1,080	52,484	53,564	-	Green	Green		-	-	-
Shropshire County Empty Property Incentive Grant	KPS01	K Collier	529,517	-	529,517	-	-	-	529,517	19,879	509,638	529,517	-	Green	Green		-	-	-
<b>Total</b>					583,081	-	-	-	583,081	20,959	562,122	583,081	-				-	-	-
<b>Total Public Health</b>					617,032	-	-	-	617,032	22,910	594,122	617,032	-				-	-	-
<b>Resources &amp; Support</b>																			
<b>Customer Involvement</b>																			
<b>ICT Digital Transformation</b>																			
ICT Digital Transformation - Unallocated	KIC00	M Leith	4,786,654	-	7,804,938	(3,018,284)	-	-	4,786,654	-	4,786,654	4,786,654	-	Green	Green		-	-	-
ICT Digital Transformation - BCDR Infrastructure Upgrade	KIC01	M Leith	384,885	384,885	-	-	-	-	-	-	-	0	-	Green	Green		-	-	-
ICT Digital Transformation - WI-FI Installation	KIC02	M Leith	125,838	-	-	125,838	-	-	125,838	-	125,838	125,838	-	Green	Green		-	-	-
ICT Digital Transformation - LAN Desk	KIC03	M Leith	34,425	-	-	34,425	-	-	34,425	-	34,425	34,425	-	Green	Green		-	-	-
ICT Digital Transformation - Social Care Project	KIC04	M Leith	608,307	-	-	608,307	-	-	608,307	-	608,307	608,307	-	Green	Green		-	-	-
ICT Digital Transformation - Contact Centre Unified Comms	KIC05	M Leith	203,460	-	-	203,460	-	-	203,460	-	203,460	203,460	-	Green	Green		-	-	-
ICT Digital Transformation - ERP	KIC06	M Leith	1,649,536	-	-	1,649,536	-	(61,200)	1,588,336	-	1,588,336	1,588,336	-	Green	Green		61,200	-	-
ICT Digital Transformation - CRM	KIC07	M Leith	396,718	-	-	396,718	-	-	396,718	-	396,718	396,718	-	Green	Green		-	-	-
<b>Total</b>					7,804,938	-	-	(61,200)	7,743,738	-	7,743,738	7,743,738	-				61,200	-	-
<b>Total Resources &amp; Support</b>					7,804,938	-	-	(61,200)	7,743,738	-	7,743,738	7,743,738	-				61,200	-	-
<b>Children's Services</b>																			
<b>Children's Safeguarding</b>																			
<b>Children's Residential Care</b>																			
Children's Residential Care - Buildings Conversion	K3A47	K Bradshaw	35,334	15,986	19,348	-	-	-	19,348	270	19,078	19,348	-	Green	Green		-	-	-
<b>Total</b>					19,348	-	-	-	19,348	270	19,078	19,348	-				-	-	-
<b>Youth Work</b>																			
<b>Total Children's Safeguarding</b>					19,348	-	-	-	19,348	270	19,078	19,348	-				-	-	-
<b>Learning &amp; Skills</b>																			
<b>Early Years</b>																			
Short Breaks	K3L59	N Ward	453,803	453,803	-	-	-	-	-	-	-	0	-	Green	Green		-	-	-
Early Years Unallocated	KLE00	N Ward	Ongoing	5,000	102,078	-	-	-	102,078	-	102,078	102,078	-	Green	Green		-	-	-
Ludlow Junior Demountable Reconfiguration	KLE02	N Ward	281,478	-	81,321	-	200,157	-	281,478	-	281,478	281,478	-	Green	Green		-	-	-
Brockton Primary Early Years	KLE06	N Ward	50,000	-	50,000	-	-	-	50,000	-	50,000	50,000	-	Green	Green		-	-	-
Holy Trinity EY	KLE07	N Ward	8,565	-	8,565	-	-	-	8,565	1,800	6,765	8,565	-	Green	Green		-	-	-
Much Wenlock Extension EY Demountable	KLE08	N Ward	75,000	-	75,000	-	-	-	75,000	-	75,000	75,000	-	Green	Green		-	-	-
Stottesdon PS Extension EY Demountable	KLE09	N Ward	20,000	-	20,000	-	-	-	20,000	-	20,000	20,000	-	Green	Green		-	-	-
Broseley John Wilkinson Primary Early Years	K3L11	N Ward	433,203	257,124	6,841	-	169,238	-	176,079	8,615	167,464	176,079	-	Green	Green		-	-	-
Worthen Primary Early Years	K3L12	N Ward	130,000	-	130,000	-	-	-	130,000	-	130,000	130,000	-	Green	Green		-	-	-
<b>Total</b>					473,805	-	369,395	-	843,200	10,415	832,785	843,200	-				-	-	-
<b>Primary Schools</b>																			
Primary School Refurbishment Unallocated	KLP00	P Wilson	Ongoing	-	-	-	-	-	-	-	-	0	-	Green	Green		-	-	-
Highley - Reconfigure Office Area & Accessible Toilet	K3A08	P Wilson	74,150	1,758	72,392	-	-	-	72,392	10,411	61,981	72,392	-	Green	Green		-	-	-
Kinlet Primary - Heads Office/PPA/Lobby Works	K3A54	P Wilson	137,576	134,284	3,292	-	-	-	3,292	272	3,020	3,292	-	Green	Green		-	-	-
Cockshutt - Secure Lobby	KLP09	P Wilson	52,955	-	52,955	-	-	-	52,955	-	52,955	52,955	-	Green	Green		-	-	-
St Laurence, Ludlow - Entrance Lobby	KLP11	P Wilson	105,545	-	129,560	(24,015)	-	-	105,545	-	105,545	105,545	-	Green	Green		-	-	-
Brown Clee Secure Lobby	KLP13	P Wilson	11,959	-	11,959	-	-	-	11,959	8,286	3,673	11,959	-	Green	Green		-	-	-

## Shropshire Council - Capital Programme 2017/18- 2020/21

## Capital Scheme Details Quarter 1 2017/18

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Bicton Eco Classroom	KLP14	P Wilson	28,624	-	28,624	-	-	-	28,624	2,512	26,112	28,624	-	Green	Green		-	-	-
<b>Total</b>					<b>298,782</b>	<b>(24,015)</b>			<b>274,767</b>	<b>21,481</b>	<b>253,286</b>	<b>274,767</b>							
<b>Basic Need</b>																			
Basic Need Unallocated	KLB00	P Wilson	Ongoing	-	2,799,353	1,200,000	-	(3,000,000)	999,353	-	999,353	999,353	-	Green	Green		3,000,000	-	-
Market Drayton - Basic Need	K3181	P Wilson	264,060	225,547	38,513	-	-	-	38,513	-	38,513	38,513	-	Green	Green		-	-	-
Shrewsbury Mount Pleasant	KLB01	P Wilson	557,274	458,401	15,140	83,733	-	-	98,873	43,180	55,693	98,873	-	Green	Green		-	-	-
Shifnal St Andrews	KLB06	P Wilson	-	-	800,000	(800,000)	-	-	-	-	-	0	-	Green	Green		-	-	-
Sundome Infants/Harlescott Junior - Site TBC	KLB07	P Wilson	400,000	-	400,000	-	-	-	400,000	-	400,000	400,000	-	Green	Green		-	-	-
Market Drayton Primary	KLB08	P Wilson	400,000	-	400,000	-	-	-	400,000	-	400,000	400,000	-	Green	Green		-	-	-
Shifnal St Andrews	KLB09	P Wilson	-	-	400,000	(400,000)	-	-	-	-	-	0	-	Green	Green		-	-	-
<b>Total</b>					<b>5,409,111</b>	<b>83,733</b>		<b>(3,000,000)</b>	<b>2,492,844</b>	<b>165,656</b>	<b>2,327,188</b>	<b>2,492,844</b>					<b>3,000,000</b>		
<b>School Amalgamations</b>																			
School Amalgamations Unallocated	KLA00	P Wilson	Ongoing	-	105,630	-	-	-	105,630	-	105,630	105,630	-	Green	Green		-	-	-
Mount Pleasant	K3200	P Wilson	2,865,218	2,840,218	25,000	-	-	-	25,000	13,298	11,702	25,000	-	Green	Green		-	-	-
Bishop Hooper	K3094	P Wilson	3,440,817	3,402,059	38,758	-	-	-	38,758	-	38,758	38,758	-	Green	Green		-	-	-
Shawbury Primary / St Mary's Amalgamation	K3207	P Wilson	1,892,357	1,843,723	48,634	-	-	-	48,634	1,136	47,498	48,634	-	Green	Green		-	-	-
St Martins - All Through School	K3208	P Wilson	3,322,029	3,314,919	7,110	-	-	-	7,110	-	7,110	7,110	-	Green	Green		-	-	-
Hope, Worthen & Westbury Amalgamation	K3217	P Wilson	-	-	-	-	-	-	-	1,200	(1,200)	0	-	Green	Green		-	-	-
<b>Total</b>					<b>225,132</b>				<b>225,132</b>	<b>15,634</b>	<b>209,498</b>	<b>225,132</b>							
<b>Secondary Schools</b>																			
Secondary School Refurbishment Unallocated	KLS00	P Wilson	Ongoing	-	-	-	-	-	-	-	-	0	-	Green	Green		-	-	-
Grove - Science Lab Refurb	KLS09	P Wilson	115,953	94,658	21,295	-	-	-	21,295	8,263	13,032	21,295	-	Green	Green		-	-	-
Ludlow Secondary - Secure Lobby	KLS10	P Wilson	42,799	979	41,820	-	-	-	41,820	28,245	13,575	41,820	-	Green	Green		-	-	-
<b>Total</b>					<b>63,115</b>				<b>63,115</b>	<b>36,508</b>	<b>26,607</b>	<b>63,115</b>							
<b>Suitability</b>																			
Farlow Primary - PPA Space & Headteachers Office	KLS11	P Wilson	49,950	-	49,950	-	-	-	49,950	-	49,950	49,950	-	Green	Green		-	-	-
Norbury Primary - PPA Space	KLS12	P Wilson	76,300	-	76,300	-	-	-	76,300	-	76,300	76,300	-	Green	Green		-	-	-
Stoke Newington Primary - PPA Space	KLS13	P Wilson	32,700	-	32,700	-	-	-	32,700	-	32,700	32,700	-	Green	Green		-	-	-
Hodnet - Secure Access	KLS14	P Wilson	155,400	-	155,400	-	-	-	155,400	-	155,400	155,400	-	Green	Green		-	-	-
<b>Total</b>					<b>314,350</b>				<b>314,350</b>		<b>314,350</b>	<b>314,350</b>							
<b>Energy Efficiency</b>																			
Various - Boiler Control Replacement	KLG06	P Wilson	32,277	-	32,700	(423)	-	-	32,277	6,528	25,749	32,277	-	Green	Green		-	-	-
Whitchurch Infants - phase 2 single pipe heating system	KLG07	P Wilson	32,588	-	32,700	(112)	-	-	32,588	-	32,588	32,588	-	Green	Green		-	-	-
Morda - Boiler replacement	KLG08	P Wilson	32,463	-	-	32,463	-	-	32,463	-	32,463	32,463	-	Green	Green		-	-	-
Mereside Primary - Boiler & Controls Upgrade	KLG03	P Wilson	54,500	-	54,500	-	-	-	54,500	-	54,500	54,500	-	Green	Green		-	-	-
Stiperstones - Boiler & Controls Upgrade	KLG04	P Wilson	48,657	-	98,100	(49,443)	-	-	48,657	-	48,657	48,657	-	Green	Green		-	-	-
Trinity, Ford - Replace Heating Boiler	KLG05	P Wilson	54,500	-	54,500	-	-	-	54,500	380	54,120	54,500	-	Green	Green		-	-	-
<b>Total</b>					<b>272,500</b>	<b>(17,515)</b>			<b>254,985</b>	<b>6,908</b>	<b>248,077</b>	<b>254,985</b>							
<b>Universal Infant Free School Meals</b>																			
School Kitchen Unallocated (Capitalised DSG)	KLK00	P Wilson	-	-	-	-	-	-	-	-	-	0	-	Green	Green		-	-	-
St John the Baptist, Ruyton X1 Towns - Extend Kitchen	KLK05	P Wilson	144,908	144,859	54	(5)	-	-	49	50	(1)	49	-	Green	Green		-	-	-
<b>Total</b>					<b>54</b>	<b>(5)</b>			<b>49</b>	<b>50</b>	<b>(1)</b>	<b>49</b>							
<b>Condition</b>																			
Condition Unallocated	KL000	P Wilson	Ongoing	-	380,973	32,830	(212,572)	-	201,231	-	201,231	201,231	-	Green	Green		-	-	-
Stoke on Tern - Replacement Windows to Rear Elevation	KL060	P Wilson	30,673	29,496	5,131	(3,954)	-	-	1,177	1,177	-	1,177	-	Green	Green		-	-	-
Moreton Say - Re-Roofing of Original Main Building	KL071	P Wilson	90,152	88,190	1,962	-	-	-	1,962	-	1,962	1,962	-	Green	Green		-	-	-
Cockshutt - Reroof Demountable	KL118	P Wilson	12,577	12,289	288	-	-	-	288	-	288	288	-	Green	Green		-	-	-
Cheswardine - Rewire Phase 1	KL121	P Wilson	26,893	26,893	753	(753)	-	-	-	-	-	0	-	Green	Green		-	-	-
Hinstock - Replace Windows	KL142	P Wilson	12,135	11,018	1,117	-	-	-	1,117	-	1,117	1,117	-	Green	Green		-	-	-
Bomere Heath - Phase 3 Rewire & Kitchen Replacement	KL150	P Wilson	141,406	139,527	165	1,714	-	-	1,879	1,879	(1)	1,879	-	Green	Green		-	-	-
Belvidere Primary - Phase 1 Windows	KL151	P Wilson	27,029	10,817	16,212	-	-	-	16,212	-	16,212	16,212	-	Green	Green		-	-	-
St Andrews CE Primary - Phase 2 Reroof	KL155	P Wilson	34,930	34,213	717	-	-	-	717	-	717	717	-	Green	Green		-	-	-
Trinity, Ford - Phase 2 Rewire	KL157	P Wilson	52,678	52,678	2,998	(2,998)	-	-	-	-	-	0	-	Green	Green		-	-	-
BCCC - English Block Toilets	KL161	P Wilson	90,821	56,455	34,366	-	-	-	34,366	12,000	22,366	34,366	-	Green	Green		-	-	-
Grove - Phase 3 Curtain Walling	KL166	P Wilson	119,266	108,772	10,494	-	-	-	10,494	175	10,319	10,494	-	Green	Green		-	-	-
Moreton Say - Windows Replacement	KL167	P Wilson	11,123	9,339	1,784	-	-	-	1,784	1,784	-	1,784	-	Green	Green		-	-	-
Selattyn - Phase 1&2 Heating	KL187	P Wilson	40,762	40,411	351	-	-	-	351	-	351	351	-	Green	Green		-	-	-
Prees - Reroof Main School	KL199	P Wilson	12,801	12,492	309	-	-	-	309	-	309	309	-	Green	Green		-	-	-
Belvidere Secondary - Phase 4 Rewire	KL204	P Wilson	83,286	83,286	4,481	(4,481)	-	-	-	-	-	0	-	Green	Green		-	-	-
St Leonards Primary School KS1 Hall Refenestration	KL206	P Wilson	53,962	53,962	9,922	(9,922)	-	-	-	-	-	0	-	Green	Green		-	-	-
Shifnal St Andrews - KS2 Toilets	KL207	P Wilson	80,861	62,962	17,899	-	-	-	17,899	7,014	10,886	17,899	-	Green	Green		-	-	-
Mary Webb - Phase 2 Windows	KL208	P Wilson	146,676	146,676	638	(638)	-	-	-	-	-	0	-	Green	Green		-	-	-
Meole Brace Primary Storm Drain Replacement	KL213	P Wilson	7,832	7,832	1,145	(1,145)	-	-	-	-	-	0	-	Green	Green		-	-	-
Community College Bishops Castle - Replace Boiler & Controls	KL214	P Wilson	118,492	67,282	50,065	1,145	-	-	51,210	36,590	14,620	51,210	-	Green	Green		-	-	-
Meole Brace Secondary - Replace External Stairs to B1 Quad	KL216	P Wilson	16,350	-	16,350	-	-	-	16,350	360	15,990	16,350	-	Green	Green		-	-	-
Selattyn - Demolition of Outside Store and make good	KL217	P Wilson	33,362	95	33,365	882	-	-	33,267	30,538	2,729	33,267	-	Green	Green		-	-	-
Belvidere Primary - Re-fenestration and asbestos removal	KL300	P Wilson	27,250	-	27,250	-	-	-	27,250	-	27,250	27,250	-	Green	Green		-	-	-
Belvidere Secondary - Re-roof Hall	KL301	P Wilson	77,900	-	87,200	(9,300)	-	-	77,900	253	77,647	77,900	-	Green	Green		-	-	-
Coleham Primary - Phase 1 re-wire	KL302	P Wilson	24,666	-	32,700	(8,034)	-	-	24,666	-	24,666	24,666	-	Green	Green		-	-	-

## Shropshire Council - Capital Programme 2017/18- 2020/21

## Capital Scheme Details Quarter 1 2017/18

Scheme Description	Code	Project Manager	Total Approved Scheme Budget £	Previous Years Spend £	Revised Budget Outturn 2016/17 £	Budget Virements Q1 £	Budget Inc/Dec Q1 £	Reprofile to/from future years Q1 £	Revised Budget Q1 £	Actual Spend 30/06/17 £	Spend to Budget Variance £	Outturn Projection £	Outturn Variance Projection £	RAG Status Scheme on Budget	RAG Status Scheme Progress	Note	2018/19 Revised Budget £	2019/20 Revised Budget £	2020/21 Revised Budget £
Crowmoor Primary - Re-fenestration to Hall & Kitchen	KL303	P Wilson	93,277	-	87,200	6,077	-	-	93,277	-	93,277	93,277	-	Green	Green		-	-	-
Bishops Castle Primary - Demountable re-roof	KL304	P Wilson	16,181	-	16,350	(169)	-	-	16,181	14,845	1,336	16,181	-	Green	Green		-	-	-
Bishops Castle CC - Block A re-roof	KL305	P Wilson	87,200	-	87,200	-	-	-	87,200	-	87,200	87,200	-	Green	Green		-	-	-
Belvidere Secondary - Phase 5 re-wire	KL306	P Wilson	54,500	-	54,500	-	-	-	54,500	-	54,500	54,500	-	Green	Green		-	-	-
St Marys Abibrighton - Renewal of fan convectors	KL364	P Wilson	28,417	-	38,150	(9,733)	-	-	28,417	380	28,037	28,417	-	Green	Green		-	-	-
Gobowen Primary - Replace Kitchen Windows	KL307	P Wilson	10,209	-	10,900	(691)	-	-	10,209	-	10,209	10,209	-	Green	Green		-	-	-
Mary Webb Secondary - Phase 2 Replacement Windows	KL308	P Wilson	60,122	-	54,500	5,622	-	-	60,122	-	60,122	60,122	-	Green	Green		-	-	-
Mary Webb Secondary - Humanities Block re-wire	KL309	P Wilson	31,949	-	54,500	(22,551)	-	-	31,949	665	31,284	31,949	-	Green	Green		-	-	-
Coleham Primary - Phase 3 Walls, Windows & Doors	KL310	P Wilson	51,405	-	49,050	2,355	-	-	51,405	-	51,405	51,405	-	Green	Green		-	-	-
Weston Rhyn Primary - Replace Corridor Windows	KL311	P Wilson	24,565	-	21,800	2,765	-	-	24,565	-	24,565	24,565	-	Green	Green		-	-	-
Whitchurch Infants - Phase 2 re-wire	KL312	P Wilson	21,800	-	21,800	-	-	-	21,800	-	21,800	21,800	-	Green	Green		-	-	-
Market Drayton Infant - Replacement Windows & Doors	KL313	P Wilson	65,400	-	65,400	-	-	-	65,400	-	65,400	65,400	-	Green	Green		-	-	-
St Giles Primary - Phase 3 Re-wire	KL314	P Wilson	118,088	-	76,300	31,788	10,000	-	118,088	-	118,088	118,088	-	Green	Green		-	-	-
Thomas Adams - Kitchen Fan & Canopy replacement	KL315	P Wilson	55,658	-	38,150	17,508	-	-	55,658	-	55,658	55,658	-	Green	Green		-	-	-
Woore Primary - Phase 1 re-wire	KL316	P Wilson	29,109	-	16,350	12,759	-	-	29,109	-	29,109	29,109	-	Green	Green		-	-	-
Coleham Primary - Replace Gas Meter & Pipework	KL317	P Wilson	19,628	-	16,350	3,278	-	-	19,628	10,263	9,365	19,628	-	Green	Green		-	-	-
Meole Brace Primary - Re-roof KS2	KL318	P Wilson	118,310	-	76,300	42,010	-	-	118,310	-	118,310	118,310	-	Green	Green		-	-	-
Brockton Primary - Phase 1 re-wire	KL319	P Wilson	21,800	-	21,800	-	-	-	21,800	665	21,135	21,800	-	Green	Green		-	-	-
Sundorne Infants - Phase 3 window replacement	KL320	P Wilson	25,877	-	27,250	(1,373)	-	-	25,877	380	25,497	25,877	-	Green	Green		-	-	-
Pontesbury Primary - Phase 2 window replacement	KL321	P Wilson	21,786	-	21,800	(14)	-	-	21,786	19,837	1,949	21,786	-	Green	Green		-	-	-
Whitchurch Infants - Classroom Floors	KL322	P Wilson	21,800	-	21,800	-	-	-	21,800	-	21,800	21,800	-	Green	Green		-	-	-
Hinstock Primary - Re-roof	KL323	P Wilson	61,646	-	65,400	(3,754)	-	-	61,646	-	61,646	61,646	-	Green	Green		-	-	-
Trinity, Ford - Final re-wire	KL324	P Wilson	21,800	-	21,800	-	-	-	21,800	-	21,800	21,800	-	Green	Green		-	-	-
Belvidere Secondary - Block 1 re-roof	KL325	P Wilson	109,000	-	109,000	-	-	-	109,000	-	109,000	109,000	-	Green	Green		-	-	-
Hadhall Primary - Main Toilet Refurbishment	KL326	P Wilson	33,448	-	32,700	748	-	-	33,448	-	33,448	33,448	-	Green	Green		-	-	-
Cheswaine Primary - Demountable Window Replacement	KL327	P Wilson	10,900	-	10,900	-	-	-	10,900	-	10,900	10,900	-	Green	Green		-	-	-
Bishopscastle CC - Phase 2 re-wire	KL328	P Wilson	44,507	-	54,500	(9,993)	-	-	44,507	-	44,507	44,507	-	Green	Green		-	-	-
Kinnaly Primary - Phase 1 Heating	KL329	P Wilson	49,050	-	49,050	-	-	-	49,050	-	49,050	49,050	-	Green	Green		-	-	-
Lower Heath Primary - Phase 2 Window Replacement	KL330	P Wilson	26,970	-	32,700	(5,730)	-	-	26,970	-	26,970	26,970	-	Green	Green		-	-	-
Mereside Primary - Phase 1 re-wire	KL331	P Wilson	32,410	-	32,700	(290)	-	-	32,410	-	32,410	32,410	-	Green	Green		-	-	-
Pontesbury Primary - KS2 Girls Toilet Refurbishment	KL332	P Wilson	51,688	-	54,500	(2,812)	-	-	51,688	380	51,308	51,688	-	Green	Green		-	-	-
St Laurence, Ludlow - Hall & Corridor re-wire	KL333	P Wilson	16,350	-	16,350	-	-	-	16,350	-	16,350	16,350	-	Green	Green		-	-	-
Market Drayton Infant - Demountable Window Replacement	KL334	P Wilson	19,620	-	19,620	-	-	-	19,620	-	19,620	19,620	-	Green	Green		-	-	-
Church Green Primary - Toilet refurbishment	KL335	P Wilson	-	-	43,600	(43,600)	-	-	-	-	-	0	-	Green	Green		-	-	-
Cockshutt Primary - Toilet refurbishment	KL336	P Wilson	30,501	-	16,350	14,151	-	-	30,501	-	30,501	30,501	-	Green	Green		-	-	-
Hinstock Primary - Toilet refurbishment	KL337	P Wilson	32,700	-	32,700	-	-	-	32,700	-	32,700	32,700	-	Green	Green		-	-	-
Market Drayton Junior - Phase 1 Windows	KL338	P Wilson	32,700	-	32,700	-	-	-	32,700	-	32,700	32,700	-	Green	Green		-	-	-
Much Wenlock - KS2 Toilet refurbishment	KL339	P Wilson	17,143	-	16,350	793	-	-	17,143	-	17,143	17,143	-	Green	Green		-	-	-
Newtown Primary - Toilet refurbishment	KL340	P Wilson	21,800	-	21,800	-	-	-	21,800	-	21,800	21,800	-	Green	Green		-	-	-
St Georges Primary - Phase 2 Toilet refurbishment	KL341	P Wilson	55,377	-	43,600	11,777	-	-	55,377	-	55,377	55,377	-	Green	Green		-	-	-
Myddle - Kitchen Re-wire	KL342	P Wilson	65,400	-	65,400	-	-	-	65,400	-	65,400	65,400	-	Green	Green		-	-	-
Stiperstones Primary - Toilet refurbishment	KL343	P Wilson	43,600	-	43,600	-	-	-	43,600	-	43,600	43,600	-	Green	Green		-	-	-
Trinity, Ford - Junior Toilet refurbishment	KL344	P Wilson	54,876	-	54,500	376	-	-	54,876	380	54,496	54,876	-	Green	Green		-	-	-
Woore Primary - Toilet refurbishment	KL345	P Wilson	38,643	-	38,150	493	-	-	38,643	-	38,643	38,643	-	Green	Green		-	-	-
St Peters Wem, Phase 3 slate re-roof	KL346	P Wilson	86,717	-	98,100	(11,383)	-	-	86,717	1,527	85,190	86,717	-	Green	Green		-	-	-
Castlefields Primary - replacement windows	KL347	P Wilson	16,385	-	32,700	(16,315)	-	-	16,385	-	16,385	16,385	-	Green	Green		-	-	-
Thomas Adams - window replacement	KL348	P Wilson	37,593	-	43,600	(6,007)	-	-	37,593	-	37,593	37,593	-	Green	Green		-	-	-
Grove - Window fenestration 3 storey block	KL349	P Wilson	143,518	-	152,600	(9,082)	-	-	143,518	-	143,518	143,518	-	Green	Green		-	-	-
Hinstock Primary - window replacement	KL350	P Wilson	27,250	-	27,250	-	-	-	27,250	-	27,250	27,250	-	Green	Green		-	-	-
Woodfield Primary - replace kitchen roof	KL365	P Wilson	76,766	-	92,650	(15,884)	-	-	76,766	-	76,766	76,766	-	Green	Green		-	-	-
Thomas Adams - Phase 3 re-wire	KL351	P Wilson	53,674	-	54,500	(826)	-	-	53,674	-	53,674	53,674	-	Green	Green		-	-	-
Bryn Offa Primary - Phase 3 re-wire	KL352	P Wilson	21,800	-	21,800	-	-	-	21,800	-	21,800	21,800	-	Green	Green		-	-	-
Brockton Primary - replace front elevation windows	KL353	P Wilson	16,664	-	21,800	(5,136)	-	-	16,664	-	16,664	16,664	-	Green	Green		-	-	-
Brockton Primary - part re-wire, asbestos removal	KL354	P Wilson	30,523	-	32,700	(2,177)	-	-	30,523	-	30,523	30,523	-	Green	Green		-	-	-
Much Wenlock - rotten timber replacement	KL355	P Wilson	34,517	-	32,700	1,817	-	-	34,517	-	34,517	34,517	-	Green	Green		-	-	-
Meole Brace Primary - KS2 Hall re-roof	KL356	P Wilson	-	-	49,050	(49,050)	-	-	-	-	-	0	-	Green	Green		-	-	-
Meole Brace Secondary - replacement of timber to south	KL357	P Wilson	159,241	-	54,500	104,741	-	-	159,241	-	159,241	159,241	-	Green	Green		-	-	-
Meole Brace Secondary - replacement of timber to side	KL358	P Wilson	-	-	54,500	(54,500)	-	-	-	-	-	0	-	Green	Green		-	-	-
Meole Brace Secondary - replacement of timber windows	KL359	P Wilson	-	-	38,150	(38,150)	-	-	-	-	-	0	-	Green	Green		-	-	-
Minsterley Primary - Phase 1 re-wire	KL360	P Wilson	48,161	-	54,500	(6,339)	-	-	48,161	-	48,161	48,161	-	Green	Green		-	-	-
Meole Brace Primary - Phase 3 re-wire	KL361	P Wilson	52,877	-	54,500	(1,623)	-	-	52,877	-	52,877	52,877	-	Green	Green		-	-	-
Chirbury Primary - Demountable Toilet refurbishment	KL362	P Wilson	27,250	-	27,250	-	-	-	27,250	-	27,250	27,250	-	Green	Green		-	-	-
Stiperstones Primary - remove render & repair stone	KL363	P Wilson	27,250	-	27,250	-	-	-	27,250	410	26,840	27,250	-	Green	Green		-	-	-
Albrighton Primary - Installation of Solid KS2 Hall Floor	KL366	P Wilson	26,861	-	-	26,861	-	-	26,861	-	26,861	26,861	-	Green	Green		-	-	-
<b>Total</b>					<b>3,509,511</b>	<b>(38,875)</b>	<b>(202,572)</b>		<b>3,268,064</b>	<b>154,877</b>	<b>3,113,187</b>	<b>3,268,064</b>							
<b>Fire Safety Schemes</b>																			
Fire Safety - Avelley Primary	KLF05	P Wilson	3,707	3,707	665	(665)	-	-	-	-	-	0	-	Green	Green		-	-	-
Fire Safety - Market Drayton Infants	KLF08	P Wilson	5,127	2,327	3,659	(859)	-	2,800	2,800	-	(0)	2,800	-	Green	Green		-	-	-
Fire Safety - Beckbury	KLF16	P Wilson	11,736	11,736	-	-	-	-	-	2,004	(2,004)	0	-	Red	Green		-	-	-

## Shropshire Council - Capital Programme 2017/18- 2020/21

## Capital Scheme Details Quarter 1 2017/18

Scheme Description	Code	Project Manager	Total Approved Scheme Budget £	Previous Years Spend £	Revised Budget Outturn 2016/17 £	Budget Virements Q1 £	Budget Inc/Dec Q1 £	Reprofile to/from future years Q1 £	Revised Budget Q1 £	Actual Spend 30/06/17 £	Spend to Budget Variance £	Outturn Projection £	Outturn Variance Projection £	RAG Status Scheme on Budget	RAG Status Scheme Progress	Note	2018/19 Revised Budget £	2019/20 Revised Budget £	2020/21 Revised Budget £
Fire Safety - Gobowen	KLF19	P Wilson	14,493	-	14,493	-	-	-	14,493	8,522	5,971	14,493	-	Green	Green		-	-	-
Fire Safety - Weston Rhyn	KLF20	P Wilson	10,972	-	10,972	-	-	-	10,972	-	10,972	10,972	-	Green	Green		-	-	-
Fire Safety - Trefonen	KLF21	P Wilson	17,224	-	16,350	874	-	-	17,224	-	17,224	17,224	-	Green	Green		-	-	-
Fire Safety - Hadnall	KLF23	P Wilson	-	-	2,917	(2,917)	-	-	-	-	-	0	-	Green	Green		-	-	-
Fire Safety - Clive Primary Fire Alarm Replacement	KLF30	P Wilson	5,694	-	5,450	244	-	-	5,694	-	5,694	5,694	-	Green	Green		-	-	-
<b>Total</b>					<b>54,506</b>	<b>(3,323)</b>			<b>51,183</b>	<b>13,326</b>	<b>37,857</b>	<b>51,183</b>							
<b>Special Education Needs</b>																			
Schools Access Initiative Unallocated	KLD00	P Wilson	Ongoing	-	50,000	-	-	-	50,000	-	50,000	50,000	-	Green	Green		-	-	-
Special Provision Funds Allocation	KLD06	P Wilson	500,001	-	-	-	-	-	-	-	-	0	-	Green	Green		166,667	166,667	166,667
Kettlemere Centre - Lakelands	K3CX0	P Wilson	946,515	940,514	6,001	-	-	-	6,001	-	6,001	6,001	-	Green	Green		-	-	-
<b>Total</b>					<b>56,001</b>				<b>56,001</b>		<b>56,001</b>	<b>56,001</b>					<b>166,667</b>	<b>166,667</b>	<b>166,667</b>
<b>Devolved Formula Capital</b>			<b>Current</b>																
Devolved Formula Capital - Allocated by schools		P Wilson	Ongoing	-	1,054,532	-	578,374	-	1,632,906	163,985	1,468,921	1,632,906	-	Green	Green		-	-	-
<b>Total Learning &amp; Skills</b>					<b>11,731,399</b>		<b>745,197</b>	<b>(3,000,000)</b>	<b>9,476,596</b>	<b>588,842</b>	<b>8,887,754</b>	<b>9,476,596</b>					<b>3,166,667</b>	<b>166,667</b>	<b>166,667</b>
<b>Total Children's Services</b>					<b>11,750,747</b>		<b>745,197</b>	<b>(3,000,000)</b>	<b>9,495,944</b>	<b>589,112</b>	<b>8,906,832</b>	<b>9,495,944</b>					<b>3,166,667</b>	<b>166,667</b>	<b>166,667</b>
<b>Total General Fund Capital Programme</b>					<b>69,846,570</b>		<b>936,455</b>	<b>(4,303,523)</b>	<b>66,479,502</b>	<b>5,597,606</b>	<b>60,838,454</b>	<b>66,479,502</b>					<b>29,275,450</b>	<b>3,600,448</b>	<b>166,667</b>
<b>Housing Revenue Account</b>																			
<b>Major Repairs Programme - Unallocated</b>																			
Housing Major Repairs Programme	K5P01	A Begley	Ongoing	-	2,822,900	-	-	-	2,822,900	-	2,822,900	2,822,900	-	Green	Green		-	-	-
<b>Total</b>					<b>2,822,900</b>				<b>2,822,900</b>		<b>2,822,900</b>	<b>2,822,900</b>							
<b>Major Repairs Programme - STAR Housing Contracts</b>																			
STAR Rewires	K5R02	A Begley	1,131,685	993,444	138,241	-	-	-	138,241	41,681	96,560	138,241	-	Green	Green		-	-	-
STAR Electrical Remedial Works	K5R04	A Begley	927,626	777,626	150,000	-	-	-	150,000	19,883	130,117	150,000	-	Green	Green		-	-	-
STAR Roofing	K5R05	A Begley	316,028	219,532	96,496	-	-	-	96,496	-	96,496	96,496	-	Green	Green		-	-	-
STAR Floor Works	K5R06	A Begley	784,821	456,244	328,577	-	-	-	328,577	17,760	310,817	328,577	-	Green	Green		-	-	-
STAR Kitchens & Bathrooms	K5R07	A Begley	2,109,193	1,565,640	543,553	-	-	-	543,553	110,426	433,127	543,553	-	Green	Green		-	-	-
STAR Fire Safety Works	K5R08	A Begley	288,095	146,461	141,634	-	-	-	141,634	33,068	108,566	141,634	-	Green	Green		-	-	-
STAR External Doors	K5R11	A Begley	327,770	326,499	1,271	-	-	-	1,271	65,215	(63,944)	1,271	-	Green	Green		-	-	-
STAR External Wall Insulation	K5R12	A Begley	889,696	881,763	7,933	-	-	-	7,933	12,949	(5,016)	7,933	-	Green	Green		-	-	-
STAR Disabled Aids & Adaptations	K5R13	A Begley	922,423	607,666	314,757	-	-	-	314,757	34,780	279,977	314,757	-	Green	Green		-	-	-
STAR Heating Insulation Works (Liberty)	K5R14	A Begley	2,503,313	2,196,636	306,677	-	-	-	306,677	165,388	141,289	306,677	-	Green	Green		-	-	-
STAR Sewage Treatment Works	KSH01	A Begley	70,465	780	69,685	-	-	-	69,685	-	69,685	69,685	-	Green	Green		-	-	-
STAR Asbestos Removal	KSH02	A Begley	465,112	232,099	233,013	-	-	-	233,013	30,665	202,348	233,013	-	Green	Green		-	-	-
STAR Kitchens & Bathrooms Voids	KSH03	A Begley	354,572	334,876	19,696	-	-	-	19,696	70,735	(51,039)	19,696	-	Green	Green		-	-	-
STAR Oswestry Castlefields Regeneration	KSH04	A Begley	185,840	157,493	28,347	-	-	-	28,347	5,475	22,872	28,347	-	Green	Green		-	-	-
STAR Radon Testing & Implementation	KSH05	A Begley	-	-	-	-	-	-	-	-	-	0	-	Green	Green		-	-	-
STAR Off Grid Properties Investment	KSH06	A Begley	793,500	119,495	674,005	-	-	-	674,005	52,077	621,928	674,005	-	Green	Green		-	-	-
STAR Heating Works - Reactive	KSH07	A Begley	960,786	489,771	471,015	-	-	-	471,015	118,761	352,254	471,015	-	Green	Green		-	-	-
<b>Total</b>					<b>3,524,900</b>				<b>3,524,900</b>	<b>778,863</b>	<b>2,746,037</b>	<b>3,524,900</b>							
<b>House re-purchases</b>																			
Shared Ownership Buy-back - Rhea Hall	K5RP2	A Begley	60,000	-	60,000	-	-	-	60,000	-	60,000	60,000	-	Green	Green		-	-	-
New Century Court Oswestry	K5RP3	A Begley	320,000	-	320,000	-	-	-	320,000	-	320,000	320,000	-	Green	Green		-	-	-
<b>Total</b>					<b>380,000</b>				<b>380,000</b>		<b>380,000</b>	<b>380,000</b>					<b>0</b>		
<b>New Build Programme</b>																			
Housing New Build Programme - Phase 1	K5NB1	A Begley	7,176,339	7,119,304	57,035	-	-	-	57,035	-	57,035	57,035	-	Green	Green		-	-	-
Housing New Build Programme - Phase 2	K5NB2	A Begley	3,815,981	3,434,987	380,994	-	-	-	380,994	1,450	379,544	380,994	-	Green	Green		-	-	-
Housing New Build Programme - Phase 3	K5NB3	A Begley	672,350	208,139	447,892	-	-	-	447,892	231,877	216,015	447,892	-	Green	Green		16,319	-	-
Housing New Build Programme - Phase 4	K5NB4	A Begley	3,214,230	-	3,068,330	-	-	-	3,068,330	98,866	2,969,464	3,068,330	-	Green	Green		145,900	-	-
<b>Total</b>					<b>3,954,251</b>				<b>3,954,251</b>	<b>332,193</b>	<b>3,622,058</b>	<b>3,954,251</b>					<b>162,219</b>		
<b>Total Housing Revenue Account</b>					<b>10,682,051</b>				<b>10,682,051</b>	<b>1,111,056</b>	<b>9,570,995</b>	<b>10,682,051</b>					<b>162,219</b>		
<b>Total Capital Programme</b>					<b>80,528,621</b>		<b>936,455</b>	<b>(4,303,523)</b>	<b>77,161,553</b>	<b>6,708,662</b>	<b>70,409,449</b>	<b>77,161,553</b>					<b>29,437,669</b>	<b>3,600,448</b>	<b>166,667</b>

## Shropshire Council - Capital Programme 2017/18- 2020/21

Financing	B/F Budget P12 2016/17 £	Budget Virements Q1 £	Budget Inc/Dec Q1 £	Reprofile to/from future years Q1 £	Revised Budget Q1 17/18 £	2018/19 Revised Budget £	2019/20 Revised Budget £	2020/21 Revised Budget £
<b>Self Financed Prudential Borrowing</b>	<b>300,000</b>	-	-	-	<b>300,000</b>	-	-	-
<b>Government Grants</b>								
Department for Transport	21,691,000	-	-	-	21,691,000	14,901,000	-	-
Department for Health - Better Care Fund	2,736,187	-	-	-	2,736,187	-	-	-
Department for Health - HOLD Grant	2,415,000	-	-	-	2,415,000	-	-	-
Department for Education	-	-	-	-	-	-	-	-
- Condition Capital Grant	3,322,364	-	(212,572)	-	3,109,792	-	-	-
- Basic Need Capital Grant	1,798,306	-	-	-	1,798,306	-	-	-
- Devolved Formula Capital	994,933	-	568,374	-	1,563,307	-	-	-
- Special Provision Funds	-	-	-	-	-	166,667	166,667	166,667
Education Funding Agency	-	-	-	-	-	-	-	-
- Early Years Capital Fund	-	-	369,395	-	369,395	-	-	-
HCA - Travellers	76,858	-	-	-	76,858	-	-	-
HCA - New Build	362,500	-	-	-	362,500	70,000	-	-
BDUK - Broadband	4,328,069	-	-	-	4,328,069	7,011,962	-	-
Environment Agency	1,194,489	-	153,000	-	1,347,489	427,000	70,000	-
DEFRA	-	-	-	-	-	-	-	-
Local Enterprise Partnership (LEP) Fund	5,292,432	-	-	(928,542)	4,363,890	2,828,542	2,366,372	-
Public Health England	1,951	-	-	-	1,951	-	-	-
	<b>44,214,089</b>	-	<b>878,197</b>	<b>(928,542)</b>	<b>44,163,744</b>	<b>25,405,171</b>	<b>2,603,039</b>	<b>166,667</b>
<b>Other Grants</b>								
Historic England/English Heritage	42,698	-	-	-	42,698	-	-	-
Natural England	9,703	-	-	-	9,703	-	-	-
Sports England	-	-	-	-	-	-	-	-
Arts Council	-	-	-	-	-	-	-	-
Other Grants	-	-	-	-	-	-	-	-
	<b>52,401</b>	-	-	-	<b>52,401</b>	-	-	-
<b>Other Contributions</b>								
Section 106	492,246	-	38,258	-	530,504	-	-	-
Community Infrastructure Levy (CIL)	-	-	-	-	-	-	-	-
Other Contributions	47,653	-	-	-	47,653	-	-	-
	<b>539,899</b>	-	<b>38,258</b>	-	<b>578,157</b>	-	-	-
<b>Revenue Contributions to Capital</b>	<b>8,481,755</b>	-	<b>20,000</b>	<b>(61,200)</b>	<b>8,440,555</b>	<b>137,100</b>	-	-
<b>Major Repairs Allowance</b>	<b>5,408,793</b>	-	-	-	<b>5,408,793</b>	-	-	-
<b>Corporate Resources (expectation - Capital Receipts only)</b>	<b>21,531,684</b>	-	-	<b>(3,313,781)</b>	<b>18,217,903</b>	<b>3,895,398</b>	<b>997,409</b>	-
<b>Total Confirmed Funding</b>	<b>80,528,621</b>	-	<b>936,455</b>	<b>(4,303,523)</b>	<b>77,161,553</b>	<b>29,437,669</b>	<b>3,600,448</b>	<b>166,667</b>

## Shropshire Council - Capital Programme 2017/18- 2020/21

### Funding changes - Quarter 1

Budget Increase/Decrease	2017/18	2018/19	2019/20	2020/21	Details
<b>Government Grants</b>					
Environment Agency - Flood Defence Grant	153,000				Grant Allocation for two new flood and water management schemes at Westbury and Shifnal.
Department for Education- Condition Grant	(212,572)				Notification of 2017/18 Condition Grant allocation.
Department for Education- Devolved Formula Capital	568,374				Notification of 2017/18 DFC Grant less payments to Academy conversions.
Education Funding Agency - Early Years Capital	369,395				New grant funding to support Early Years providers in the delivery of 30-hour free childcare.
Department for Education - Special Provision		166,667	166,667	166,667	New grant funding announcement to support Local Authorities to create new places and improve facilities for pupils with complex special educational needs.
<b>Total Government Grants</b>	<b>878,197</b>	<b>166,667</b>	<b>166,667</b>	<b>166,667</b>	
<b>Other Contributions</b>					
Section 106	38,258				Section 106 contributions to Outdoor Partnership capital schemes.
<b>Total Other Contributions</b>	<b>38,258</b>	-	-	-	
<b>Revenue Contributions to Capital</b>	<b>20,000</b>				School revenue contribution to Condition Programme scheme.
	<b>936,455</b>	<b>166,667</b>	<b>166,667</b>	<b>166,667</b>	
	-	-	-	-	
<b>Re-profiling</b>					
<b>Places &amp; Enterprise</b>					
LEP Oxon Link Road Project	(1,242,323)	128,542	1,113,781		Re-profiling of OLR project to reflect current reported status.
	<b>(1,242,323)</b>	<b>128,542</b>	<b>1,113,781</b>	-	
<b>Resources &amp; Support</b>					
Digital Transformation Programme - ERP	(61,200)	61,200			Re-profiling of budget to match expected scheme profile.
	<b>(61,200)</b>	<b>61,200</b>	-	-	
<b>Learning &amp; Skills</b>					
Basic Need Unallocated	(3,000,000)	3,000,000			Re-profiling of budget to match current spend profile forecasts.
	<b>(3,000,000)</b>	<b>3,000,000</b>	-	-	
	<b>(4,303,523)</b>	<b>3,189,742</b>	<b>1,113,781</b>	-	
	-	-	-	-	



## Committee and Date

Cabinet  
6 September 2017

Audit Committee  
7 September 2017

Council  
21 September 2017

## **ANNUAL TREASURY REPORT 2016/17**

**Responsible Officer** James Walton

e-mail: James.Walton@shropshire.gov.uk

Tel: (01743) 258915

### **1. Summary**

- 1.1. The report informs members of treasury activities for Shropshire Council for 2016/17, including the investment performance of the internal treasury team to 31 March 2017. The internal treasury team outperformed their investment benchmark by 0.34% in 2016/17 and performance for the last three years is 0.29% per annum above benchmark. Treasury activities during the year have been within approved prudential and treasury indicators set and have complied with the Treasury Strategy.
- 1.2. During 2016/17 the performance of the Treasury Team delivered an underspend of £1.468 million compared to budget as highlighted in paragraph 10.4 of this report. This underspend helped the Council to achieve an overall underspend at the end of the financial year.

### **2. Recommendations**

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

## **REPORT**

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

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



## 4. Financial Implications

- 4.1. The Council makes assumptions about the levels of borrowing and investment income over the financial year. Reduced borrowing as a result of capital receipt generation or delays in delivery of the capital programme will both have a positive impact of the council's cash position. Similarly, higher than benchmarked returns on available cash will also help the Council's financial position. For monitoring purposes, assumptions are made early in year about borrowing and returns based on the strategies agreed by Council in the preceding February. Performance outside of these assumptions results in increased or reduced income for the Council.
- 4.2. The 2016/17 performance is above benchmark for the reasons outlined in paragraph 10.5 of this report and has delivered additional income of £1.468 million which has been reflected in the final Revenue Monitor report for 2016/17.

## 5. Background

- 5.1. The Council defines its treasury management activities as "the management of the authority's investments and cash flows, its banking, money market and capital market transactions, the effective control of the risks associated with those activities, and the pursuit of optimum performance consistent with those risks".
- 5.2. The Council is required through regulations issued under the Local Government Act 2003 to produce an annual treasury report reviewing treasury management activities and the actual prudential and treasury indicators for 2016/17. This report meets the requirements of both the CIPFA Code of Practice on Treasury Management and the CIPFA Prudential Code for Capital Finance in Local Authorities.
- 5.3. Changes in the regulatory environment place a much greater onus on members for the review and scrutiny of treasury management policy and activities. Minimum reporting requirements are that the Council should receive the following reports:
  - An annual treasury strategy in advance of the year.
  - A mid-year treasury update report.
  - An annual report following the year describing the activity compared to the strategy.
- 5.4. The CIPFA Code of Practice on Treasury Management states that these reports should be scrutinised by a nominated committee and members should be trained on treasury management activities in order to support them in their scrutiny role. These reports were scrutinised by the Audit Committee before they were reported to full Council for approval. Members have also received training on treasury management issues to support their scrutiny role.



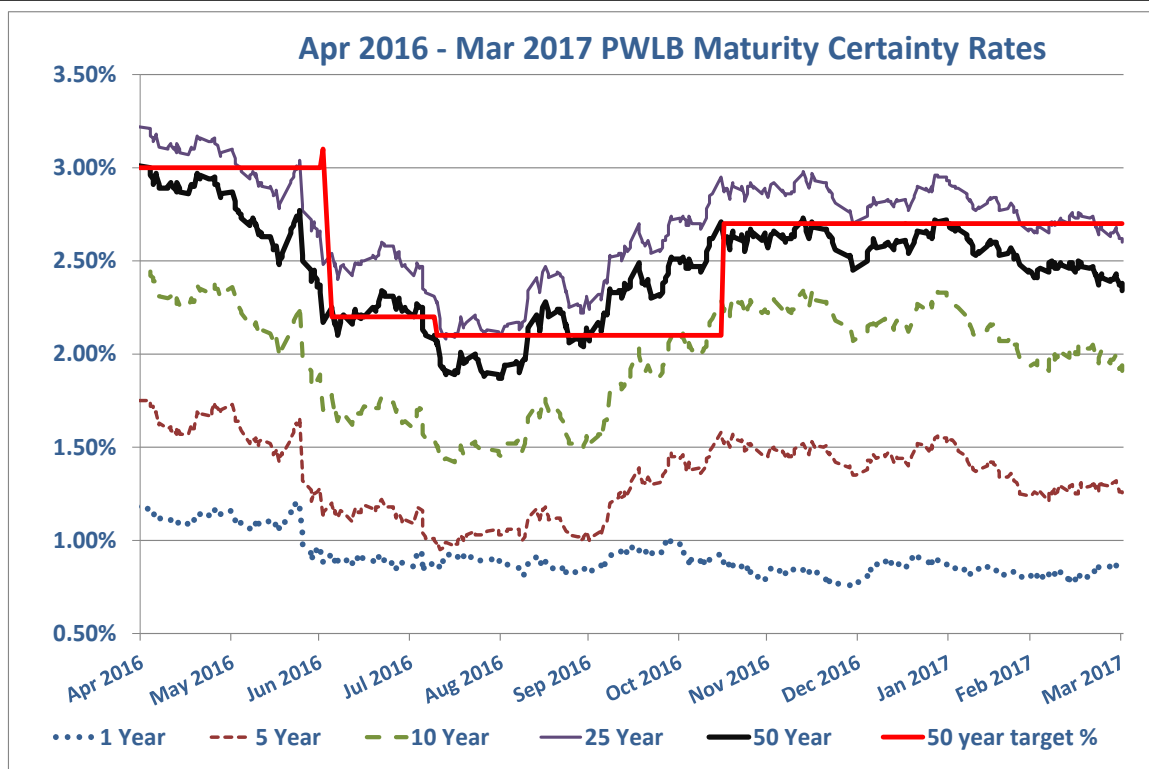
- 5.5. In addition to the minimum reporting requirements, the Director's and Cabinet also receive quarterly treasury management update reports for information.
- 5.6. The Treasury Strategy for 2016/17 was approved by Council in February 2016, the mid-year treasury update report was approved by Council in December 2016. This Annual Report sets out our actual treasury performance for the year and shows how the actual treasury performance varied from our estimates and planning assumptions.

## **6. Borrowing Strategy for 2016/17**

- 6.1. The Council did not have an external borrowing requirement for 2016/17 to 2018/19 but based on the prospects for interest rates outlined in the Treasury Strategy, the Council would adopt a pragmatic approach if circumstances changed when considering any new borrowing.
- 6.2. Short term Public Works Loan Board (PWLB) rates were expected to be significantly cheaper than longer term borrowing rates during the year therefore borrowing in the under 10 year period early on in the financial year when rates were expected to be at their lowest would be considered. Variable rate borrowing was also expected to be cheaper than long term fixed rate borrowing throughout the year.
- 6.3. An alternative strategy was to defer any new borrowing as long term borrowing rates were expected to be higher than investment rates during the year. This would maximise savings in the short term and also have the added benefit of running down investments which would reduce credit risk. Short term money market borrowing was not used during the year.

## **7. Borrowing outturn for 2016/17**

- 7.1. The Treasury Team take advice from its external treasury advisor, Capita Asset Services, on the most opportune time to borrow. Movements in rates during 2016/17 are shown in the graph below.



7.2. Members have previously been advised of the unexpected change of policy on PWLB lending arrangements in October 2010 following the Comprehensive Spending Review. This resulted in an increase in all new borrowing rates of between 0.75 – 0.85%, without an associated increase in early redemption rates. This made new borrowing more expensive and repayment relatively less attractive.

7.3. The table below shows PWLB borrowing rates for a selection of maturity periods. The table also shows the high and low points in rates during the year, average rates during the year and individual rates at the start and the end of the financial year.

	<b>4.5 – 5yrs</b>	<b>9.5 – 10yrs</b>	<b>24.5 – 25 yrs</b>	<b>49.5 – 50 yrs</b>
01/04/2016	1.62%	2.31%	3.14%	2.95%
31/03/2017	1.24%	1.91%	2.60%	2.34%
High	1.80%	2.51%	3.28%	3.08%
Low	0.95%	1.42%	2.08%	1.87%
Average	1.36%	2.01%	2.72%	2.49%
High date	27/04/2016	27/04/2016	27/04/2016	27/04/2016
Low date	10/08/2016	10/08/2016	12/08/2016	30/08/2016

7.4. Following discussions with Capita, as general fund borrowing rates were significantly higher than investment rates during the year it was agreed that if any new borrowing was required during the year it would be deferred in order to maximise savings in the short term and reduce credit risk by reducing investments. Due to a review of the Capital Programme no new external borrowing was required in 2016/17.

7.5. The Council’s total debt portfolio at 31 March 2017 is set out below:-

Type of Debt	Balance £m	Average Borrowing Rate 2016/2017
General Fund Fixed rate – PWLB	191.42	5.44%
HRA Fixed rate - PWLB	83.35	3.51%
Fixed rate – Market	49.20	4.10%
Variable rate	0	N/A

- 7.6. The maturity profile of the debt is evenly spread to avoid large repayments in any one financial year. The average debt period for PWLB loans is 21 years, market loans have an average debt period of 53 years. The total debt portfolio has a maturity range from 1 year to 61 years.
- 7.7. The Treasury Strategy allows up to 15% of the total outstanding debt to mature in any one year. It is prudent to have the Council's debt maturing over many years so as to minimise the risk of having to re-finance when interest rates may be high. The actual debt maturity profile is within these limits (Appendix A).

## 8. Debt rescheduling

- 8.1. No debt restructuring was undertaken during 2016/17. The introduction of a differential in PWLB rates on the 1 November 2007, which was compounded further following a policy change in October 2010 as outlined above has meant that large premiums would be incurred if debt restructuring was undertaken, which cannot be justified on value for money grounds.
- 8.2. Although these changes have restricted debt restructuring, the current debt portfolio is continually monitored in conjunction with external advisers in the light of changing economic and market conditions to identify opportunities for debt rescheduling. Debt rescheduling will only be undertaken:
- To generate cash savings at minimum risk.
  - To help fulfil the Treasury Strategy.
  - To enhance the balance of the long term portfolio by amending the maturity profile and/or volatility of the portfolio.

## 9. Investment Strategy for 2016/17

- 9.1. Our treasury advisor originally felt when the strategy was approved by Council in February 2016 that the bank rate would remain at its historically low level of 0.50% until December 2016 when a rise to 0.75% was expected. During the year their interest rate forecast was reviewed and their updated forecast was approved by Council in December 2016 as part of the mid-year report. Their revised forecast was that the bank rate would be reduced to 0.10% in December 2016 and remain at this level until June 2018.
- 9.2. In 2016/17 investment of surplus cash was managed by the internal treasury team. The strategy for the in-house team was influenced by the need to keep funds relatively short for cash flow purposes. Lending continued to be

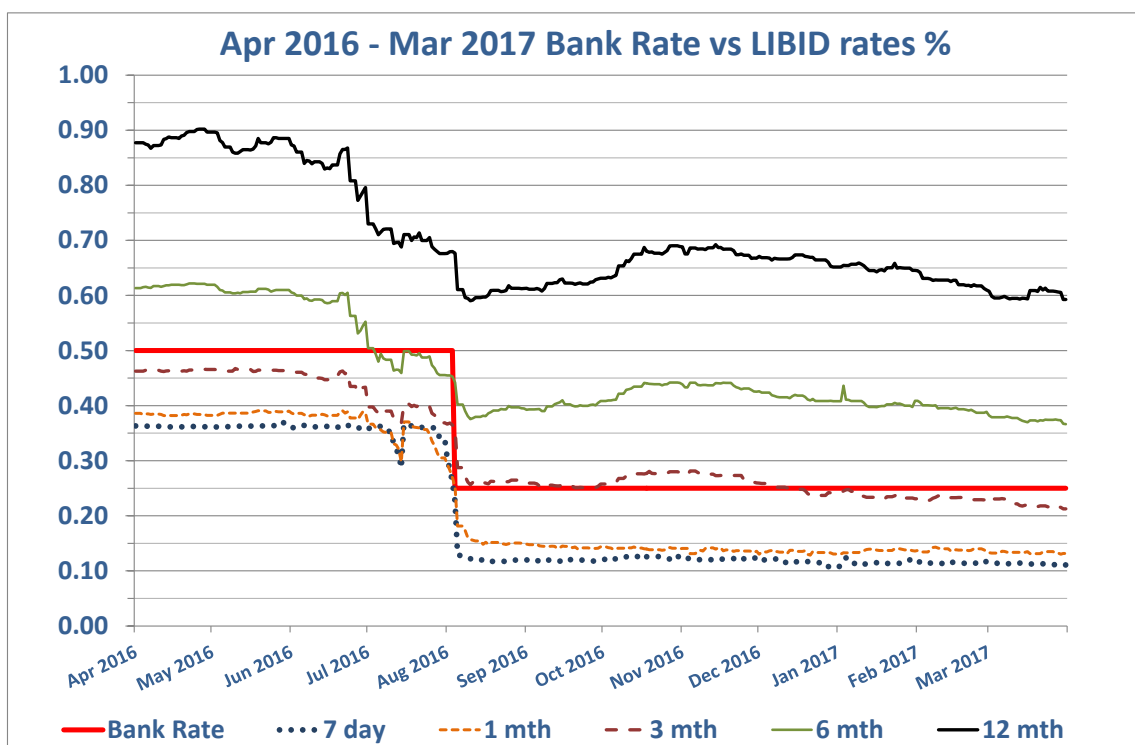
restricted to UK banks, one overseas bank, three Building Societies, two Money Market Funds (AAA credit rating), Nationalised and Part Nationalised Banks, UK Government and other Local Authorities in line with the Council's policy on creditworthiness which was approved in the Annual Investment Strategy.

## 10. Investment outturn 2016/17

10.1 After the Brexit vote, Bank Rate was cut from 0.5% to 0.25% in August and remained at that level for the rest of the year. Deposit rates continued into the start of the year at previous depressed levels but then fell further during the first two quarters and fell even further after the Monetary Policy Committee's decision in August to cut Bank Rate. Rates made a weak recovery towards the end of 2016 but then fell to fresh lows in March 2017.

10.2 To counter the historically low investment rates and following advice from Capita, use was made of direct deals with main UK banks, for various periods from three months to one year. Direct deals offered enhanced rates over the equivalent rates available through brokers. This provided opportunities to lock into higher, long term rates at times when it was thought they offered substantial enhancement over short term benchmark rates. Enhanced market rates when compared to bank rate has resulted in the total portfolio outperforming the benchmark. Use of instant access accounts with NatWest, HSBC and Svenska Handelsbanken was continued, together with use of Money Market Funds with Standard Life & Insight Investment. These accounts offered both instant access to funds and paid a rate which was higher than placing short term deposits through brokers.

10.3 Movements in short term rates through the year are shown in the below.



10.4 Throughout the year the average investment balances were higher than budgeted. This resulted in the internal treasury team achieving a higher level of interest on revenue balances than budgeted. This surplus was in addition to an underspend on debt charges due to no long term general fund borrowing being undertaken in 2016/17. The total £1.468 million underspend helped the Council to achieve an overall under spend at the end of the financial year.

10.5 At 31 March 2017 the allocation of the cash portfolio was as follows:

	<b>£m</b>
• In-house short dated deposits for cash flow management	83.0
• In-house long dated deposits (up to 1 year)	22.0
• Other Local Authorities	47.0
<b>Total</b>	<b>152.0</b>

10.6 The following table shows the average return on cash investments for the internal treasury team during the year and for the last 3 years to 31 March 2017. Recognising the need to manage short term cash flow requirements, the target for the internal team is the 7 day LIBID rate.

	<b>Return 2016/17</b>	<b>Return 3 years to 31 March 2017</b>
	%	% p.a.
Internal Treasury Team	0.54	0.58
Benchmark (7 Day LIBID rate)	0.20	0.29

10.7 The conclusions to be drawn from the table are:

- During 2016/17 the internal treasury team outperformed their benchmark by 0.34%.
- Over the 3 year period the internal team's performance has been 0.29% per annum above the benchmark.

## **11. Compliance with Treasury Limits and Prudential Indicators**

11.1 All borrowing and lending transactions undertaken through the year have complied with the procedures and limits set out in the Council's Treasury Management Practices and Treasury Strategy. In addition, all investments made have been within the limits set in the approved counterparty list. No institutions, in which investments were made, showed any difficulty in repaying investments and interest in full during the year.

11.2 Appendix B shows the Prudential Indicators approved by Council as part of the 2016/17 and 2017/18 (revised estimate) Treasury Strategies compared with the actual figures for 2016/17. In summary, during 2016/17 treasury activities have been within the prudential and treasury limits set in the Treasury Strategy.

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

Council, February 2016, Treasury Strategy 2016/17.

Council, December 2016, Treasury Strategy 2016/17 Mid-Year Review.

Council, February 2017, Treasury Strategy 2017/18.

Cabinet, July 2016, Treasury Management Update Quarter 1 2016/17.

Cabinet, December 2016, Treasury Management Update Quarter 2 2016/17.

Cabinet, February 2017, Treasury Management Update Quarter 3 2016/17.

Cabinet, July 2017, Treasury Management Update Quarter 4 2016/17.

**Cabinet Member:**

Peter Nutting (Leader), Portfolio Holder

**Local Member**

N/A

**Appendices**

A. Debt Maturity Profile as at 31 March 2017

B. Prudential Indicators 2016/17



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## APPENDIX B

### SHROPSHIRE COUNCIL PRUDENTIAL INDICATORS 2016/17

- C1. The Prudential Code requires the Council to set Prudential Indicators in the Treasury Strategy and report performance against those indicators in the Annual Treasury Report.
- C2. The ratio of financing costs compared to the net revenue stream of the Council was slightly lower than expected in 2016/17 due to net revenue stream being higher than estimated.

Prudential Indicator	2016/17 Estimate	2016/17 Actual
	%	%
<b>Non HRA Ratio of financing costs to net revenue stream</b>	8.8	8.1

Prudential Indicator	2016/17 Estimate	2016/17 Actual
	%	%
<b>Non HRA Ratio of financing costs (net of investment income) to net revenue stream</b>	8.5	7.5
<b>HRA Ratio of financing costs to HRA net revenue stream</b>	41.9	35.9*

\*HRA ratio is lower than estimated due to a change in depreciation methodology

- C3. The cost of capital investment decisions funded from a re-direction of existing resources was as expected due to no new borrowing during the year.

Prudential Indicator	2016/17 Estimate	2016/17 Actual
<b>Estimates of impact of Capital Investment decisions in the present capital programme</b>	<b>£ p</b>	<b>£ p</b>
Cost of capital investment decisions funded from re-direction of existing resources (Council Tax Band D, per annum)	23.64	23.64
Cost of capital investment decisions funded from increase in council tax (Council Tax Band D, per annum)	0	0
Cost of capital investment decisions funded from increase in average housing rent per week	0	0
<b>Total</b>	<b>23.64</b>	<b>23.64</b>

C4. It can be seen from the tables that the authority was well within the approved authorised limit and the operational boundary for external debt for 2016/17.

Prudential Indicator	2016/17 Estimate	2016/17 Actual
<b>External Debt</b>	<b>£ m</b>	<b>£ m</b>
<b>Authorised Limit:</b>		
Borrowing	449	324
Other long term liabilities	80	107
<b>Total</b>	<b>529</b>	<b>431</b>

Prudential Indicator	2016/17 Estimate	2016/17 Actual
<b>External Debt</b>	<b>£ m</b>	<b>£ m</b>
<b>Operational Boundary:</b>		
Borrowing	402	324
Other long term liabilities	80	107
<b>Total</b>	<b>482</b>	<b>431</b>

C5. Gross borrowing was as anticipated due to no general fund borrowing being undertaken in 2016/17. A key indicator of prudence is that net borrowing should not exceed the capital financing requirement. It can be seen from the following figures that the Council continues to meet this prudential indicator. The Capital Financing Requirement was lower than estimated following slippage in the capital programme that resulted in a reduced financing requirement from the capital receipts previously set-aside as approved by Council.

Prudential Indicator	2016/17 Revised Estimate	2016/17 Actual
<b>Net Borrowing &amp; Capital Financing Requirement:</b>	<b>£ m</b>	<b>£ m</b>
Gross Borrowing (inc. HRA)	324	324
Investments	160	152
<b>Net Borrowing</b>	<b>164</b>	<b>172</b>
Non HRA Capital Financing Requirement	261	243
HRA Capital Financing Requirement	85	85
<b>Total CFR</b>	<b>346</b>	<b>328</b>

C6. Total capital expenditure during the year was lower than anticipated. Explanations for these under-spends were included in the 2016/17 final capital outturn report.

Prudential Indicator	2016/17 Revised Estimate	2016/17 Actual
	<b>£ m</b>	<b>£ m</b>
<b>Non HRA Capital expenditure</b>	47.5	39.7
<b>HRA Capital expenditure</b>	6.4	5.2

C7. The level of fixed rate and variable rate borrowing were within the approved limits for the year.

<b>Prudential Indicator</b>	<b>2016/17 Estimate</b>	<b>2016/17 Actual</b>
<b>Upper Limit For Fixed/Variable Rate Borrowing</b>	<b>£ m</b>	<b>£ m</b>
Fixed Rate (GF)	449	239
Fixed Rate (HRA)	96	85
Variable Rate	225	0

C8. The level of fixed rate and variable rate investments were within the approved limits during 2016/17.

<b>Prudential Indicator</b>	<b>2016/17 Estimate</b>	<b>2016/17 Actual</b>
<b>Upper Limit For Fixed/Variable Rate Investments</b>	<b>£ m</b>	<b>£ m</b>
Fixed Rate	200	110
Variable Rate	200	42

C9. No investments over 364 days were held by the internal treasury team.

<b>Prudential Indicator</b>	<b>2016/17 Estimate</b>	<b>2016/17 Actual</b>
<b>Upper Limit For Sums Invested over 364 days</b>	<b>£m</b>	<b>£m</b>
Internal Team	40	0
External Manager	30	0

C10. The maturity profile was within the limits set in the Treasury Strategy.

<b>Prudential Indicator</b>	<b>2016/17 Upper Limit</b>	<b>2016/17 Actual</b>
<b>Maturity Structure of External Borrowing</b>	<b>%</b>	<b>%</b>
Under 12 months	15	2
12 months to 2 years	15	2
2 years to 5 years	45	6
5 years to 10 years	75	2
10 years to 20 years	100	32
20 years to 30 years	100	24
30 years top 40 years	100	17
40 years to 50 years	100	7
50 years and above	100	8

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Committee and Date

Cabinet

6 September 2017

## **TREASURY MANAGEMENT UPDATE – QUARTER 1 2017/18**

**Responsible Officer** James Walton

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

Tel: (01743) 258915

### **1. Summary**

1.1. The report outlines the treasury management activities of the Council in the last quarter. It highlights the economic environment in which treasury management decisions have been made and the interest rate forecasts of the Council's Treasury Advisor, Capita Asset Services. It also updates Members on the internal treasury team's performance.

1.2. During the first quarter of 2017/18 the internal treasury team achieved a return of 0.46% on the Council's cash balances, outperforming the benchmark by 0.35%. This amounts to additional income of £136,920 during the quarter which is included within the Council's projected outturn position in the monthly revenue monitor.

### **2. Recommendations**

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

## **REPORT**

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

3.1. The recommendations contained in this report are compatible with the provisions of the Human Rights Act 1998.

3.2. There are no direct environmental, equalities or climate change consequences arising from this report.

3.3. Compliance with the CIPFA Code of Practice on Treasury Management, the Council's Treasury Policy Statement and Treasury Management Practices and the Prudential Code for Capital Finance together with the rigorous internal controls will enable the Council to manage the risk associated with Treasury Management activities and the potential for financial loss.

### **4. Financial Implications**

- 4.1. The Council makes assumptions about the levels of borrowing and investment income over the financial year. Reduced borrowing as a result of capital receipt generation or delays in delivery of the capital programme will both have a positive impact of the council's cash position. Similarly, higher than benchmarked returns on available cash will also help the Council's financial position. For monitoring purposes, assumptions are made early in year about borrowing and returns based on the strategies agreed by Council in the preceding February. Performance outside of these assumptions results in increased or reduced income for the Council.
- 4.2. The Quarter 1 performance is above benchmark and has delivered additional income of £136,920 which will be reflected in the Period 3 Revenue Monitor.
- 4.3. The Council currently has £151 million held in investments as detailed in Appendix A and borrowing of £324 million at fixed interest rates.

## 5. Background

- 5.1. The Council defines its treasury management activities as "the management of the authority's investments and cash flows, its banking, money market and capital market transactions, the effective control of the risks associated with those activities, and the pursuit of optimum performance consistent with those risks". The report informs Members of the treasury activities of the Council between 1 April 2017 and 30 June 2017.

## 6. Economic Background

- 6.1. The UK GDP annual growth rates in each calendar year 2013 – 2016 have all been the top rate, or near the top rate, of any of the G7 countries in every year. It is particularly notable that this UK performance was repeated in 2016, a year in which the Bank of England had forecast in August that growth would be near to zero in the second half of the year due to the economic shock it expected from the result of the Brexit referendum in June.
- 6.2. However, following its February and May 2017 Inflation Reports, the Bank of England upgraded its forecasts for growth in 2017, 2018 and 2019 to 1.9%. Over this three year period, it also expects inflation to accelerate towards nearly 3% as increases in costs as a result of the fall in the value of sterling since the referendum, gradually feeds through into the economy, though it should fall back to 2.2% in 2019. Provided those cost pressures do not feed through into significantly higher domestically generated inflation within the UK, the MPC is expected to look through this one off blip upwards in Inflation. There is, though, a potential risk that the Monetary Policy Committee might muster a majority to reverse the emergency 0.25% rate cut before embarking on a progressive trend of increases in Bank Rate at a later time.
- 6.3. The US GDP growth has been highly volatile in 2016 but overall mediocre, at an average of 1.6% for the year. Quarter 1 in 2017 has also been mediocre at 1.4% but current indications are that growth could rebound strongly in

quarter 2. The disappointment so far has been the lack of decisive action from President Trump to make progress with his promised fiscal stimulus package. The Fed has, therefore, started raising rates now that the economy is at or around full employment and inflationary pressures have been building to exceed its 2% target. It has raised rates four times, with the last three following quickly on one another in December 2016, March 2017 and June 2017. One or two more increases are expected in 2017 and possibly four in 2018.

6.4. In the Eurozone, growth has improved in 2016 to 1.7% after the European Central Bank cut rates into negative territory and embarked on massive quantitative easing during the year. The ECB is now forecasting growth of 1.9% in 2017, 1.8% in 2018 and 1.7% in 2019. It has committed to continuing major monthly quantitative easing, though in April 2017 it reduced the rate from €80 billion to €60 billion per month, throughout the whole of 2017 in order to stimulate growth and to get inflation up to its 2% target.

6.5. There are major concerns about the various stresses within the EU. The Dutch and French elections passed off without creating any waves for the EU and the German national election due in October 2017 is not currently expected to cause any significant change. What could be more problematic is the Austrian general election due in October 2017 and a risk of a snap general election in Italy before the final end date of May 2018. A continuing major stress is dealing with the unsustainable level of national debt in Greece in the face of implacable opposition from Germany to any further bail out. The EU will also have to deal with the Brexit negotiations with the UK.

6.6. China is expected to continue with reasonably strong growth of 6.5% in 2017 although medium term risks are increasing. Japan has only achieved 1% growth in 2016 and is struggling to get inflation to move from around 0%, despite massive fiscal stimulus and monetary policy action by the Bank of Japan.

## 7. Economic Forecast

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

	Sep-17	Dec-17	Mar-18	Jun-18	Sep-18	Dec-18	Mar-19	Jun-19	Sep-19	Dec-19	Mar-20
<b>Bank rate</b>	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.50%	0.50%	0.75%	0.75%
<b>5yr PWLB rate</b>	1.40%	1.50%	1.60%	1.70%	1.70%	1.80%	1.80%	1.90%	1.90%	2.00%	2.00%
<b>10yr PWLB rate</b>	2.10%	2.20%	2.30%	2.30%	2.40%	2.40%	2.50%	2.50%	2.60%	2.60%	2.70%
<b>25yr PWLB rate</b>	2.80%	2.90%	2.90%	3.00%	3.00%	3.10%	3.10%	3.20%	3.20%	3.30%	3.30%
<b>50yr PWLB rate</b>	2.60%	2.70%	2.70%	2.80%	2.80%	2.90%	2.90%	3.00%	3.00%	3.10%	3.10%

7.2. The Monetary Policy Committee (MPC) cut the Bank rate from 0.50% to 0.25% on 4 August 2016 in order to counteract what it forecast was going to

be a sharp slowdown in growth in the second half of 2016. However, since then, growth has been robust until dipping in quarter 1 of 2017 to 0.2%.

- 7.3. CPI inflation has risen substantially as a result of the sharp fall in the value of sterling since the referendum. Consequently, Bank Rate has not been cut again, and market concern has switched to whether the MPC could get together a majority to reverse the August 0.25% rate cut before embarking on a progressive trend of increases in Bank Rate at a later time when the economic and political/Brexit situation is more robust to withstand such increases.
- 7.4. There is much uncertainty at this time over the slender majority the Conservative Government has, which is dependent on DUP support, and also over what form of Brexit will transpire and how difficult the EU could be in setting terms. Therefore there are a many uncertainties at the current time and depending on how things transpire, then this will materially influence MPC decision making as to when Bank Rate will rise.
- 7.5. Capita Asset Services have recently undertaken a review of its interest rate forecasts and they expect the Bank Rate to remain at 0.25% until June 2019 when it is expected to rise to 0.50% after these negotiations have been completed.
- 7.6. Long term PWLB rates are expected to rise from 2.6% in September 2017 to 2.9% in March 2019 before steadily increasing over time to reach 3.1% by March 2020.
- 7.7. As the threat of potential risks from a number of sources still remains, caution must be exercised in respect of all interest rate forecasts at the current time. Economic forecasting remains difficult with so many influences weighing on the UK. Capita's bank rate forecasts will be liable to further amendment depending on how economic data transpires over 2017.

## **8. Treasury Management Strategy**

- 8.1. The Treasury Management Strategy (TMS) for 2017/18 was approved by Full Council on 23 February 2017. The Council's Annual Investment Strategy, which is incorporated in the TMS, outlines the Council's investment priorities as the security and liquidity of its capital.
- 8.2. The Council aims to achieve the optimum return on investments commensurate with the proper levels of security and liquidity. In the current economic climate it is considered appropriate to keep investments short term (up to 1 year), and only invest with highly credit rated financial institutions using Capita's suggested creditworthiness approach, including sovereign credit rating and Credit Default Swap (CDS) overlay information provided by Capita. The Treasury Team continue to take a prudent approach keeping investments short term and with the most highly credit rated organisations. This approach has been endorsed by our external advisors, Capita.
- 8.3. In the first quarter of 2017/18 the internal treasury team outperformed its benchmark by 0.35%. The investment return was 0.46% compared to the benchmark of 0.11%. This amounts to additional income of £136,920 during



the quarter which is included in the Council’s projected outturn position in the monthly revenue monitor.

7.4. A full list of investments held as at 30 June 2017, compared to Capita’s counterparty list, and changes to Fitch, Moody’s and Standard & Poor’s credit ratings are shown in Appendix A. None of the approved limits within the Annual Investment Strategy were breached during the first quarter of 2017/18. Officers continue to monitor the credit ratings of institutions on a daily basis. Delegated authority has been put in place to make any amendments to the approved lending list.

7.5. As illustrated in the economic forecast section above, investment rates available in the market are at an historical low point. The average level of funds available for investment purposes in the first quarter of 2017/18 was £155 million.

## 9. Borrowing

9.1. It is a statutory duty for the Council to determine and keep under review the “Affordable Borrowing Limits”. The Council’s approved Treasury and Prudential Indicators (affordability limits) are included in the approved Treasury Management Strategy. A list of the approved limits is shown in Appendix B. The Prudential Indicators were not breached during the first quarter of 2017/18 and have not been previously breached. The schedule at Appendix C details the Prudential Borrowing approved and utilised to date.

9.2. Capita’s target rate for new long term borrowing (50 years) for the first quarter of 2017/18 was 2.5%. No new external borrowing has currently been undertaken in 2017/18. The low and high points during the quarter can be seen in the table below.

	1 Year	5 Year	10 Year	25 Year	50 Year
Low	0.80%	1.14%	1.78%	2.53%	2.27%
Date	03/05/2017	15/06/2017	15/06/2017	13/04/2017	13/04/2017
High	1.08%	1.44%	2.08%	2.75%	2.48%
Date	30/06/2017	30/06/2017	30/06/2017	30/06/2017	09/05/2017
Average	0.87%	1.23%	1.89%	2.60%	2.34%

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

Cabinet, 12 July 2017, Treasury Management Update Quarter 4 2016/17  
Council, 23 February 2017, Treasury Strategy 2017/18.

**Cabinet Member:**  
Peter Nutting, Leader

**Local Member**  
N/A

**Appendices**  
A. Investment Report as at 30 June 2017  
B. Prudential Limits  
C. Prudential Borrowing Schedule

# Shropshire Council

## Monthly Investment Analysis Review

June 2017



### General Economy

'A strong and stable Britain', a phrase commonly used by Prime Minister Theresa May during her general election campaign which can only be described as an antonym of the UK's current economic state. The outcome of the election revealed that the Conservative's failed to secure a majority, having detrimental effects on the UK's negotiating position on Brexit – the one thing Theresa May wanted the election to secure. The dissatisfaction with living standards is widely seen as a key factor behind Theresa May's election result however, a deal with the Democratic Unionist Party (DUP) towards close of the month resulted in her remaining as UK Prime Minister. Prior to this deal, Brexit negotiations started at the beginning of the month leaving the UK's negotiation stance at an all-time low after the shock election result. Having said that, economists anticipate a softer form of Brexit as a result of the recent deal with the DUP as having open borders with Ireland after the UK leaves the EU is believed to be a key part of the deal with the Conservative party. Elsewhere the Monetary Policy Committee (MPC) came its closest to voting for a rate hike since 2007 as it was voted 5 to 3 to keep rates at 0.25%, with Bank of England Governor Mark Carney, voting to leave the rate unchanged. Nevertheless, shortly after this outcome Carney had, on the face of it, a very different tone when speaking at the European Central Bank's conference in Portugal as he suggested that economic activity and the outcome of Brexit are factors which would trigger a change in interest rates, although it is still 'too early' to decide.

The initial economic tone for the UK economy for the month was set by the Purchasing Managers Index (PMI) figures for May. They continued to reveal how the post-Brexit and snap-election uncertainty has affected the Services, Construction and Manufacturing sectors. Manufacturing fell slightly to 56.7 in May from April's three-year high of 57.3, as a result of higher raw material costs for factories, although orders grew at the second fastest rate in three year's. Likewise, Britain's dominant Services sector, fell to a three-month low of 53.8 last month from 55.8 in April, as uncertainty surrounding the general election made businesses put off any investment decisions and inflationary pressure continued to squeeze household income. On the other hand, the Construction industry expanded at its fastest rate since 2015, up to 56.0 from 53.1 in April. This jump is believed to be due to a sudden pick-up in housebuilding, allowing builders to recover from a quiet start to the year. However, it is widely expected that, as Brexit discussions advance, the UK economy will experience a slowdown as rising inflation will continue to eat into household disposable income as a result of high costs and weaker relative wage growth.

UK inflation jumped to its highest level in nearly four years in May as the Consumer Price Index rose by 2.9% year-on-year, above the forecasted rise of 2.7%. An increase in the cost of holidays abroad for British tourists, due to the Brexit-related depreciation in Sterling, was one of the main contributors to this sudden pick-up in inflation. Retail Price Inflation also rose in May to 3.7%, its highest rate since February 2012. As a result, consumer expenditure is set to be sluggish over the coming months as rising inflation continues to tighten the squeeze on household disposable income. Elsewhere, data on Britain's labour market continued to be somewhat mixed. The unemployment rate held steady at a more than four-decade low of 4.6% in the three months to April, with the employment figure rising to 31.954million in the same period. However, worker's "real" earnings (ie after inflation) contracted at its fastest pace since 2014 by 0.4% in the three months to April, underlining the impact on household finances. The Bank of England have announced that they are watching wage growth closely with it expecting wages to rise by 2% this year before picking up further in 2018 and 2019. In terms of growth, the final estimates showed Britain's economy slowed sharply in the first three months of 2017 as quarter-on-quarter Q1 GDP came in at 0.2% from 0.7% recorded in Q4. Conversely, the year-on-year figure rose to 2.0% in Q1, from 1.9% previously.

Meanwhile, UK retail sales continued to show how the economy has been affected by the rising inflation since the Brexit vote. On the month figures showed a contraction of 1.2% in May with the year-on-year figure also dropping from 4.2% in April to 0.9% in May. Both falls came after the unexpected surge in figures in April; data which economists believe to be an anomaly and broadly related to the timing of Easter. Increased retail prices across all sectors are believed to be a key factor in this slowdown in growth, strengthening the common view among economists that inflationary pressure is continuing to squeeze consumer expenditure. The UK GfK consumer confidence reading also echoed this view as it slumped to -10 in June from -5 in May as weakening wage growth, rising inflation and political uncertainty took its toll on consumer's economic outlook.

The UK's budget deficit was down nearly 5% when compared with May's figure last year as it came in at £6.7bn, providing Chancellor Philip Hammond some relief ahead of an expected increase in borrowing later this year. This narrowing in the deficit was largely due to the biggest intake of value-added tax receipts recorded in May. Despite the unexpected outcome of the general election and uncertainty surrounding Brexit negotiations, Hammond has stated that he currently has no reason not to stick to the fiscal rules he set out late last year. Therefore as of now, the UK Economy is still committed to a balanced budget by the first half of the 2020s.

Across the pond US unemployment growth fell to a 16-year low of 4.3% in May from 4.4% in the previous month. This came in despite non-farm payrolls rising by just 138,000, down from the revised figure of 174,000 for April, leading some to question whether the US labour market is starting to lose momentum. As published in the Federal Reserve's Beige Book, there is growing evidence of companies struggling to find qualified workers, something clearly highlighted by the fact employment in manufacturing, government and retail sectors fell again in May. This struggle to fill posts would add to the view that the lack of slack in the labour market should translate to rising wages in the coming months. The Fed raised interest rates by 25bps in their June meeting to a range target of 1.00% to 1.25% as they continue to focus strong economic growth and strengthening of the labour market – key policies on Trump's administration's economic agenda. Later in the month, the final estimates of US Q1 2017 GDP showed the annual rate dropped to 1.4% from the 2.1% seen in Q4 2016. This was largely due to consumer expenditure growing at its slowest pace since 2013 showing a relatively weak start to the year for the US economy. It must be said that US Q1 GDP figures have tended to be disappointing in recent years, therefore, the proposed stimulus package by Trump's administration by cutting the taxation rate and implementing deregulation, is likely to help boost the US economy as the year progresses...if and when it finally materialises.

Amidst the potential internal turbulence caused by the official start of Brexit negotiations, data for the Eurozone came in rather positive. Employment levels in the region were up 0.4% for the first three-months of this year resulting in a year-on-year change of 1.5%, providing a clear picture of current labor market conditions. Final figures for Q1 GDP 2017 showed quarterly growth at 0.6% and annual growth rose to 1.9% from 1.8% recorded in Q4 2016. In their June meeting, the European Central Bank (ECB) kept with the status quo, maintaining both its main refinancing rate and deposit rate steady at 0% and -0.40% respectively. In addition, the ECB confirmed that the net asset purchases are intended to run until the end of December, or beyond if necessary, at the new monthly pace of €60bn. However, speaking at the recent ECB's conference in Portugal President of the ECB, Mario Draghi, hinted that the ECB policymakers are ready to reduce monetary stimulus in the area in order to focus on reflation, thus a possible change in policy in the Eurozone could be on the horizon.

Looking ahead, all eyes will be on the UK economy as Brexit negotiations begin to advance amongst all the political uncertainty surrounding the UK economy and household's real income continue to feel the strain from rising inflation. Monetary policy is set to be thrown in the limelight across the UK, US and Eurozone economies as Mark Carney, Janet Yellen and Mario Draghi have all hinted at possible tightening to current policy in order to meet desired economic targets.

## Housing

The month began by Halifax reporting that house price growth showed a significant slowdown in May as annual house price growth hit a 4-year low at 3.3%, down from the 3.8% rise recorded in April. In monthly terms, price were up 0.4% although, house prices should be supported over the coming months as a result of a shortage in existing properties for sale as well as weak supply of new homes being built. Towards the close of the month, Nationwide published relatively upbeat data for the housing market as house prices rose 1.1% in June, bouncing back from the 0.2% fall in May; although monthly growth rates can be highly volatile so the data may not represent an underlying improvement in demand. However, the annual figure showed a rise of 3.1% in June from the 2.1% recorded in May, pointing to modest price gains over recent months.

## Forecast

Neither Capita Asset Services (CAS) nor Capital Economics (CE) altered their forecasts this month. It is forecasted by CAS that a rate hike to 0.50% will occur in Q2 2019 followed by a further hike to 0.75% in Q4 2019. CE expects a hike in the bank rate to occur in Q2 2018 to 0.50% with further hikes forecasted in Q4 2018 to 0.75% and in Q2 2019 to 1.00%.

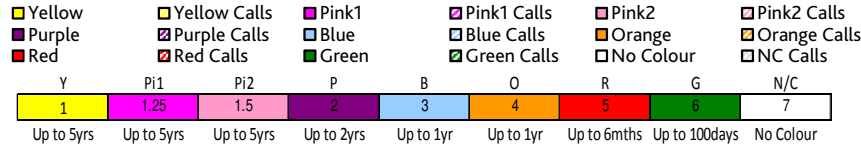
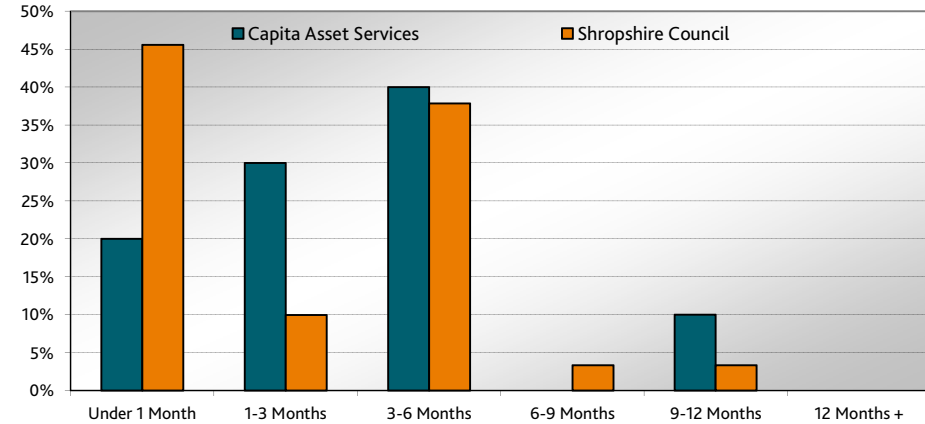
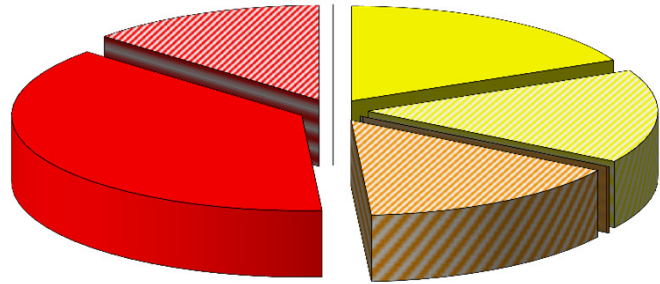
Bank Rate	Sep-17	Dec-17	Mar-18	Jun-18	Sep-18
Capita Asset Services	0.25%	0.25%	0.25%	0.25%	0.25%
Capital Economics	0.25%	0.25%	0.25%	0.50%	0.50%

## Shropshire Council

### Current Investment List

Borrower	Principal (£)	Interest Rate	Start Date	Maturity Date	Lowest Long Term Rating	Historic Risk of Default
HSBC Bank Plc	20,000,000	0.55%		Call	AA-	0.000%
Svenska Handelsbanken AB	2,620,000	0.20%		Call	AA-	0.000%
MMF Standard Life	15,000,000	0.24%		MMF	AAA	0.000%
MMF Insight	9,010,000	0.21%		MMF	AAA	0.000%
Nationwide building society	5,000,000	0.42%	03/01/2017	03/07/2017	A	0.000%
Leeds Building Society	2,000,000	0.35%	11/01/2017	11/07/2017	A-	0.002%
Barclays Bank Plc	2,800,000	0.42%	13/01/2017	13/07/2017	A-	0.002%
Barclays Bank Plc	5,450,000	0.42%	16/01/2017	14/07/2017	A-	0.002%
Eastleigh Borough Council	5,000,000	0.40%	16/01/2017	17/07/2017	AA	0.001%
Barclays Bank Plc	1,750,000	0.42%	17/01/2017	17/07/2017	A-	0.003%
Barclays Bank Plc	5,000,000	0.32%		Call32	A-	0.005%
Fife Council	5,000,000	0.40%	03/02/2017	03/08/2017	AA	0.002%
Goldman Sachs International Bank	5,000,000	0.75%	08/02/2017	08/08/2017	A	0.006%
Santander UK Plc	15,000,000	0.65%		Call95	A	0.015%
Lloyds Bank Plc	5,000,000	0.55%	28/04/2017	27/10/2017	A	0.018%
Lloyds Bank Plc	3,500,000	0.55%	08/05/2017	08/11/2017	A	0.020%
Lloyds Bank Plc	3,680,000	0.55%	09/05/2017	09/11/2017	A	0.020%
Lloyds Bank Plc	1,400,000	0.55%	11/05/2017	10/11/2017	A	0.021%
Goldman Sachs International Bank	5,000,000	0.65%	07/06/2017	07/12/2017	A	0.025%
Lloyds Bank Plc	5,000,000	0.55%	07/06/2017	07/12/2017	A	0.025%
Lloyds Bank Plc	8,100,000	0.55%	14/06/2017	14/12/2017	A	0.026%
Lloyds Bank Plc	2,420,000	0.55%	16/06/2017	15/12/2017	A	0.026%
North Tyneside Metropolitan Borough Council	7,000,000	0.50%	20/12/2016	19/12/2017	AA	0.011%
Lloyds Bank Plc	900,000	0.55%	21/06/2017	21/12/2017	A	0.027%
Dundee City Council	5,000,000	0.50%	23/01/2017	22/01/2018	AA	0.013%
Lancashire County Council	5,000,000	0.61%	15/05/2017	14/05/2018	AA	0.020%
<b>Total Investments</b>	<b>£150,630,000</b>	<b>0.48%</b>				<b>0.009%</b>

Portfolio Composition by Capita Asset Services' Suggested Lending Criteria



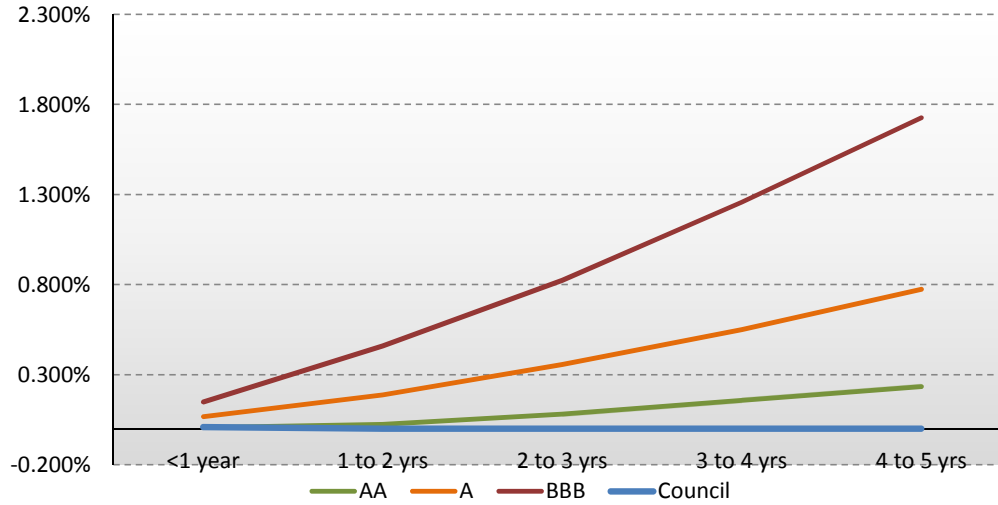
Portfolios weighted average risk number = **3.50**

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

	% of Portfolio	Amount	% of Colour in Calls	Amount of Colour in Calls	% of Call in Portfolio	WARoR	WAM	WAM at Execution	Excluding Calls/MMFs/USDBFs	
									WAM	WAM at Execution
Yellow	33.86%	£51,010,000	47.07%	£24,010,000	15.94%	0.36%	80	157	151	296
Pink1	0.00%	£0	0.00%	£0	0.00%	0.00%	0	0	0	0
Pink2	0.00%	£0	0.00%	£0	0.00%	0.00%	0	0	0	0
Purple	0.00%	£0	0.00%	£0	0.00%	0.00%	0	0	0	0
Blue	0.00%	£0	0.00%	£0	0.00%	0.00%	0	0	0	0
Orange	15.02%	£22,620,000	100.00%	£22,620,000	15.02%	0.51%	0	0	0	0
Red	51.12%	£77,000,000	25.97%	£20,000,000	13.28%	0.54%	94	155	99	182
Green	0.00%	£0	0.00%	£0	0.00%	0.00%	0	0	0	0
No Colour	0.00%	£0	0.00%	£0	0.00%	0.00%	0	0	0	0
<b>Total</b>	<b>100.00%</b>	<b>£150,630,000</b>	<b>44.23%</b>	<b>£66,630,000</b>	<b>44.23%</b>	<b>0.48%</b>	<b>75</b>	<b>133</b>	<b>115</b>	<b>219</b>

Investment Risk and Rating Exposure

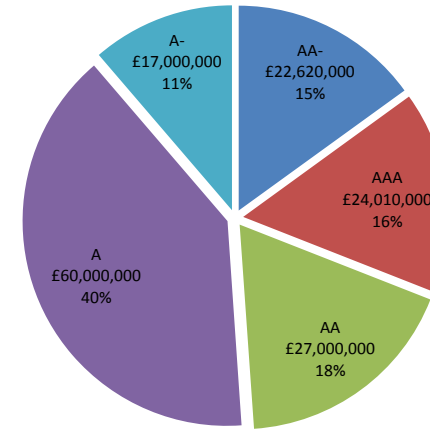
Investment Risk Vs. Rating Categories



Historic Risk of Default

Rating/Years	<1 year	1 to 2 yrs	2 to 3 yrs	3 to 4 yrs	4 to 5 yrs
AA	0.007%	0.024%	0.081%	0.158%	0.234%
A	0.067%	0.189%	0.356%	0.551%	0.775%
BBB	0.150%	0.460%	0.824%	1.257%	1.726%
Council	0.009%	0.000%	0.000%	0.000%	0.000%

Rating Exposure



**Historic Risk of Default**

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

**Chart Relative Risk**

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

**Rating Exposures**

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



**Monthly Credit Rating Changes**  
**FITCH**

Date	Update Number	Institution	Country	Rating Action
12/06/2017	1530	Qatar Sovereign Rating	Qatar	Sovereign Rating removed from Stable Outlook and placed on Negative Watch, affirmed at 'AA'.
21/06/2017	1533	Qatar National Bank	Qatar	Long Term Rating removed from Stable Outlook and placed on Negative Watch, affirmed at 'AA-'. Short Term Rating placed on Negative Watch, affirmed at 'F1+'. Viability Rating placed on Negative Watch, affirmed at 'bbb+'. Support Rating placed on Negative Watch, affirmed at '1'.
30/06/2017	1535	Co-operative Bank Plc	United Kingdom	Long Term Rating affirmed at 'B-', Evolving Watch. Short Term Rating changed to Negative Watch from Evolving Watch, affirmed at 'B'. Viability Rating downgraded to 'c' from 'cc'. Support Rating removed from Positive Watch, affirmed at '5'.

**Monthly Credit Rating Changes  
MOODY'S**

Date	Update Number	Institution	Country	Rating Action
16/06/2017	1531	Royal Bank of Scotland Group Plc	United Kingdom	Long Term Rating upgraded to 'Baa3' from 'Ba1', Outlook changed to Stable from Negative. Short Term Rating upgraded to 'P-3' from 'NP'
16/06/2017	1531	National Westminster Bank Plc	United Kingdom	Long Term Rating upgraded to 'A2' from 'A3', Outlook changed to Stable from Negative. Short Term Rating upgraded to 'P-1' from 'P-2'.
16/06/2017	1531	The Royal Bank of Scotland Plc	United Kingdom	Long Term Rating upgraded to 'A2' from 'A3', Outlook changed to Stable from Negative. Short Term Rating upgraded to 'P-1' from 'P-2'.
19/06/2017	1532	Australia and New Zealand Banking Group Ltd	Australia	Long Term Rating downgraded to 'Aa3' from 'Aa2', Outlook changed to Stable from Negative. Short Term Rating affirmed at 'P-1'.
19/06/2017	1532	Commonwealth Bank of Australia	Australia	Long Term Rating downgraded to 'Aa3' from 'Aa2', Outlook changed to Stable from Negative. Short Term Rating affirmed at 'P-1'.
19/06/2017	1532	National Australia Bank Ltd	Australia	Long Term Rating downgraded to 'Aa3' from 'Aa2', Outlook changed to Stable from Negative. Short Term Rating affirmed at 'P-1'.
19/06/2017	1532	Westpac Banking Corporation	Australia	Long Term Rating downgraded to 'Aa3' from 'Aa2', Outlook changed to Stable from Negative. Short Term Rating affirmed at 'P-1'.
23/06/2017	1534	Ulster Bank Ltd	United Kingdom	Long Term Rating upgraded to 'A2' from 'A3', Outlook changed to Stable from Positive. Short Term Rating upgraded to 'P-1' from 'P-2'.

**Monthly Credit Rating Changes**  
S&P

Date	Update Number	Institution	Country	Rating Action
08/06/2017	1528	Qatar Sovereign Rating	Qatar	Sovereign Rating downgraded to 'AA-' from 'AA', removed from Negative Outlook and placed on Negative Watch.
09/06/2017	1529	Qatar National Bank	Qatar	Long Term Rating downgraded to 'A' from 'A+', removed from Negative Outlook and placed on Negative Watch. Short Term Rating placed on Negative Watch and affirmed at 'A-1'.

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Appendix B

Prudential Indicators – Quarter 1 2017/18

Prudential Indicator	2017/18 Indicator £m	Quarter 1 – Actual £m	Quarter 2 – Actual £m	Quarter 3 – Actual £m	Quarter 4 – Actual £m
Non HRA Capital Financing Requirement (CFR)	254	255			
HRA CFR	85	85			
Gross borrowing	318	324			
Investments	160	151			
Net borrowing	158	173			
Authorised limit for external debt	463	324			
Operational boundary for external debt	400	324			
Limit of fixed interest rates (borrowing)	463	324			
HRA debt Limit	96	85			
Limit of variable interest rates (borrowing)	232	0			
Principal sums invested > 364 days	40	0			
Maturity structure of borrowing limits	%	%			
Under 12 months	15	2			
12 months to 2 years	15	2			
2 years to 5 years	45	6			
5 years to 10 years	75	2			
10 years to 20 years	100	32			
20 years to 30 years	100	24			
30 years to 40 years	100	17			
40 years to 50 years	100	7			
50 years and above	100	8			

\* Based on period 3 Capital Monitoring report

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**Capital Financing 2017/18 - Period 3**

Prudential Borrowing Approvals	Date Approved	Amount Approved	Applied (Spent) 2006/07	Applied (Spent) 2007/08	Applied Outturn 08/09 2008/09	Applied Outturn 09/10 2009/10	Applied Outturn 10/11 2010/11	Applied Outturn 11/12 2011/12	Applied Outturn 12/13 2012/13	Applied Outturn 13/14 2013/14	Applied Outturn 14/15 2014/15	Applied Outturn 15/16 2015/16	Applied Outturn 16/17 2016/17	Budgeted Period 3 17/18 2017/18	First year MRP Charged	Asset Life	Final year MRP Charged	
		£	£	£	£	£	£	£	£	£	£	£	£	£	£			
Monkmoor Campus Capital Receipts Shortfall -Cashflow Applied:	24/02/2006 24/02/2006	3,580,000 5,000,000																
Monkmoor Campus			3,000,000		0													2007/08 25 2031/32
William Brooks					0		3,580,000											2011/12 25 2035/36
Tern Valley					2,000,000													2010/11 35 2044/45
		<b>8,580,000</b>	<b>3,000,000</b>	<b>0</b>	<b>2,000,000</b>	<b>0</b>	<b>3,580,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>				
Highways	24/02/2006	2,000,000	2,000,000															2007/08 20 2026/27
Accommodation Changes	24/02/2006	650,000	410,200	39,800														2007/08 6 2012/13
Accommodation Changes - Saving	31/03/2007	(200,000)																
		<b>450,000</b>	<b>410,200</b>	<b>39,800</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>				
The Ptarmigan Building	05/11/2009	3,744,000				3,744,000												2010/11 25 2034/35
The Mount McKinley Building	05/11/2009	2,782,000				2,782,000												2011/12 25 2035/36
The Mount McKinley Building	05/11/2009	0				-												2011/12 5 2015/16
Capital Strategy Schemes - Potential Capital Receipts shortfall - Desktop Virtualisation	25/02/2010	187,600				187,600	-	-	-	0	-	-	-	-				2010/11 25 2014/15
Carbon Efficiency Schemes/Self Financing	25/02/2010	1,512,442					115,656	1,312,810	83,976	-	-	-	-	-				2011/12 5 2017/18
Transformation schemes		92,635						92,635	-	-								2012/13 3 2014/15
Renewables - Biomass - Self Financing	14/09/2011	92,996						82,408	98,258	(87,670)	-							2014/15 25 2038/39
Solar PV Council Buildings - Self Financing	11/05/2011	56,342						1,283,959	124,584	(1,352,202)	-							2013/14 25 2038/39
Depot Redevelopment - Self Financing	23/02/2012	0							-	-	-							2014/15 10 2023/24
Oswestry Leisure Centre Equipment - Self Financing	04/04/2012	124,521						124,521										2012/13 5 2016/17
Leisure Services - Self Financing	01/08/2012	711,197							711,197									2013/14 5 2016/17
Mardol House Acquisition	26/02/2015	4,160,000									4,160,000	-						2015/16 25 2039/40
Mardol House Adaptation and Refit	26/02/2015	3,340,000									167,640.84	3,172,358.86	-	-				2016/17 25 2041/41
Oswestry Leisure Centre Equipment - Self Financing	01/08/2012	300,000												300,000				2018/19 5 2022/23
Previous NSDC Borrowing		955,595			821,138	134,457												2009/10 5/25
		<b>29,089,327</b>	<b>5,410,200</b>	<b>39,800</b>	<b>2,821,138</b>	<b>6,848,057</b>	<b>3,695,656</b>	<b>2,896,333</b>	<b>1,018,015.37</b>	<b>(1,439,872)</b>	<b>4,327,641</b>	<b>3,172,359</b>	<b>0</b>	<b>300,000</b>				
								0	0	0	0	0	0					

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## Committee and Date

Cabinet

6 September 2017

## **NEW BUSINESS RATES DISCRETIONARY RELIEF SCHEME 2017-18**

**Responsible Officer** James Walton

e-mail: James.walton@shropshire.gov.uk Tel: (01743)  
257775

### **1. Summary**

1.1. The Government announced in the spring budget of 2017 three additional schemes to support businesses as a result of the introduction of the 2017 rating list. All three schemes are to be administered through discretionary relief powers under section 47 of the Local Government Finance Act 1988, and financed through grant payments under Section 31 of the Local Government Act 2003. The three schemes are:

- Supporting Small Businesses
- New Business Rate Relief for pubs
- New Business Rate Relief Scheme

1.2. This report details proposed parameters for the new business rate relief scheme for Council approval.

### **2. Recommendations**

Cabinet are asked to:

- A. Approve the proposals for the New Business Rate Relief Scheme and confirm the arrangements for consultation as set out in the report.
- B. Confirm a delegation to the Head of Finance, Governance and Assurance, in consultation with the Portfolio Holder for Finance, to finalise the scheme for 2017-18 following consultation.

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

- 3.1. The authority has a statutory duty to bill and collect business rates.
- 3.2. Funding has been made available to Shropshire Council to support local businesses receiving the largest increases in Business Rates following revaluation in April 2017. As funding cannot be carried forward into future years, the assumption is to attempt to allocate all available grant to local businesses. There is a risk that any under-allocation will result in funds being returned to government that would otherwise have been made available to the local economy. Conversely any over-allocation will need to be funded from Shropshire Council's own resources and there is a risk that over-allocation would reduce the availability of Council resources. To mitigate this officers will design the scheme to maximise use of the funding, monitor the award throughout the year and revisit the scheme later in the year to ensure, as far as possible, that all funds are spent. Also, due to the reducing nature of the grant over the four year period the Council will be required to review its scheme parameters in subsequent years to ensure that the grant funding continues to be distributed to businesses in most need.
- 3.3. There are a very large number of small to medium businesses in Shropshire (approximately 12,000) and without a clear focus for a local scheme, there is a risk that a scheme could become unworkable and could allocate insubstantial amounts of funding across a wide number of businesses. Furthermore, the costs of administering a local scheme could significantly outstrip available resources if designed inappropriately. To mitigate this the scheme is designed to target the most appropriate businesses, although costs of administration are likely to exceed the £12,000 'New Burdens' grant payable to the Council to administer the scheme.
- 3.4. The necessity to design a local scheme over such a large tax base with the inherent complexity of having to take account of other schemes and reliefs (such as small business rate relief, transitional relief and surcharge, local pub relief) creates a risk that some 'qualifying' businesses could be missed. To mitigate this the scheme will be consulted upon.
- 3.5. The revaluation in April 2017 has led to some very large increases in RV for some businesses. This increase has been offset to some extent by changes to the multiplier but more significantly by the impact of transitional relief and other reliefs available. As a result, many businesses that have seen a large increase in their RV have not seen a large increase in their actual liability for 2017/18. This has resulted in the necessity to design a more complex local scheme to ensure the funding is spent, but that it is targeted to the most appropriate businesses. Some qualifying businesses, as a result, will see a minimal increase in their rates bill in 2017/18 when compared to 2016/17, despite their RV increasing by, perhaps, 4 to 5 times. As the New Business Rate Relief Scheme funding cannot be carried forward into future years, there is a real danger that businesses are not fully aware of the impact of the RV increase in later years given the confusing and complex arrangements in place this year. There is a risk that businesses in Shropshire will, to a greater extent, need New Business Rate Relief Scheme funding in later years, but

with the funding available tapering significantly, and with the inability to carry funding forward, there will not be the support available for these businesses at that time. To mitigate this, we will ensure that correspondence with local businesses gives as full and complete an explanation of the scheme as possible. A reputational risk for the Council in these later years, however, remains and there is an expectation that complaints and requests for discretionary relief will increase in later years with no means available to fund this.

#### 4. Financial Implications

4.1. The two national business rate relief schemes announced by Government; namely support for small businesses losing Small Business Rate Relief and £1000 business rate discount in 2017-18 for local pubs with a rateable value up to £100,000 will be fully funded by central Government through payment of Section 31 grant.

4.2. The Government also announced £300 million of funding over four years for local authorities to establish local discretionary schemes 'to deliver targeted support for the most hard pressed ratepayers' (New Business Rate Relief Scheme). The amount of grant available reduces over the four year period. The grant allocation is based on the total increase in bills (excluding the impact of transitional relief and other reliefs) for every rateable property in the billing authority's area that satisfied the following conditions:

- The rateable property has a rateable value for 2017-18 that is less than £200,000;
- The increase in the rateable property's 2017-18 bill is more than 12.5% compared to its 2016-17 bill (before reliefs)

4.3. Summing the total increase in bills in all billing authority areas and distributing the available funding in each year dependant on the level of the total increase in bills in an individual authority area against the total increase in all areas.

4.4. Shropshire Council has been allocated the following share of the fund over the four year period.

	Amount of discretionary pot awarded (£000s)			
Year	2017-18	2018-19	2019-20	2020-21
Shropshire Council	1,308	635	262	37

4.5. The Government have made it clear that they will only fund local authorities up to the agreed grant share levels detailed above.

4.6. The Government confirmed in a letter to Local Authority Leaders dated 21 July 2017 that there were no plans to allow end of year flexibility with regards to this year's allocation of the grant. That means that any money that we do not spend of the £1.3 million this year will have to be returned to central Government.

- 4.7. Government has promised a New Burdens grant of £12,000 for each authority to support administrative costs.

## **5. Background**

- 5.1. All non-domestic property is subject to regular revaluation. The revaluation due for 1 April 2015 was postponed for two years and subsequently came into effect from 1 April 2017.

- 5.2. As with previous revaluations the Government has introduced a national transitional scheme to phase in the impact of both increases and reductions in business rate liability. Under this scheme the amount by which a business's liability increases or reduces compared with their 2016-17 liability is capped. For the 2017 rating list the national transitional relief scheme is more favourable to small businesses than to medium or larger ones. Small businesses with a rateable value of £20,000 or less already see their base liability increase capped at 5% plus inflation for 2017-18, medium businesses with a rateable value more than £20,000 but less than or equal to £100,000 see their base liability increase capped at 12.5% plus inflation, and larger businesses with a rateable value greater than £100,000 see their base liability increased capped at 42% plus inflation.

- 5.3. At the Budget on 8 March 2017 the Chancellor announced three additional measures to support businesses affected by the 2017 revaluation. These were:

- Support for small businesses and rural businesses which would otherwise lose small business rate relief or rural rate relief as a result of their increased 2017 rateable value, limiting increases in their bills to £600.00 each year. The Business Rates team have identified potentially 199 businesses that might qualify for this relief and application forms were sent to those businesses on 6 July 2017.
- A £1,000 business rate discount for public houses with a rateable value up to £100,000 for one year only. The Business Rates Team have identified potentially 246 businesses that might qualify for this relief and application forms were sent to those businesses on 6 July 2017.
- Additional funding over a four year period to English Local Authorities to establish local discretionary schemes 'to support those businesses that face the steepest increase in their business rates bills as a result of the 2017 revaluation' (New Business Rate Relief Scheme).

The Government have provided guidance on the qualifying criteria for the first two additional measures. The Council does not therefore have to approve the qualifying criteria for these additional schemes.

- 5.4. The third measure (New Business Rate Relief Scheme) requires each local authority to design and implement their own scheme. The Government have confirmed that it is for billing authorities to design their discretionary relief schemes and determine eligibility for support. They have assumed that

authorities will only provide support to those ratepayers who are facing an increase in their bills following revaluation, and have made that a condition of the grant. They have assumed, by and large that more support will be provided to ratepayers that face the most significant increases in their bills, and ratepayers occupying lower value properties. Funding arrangements detailed above were broadly calculated in line with these principles. The Government subsequently confirmed, however, that money does not have to be spent in accordance with the grant distribution methodology. It is for each authority to design its scheme as it sees fit.

- 5.5. On 22 June 2017 Marcus Jones MP, Minister for Local Government, wrote to all authorities expecting delivery of local schemes to begin by the end of June. Shropshire Council responded to this letter stating that a local scheme could not be designed within that timeframe, that the other two schemes could not yet be administered as software providers had not yet provided the appropriate updates, and requesting that funding could be carried forward to future years to better fit the needs of Shropshire Businesses.
- 5.6. On 21 July 2017, Marcus Jones MP wrote again to all local authorities stating that he had received assurance from the main software suppliers (including Northgate – Shropshire Council’s supplier) that relevant software updates would be available by 21 August, thereby enabling anything other than very simple local schemes to now be implemented. The letter also confirmed that there were ‘no plans to allow end of year flexibility with regard to this year’s allocations’. We have taken this as confirmation that any un-spent grant at year end cannot be carried forward, which is not a good outcome for Shropshire. Officers have therefore now been able to propose a scheme based upon allocating all available funding to local businesses before the end of the current financial year.

### **Basic principles for Shropshire Council Discretionary Relief Scheme**

- 5.7. Shropshire Council Officers have suggested the following principles to form the basis for the New Business Rate Relief Scheme, taking into account Government guidance, the makeup of the Shropshire Council business rates tax base, and feasibility in administration of the scheme.
- Relief will not apply to businesses with rateable value of £15,000 or less as eligible small businesses will be covered by small business rate relief. With effect from 1 April 2017 eligible small businesses with RV £12,000 or less will receive 100% small business rate relief, reducing on a sliding scale for eligible businesses with RV between £12,000 and £15,000.
  - Relief will only be provided to occupied properties
  - Relief will end when a property becomes unoccupied
  - New occupiers of properties will not receive relief, as relief is to protect ratepayers from large RV increases from the revaluation. New occupiers will not have been affected by the revaluation

- Relief will not be awarded to national businesses. Furthermore, notification to ratepayers will confirm the state aid limit, and confirm that a business must not receive more than 200,000 euros state aid in a three year period
  - Charities already receive a minimum 80% mandatory rate relief and as such will be excluded from new discretionary rate relief
  - Properties where the RV increases after 1 April 2017 will not receive relief as any revaluation after 1 April 2017 will be as a result of a material change, and not the revaluation. Any such business that qualifies for new discretionary relief will receive apportioned relief from 1 April 2017 up until the date of the material change
  - Any RV increases with effect from 1 April 2017 should have a zero impact on the award of relief as transitional relief will adjust to compensate for the increase
  - Any business that qualifies for new discretionary rate relief that has a reduction in RV with effect from 1 April 2017 will have new discretionary rate relief reduced accordingly, potentially to zero depending on the level of RV reduction
  - Ratepayers that lost their entitlement to small business rate relief following the revaluation and who will have their increases in bills limited to £600 in 2017-18 will be ordinarily excluded from receiving additional relief under this scheme
  - New discretionary relief will only be awarded after all other reliefs have been awarded
- 5.8. Working to the above parameters Council Officers have identified 1,129 businesses with a rateable value between £15,000 and £200,000 that have seen an increase in their net rates (after all other reliefs including transitional relief have been taken into account). The total increase for these businesses is estimated at £1,489 million which is in excess of the funding available in 2017/18. As a result, the final scheme will provide businesses with relief against the increase in their rates bills they have seen between 2016/17 and 2017/18 at a given percentage (for example, providing approximately 88% relief against the current increase in rates would ostensibly allocate the full £1.308m funding available). The final percentage allocation will be determined as part of the final scheme, calculated to award, as a minimum, the full grant entitlement for 2017/18.
- 5.9. Shropshire Council has over 12,000 businesses on its rating list. Of these, over 9,000 have a rateable value of 15,000 or less. Eligible small businesses with a rateable value of up to £12,000 receive 100% small business rate relief reducing on a sliding scale for eligible businesses with rateable value between £12,000 and £15,000.

- 5.10. With effect from 1 April 2017 Small Business Rate Relief is only available to ratepayers who occupy only one property in England, or occupy one main property and other additional properties in England providing that the additional properties have rateable values of not more than £2,899 and that the total rateable value of all the additional properties does not exceed £19,999. It follows that unoccupied properties, national businesses, and larger local businesses with several business properties will not qualify for small business rate relief. While surprising, in reality some businesses have never put in an application for relief.
- 5.11. Of the 9,000 business with rateable values up to £15,000, just over 5,000 businesses currently qualify for 100% small business rate relief as they meet the eligibility criteria and have a rateable value up to £12,000. Just over 300 businesses currently qualify for small business rate relief on a sliding scale with a rateable value between £12,001 and £15,000. Excluding both of these leaves approximately 4,000 businesses with rateable values up to £15,000 that do not receive small business rate relief and will not attract discretionary relief under the Council's proposed scheme.
- 5.12. Officers have reviewed the make-up of these 4,000 accounts and there may be some businesses that would consider that they have been adversely effected by the revaluation, but are not receiving any support through the discretionary scheme proposed above. For example, it may be that they are excluded from small business rate relief due to not meeting the eligibility criteria as a result of having additional properties. An overall analysis has identified that if businesses in the £0 - £15,000 RV category are not receiving small business rate relief and have a rateable value increase they may still receive protection from the transitional relief scheme. This scheme is favourable to smaller businesses and the maximum increase that they could have in their net rates as a result of the revaluation (i.e. comparing their 2017/18 rates bill to 2016/17) would be 7.1%, and the maximum financial increase would be £455.00 per year. When this is compared to the supporting small business rate relief scheme detailed above, it is more favourable than the capped increase in rates of £600.00 per year. Furthermore, the grant allocation methodology for the discretionary relief scheme was based on providing support where there has been at least a 12.5% increase in rates (before any reliefs) and the maximum increase of 7.1% falls below this.
- 5.13. As detailed in the Risk and Opportunities section a risk remains, with the manual design of such a complex local scheme involving the high number of businesses in Shropshire, that a business in exceptional circumstances may qualify for some form of local discretionary relief yet is 'missed' within the design of the scheme. This risk is considered to be low and Members are reminded that the Council already has discretionary powers to award relief to businesses in circumstances as it sees fit (for example hardship) which is delegated to the Council's Section 151 Officer. The Council currently has to stand 49% of the cost of any discretionary relief that is awarded.

## **6.0 Alternative Options Considered**

- 6.1 When designing the proposed scheme above the following alternative schemes were considered.
- 6.2 To target all of the Government's funding for discretionary relief as a hardship fund for which businesses would have to apply. The option was discounted because of the considerable administrative challenge of assessing applications.
- 6.3 To target Shropshire Council's funds at a particular high street, area or economic sector. The option was discounted as the 2017 revaluation has significant impacts across the Council area and to focus the funding on just one locality or sector within the Shropshire area would be unfair.

## **7.0 Consultation**

- 7.1 In the initial consultation document on the design and implementation of locally administered Business Rates Relief Schemes the Government stated that they expected billing authorities to discuss options with their major precepting authorities and where applicable consult their combined authority. Subsequent correspondence from Marcus Jones MP, now states that billing authorities should have consulted with local businesses. Consulting local businesses will add further time delays in awarding this relief to businesses but will be undertaken once approval for the scheme has been granted.
- 7.2 Due to the complexity of the scheme and the large number of businesses within Shropshire, Officers are proposing an open consultation on the website for a two week period, with an option to extend the consultation by a further two weeks should this be considered necessary. Business groups and representative bodies will be contacted to raise awareness of the consultation and seek their views. An Equality and Social Inclusion Impact Assessment (ESIIA) has been completed and the result of this is that this policy is not likely to have an adverse impact on any particular group. The ESIIA will be updated following receipt of the consultation responses. The ESIIA is at appendix A.



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

N/A

**Cabinet Member (Portfolio Holder)**

Councillor David Minnery

**Local Member**

N/A

**Appendices**

Appendix A – Equality and Social Inclusion Impact Assessment (ESIIA)

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## **Shropshire Council Equality and Social Inclusion Impact Assessment (ESIIA)**

**Name of service change:** *New Business Rate Discretionary Rate Relief Scheme*

### **Contextual Notes 2017**

#### ***The What and the Why:***

The Shropshire Council Equality and Social Inclusion Impact Assessment (ESIIA) approach helps to identify whether or not any new or significant changes to services, including policies, procedures, functions or projects, may have an adverse impact on a particular group of people, and whether the human rights of individuals may be affected.

This assessment encompasses consideration of social inclusion. This is so that we are thinking as carefully and completely as possible about all Shropshire groups and communities, including people in rural areas and people we may describe as vulnerable, for example due to low income or to safeguarding concerns, as well as people in what are described as the nine 'protected characteristics' of groups of people in our population, eg Age. We demonstrate equal treatment to people who are in these groups and to people who are not, through having what is termed 'due regard' to their needs and views when developing and implementing policy and strategy and when commissioning, procuring, arranging or delivering services.

It is a legal requirement for local authorities to assess the equality and human rights impact of changes proposed or made to services. Carrying out ESIIAs helps us as a public authority to ensure that, as far as possible, we are taking actions to meet the general equality duty placed on us by the Equality Act 2010, and to thus demonstrate that the three equality aims are integral to our decision making processes. These are: eliminating discrimination, harassment and victimisation; advancing equality of opportunity; and fostering good relations.

#### ***The How:***

The guidance and the evidence template are combined into one document for ease of access and usage, including questions that set out to act as useful prompts to service areas at each stage. The assessment comprises two parts: a screening part, and a full report part.

**Screening (Part One)** enables energies to be focussed on the service changes for which there are potentially important equalities and human rights implications. If screening indicates that the impact is likely to be positive overall, or is likely to have a medium or low negative or positive impact on certain groups of people, a full report is not required. Energies should instead focus on review and monitoring and ongoing evidence collection, enabling incremental improvements and adjustments that will lead to overall positive impacts for all groups in Shropshire.

A **full report (Part Two)** needs to be carried out where screening indicates that there are considered to be or likely to be significant negative impacts for certain groups of people, and/or where there are human rights implications. Where there is some uncertainty as to what decision to reach based on the evidence available, a full report is recommended, as it enables more evidence to be collected that will help the service area to reach an informed opinion.

## Shropshire Council Part 1 ESIIA: initial screening and assessment

*Please note: prompt questions and guidance within boxes are in italics. You are welcome to type over them when completing this form. Please extend the boxes if you need more space for your commentary.*

### Name of service change

*Development of an Additional Discretionary Rate Relief scheme for Shropshire Council.*

### Aims of the service change and description

*The Government announced in the spring budget 2017 three additional schemes to support businesses as a result of the introduction of the 2017 rating list.*

*The three schemes are:*

- *Supporting Small Businesses*
- *New Business Rate Relief for pubs*
- *New Business Rate Relief Scheme*

*While the criteria for the first two schemes have been laid out by the Government, Shropshire Council has been provided with discretion to develop parameters for the New Business Rates Relief Scheme.*

*The Government also announced £300 million of funding over four years for local authorities to establish local discretionary schemes 'to deliver targeted support for the most hard pressed ratepayers' (New Business Rate Relief Scheme). The amount of grant available reduces over the four year period. The grant allocation is based on the total increase in bills (excluding the impact of transitional relief and other reliefs) for every rateable property in the billing authority's area that satisfied the following conditions:*

- *The rateable property has a rateable value for 2017-18 that is less than £200,000;*
- *The increase in the rateable property's 2017-18 bill is more than 12.5% compared to its 2016-17 bill (before reliefs)*

*Summing the total increase in bills in all billing authority areas and distributing the available funding in each year dependant on the level of the total increase in bills in an individual authority area against the total increase in all areas.*

*Shropshire Council has been allocated the following share of the fund over the four year period.*

	<b>Amount of discretionary pot awarded (£000s)</b>			
<b>Year</b>	<b>2017-18</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>
<b>Shropshire Council</b>	1,308	635	262	37

*The Government have made it clear that they will only fund local authorities up to the agreed grant share levels detailed above.*

*The Government confirmed in a letter to Local Authority Leaders dated 21 July 2017 that there were no plans to allow end of year flexibility with regards to this year's allocation of the grant. That means that any money that we do not spend of the £1.3 million this year will have to be returned to central Government.*

*Shropshire Councils aim is to develop a scheme that:*

- *takes account of the Government Grant funding methodology*
- *targets those small and medium businesses adversely effected by the 2017 revaluation*
- *maximises the grant expenditure*
- *is feasible to administer*

#### **Intended audiences and target groups for the service change**

- *members of the public*
- *members*
- *members of the business community*

#### **Evidence used for screening of the service change**

*Shropshire Council has analysed the 2017 and 2010 rating lists in order to identify small and medium businesses that have seen a net increase in their rates liability after all other reliefs have been taken into account. The aim is apply the additional discretionary rate relief to businesses identified within these parameters.*

#### **Specific consultation and engagement with intended audiences and target groups for the service change**

*A consultation on the proposed scheme is due to run for two weeks from 13 September 2017 with an option to extend the consultation for a further two weeks if necessary. Business groups and representative bodies will be made aware of the consultation to allow them to respond.*

### **Potential impact on Protected Characteristic groups and on social inclusion**

Using the results of evidence gathering and specific consultation and engagement, please consider how the service change as proposed may affect people within the nine Protected Characteristic groups and people at risk of social exclusion.

1. Have the intended audiences and target groups been consulted about:
  - their current needs and aspirations and what is important to them;
  - the potential impact of this service change on them, whether positive or negative, intended or unintended;
  - the potential barriers they may face.

2. If the intended audience and target groups have not been consulted directly, have their representatives or people with specialist knowledge been consulted, or has research been explored?
3. Have other stakeholder groups and secondary groups, for example carers of service users, been explored in terms of potential unintended impacts?
4. Are there systems set up to:
  - monitor the impact, positive or negative, intended or intended, for different groups;
  - enable open feedback and suggestions from a variety of audiences through a variety of methods.
5. Are there any Human Rights implications? For example, is there a breach of one or more of the human rights of an individual or group?
6. Will the service change as proposed have a positive or negative impact on:
  - fostering good relations?
  - social inclusion?

### Initial assessment for each group

*Please rate the impact that you perceive the service change is likely to have on a group, through inserting a tick in the relevant column. Please add any extra notes that you think might be helpful for readers.*

<b>Protected Characteristic groups and other groups in Shropshire</b>	<b>High negative impact</b> <i>Part Two ESIIA required</i>	<b>High positive impact</b> <i>Part One ESIIA required</i>	<b>Medium positive or negative impact</b> <i>Part One ESIIA required</i>	<b>Low positive or negative impact</b> <i>Part One ESIIA required</i>
<b>Age</b> (please include children, young people, people of working age, older people. Some people may belong to more than one group eg child for whom there are safeguarding concerns eg older person with disability)				√
<b>Disability</b> (please include: mental health conditions and syndromes including autism; physical disabilities or impairments; learning disabilities; Multiple Sclerosis; cancer; HIV)				√
<b>Gender re-assignment</b> (please include associated aspects: safety, caring responsibility, potential for bullying and harassment)				√
<b>Marriage and Civil Partnership</b> (please include associated aspects: caring responsibility, potential for bullying and harassment)				√
<b>Pregnancy &amp; Maternity</b> (please include associated aspects: safety, caring responsibility, potential for bullying and harassment)				√
<b>Race</b> (please include: ethnicity, nationality, culture, language, gypsy, traveller)				√
<b>Religion and belief</b> (please include: Buddhism, Christianity, Hinduism, Islam, Judaism, Non conformists; Rastafarianism; Sikhism,				√

Shinto, Taoism, Zoroastrianism, and any others)				
<b>Sex</b> (please include associated aspects: safety, caring responsibility, potential for bullying and harassment)				√
<b>Sexual Orientation</b> (please include associated aspects: safety; caring responsibility; potential for bullying and harassment)				√
<b>Other: Social Inclusion</b> (please include families and friends with caring responsibilities; people with health inequalities; households in poverty; refugees and asylum seekers; rural communities; people for whom there are safeguarding concerns; people you consider to be vulnerable)				√

### Guidance on what a negative impact might look like

<b>High Negative</b>	Significant potential impact, risk of exposure, history of complaints, no mitigating measures in place or no evidence available: urgent need for consultation with customers, general public, workforce
<b>Medium Negative</b>	Some potential impact, some mitigating measures in place but no evidence available how effective they are: would be beneficial to consult with customers, general public, workforce
<b>Low Negative</b>	Almost bordering on non-relevance to the ESIIA process (heavily legislation led, very little discretion can be exercised, limited public facing aspect, national policy affecting degree of local impact possible)

### Decision, review and monitoring

Decision	Yes	No
Part One ESIIA Only?	√	
Proceed to Part Two Full Report?		√

***If Part One, please now use the boxes below and sign off at the foot of the page. If Part Two, please move on to the full report stage.***

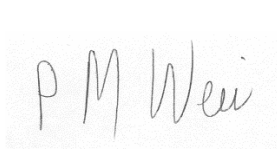
<b>Actions to mitigate negative impact or enhance positive impact of the service change</b>
<i>This is the section where you can explain what the service area is already planning to do. Check: for the groups who may be affected, what actions will you now take to mitigate or enhance impact of the service change? For example, if you are reducing a service there may be further use you could make of publicity and awareness raising through social media and other channels to reach more people who may be affected.</i>

--

**Actions to review and monitor the impact of the service change**

*This is the section where you can explain what actions the service area will be taking to review and monitor the impact of the service change, and with what frequency. Check: what arrangements will you have in place to continue to collect evidence and data and to continue to engage with all groups who may be affected by the service change, including the intended audiences? For example, customer feedback and wider community engagement opportunities, including involvement of elected Shropshire Council councillors for a locality.*

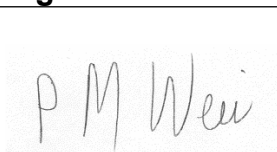
**Scrutiny at Part One screening stage**

People involved	Signatures	Date
Phil Weir		24 August 2017
Any internal support*	N/A	
Any external support**	N/A	
James Walton		

**\*This refers to other officers within the service area**

**\*\*This refers either to support external to the service but within the Council, eg from the Rurality and Equalities Specialist, or support external to the Council, eg from a peer authority**

**Sign off at Part One screening stage**

Name	Signatures	Date
Phil Weir		24 August 2017
James Walton		



# Shropshire Council Part 2 ESIIA: full report

## Guidance notes on how to carry out the full report

The decision that you are seeking to make, as a result of carrying out this full report, will take one of four routes:

1. To make changes to satisfy any concerns raised through the specific consultation and engagement process and through your further analysis of the evidence to hand;
2. To make changes that will remove or reduce the potential of the service change to adversely affect any of the Protected Characteristic groups and those who may be at risk of social exclusion;
3. To adopt the service change as it stands, with evidence to justify your decision even though it could adversely affect some groups;
4. To find alternative means to achieve the aims of the service change.

The Part Two Full Report therefore starts with a forensic scrutiny of the evidence and consultation results considered during Part One Screening, and identification of gaps in data for people in any of the nine Protected Characteristic groups and people who may be at risk of social exclusion, eg rural communities. There may also be gaps identified to you independently of this process, from sources including the intended audiences and target groups themselves.

The forensic scrutiny stage enables you to assess:

- **Which gaps need to be filled right now, to help you to make a decision about the likely impact of the proposed service change?**

This could involve methods such as: one off service area focus groups; use of customer records; examination of data held elsewhere in the organisation, such as corporate customer complaints; and reference to data held by similar authorities or at national level from which reliable comparisons might be drawn, including via the Rural Services Network. Quantitative evidence could include data from NHS Foundation Trusts, community and voluntary sector bodies, and partnerships including the Local Enterprise Partnership and the Health and Well Being Board. Qualitative evidence could include commentary from stakeholders.

- **Which gaps could be filled within a timeframe that will enable you to monitor potential barriers and any positive or negative impacts on groups and individuals further along into the process?**

This could potentially be as part of wider corporate and partnership efforts to strengthen the evidence base on equalities. Examples would be: joint information sharing protocols about victims of hate crime incidents; the collection of data that will fill gaps across a number of service areas, eg needs of young people with learning disabilities as they progress through into independent living; and publicity awareness campaigns that encourage open feedback and suggestions from a variety of audiences.

Once you have identified your evidence gaps, and decided on the actions you will take right now and further into the process, please record your activity in the following boxes. Please extend the boxes as needed.

**Evidence used for assessment of the service change: activity record**

*How did you carry out further research into the nine Protected Characteristic groups and those who may be at risk of social exclusion, about their current needs and aspirations and about the likely impacts and barriers that they face in day to day living?*

*And what did it tell you?*

**Specific consultation and engagement with intended audiences and target groups for the service change: activity record**

*How did you carry out further specific consultation and engagement activity with the intended audiences and with other stakeholders who may be affected by the service change?*

*And what did it tell you?*

**Further and ongoing research and consultation with intended audiences and target groups for the service change: activity record**

*What further research, consultation and engagement activity do you think is required to help fill gaps in our understanding about the potential or known affect that this proposed service change may have on any of the ten groupings and on the intended audiences and target groups? This could be by your service area and/or at corporate and partnership level.*

## Full report assessment for each group

Please rate the impact as you now perceive it, by inserting a tick. Please give brief comments for each group, to give context to your decision, including what barriers these groups or individuals may face.

Protected Characteristic groups and other groups in Shropshire	High negative impact	High positive impact	Medium positive or negative impact	Low positive or negative impact
<b>Age</b> (please include children, young people, people of working age, older people. Some people may belong to more than one group eg child for whom there are safeguarding concerns eg older person with disability)				
<b>Disability</b> (please include: mental health conditions and syndromes including autism; physical disabilities or impairments; learning disabilities; Multiple Sclerosis; cancer; HIV)				
<b>Gender re-assignment</b> (please include associated aspects: safety, caring responsibility, potential for bullying and harassment)				
<b>Marriage and Civil Partnership</b> (please include associated aspects: caring responsibility, potential for bullying and harassment)				
<b>Pregnancy &amp; Maternity</b> (please include associated aspects: safety, caring responsibility, potential for bullying and harassment)				
<b>Race</b> (please include: ethnicity, nationality, culture, language, gypsy, traveller)				
<b>Religion and belief</b> (please include: Buddhism, Christianity, Hinduism, Islam, Judaism, Non conformists; Rastafarianism; Sikhism, Shinto, Taoism, Zoroastrianism, and any others)				
<b>Sex</b> (please include associated aspects: safety, caring responsibility, potential for bullying and harassment)				
<b>Sexual Orientation</b> (please include associated aspects: safety; caring responsibility; potential for bullying and harassment)				
<b>Other: Social Inclusion</b> (please include families and friends with caring responsibilities; people with health inequalities; households in poverty; refugees and asylum seekers; rural communities; people for whom there are safeguarding concerns; people you consider to be vulnerable)				

## ESIIA Full Report decision, review and monitoring

### Summary of findings and analysis - ESIIA decision

*You should now be in a position to record your decision. Please highlight in bold the route that you have decided to take.*

1. To make changes to satisfy any concerns raised through the specific consultation and engagement process and through your further analysis of the evidence to hand;
2. To make changes that will remove or reduce the potential of the service change to adversely affect any of the Protected Characteristic groups and those who may be at risk of social exclusion;
3. To adopt the service change as it stands, with evidence to justify your decision even though it could adversely affect some groups;
4. To find alternative means to achieve the aims of the service change.

*Please add any brief overall comments to explain your choice.*

*You will then need to create an action plan and attach it to this report, to set out what further activity is taking place or is programmed that will:*

- *mitigate negative impact or enhance positive impact of the service change,*
- AND*
- *review and monitor the impact of the service change*

*Please try to ensure that:*

- *Your decision is based on the aims of the service change, the evidence collected, consultation and engagement results, relative merits of alternative approaches and compliance with legislation, and that records are kept;*
- *The action plan shows clear links to corporate actions the Council is taking to meet the general equality duty placed on us by the Equality Act 2010, to have due regard to the three equality aims in our decision making processes.*

## Scrutiny at Part Two full report stage

<b>People involved</b>	<b>Signatures</b>	<b>Date</b>
<i>Lead officer</i>		
<i>Any internal support</i>		
<i>Any external support</i>		
<i>Head of service</i>		

## Sign off at Part Two full report stage

<b>Signature (Lead Officer)</b>	<b>Signature (Head of Service)</b>
Date:	Date:

## Appendix: ESIIA Part Two Full Report: Guidance Notes on Action Plan

Please base your action plan on the evidence you find to support your decisions, and the challenges and opportunities you have identified. It could include arrangements for:

- continuing engagement and involvement with intended audiences, target groups and stakeholders;
- monitoring and evaluating the service change for its impact on different groups throughout the process and as the service change is carried out;
- ensuring that any pilot projects are evaluated and take account of issues described in the assessment, and that they are assessed to make sure they are having intended impact;
- ensuring that relevant colleagues are made aware of the assessment;
- disseminating information about the assessment to all relevant stakeholders who will be implementing the service change;
- strengthening the evidence base on equalities.

Please also consider:

- resource implications for in-house and external delivery of the service;
- arrangements for ensuring that external providers of the service are monitored for compliance with the Council's commitments to equality, diversity and social inclusion, and legal requirements including duties under the Equality Act 2010.

And finally, please also ensure that the action plan shows clear links to corporate actions the Council is taking to meet the general equality duty placed on us by the Equality Act 2010, to have due regard to the three equality aims in our decision making processes.

These are:

- Eliminating discrimination, harassment and victimisation
- Advancing equality of opportunity
- Fostering good relations

***Note: Shropshire Council has referred to good practice elsewhere in refreshing previous equality impact assessment material in 2014 and replacing it with this ESIIA material. The Council is grateful in particular to Leicestershire County Council, for graciously allowing use to be made of their Equality and Human Rights Impact Assessments (EHRIAs) material and associated documentation.***

***For further information on the use of ESIIAs: please contact your head of service or contact Mrs Lois Dale, Rurality and Equalities Specialist and Council policy support on equality, via telephone 01743 255684, or email [lois.dale@shropshire.gov.uk](mailto:lois.dale@shropshire.gov.uk).***



<u>Committee and date</u>
Cabinet
06 September 2017

## VARIATION TO WEST MERCIA ENERGY JOINT AGREEMENT

**Responsible Officer** James Walton

Email: james.walton@shropshire.gov.uk

Tel: (01743) 258915

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### 1. Summary

- 1.1 This report sets out the proposal to vary the Joint Agreement for West Mercia Energy (WME) held by the constituent authorities to enable WME to supply utilities, alongside the supply of energy. It is necessary for each constituent authority to agree to this variation, and thereby enable the WME Joint Committee to then consider and agree any future proposals to supply utilities.

### 2. Recommendations

It is recommended that Members:

- A. Agree that the current Joint Agreement is varied to include the provision to be able to broker and supply utilities; and
- B. Authorise the Head of Finance, Governance and Assurance (s151 Officer) to finalise and execute the variation.

## REPORT

### 3. Risk Assessment and Opportunities Appraisal

- 3.1. Cabinet has delegated authority to the West Mercia Energy Joint Committee for the exercise of certain functions, where Shropshire Council is currently represented by Cllrs R Macey and N Laurens. As the proposals to vary the Joint Agreement to include utilities are significant and extend the scope of the delegated functions, this delegation is to be approved by Cabinet.
- 3.2. From the 1st April 2017 larger organisations may decide to become a self-supply licensee. The new open water market de-regulation also allows companies to become licensed suppliers of water and wastewater retail services to other businesses. There is an opportunity to become a retailer of water; buying wholesale water services – the physical supply of water and the removal of wastewater from regional water companies. The retailer will package a series of water services and compete for customers in the market place. The water market is undergoing changes to effect more open competition and choice.

- 3.3. There are business risks associated with the development of a new service for the provision of water services. It is considered, however, that the opportunity to enhance the WME offer, particularly to key existing customers, outweighs these risks. The dividend the Council receives from WME is based on WME's performance and there is therefore a risk that this could reduce in future dependent on their trading position and financial outturn. Further, as a Member Authority the Council would be jointly liable for any costs and liabilities associated with WME if the Joint Committee was unable to meet its obligations, although it should be noted that there are comprehensive risk management arrangements in place to mitigate this.

#### **4. Financial Implications**

- 4.1. The Joint Agreement states that accumulated surpluses identified for distribution are allocated to Member Authorities each year partly based on the level of trading activity by each Member Authority and partly based on non-member trading activity. There are no proposals to change this methodology. The budgeted dividend in 2017/18 is £269,000 and while extending the agreement to include the provision of water services is not in itself expected to have a significant impact on dividends or savings it should enhance the offer to customers and should help sustain current income levels for the Council.

#### **5. Background**

- 5.1. On 14 November 2012 Cabinet provided approval for Shropshire Council to enter into a new Joint Agreement with Telford and Wrekin, Herefordshire and Worcestershire Councils to govern West Mercia Energy (WME) following the sale of the West Mercia Supplies element of the Joint Committee's activities. WME now supplies energy on behalf of its owners to public sector organisations across the country.
- 5.2. From April 2017 central government has permitted the non domestic water supply market to be opened up, to enable businesses, charities and public sector bodies, to be able to choose their supplier rather than rely on a supplier within their region. This option has been available in Scotland since they deregulated their water in 2008. Government hope that competition will improve customer services, lower costs and encourage suppliers to be more innovated with the services they offer. It should be noted that only 6% of the retail market is available for competition so significant savings or dividends are not expected
- 5.3. WME has been working in collaboration with other public sector organisations to establish a national Framework Agreement for the provision of water, waste water and ancillary services (namely CCS, NEPO, YPO, ESPO, TEC and the MOD). Each member of the group view the provision of a water contract to its members/customers as an extension of services and not something where significant retail margins can be achieved.
- 5.4. The option to provide water supplies to WME customers has been considered in depth over recent months. Provision of water services creates new business risks associated with the development of a new service (for



example development of systems, management time focused on an initial low margin product rather than the core WME offering). From the research conducted, however, not providing an offering for water is considered a greater business risk as some of our key large customers may wish, in the future, to procure a joint gas, electricity and water contract from one provider. Being unable to provide such a package in this market space could lead to loss of business. As a consequence the recommendation is that the Joint Committee is given delegated authority in respect of utilities so that WME is able to take the necessary steps to develop a customer offering for water.

- 5.5. To enable WME to be part of any framework and to provide water services in future there is a need to vary the Joint Agreement to add in the ability to supply general utilities alongside the specific supply of energy.
- 5.6. A copy of the proposed variation is attached at Appendix 1.

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

West Mercia Energy Joint Agreement – Cabinet 14 November 2012

**Cabinet Member (Portfolio Holder)**

Councillor Rob Macey and Councillor Nic Laurens (Shropshire Council representatives on West Mercia Energy Joint Committee)

**Local Member**

All

**Appendices**

- 1. Deed of Variation of Contract

**DATED**

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**DEED OF VARIATION OF CONTRACT**

between

**SHROPSHIRE COUNCIL**

and

**THE COUNTY OF HEREFORDSHIRE DISTRICT COUNCIL**

and

**WORCESTERSHIRE COUNTY COUNCIL**

and

**THE BOROUGH OF TELFORD & WREKIN**

**CONTENTS**

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**CLAUSE**

1.	Terms defined in the Agreement .....	1
2.	Variation.....	1
3.	Counterparts .....	2
4.	Governing law.....	2
5.	Jurisdiction .....	2

THIS DEED is dated

**PARTIES**

- (1) SHROPSHIRE COUNCIL of Shirehall, Abbey Foregate, Shrewsbury, Shropshire SY5 6SG
- (2) THE COUNTY OF HEREFORDSHIRE DISTRICT COUNCIL of Shirehall, St Peters Square, Hereford HR1 2HX
- (3) WORCESTERSHIRE COUNTY COUNCIL of County Hall, Spetchley Road, Worcester WR5 2NP
- (4) THE BOROUGH OF TELFORD & WREKIN of Addenbrooke House, Ironmasters Way, Telford, TF3 4NT

(hereinafter referred to as “the Member Authorities or “the Member Authority” as the context determines)

**BACKGROUND**

- (A) The Member Authorities are party to an agreement in respect of a Joint Committee arrangements for the purposes of arranging for the purchase and supply of energy to the Member Authorities and to other public bodies dated 20<sup>th</sup> June 2013 as amended by the Deeds of Variation dated 13<sup>th</sup> February 2015, 24<sup>th</sup> July 2015 and 3<sup>rd</sup> January 2017 (**Agreement**).
- (B) The Member Authorities wish to amend the terms of the Agreement as set out in this deed.

**AGREED TERMS**

**1. TERMS DEFINED IN THE AGREEMENT**

- 1.1. In this deed, expressions defined in the Agreement and used in this deed have the meaning set out in the Agreement. The rules of interpretation set out in the Agreement apply to this deed.

**2. VARIATION**

- 2.1. With effect from the 1st July 2017 (**the Variation Date**) the Parties agree to make the following amendments to the Agreement:

a)	Clause 4.1 (Objectives) amended:	This clause is amended to by the insertion of the words: “..and utilities..” after the words “supply of energy” in the second line.
----	----------------------------------	---

2.2. Except as set out in Clause 2.1, the Agreement shall continue in full force and effect.

**3. COUNTERPARTS**

3.1. This deed may be executed in one or more counterparts and any party may enter into this deed by executing a counterpart. Any single counterpart or a set of counterparts executed and delivered in either case by all the parties shall constitute one and the same agreement, and a full original of the deed for all purposes.

3.2. No counterpart shall be effective until each party has executed and delivered at least one counterpart.

**4. GOVERNING LAW**

4.1. This deed and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) shall be governed by and construed in accordance with the law of England and Wales.

**5. JURISDICTION**

5.1. Each party irrevocably agrees that the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim arising out of or in connection with this deed or its subject matter or formation (including non-contractual disputes or claims).

This document has been executed as a deed and is delivered and takes effect on the date stated at the beginning of it.

Executed as a deed by affixing the  
COMMON SEAL of **SHROPSHIRE  
COUNCIL** in the presence of:

.....  
Signature

.....  
Print name

Executed as a deed by affixing the  
COMMON SEAL of **THE COUNTY OF  
HEREFORDSHIRE DISTRICT  
COUNCIL** in the presence of:

.....  
Signature

.....  
Print name

Executed as a deed by affixing the  
COMMON SEAL of  
**WORCESTERSHIRE COUNTY  
COUNCIL** in the presence of:

.....  
Signature

.....  
Print name

Executed as a deed by affixing the  
COMMON SEAL of **THE BOROUGH  
OF TELFORD & WREKIN** in the  
presence of:

.....  
Signature

.....  
Print name

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

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