



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

Date: Friday, 7 September 2018

**Committee: Cabinet**

**Date: Monday, 17 September 2018**

**Time: 11.00 am**

**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**

Dean Carroll  
Rob Gittins  
Simon Harris  
Roger Hughes  
Elliott Lynch  
Alex Phillips  
Ed Potter

Your Committee Officer is:

**Jane Palmer** Senior Democratic Services Officer

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# AGENDA

## 1 Apologies for Absence

## 2 Disclosable Pecuniary Interests

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

## 3 Minutes

To approve as a correct record and sign the Minutes of the Cabinet meeting held on 5 September 2018 **TO FOLLOW**

## 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 no later than 24 hours prior to the start of the meeting.

## 5 Member Questions

To receive any questions of which members of the Council have given due notice, the deadline for notification for this meeting is 5.00pm on Wednesday 12 September 2018.

## 6 Scrutiny Items (Pages 1 - 16)

To consider the report from the Placements for Looked After Children Task and Finish Group.

## 7 Annual Treasury Report 2017/2018 (Pages 17 - 30)

Lead Member – Councillor D Minnery – Portfolio Holder for Finance

Report of the Head of Finance, Governance and Assurance [s151 Officer]

Contact: James Walton Tel: 01743 258915

## 8 Treasury Management Update Quarter 1 2018/19 (Pages 31 - 52)

Lead Member – Councillor D Minnery – Portfolio Holder for Finance

Report of the Head of Finance, Governance and Assurance [s151 Officer]

Contact: James Walton Tel: 01743 258915

- 9 Financial Monitoring Report Quarter 1 2018/19** (Pages 53 - 86)  
Lead Member – Councillor D Minnery – Portfolio Holder for Finance  
Report of the Head of Finance, Governance and Assurance [s151 Officer]  
Contact: James Walton Tel: 01743 258915
- 10 Revised Minimum Revenue Provision [MRP] Statement 2018/19** (Pages 87 - 96)  
Lead Member – Councillor D Minnery – Portfolio Holder for Finance  
Report of the Head of Finance, Governance and Assurance [s151 Officer]  
Contact: James Walton Tel: 01743 258915
- 11 Quarter 1 Performance Report 2018/19** (Pages 97 - 104)  
Lead Member – Councillor S Charmley – Deputy Leader and Portfolio Holder for Corporate and Commercial Support  
Report of the Chief Executive  
Contact: Clive Wright Tel: 01743 252702
- 12 Annual Customer Feedback (Complaints, Comments and Compliments) Report 2017/18** (Pages 105 - 132)  
Lead Member – Councillor S Charmley – Deputy Leader and Portfolio Holder for Corporate and Commercial Support  
Report of the Head of Human Resources and Development  
Contact: Michele Leith Tel: 01743 254402
- 13 Application by Broseley Town Council to be considered as a Neighbourhood Plan Area** (Pages 133 - 138)  
Lead Member – Councillor R Macey – Portfolio Holder for Planning and Housing Development  
Report of the Head of Economic Growth  
Contact: Gemma Davies Tel: 01743 258985



## Committee and Date

Cabinet

17 September 2018

## **REPORT OF THE PLACEMENTS FOR LOOKED-AFTER CHILDREN TASK AND FINISH GROUP**

**Responsible Officer:** Tom Dodds, Performance Manager

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### **1.0 Summary**

1.1 This report details the work carried out by Shropshire Council's Placements For Looked-After Children Task And Finish Group, looking into the challenges the council faces in providing residential care for its looked after children. The report also responds to proposals from Shropshire Council to develop its residential care provision for its looked after children.

### **2.0 Recommendations**

2.1 The People Overview Committee recommends that Cabinet

- instructs the Director of Children's Services to draw up a detailed business case for:
  - two new two-bedroom specialist care residential homes;
  - a three-bedroom step-down care residential home
  - a lodge providing space for crisis care and respite care;
  - converting Chelmaren's statement of purpose to a children's home for long-term children; and
  - converting office space at Chelmaren to provide semi-independent accommodation for the council's looked after children who will soon be leaving care;
- delays building any step-down residential home, until the two specialist care residential homes are established and working successfully; and
- presents these proposals to scrutiny by September 2018.

### **3.0 Opportunities and risks**

3.1 The proposals from Shropshire Council could result in better outcome for its looked after children that require residential care, by providing a stable home environment to the most complex children that it cares for. The proposals could also provide opportunities for older children leaving care to develop their independence and life skills before they leave the council's care.

- 3.2 Providing its own residential care will also help Shropshire council to retain and develop its residential care workforce.
- 3.3 The proposals may provide an effective return on capital investment. It would provide this return through savings on the money the council spends to provide private residential care to the council's looked after children.
- 3.4 The proposals could also provide the basis on which to develop a residential care business that could accommodate children looked after by local authorities. This would however carry with it many of the financial risks that are discussed in the main report.
- 3.5 The proposals from Shropshire Council would require some financial investment to build residential care premises or to buy properties to convert into residential care. These investments would be subject to the financial risk inherent in property transactions. There may be opportunities to mitigate this through identifying suitable properties through the One Single Estate programme.
- 3.6 There is a risk that rapid expansion of the council's homes for its looked after children could have a detrimental impact on its existing home. The group's recommendation for a staggered approach to any expansion should mitigate this risk.

#### **4.0 Financial assessment**

- 4.1 The task and finish group has seen an estimation of the likely costs of the proposals. These indicate that the proposals would either deliver a return on the council's investment, or would be cost-neutral while providing better care for the council's looked after children. The group believes these estimates to be reasonable, and anticipates the service will provide a rigorous financial assessment for Cabinet to consider.
- 4.2 Private sector placement costs for the most complex children have risen considerably in recent years, and continue to rise. These proposals not only mitigate the risks with relying on the private sector to supply placements, but also the impact of rising costs that the council would have no choice but to pay.

#### **5.0 Background**

- 5.1 In May 2018 the People Overview Committee agreed to set up a task and finish group to look at the significant challenges the council faces in placing looked after children in suitable residential care. This group also considered proposals for the council to build a number of new homes for its most complex and vulnerable looked after children.

- 5.2 The task and finish group learned that a surge in demand for specialist residential care had caused costs to rise rapidly. Pressure to maintain good Ofsted ratings also made many providers reluctant to work with children with complex needs.
- 5.3 The group heard proposals from Children’s Services to use its own expertise to set up its own homes for its most complex looked-after children. It also proposed a further residential home for children who could potentially leave care and return to their families.
- 5.4 The group recognised the significant challenges that the service faces in finding suitable placements for the council’s looked after children. It strongly supported proposals to two specialist care residential homes, and a step-down residential home. It therefore recommended that Cabinet ask the service to draw up a detailed business case for the proposals.
- 5.5 The People Overview Committee approved the Group’s report and recommendations at its meeting on 18 July 2018.
- 5.6 The Group’s report is attached as **Appendix 1**.

<p><b>Background Papers</b></p> <ul style="list-style-type: none"> <li>• <i>Financial stability, cost charge and value for money in the children’s residential care market</i>, Institute of Public Care, Oxford Brookes University, June 2015</li> <li>• <i>Residential Care in England</i>, Report of Sir Martin Narey’s independent review of children’s residential care, July 2016</li> <li>• <i>Sufficiency – Statutory guidance on securing sufficient accommodation for looked after children</i>, Department for Children, Schools and Families, July 2010</li> </ul>
<p><b>Cabinet Member (Portfolio Holder)</b></p> <p>The Portfolio Holder for Children and Young People</p>
<p><b>Local Member</b></p> <p>All</p>
<p><b>Appendices</b></p> <p>Appendix 1 – The report of the Placements For Looked After Children Task And Finish Group</p>



## **People Overview Committee**

### **Report of the residential placements for looked after children task and finish group**

July 2018



## **Acknowledgments**

The group would like to thank the head of safeguarding and the adoptions and fostering manager at Shropshire Council for their significant contribution to this report. The committee would also like to thank the Shropshire Council placement officers and the residential home care workers and managers that they spoke to during the course of this review.

## **Members of the Task and Finish Group**

- Cllr Peggy Mullock (chair)
- Cllr Pauline Dee
- Cllr Roger Evans
- Cllr Kevin Pardy
- Cllr Kevin Turvey

## **Introduction**

This report details the work carried out by Shropshire Council's Placements For Looked-After Children Task And Finish Group, examining the challenges the council faces in providing residential care for its looked after children. The report also responds to proposals from Shropshire Council to develop its residential care provision for its looked after children.

## **Scope and focus of the work**

The Children Act 1989 requires local authorities to safeguard and promote the welfare of children within their area. This includes a requirement to provide accommodation where the child's parent or guardian is unable to do so. Shropshire Council thus becomes the corporate parent of these 'looked after' children. Where possible, the aim is for a child to go home, either back to their family, their extended family, or with a permanent foster placement. However for some children, residential care is what is right for them. Some children will stay in residential care until they leave care as adults.

Like all local authorities, Shropshire Council is finding it harder to find the right home for its looked after children. Demand for both foster and residential care is growing faster than the supply of places available. Shropshire Council's Children's Services proposes a number of solutions to address this.

The objectives of the group were to:

- understand the profile of looked after children in Shropshire, and gain insight into the needs of the most complex children that the council looks after;
- learn about the private residential care market, and challenges the council faces when purchasing private residential care;
- understand the council's solutions to address these issues; and
- scrutinise these proposals to ensure that they are right for the council's looked after children.

## **What has the task and finish group done?**

During the course of the review, the group:

- visited Shropshire Council's placements team for looked-after children, to hear about the pressures that they face in placing children
- held a half-day session with the council's head of safeguarding and fostering and adoptions manager, who provided significant background information about the council's looked-after children
- discussed four case studies of some of Shropshire Council's most complex children and

- met with some of Shropshire Council's residential care workers, to understand the challenges and rewards of working with some of Shropshire's most complex children.

## Findings

Shropshire Council faces a number of challenges in providing care for its looked after children. A greater number of children are coming into its care, with a greater number of children with complex needs. This has resulted in a growing need for residential care.

### ***The profile of looked children in Shropshire***

At the end of March 2018, Shropshire Council was looking after 338 children, a net increase of 47 children in a year. Between 2008 and 2018, the proportion of children in Shropshire who became looked-after rose from 33 to 57 per 10,000 children. This mirrors a growth in the rate of looked-after children throughout England and Wales. Although the rate of looked-after children in Shropshire remains lower than the rate in West Midlands or England and Wales, the rate of growth here is faster and the gap is narrowing.

Although the number of children entering care is only marginally higher compared to the previous year, the number of children leaving care has dropped dramatically. There are two reasons for this. A third of the children who entered care were aged under 5 years old. This is primarily due to more effective child protection and earlier identification of risk. Although these younger children are most likely to leave care, they are also usually subject to considerable legal processes to decide who will care for them. This has resulted in a temporary spike in the number of looked-after children as Shropshire Council secures the long-term future of this cohort of younger children.

A similar number of children entering care in the previous year were aged over 13 years old. As reunification with home can be difficult to achieve, or because the needs of the young people are so complex, they are often unable to be cared for in a family setting. These children are therefore least likely to leave care. As a result of this, almost half of Shropshire Council's looked after children are aged between 13 and 17 years old. As well as looking after these children, Shropshire Council must help them to prepare to live independently when they leave care.

A growing number of the children who are entering care are at risk of significant harm. Of the 100 children that became looked after between April and November 2017, 48 met the threshold of experiencing significant harm. The group heard that these children are subject to care orders or police protection. This not only absorbs significant amount of time preparing for court proceedings, but this cohort of looked after children are also considerably less likely to leave care.

As well as being at a growing risk of experiencing significant harm, looked after children also have increasingly complex needs. There are numerous reasons for this. The council is seeing an increasing number of unaccompanied asylum seeking children, fleeing war zones or being trafficked. It is also seeing an increasing number of children experiencing physical and sexual abuse, substance addiction, and other problems previously more usually seen in urban areas of high deprivation.

The group discussed five cases of some of Shropshire Council's most complex and vulnerable looked-after children. The group identified that all five cases share several common themes:

- sexual or physical abuse, often at an early age
- self-harm, suicide attempts and violence towards others
- risky sexual, violent or drug abusing behaviour
- autism, ADHD or learning difficulties
- a repeated failure to return home
- family breakdown or an absence of any positive relationship at home and
- a repeated residential placement breakdown.

**The group recognises the significant challenge faced in caring for vulnerable and often traumatised children with complex needs.**

### ***The challenge of providing care for looked after children***

The increasing number of children with complex needs, or at risk of significant harm, has resulted in an increase in the number of children subject to care proceedings. The group heard that the majority of the children aged five and under who had come into care will be subject to court proceedings and will exit care either with a care plan of return home, adoption, special guardianship or long term fostering. However, to implement a child's care plan requires due legal process to be followed, such as adoption, revocation of care orders and applications for special guardianships orders, all of which can take some time to process.

There have also been increases in connected carer requests for assessment. The courts increasingly expect children to remain within their family network, combined with a higher threshold for adoption. This results in children remaining in care for longer while the long-term viability of a connected care placement is assessed. The group heard that connected care requests often result in more complex court proceedings. For example, it is not unusual to be instructed by the courts to complete more than one connected carer assessment for the same child, with paternal and maternal carers being assessed at the same time.

These proceedings place high demands on the time of social workers, supervisors and placement teams. Social workers are spending an increasing amount of time managing increasingly complex court cases. They have to travel longer distances to

maintain contact with children, undertake statutory visits and to complete assessments. Multiple connected care requests for a child result in multiple, lengthy assessments. Placement staff spend longer finding suitable placements in a market where there is a high demand for each placement. Contact teams are unable to meet the demand on their time, with increasing amount of contact work happening outside of normal working hours.

The group also heard that older children, particularly those with complex needs, are more likely to suffer a breakdown in foster placements and move into higher-cost residential care. The increase in number of older looked after children, and increase in number of children with complex needs, has resulted in a steady increase in the number of children in residential care. Those already in residential placements that break down require a move that usually result in a more expensive placements as additional staff support is put into place to meet the child's needs.

### ***The market for residential care***

The nationwide increase in numbers of looked after children, combined with an increased complexity of need, has resulted in a significant growth in demand for residential care. The group heard from the placements team that it was common to see a private provider receive up to 50 bids for a vacant place in one of their homes. This follows a long period of decline in the use of residential care, as local authorities closed homes and focussed their efforts into placing children into foster care. Accordingly, the recent significant growth in demand for specialist care for children with complex needs has not matched the supply of available places. Although there has been recent significant private equity in the private residential care market, the volatility of placements and small size of residential homes can quickly erode potential returns on investment. Furthermore, recent research by the Institute for Social Care shows that the residential care market has become highly fragmented, with many homes providing care for a very specific cohort of children, such as those with a specific behavioural disorder. Combined, these changes in the market place significant pressures on the council's ability to provide the right care for its looked after children.

The group also heard that residential care providers are inspected by Ofsted, and anything less than a 'good' rating from an inspection can result in significant loss of income caused by local authorities becoming unwilling to place their looked-after children in that home. This makes providers reluctant to take children with complex needs, and all too willing to terminate placements with children whose needs they are struggling to meet. The instability caused by a terminated placement can cause additional trauma to the child. In addition, identifying an alternative placement for the child usually results in a higher cost placement as the new supplier requires additional support for the child.

The group heard from the placement team, as well as the head of safeguarding, about the cost of residential care. The high demand for residential care, combined with the

greater support needed for children in care, had resulted in a considerable increase in the cost of care. Both the placement team and the head of safeguarding told the group that the cost of residential care for children with minimal additional need was around £3,000 a week. However the service currently had five contracts in place that cost the council £6,000 a week and above. Their highest care cost for a looked-after child was £12,000 a week, because the council has been asked to buy both spaces in a home for a single child with significant complexity in order to keep the placement.

Although Shropshire Council is part of a purchasing consortium that caps costs on a block purchase of 13 placements with a large provider, this cannot meet all of the council's needs. The group heard that in the year to January 2018, the service faced an increase of £1.5 million in residential placement costs compared to the previous year. Nearly £1 million of this increase was due to on-the-spot purchases, despite there being a decrease in the number of on-the-spot purchases that the council made.

As local authorities compete for placements, they are forced to look further away for availability, particularly for specialist care. This makes it harder for the child to maintain contact with family and friends, disrupts their education, and weakens the support that their social worker is able to provide. The group heard from the placements team that there were approximately 650 looked after children from other local authorities living in private residential care in Shropshire. Despite this abundance of capacity in Shropshire, the council places 14 children a significant distance outside of Shropshire. During visits to the placements team, the group heard that the council had recently placed a child in Cumbria and another in specialist care in Glasgow. The council had also recently had to choose between placements in either Manchester or Leeds for another child. Placements this far from Shropshire make it harder for the looked after child to maintain contacts with family and friends, disrupt the child's education and incur significant costs in terms of money and staff time for the council to maintain the placement.

The high demand for places means that the council increasingly has to place children with new, untested providers. Untested providers can be more likely to fail to provide a stable placements that meets the needs of the child.

**The group is concerned that the national private residential market does not appear able to properly meet the needs of Shropshire Council's looked after children. As the children's corporate parents, the group is saddened to hear that the council sometimes has no choice but to place children far away from Shropshire, or in untested residential placements, or in placements with providers that are forced to decide between working long-term with its most complex children and maintaining a good Ofsted rating.**

**The group believes that Shropshire Council can do better for its looked after children.**

The group heard that Shropshire Council sometimes struggled to find a placement for a looked-after child. As a result of this, the council recently had to temporarily close its Havenbrook centre, which provides short breaks for children on the edge of care, in order to accommodate a child that it could not find an acceptable placement for.

**The group understands the considerable pressure that the council faces in finding residential care for its most complex looked after children. It is unfortunate that the service has to cancel much-needed respite care for vulnerable children, in order to provide emergency residential care.**

### ***Existing Shropshire Council residential care***

Shropshire Council currently has two residential homes.

- Chelmaren provides residential care for five boys with complex needs. This provision was rated as good following its most recent Ofsted inspection, after four years of being rated as outstanding.
- Havenbrook provides short breaks for children on the edge of care. The aim is provide respite and space to children and their families to enable them to remain in the care of their families. This provision was rated as good following its most recent Ofsted inspection.

The group met with four staff members from these homes. The staff told the group that their work was tough but personally very rewarding. They told the group that staff turnover at both homes was very low, because they offered a mutually supportive environment in which to work, which prevented staff burnout and kept morale high. The staff also told the group that pay was much better than in the private sector, and that staff had access to an excellent training provision that could be tailored to their specific needs. However the small size of the residential service meant that development opportunities were limited, which meant that staff had to leave if they wished to further their career.

**The group was impressed at the dedication the staff at Chelmaren and Havenbrook show to the children who work there. They agree that a stable team of well paid, well trained, highly motivated staff was more likely to provide the stability and understanding to build a strong relationship of trust with the children who live at the home, and noted that Chelmaren experienced very few placement breakdowns. The group agrees that these relationships are crucial if the council's looked after children are to thrive in residential care.**

The group asked the service why Chelmaren had recently received a lower inspection rating than in previous years, and heard that the downgrade was a result of two factors. A failure to carry out a thorough risk assessment resulted in the arrival of a new child causing considerable disruption. The service recognised their error, made

alternative arrangements for the new arrival, and put into place a new procedure in place to properly consider the impact of potential new arrivals. Chelmaren also repaired damage repeatedly caused as a result of the disruption. Despite putting this into place, Ofsted judged the home to be good rather than outstanding.

**The group accepts the reasons for the recent downgrading of the Chemaren's Ofsted rating, and applauds Chelmaren for the speed with which it tackled the issue. The group has every confidence in the ability of the home to regain its outstanding judgment.**

**The group also believes that this demonstrates the high standards that Ofsted expects of children's homes, and illustrates the precarious nature of the residential care market. As Shropshire Council is not subject to the same financial pressures as a private care provider, it is better placed to manage disruption such as this, without the threat of losing all of its income as a result of an adverse Ofsted rating.**

### ***Proposals for Shropshire Council residential care***

The council's head of safeguarding presented some proposals for the future development of the service, which they believed would provide considerably better support and stability for the council's most complex looked after children.

The group had already heard that the council already runs two residential provisions very successfully. This is backed up by Ofsted, which has consistently rated both homes as good or outstanding. Both homes are staffed by well-trained, highly-experienced teams that have members that could move to manage their own homes.

#### ***Specialist internal care***

The service proposes to set up two new residential homes; one for two girls, the other for two boys. These would accommodate the council's most complex looked after children, with 2:1 staff support. The service estimates the ongoing cost of these placements to be £5,900 per week. In addition to this, the council would need to either buy two suitable properties and adapt them, or build two bespoke properties. This would mean an outlay of approximately £800,000 on property and annual running costs of £1.23 million.

These costs appear forbidding, especially when compared to weekly running costs at Chelmaren of £2,500 per child. However this needs to be compared to what the council currently pays for residential care for its most complex looked after children, and the care that those children receive. As stated earlier, the council currently pays at least £6,000 per week per child for residential care of five of its looked-after children. Housing the four children with the most expensive residential placements would cost £23,600 a week, compared to current provider costs of £26,600. This would equate to an approximate saving of £150,000 a year in residential care costs. Even if the service



delivered a quarter of these savings, they would provide approximately a 5% return on the capital expenditure of the homes and provide an asset the council could sell later should its residential needs change.

The group heard that there were other factors to bear in mind when comparing costs for in-house care and purchasing private provision:

- Private residential care costs were rising and would continue to rise, particularly for children with complex needs.
- The service had presumed that each child in their care would require 2:1 staff support. This may not necessarily be the case, particularly if the stability provided by the placement resulted in the child becoming more settled. A lower staff support ratio would reduce costs dramatically.
- A local provision would save staff time, as they would no longer need to travel long distances to visit children in their placements. Nor would they need to accompany children to remote placements. As an example, the service told the group that it had recently had to transport a child to a placement in Glasgow. This required five professionals to accompany the child.

**The group strongly supports these proposals. They would provide an effective hedge against rising costs in the residential care market. They would also provide well-paid jobs for local people, with higher wages and better training opportunities than the private sector provides. Although the services believes it can save money on revenue costs by developing in-house provision, the group view any cost saving as a bonus, rather than a necessity.**

**And most crucially, the group believes strongly that these proposals will provide the security and stability to give the council's looked-after children every opportunity to thrive.**

#### *Step-down care*

The service also proposes a further two or three bedroom residential care home. This would be for the looked-after children who require more intensive support, but who have a high likelihood of being able to return home or to foster care. The service estimates the ongoing cost of these placements to be £4,000 per child per week. In addition to this, the council would need to acquire a suitable property, at an approximate cost of £400,000.

The cost is higher than the council's residential care at Chelmaren due to the greater intensity of support required to return these children home or to foster care. However the group noted that service is paying over £4,000 per child per week for at least ten current private residential placements, without the ability to carry out intensive work with the entire family.

The group heard that the service always has a number of looked-after children in its care that meet this criteria. In 2017 four children went home or into a foster placement, and the service expects at least six more to do the same. Children are more likely to return home or into foster care within the first six months of their entry into care, or if they remain close to home. However if a child is in a placement far from home, it makes whole-family working considerably more difficult.

**The group supports these proposals. Like the proposals for two specialist homes, they would provide an effective hedge against rising costs in the residential care market. They would also provide well-paid jobs for local people, with higher wages and better training opportunities than the private sector provides. It is not as clear at this stage that these proposals would save money on revenue costs, but any additional revenue cost is expected to be minimal.**

**The group again believes strongly that these proposals will provide the security and stability to give the council's looked-after children every opportunity to thrive.**

**The group is also concerned at the capacity to set up three homes consecutively, in particular the potential impact on the children who live at Chelmaren, who could lose trusted staff members.**

#### *Conversion of Chelmaren*

The group heard that the service had a number of looked after children whose needs were not especially complex, but for whom residential care was the best option. For example their own family may provide an unsafe home environment, but the child may remain attached to them, and be unable to settle in a foster placement. This means that they will remain in residential care until they leave care. The service would therefore convert Chelmaren's statement of purpose to a children's home for long-term children whose care plan is residential care. There would be no cost to this, but would allow this cohort of children to retain their existing family and social networks, as well as keeping them in their current school.

**The group strongly supports these proposals, once the council has opened its step down home.**

The service also proposes to convert the existing office space at Chelmaren into two semi-independent training flats to help children leaving care to prepare for independence. The group heard that children who had lived in residential care often required more support to develop their independent living skills. This would provide the opportunity to provide a more supportive environment to older children who had lived in residential care to strengthen their independent living skills.

**The group recognises the importance of preparing care leavers for independent living, and notes that this is a priority of the service following a recommendation from the recent Ofsted inspection of the council's services for children.**

#### *Pop-up respite provision*

The group had heard repeatedly that at times the service faced a crisis in the care of a looked-after child. The service had faced three such crises in the first half of 2018, one of which required the temporary cancellation of short break provision at Havenbrook.

Ofsted permits an unregulated care provision for a looked-after child for a period of up to 28 days. As a result many private providers are setting up homes providing such temporary accommodation.

The service therefore proposes to purchase or build a lodge in a rural location to provide such a crisis service for the council's looked-after children. When not being used by the council as crisis accommodation, the council could either hire the accommodation to other local authorities or use it as additional short break provision for its own looked after children.

**The group supports this proposal. Using Havenbrook as crisis care jeopardises the stability of families who rely on it for respite care.**

#### **Conclusions and recommendations**

The group was concerned to hear that the current private residential market does not appear able to properly meet the needs of Shropshire Council's most complex and vulnerable looked after children. As the children's corporate parents, the group is saddened to hear that the council sometimes has no choice but to place children far away from Shropshire, or in untested residential placements, or in placements with providers that are forced to decide between working long-term with the most complex children and maintaining a good Ofsted rating.

It is therefore encouraging to see the council propose a solution that it believes could deliver better care for its looked after children. These proposals could provide the opportunity to provide stable care for its most complex children who will remain in residential care until they leave the council's care. They also maximise the opportunity for the council to work closely with children and their families where there is a chance for them to return home.

The group has not received detailed costs for these proposals, but the outline costs it has seen suggest that the proposals are unlikely to increase the cost of care and could reduce costs in the long term. However the group would not like to see saving costs as being an objective of these proposals.

The group therefore recommends that Shropshire Council:

- develops detailed and fully-costed plans for:
  - two new two-bedroom specialist care residential homes;
  - a three-bedroom step-down care residential home
  - a lodge providing space for crisis care and respite care;
  - converting Chelmaren's statement of purpose to a children's home for long-term children; and
  - converting office space at Chelmaren to provide semi-independent accommodation for the council's looked after children who will soon be leaving care;
- delays building any step-down residential home, until the two specialist care residential homes are established and working successfully; and
- presents these proposals to scrutiny by September 2018.



## Committee and Date

Audit Committee  
13 September 2018

Cabinet  
17 September 2018

Council  
20 September 2018

## **ANNUAL TREASURY REPORT 2017/18**

**Responsible Officer** James Walton

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Tel: (01743) 258915

### **1. Summary**

- 1.1. The report informs members of treasury activities for Shropshire Council for 2017/18, including the investment performance of the internal treasury team to 31 March 2018. The internal treasury team outperformed their investment benchmark by 0.24% in 2017/18 and performance for the last three years is 0.28% 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 2017/18 the performance of the Treasury Team delivered an underspend of £1.557 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 2017/18 performance is above benchmark for the reasons outlined in paragraph 10.4 of this report and has delivered additional income of £1.557 million which has been reflected in the final Revenue Monitor report for 2017/18.

## 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 2017/18. 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. These reports were scrutinised by the Audit Committee before they were reported to full Council for approval.
- 5.5. In addition to the minimum reporting requirements, the Director's and Cabinet also receive quarterly treasury management update reports for information.

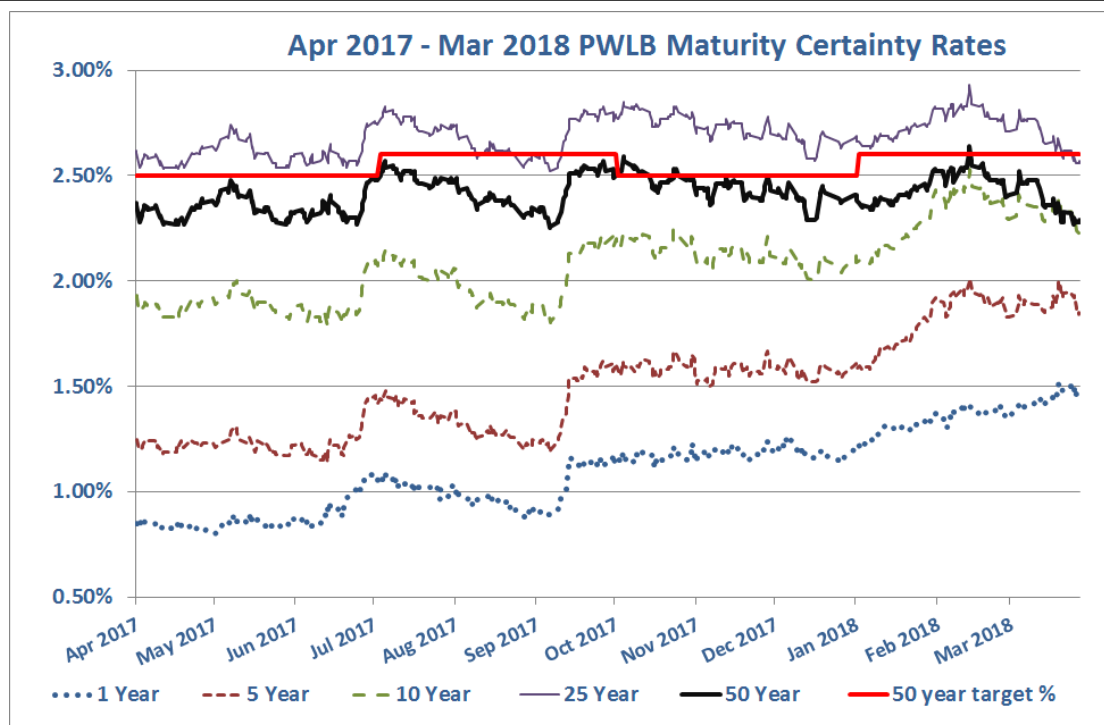
- 5.6. The Treasury Strategy for 2017/18 was approved by Council in February 2017, the mid-year treasury update report was approved by Council in December 2017. This Annual Report sets out our actual treasury performance for the year and shows how the actual treasury performance varied from our estimates and planning assumptions.

## **6. Borrowing Strategy for 2017/18**

- 6.1. The Council's only borrowing requirement identified within the Capital Programme 2017/18 to 2019/20 was self-financing prudential borrowing of £300,000 therefore no external borrowing was required 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 2017/18**

- 7.1. The Treasury Team take advice from its external treasury advisor, Link Asset Services, on the most opportune time to borrow. Movements in rates during 2017/18 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.

	1 Year	5 Year	10 Year	25 Year	50 Year
1/4/17	0.85%	1.25%	1.93%	2.62%	2.37%
31/3/18	1.47%	1.85%	2.23%	2.57%	2.29%
Low	0.80%	1.14%	1.78%	2.52%	2.25%
Date	03/05/2017	15/06/2017	15/06/2017	08/09/2017	08/09/2017
High	1.51%	2.01%	2.53%	2.93%	2.64%
Date	21/03/2018	15/02/2018	15/02/2018	15/02/2018	15/02/2018
Average	1.11%	1.50%	2.08%	2.69%	2.41%

- 7.4. Following discussions with Link, 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. No new external borrowing was required in 2017/18.
- 7.5. The Council's total debt portfolio at 31 March 2018 is set out below:-



Type of Debt	Balance £m	Average Borrowing Rate 2017/2018
General Fund Fixed rate – PWLB	185.42	5.27%
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 20 years, market loans have an average debt period of 52 years. The total debt portfolio has a maturity range from 1 year to 60 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 2017/18. 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 2017/18

9.1. Our treasury advisor originally felt when the strategy was approved by Council in February 2017 that the bank rate would remain at its historically low level of 0.25% until June 2019 when a rise to 0.50% was expected. During the year their interest rate forecast was reviewed and their updated forecast was approved by Council in December 2017 as part of the mid-year report. Their revised forecast took account of the increase in the bank rate to 0.50% in November 2017 and they expected it to remain at this level until December 2018 before increasing again to 0.75%.

9.2. In 2017/18 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

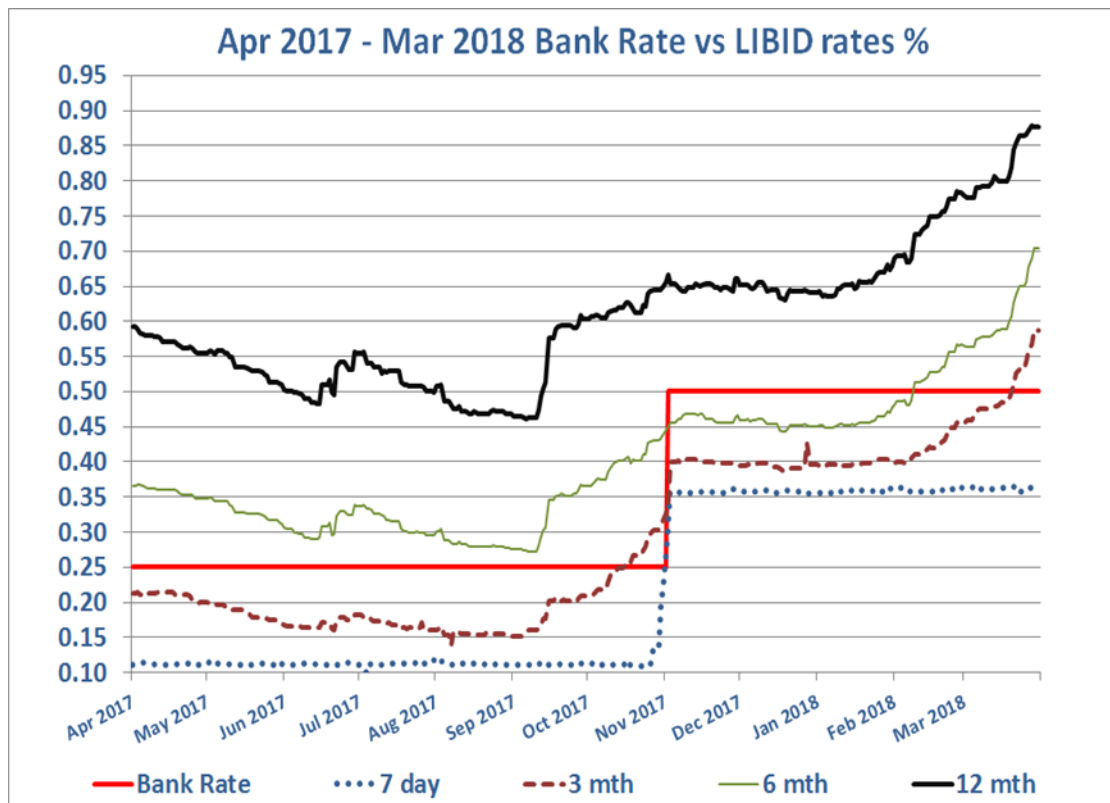
restricted to UK banks, one overseas bank, three Building Societies, two Money Market Funds (AAA credit rating), Part Nationalised Banks, UK Government and other Local Authorities in line with the Council's policy on creditworthiness which was approved in the Annual Investment Strategy.

## 10. Investment outturn 2017/18

10.1 Bank Rate was increased from 0.25% to 0.50% in November 2017 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 were on a gently rising trend in the second half of the financial year after the Monetary Policy Committee's decision in November to increase Bank Rate.

10.2 To counter the low investment rates and following advice from Link, 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 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 interest rate earned on investments was

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 under-spend on debt charges due to no long term general fund borrowing being undertaken in 2017/18. The total £1.557 million underspend helped the Council to achieve an overall under spend at the end of the financial year.

10.5 At 31 March 2018 the allocation of the cash portfolio was as follows:

	<b>£m</b>
• In-house short dated deposits for cash flow management	71.9
• In-house long dated deposits (up to 1 year)	5.0
• Other Local Authorities	15.0
<b>Total</b>	<b>91.9</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 2018. Recognising the need to manage short term cash flow requirements, the target for the internal team is the 7 day LIBID rate.

	<b>Return 2017/18</b>	<b>Return 3 years to 31 March 2018</b>
	<b>%</b>	<b>% p.a.</b>
Internal Treasury Team	0.46	0.54
Benchmark (7 Day LIBID rate)	0.22	0.26

10.7 The conclusions to be drawn from the table are:

- During 2017/18 the internal treasury team outperformed their benchmark by 0.24%.
- Over the 3 year period the internal team's performance has been 0.28% 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 2017/18 and 2018/19 (revised estimate) Treasury Strategies compared with the actual figures for 2017/18. In summary, during 2017/18 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 2017, Treasury Strategy 2017/18.

Council, December 2017, Treasury Strategy 2017/18 Mid-Year Review.

Council, February 2018, Treasury Strategy 2018/19.

Cabinet, July 2017, Treasury Management Update Quarter 1 2017/18.

Cabinet, December 2017, Treasury Management Update Quarter 2 2017/18.

Cabinet, February 2018, Treasury Management Update Quarter 3 2017/18.

Cabinet, July 2018, Treasury Management Update Quarter 4 2017/18.

**Cabinet Member:**

David Minnery, Portfolio Holder for Finance

**Local Member**

N/A

**Appendices**

A. Debt Maturity Profile as at 31 March 2018

B. Prudential Indicators 2017/18



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## APPENDIX B

### SHROPSHIRE COUNCIL PRUDENTIAL INDICATORS 2017/18

- 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 2017/18 due to net revenue stream being higher than estimated.

Prudential Indicator	2017/18 Estimate	2017/18 Actual
	%	%
<b>Non HRA Ratio of financing costs to net revenue stream</b>	9.3	8.7

Prudential Indicator	2017/18 Estimate	2017/18 Actual
	%	%
<b>Non HRA Ratio of financing costs (net of investment income) to net revenue stream</b>	9.0	8.2
<b>HRA Ratio of financing costs to HRA net revenue stream</b>	39.3	38.1

- 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	2017/18 Estimate	2017/18 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)	20.00	20.00
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>20.00</b>	<b>20.00</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 2017/18.

Prudential Indicator	2017/18 Estimate	2017/18 Actual
<b>External Debt</b>	<b>£ m</b>	<b>£ m</b>
<b>Authorised Limit:</b>		
Borrowing	463	318
Other long term liabilities	102	105
<b>Total</b>	<b>565</b>	<b>423</b>

Prudential Indicator	2017/18 Estimate	2017/18 Actual
<b>External Debt</b>	<b>£ m</b>	<b>£ m</b>
<b>Operational Boundary:</b>		
Borrowing	400	318
Other long term liabilities	102	105
<b>Total</b>	<b>502</b>	<b>423</b>

- C5. Gross borrowing was as anticipated due to no general fund borrowing being undertaken in 2017/18. 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.

Prudential Indicator	2017/18 Revised Estimate	2017/18 Actual
<b>Net Borrowing &amp; Capital Financing Requirement:</b>	<b>£ m</b>	<b>£ m</b>
Gross Borrowing (inc. HRA)	318	318
Investments	160	92
<b>Net Borrowing</b>	<b>158</b>	<b>226</b>
Non HRA Capital Financing Requirement	254	268
HRA Capital Financing Requirement	85	85
<b>Total CFR</b>	<b>339</b>	<b>353</b>

- C6. Non HRA capital expenditure was lower than anticipated during the year, whilst HRA capital expenditure was higher than anticipated. Explanations for these under/overspends were included in the 2017/18 final capital outturn report.

Prudential Indicator	2017/18 Revised Estimate	2017/18 Actual
	<b>£ m</b>	<b>£ m</b>
<b>Non HRA Capital expenditure</b>	60.4	42.8
<b>HRA Capital expenditure</b>	5.6	6.9



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

Prudential Indicator	2017/18 Estimate	2017/18 Actual
<b>Upper Limit For Fixed/Variable Rate Borrowing</b>	<b>£ m</b>	<b>£ m</b>
Fixed Rate (GF)	463	233
Fixed Rate (HRA)	96	85
Variable Rate	232	0

- C8. The level of fixed rate and variable rate investments were within the approved limits during 2017/18.

Prudential Indicator	2017/18 Estimate	2017/18 Actual
<b>Upper Limit For Fixed/Variable Rate Investments</b>	<b>£ m</b>	<b>£ m</b>
Fixed Rate	220	40
Variable Rate	220	52

- C9. Longer term investments were held at the year-end due to the investment in Shrewsbury Shopping Centres.

Prudential Indicator	2017/18 Estimate	2017/18 Actual
<b>Upper Limit For Sums Invested over 364 days</b>	<b>£m</b>	<b>£m</b>
Internal Team	40	0
External Manager	30	0
Shrewsbury Shopping Centres	60	53

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

Prudential Indicator	2017/18 Upper Limit	2017/18 Actual
<b>Maturity Structure of External Borrowing</b>	<b>%</b>	<b>%</b>
Under 12 months	15	2
12 months to 2 years	15	1
2 years to 5 years	45	5
5 years to 10 years	75	2
10 years to 20 years	100	36
20 years to 30 years	100	23
30 years top 40 years	100	15
40 years to 50 years	100	7
50 years and above	100	9

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<u>Committee and Date</u>
Cabinet
17 September 2018

## TREASURY MANAGEMENT UPDATE – QUARTER 1 2018/19

**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, Link Asset Services. It also updates Members on the internal treasury team's performance.
- 1.2. During the first quarter of 2018/19 the internal treasury team achieved a return of 0.64% on the Council's cash balances, outperforming the benchmark by 0.28%. This amounts to additional income of £74,260 during the quarter which is included within the Council's 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 £74,260 which is reflected in the Period 3 Revenue Monitor.
- 4.3. As at 30 June 2018 the Council held £107 million in investments as detailed in Appendix A and borrowing of £318 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 2018 and 30 June 2018.

## **6. Economic Background**

- 6.1. UK economic growth was disappointingly weak in the first half of 2017 but picked up to 0.5% in quarter 3 and 0.4% in quarter 4. Growth in quarter 1 2018 was again disappointing, although on the first revision the rate improved from 0.1 to 0.2% to allay fears that the economy may have started a prolonged period of very weak growth. Initial indications in quarter 2 are that growth may have picked up to around 0.4%. The main reason for weak growth during 2017 and 2018 has been that inflation has been exceeding pay growth until recently, meaning that there has been negative growth in consumer disposable income when consumer expenditure is the biggest driver of the services sector which accounts for about 75% of GDP.
- 6.2. The manufacturing sector has been the positive sector in the economy in 2017 in terms of strong growth but quarter 1 was the weakest quarter for one and a half years and forward indicators do not suggest a return to strong growth is likely. However, the manufacturing sector only accounts for around 11% of GDP so weaker growth in this sector will have a much more muted effect on the average total GDP growth figure for the UK economy as a whole.
- 6.3. During January and February financial markets were viewing a Bank Rate increase at the May Monetary Policy Committee (MPC) meeting as likely to be a near certainty after strong growth in the second half of 2017. However, the ensuing weeks before the meeting saw opinion turn right around and the MPC did not disappoint by leaving rates unchanged due to concerns as to

whether the weak growth in quarter 1 was indicative of the start of a prolonged slow down or just a temporary blip, to which bad weather had been just one contributor. Since May, opinion has again turned to suggest that an August Bank Rate increase is likely. However, there remains much uncertainty around Brexit negotiations, consumer spending levels and business investment, so it is still far too early to be confident about how strong growth and inflationary pressures will be over the next two years and therefore the pace of any rate increases.

- 6.4. CPI inflation has fallen back from 3.0% in quarter 4 to 2.4% in May, as the inflationary impact of sterling's past depreciation has eased. However, rising oil prices over the past few months in response to concerns about supply disruptions, has put upward pressure on costs. The utility price hikes announced by the largest energy firms will probably cause inflation to pick up temporarily in the coming months. It is still felt that inflation will fall back this year given the offsetting downward pressure from easing food price and imported goods inflation.
- 6.5. Economic growth in the EU had been lack lustre for several years after the financial crisis despite the European Central Bank eventually cutting its main rate to minus 0.4% and embarking on a massive programme of Quantitative Easing. However, growth picked up in 2016 and 2017 but this looks likely to weaken somewhat going forward. Despite providing massive monetary stimulus, the ECB has been struggling to get inflation up to its 2% target. However, in April the headline Eurozone rate jumped up from 1.4% to 1.9% although the core inflation rate was still subdued in rising from 0.7% to 1.1%. At its June meeting, the ECB announced it would halve its monthly quantitative easing purchases from €30bn to €15bn, and then end all purchases after December. It is unlikely to make a start on increasing rates until late in 2019.
- 6.6. Growth in the US economy was volatile in 2015, 2016 and 2017 during each year, with quarter 1 being particularly weak. The annual rate of GDP growth for 2017 was 2.3%. Quarter 1 in 2018 came in at 2.0%, down from 2.9% in the previous quarter. The Trump \$1.5 trillion income tax cut package coming into effect in January 2018, is likely to boost growth to the Trump administration's 3% target. However, it is also likely to boost inflation at a time when spare capacity in the economy is minimal and unemployment, in particular, has fallen to the lowest level for 17 years, reaching 3.8% in May. The Federal Reserve started on an upswing in rates with seven increases since the first one in December 2015, the latest one being in June 2018 to increase the central rate to 1.75 - 2.0%. There could be a further two or more increases in 2018.
- 6.7. Chinese economic growth has been weakening over successive years, despite repeated rounds of central bank stimulus and medium term risks are increasing. Major progress still needs to be made to eliminate excess industrial capacity and the stock of unsold property.
- 6.8. Japan has seen the best economic run of positive growth for the last eight quarters since the 1980s but this came to an end in quarter 1 and was blamed on weak exports. Japan is still struggling to get inflation up to its target rate of 2% despite huge monetary and fiscal stimulus, with inflation

falling to only 0.4% in May. It is also making little progress on fundamental reform of the economy.

## 7. Economic Forecast

7.1. The Council receives its treasury advice from Link Asset Services. Their latest interest rate forecasts to 31 March 2021 are shown below:

	Sep-18	Dec-18	Mar-19	Jun-19	Sep-19	Dec-19	Mar-20	Jun-20	Sep-20	Dec-20	Mar-21
Bank Rate	0.50%	0.75%	0.75%	0.75%	1.00%	1.00%	1.00%	1.25%	1.25%	1.50%	1.50%
5yr PWLB Rate	2.00%	2.00%	2.10%	2.20%	2.20%	2.30%	2.30%	2.40%	2.40%	2.50%	2.50%
10yr PWLB View	2.40%	2.50%	2.60%	2.60%	2.70%	2.80%	2.80%	2.90%	2.90%	3.00%	3.00%
25yr PWLB View	2.80%	2.90%	3.00%	3.10%	3.20%	3.30%	3.30%	3.40%	3.40%	3.50%	3.50%
50yr PWLB Rate	2.50%	2.60%	2.70%	2.80%	2.90%	3.00%	3.00%	3.10%	3.10%	3.20%	3.20%

7.2. Link Asset Services undertook its last review of interest rate forecasts in May after the quarterly Bank of England Inflation Report and MPC meeting at which the MPC kept Bank Rate unchanged at 0.5%. The MPC minutes indicated they wanted to see whether the slowdown in growth in quarter 1 had been a temporary blip or a potential first sign of a prolonged period of weak growth.

7.3. Link Asset Services has pushed back the expected first Bank Rate increase to November 2018 to be followed by further increases in September 2019, June 2020 and November 2020. This is based on a central assumption that the UK will make progress with concluding a satisfactory outcome over the Brexit negotiations with the EU by March 2019. Following the Bank Rate rise to 0.75% in August, Link are currently reviewing and updating their forecasts.

7.4. Long term PWLB rates are expected to rise from 2.50% in September 2018 to 2.7% in March 2019 before steadily increasing over time to reach 3.2% by December 2020.

7.2. The overall balance of risks to economic recovery in the UK is probably even. However, given the uncertainties around Brexit in particular, but also other uncertainties, there is a wide diversity of possible outcomes for the strength of economic growth and inflation, and the corresponding speed with which Bank Rate could go up.

## 8. Treasury Management Strategy

8.1. The Treasury Management Strategy (TMS) for 2018/19 was approved by Full Council on 22 February 2018. 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 Link's suggested creditworthiness approach, including sovereign credit rating and Credit Default Swap (CDS) overlay information provided by Link. 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, Link.

- 8.3. In the first quarter of 2018/19 the internal treasury team outperformed its benchmark by 0.28%. The investment return was 0.64% compared to the benchmark of 0.36%. This amounts to additional income of £74,260 during the quarter which is included in the Council's outturn position in the monthly revenue monitor.
- 7.4. A full list of investments held as at 30 June 2018, compared to Link'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 2018/19. 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 for three months and longer have come down slightly after April when expectations collapsed that the MPC would raise Bank Rate at its May meeting. The average level of funds available for investment purposes in the first quarter of 2018/19 was £106 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 2018/19 and have not been previously breached. The schedule at Appendix C details the Prudential Borrowing approved and utilised to date.
- 9.2. Link's target rate for new long term borrowing (50 years) for the first quarter of 2018/19 was marginally reduced to 2.4%. No new external borrowing has been undertaken to date in 2018/19. 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	1.28%	1.67%	2.10%	2.52%	2.25%
Date	01/06/2018	29/05/2018	29/05/2018	29/05/2018	29/05/2018
High	1.57%	1.98%	2.43%	2.79%	2.53%
Date	17/04/2018	25/04/2018	25/04/2018	25/04/2018	25/04/2018
Average	1.44%	1.86%	2.29%	2.66%	2.40%

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

Cabinet, 25 July 2018, Treasury Management Update Quarter 4 2017/18  
Council, 22 February 2018, Treasury Strategy 2018/19.

**Cabinet Member:**

David Minnery, Portfolio Holder for Finance

**Local Member**

N/A

**Appendices**

- A. Investment Report as at 30 June 2018
- B. Prudential Limits
- C. Prudential Borrowing Schedule



# Shropshire Council

## Monthly Investment Analysis Review

June 2018

**General Economy**

The data releases for the month began with May's Markit/CIPS Manufacturing PMI, which picked up speed for the first time in six months - rising to 54.4, from 53.9 in April. The survey suggests that the sector is putting in a strong performance in Q2, after the poor start to the year. However, forward looking indicators convey that the sector probably will not be able to sustain such strong rates of growth in the months ahead. Construction PMI, however, maintained its modest recovery from the dent caused by the Beast from the East - but worries about Brexit have caused some projects to be put on hold. Another contributing factor to the worry for firms is the higher fuel and steel prices pushing up input costs. Despite these concerns, the headline reading remained steady on the month at 52.5, exceeding expectations of a slight downward movement to 52.0. Services PMI also showed the economy picking up speed, giving the Bank of England (BoE) some reassurance it can get back to its plan to raise interest rates. The index rose to a three-month high of 54.0 in May, a full point above the forecast of 53.0 and an even greater increase from April's figure of 52.8. This provided further evidence that the economy's slow start to 2018 was only temporary and can be predominantly chalked up to the weather.

Dampening some of the growing market expectation of a near-term rate increase was news that British workers' wages grew more slowly in the three months to April. The figure, excluding bonuses, rose 2.8% year-on-year (y/y) against expectations of 2.9%, with the monthly rate of April just 2.5%, its weakest since November. Nevertheless, the overall employment situation in the UK remains robust, with the unemployment figure holding its four-decade low of 4.2% in the three months to April, while the number of people in work rose by a larger than expected 146,000 - 30,000 more than the consensus forecast.

British consumer price inflation (CPI) unexpectedly held at a one-year low last month of 2.4% y/y –below forecasts of a slight rise to 2.5%. However, rising oil prices suggest an increase could be on its way; fuel prices increased by 3.8% in May, with the BoE also commenting that they expect inflation to rise over the coming months due to both the rise in fuel prices as well as higher energy bills before resuming a steady decline back to its 2% target.

Elsewhere, retail sales saw a jump for the second month in a row in May, far outstripping expectations as the Royal Wedding and warm weather helped shoppers put a winter slump behind them. On the month, sales rose by 1.3% in May, after an upwardly-revised 1.8% in April – exceeding all forecasts which had predicted a 0.5% rise. On the year, the rate was 3.9%, which is the biggest rise in more than a year and, again, above all forecasts. After suffering a squeeze on their spending power since the Brexit vote, the BoE expects consumers to begin to feel the benefit of a fall in inflation paired with rising wages.

May's Public Finance figures saw borrowing fall more than expected, with Britain's government recording a smaller budget deficit than consensus expectations. The deficit stood at £5bn in May, compared with £7bn the year previously. In the financial year to date, the deficit totals £11.8bn - 26% lower than this time last year – however it should be noted it is rarely possible to get a reliable view on full-year borrowing trends at this early stage and that early months are, more often than not, subject to material revisions.

June's Monetary Policy Committee (MPC) meeting brought a surprise with the BoE's chief economist Andy Haldane unexpectedly joining the minority by voting for an immediate rate hike, resulting in a 6-3 vote to maintain the current interest rate level; polls expected a 7-2 split. The reason for the change of heart was down to concerns over recent pay deals and labour demand raising the possibility of wages rising faster than expected. For some commentators, this opened the door further to a rate rise in August's meeting, with market expectations of a hike rising from around 50%, per-meeting to around 70% by the close of the month. At the meeting, the MPC also reaffirmed their view that first-quarter weakness was temporary and due to the Beast from the East.

The final reading of first quarter GDP growth saw an upward revision to 0.2% from initial estimates of 0.1%, following underlying revisions to construction output. The yearly figure for GDP growth, however, remained the same at 1.2% - but this quarterly revision added to market expectations of a rate hike at August's meeting. Note that the Bank of England's Inflation Report predicted that quarterly growth will pick up to 0.4% in Q2, as the economy rebounds from February and March's "snow-down".

Over in the EU, Q1 GDP reported a 0.4% q/q increase, confirming its earlier estimate. Reduced trade contributed to the slower pace of expansion; Q4 2017 saw gains of 0.7% q/q. The European Central Bank (ECB) meeting saw its Governing Council vote to keep interest rates unchanged, but added that they expect the monthly pace of net asset purchases to be reduced to €15bn from September 2018 until the end of December 2018, with purchases then ending. CPI rose by 1.9% y/y in May, pumped up by higher costs of energy, food and services, from the upwardly-revised 1.3% in April.

In the US, the unemployment rate edged down to 3.8% in May with nonfarm payrolls increasing by 223,000, with a healthy 0.3% m/m rise in average hourly earnings. The Federal Reserve's Open Market Committee (FOMC) saw the labour market continue to strengthen with economic activity rising at a solid rate, resulting in the Committee raising the Federal Funds Rate to 1.75%-2.00% from 1.50%-1.75%. The Committee expects that further gradual increases in the target range will be consistent with sustained expansion of economic activity. The economy slowed more than previously estimated in Q1 amid the weakest performance in consumer spending in nearly 5 years – however, growth appears to have since gained momentum after the weaker start to the year on the back of the robust labour market and tax cuts. The third estimate of GDP showed an increase of 2.0% y/y for the first quarter, down 0.2% from the 2.2% previously reported.

## Housing

Nationwide revealed that house prices rose at their slowest annual rate in five years in June – rising 2.0% y/y (down from 2.4% in May) and 0.5% m/m – and look set to remain subdued due to modest economic growth and the squeeze on household budgets. According to Halifax, house prices rebounded more than expected in May – rising 1.5% after a 3.1% slump the previous month. Year on year, prices are 1.9% higher, matching expectations. However, Halifax also added that the broader market picture remains subdued.

## Forecast

Neither Link Asset Services (LAS) nor Capital Economics made changes to their bank rate forecasts during June. LAS suggests that the next interest rate rise will be to 0.75% in the final quarter of this year, with further rises of 25 basis points in Q3 2019, Q2 2020 and Q4 2020. Capital Economics expect the next rate rise to 0.75% will be in August, with further rises of 25 basis points in Q4 2018, Q2 2019, Q4 2019 and Q4 2020.

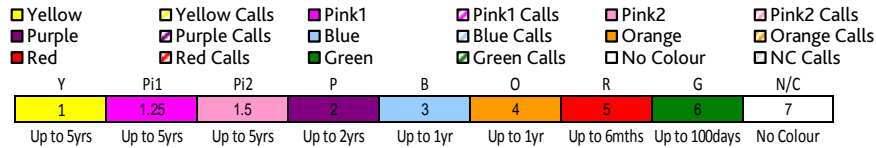
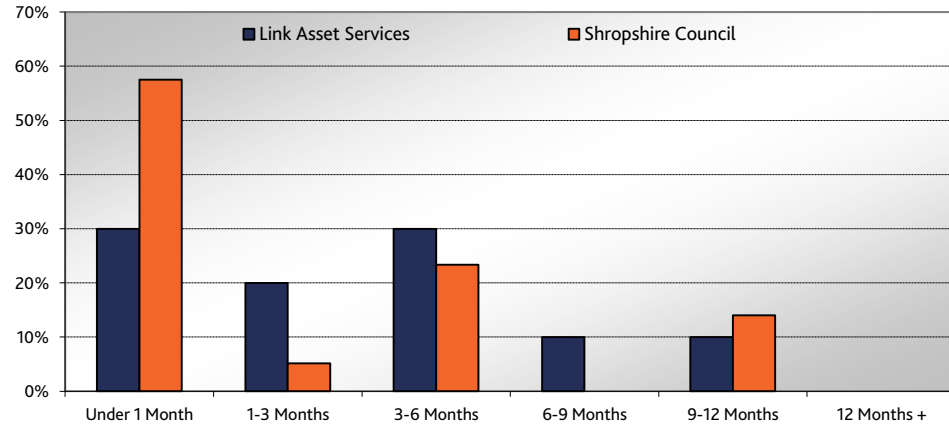
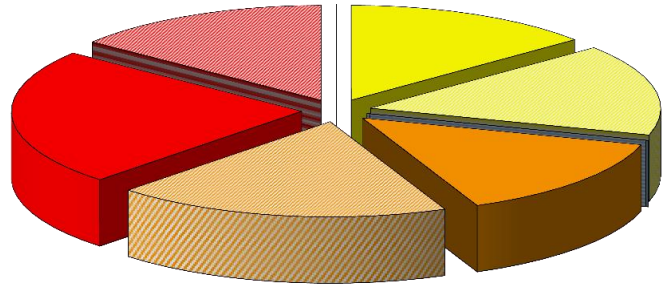
Bank Rate												
	NOW	Sep-18	Dec-18	Mar-19	Jun-19	Sep-19	Dec-19	Mar-20	Jun-20	Sep-20	Dec-20	Mar-21
Link Asset Services	0.50%	0.50%	0.75%	0.75%	0.75%	1.00%	1.00%	1.00%	1.25%	1.25%	1.50%	1.50%
Capital Economics	0.50%	0.75%	1.00%	1.00%	1.25%	1.25%	1.50%	1.50%	1.50%	1.50%	1.75%	-

## Shropshire Council

### Current Investment List

Borrower	Principal (£)	Interest Rate	Start Date	Maturity Date	Lowest Long Term Rating	Historic Risk of Default
MMF Insight	2,590,000	0.51%		MMF	AAA	0.000%
MMF Standard Life	14,080,000	0.53%		MMF	AAA	0.000%
HSBC Bank Plc	20,000,000	0.80%		Call	AA-	0.000%
Barclays Bank UK PLC (RFB)	5,450,000	0.49%	15/01/2018	16/07/2018	A	0.002%
Coventry Building Society	5,000,000	0.55%	17/01/2018	17/07/2018	A	0.003%
Barclays Bank UK PLC (RFB)	4,550,000	0.49%	17/01/2018	17/07/2018	A	0.003%
North Lanarkshire Council	5,000,000	0.06%	24/01/2018	24/07/2018	AA	0.002%
Lloyds Bank Plc (RFB)	5,000,000	0.60%	25/01/2018	25/07/2018	A+	0.004%
Barclays Bank UK PLC (RFB)	500,000	0.57%		Call32	A	0.005%
Slough Borough Council	5,000,000	0.60%	09/02/2018	09/08/2018	AA	0.003%
Goldman Sachs International Bank	5,000,000	0.96%	03/04/2018	03/10/2018	A	0.014%
Santander UK Plc	15,000,000	0.60%		Call95	A	0.014%
Goldman Sachs International Bank	5,000,000	0.80%	07/06/2018	07/12/2018	A	0.024%
Lancashire County Council	5,000,000	0.98%	14/05/2018	16/04/2019	AA	0.020%
Lloyds Bank Plc (RFB)	5,000,000	1.00%	05/06/2018	05/06/2019	A+	0.050%
Lloyds Bank Plc (RFB)	5,000,000	1.00%	15/06/2018	14/06/2019	A+	0.052%
<b>Total Investments</b>	<b>£107,170,000</b>	<b>0.67%</b>				<b>0.010%</b>

Portfolio Composition by Link Asset Services' Suggested Lending Criteria



Portfolios weighted average risk number = **3.49**

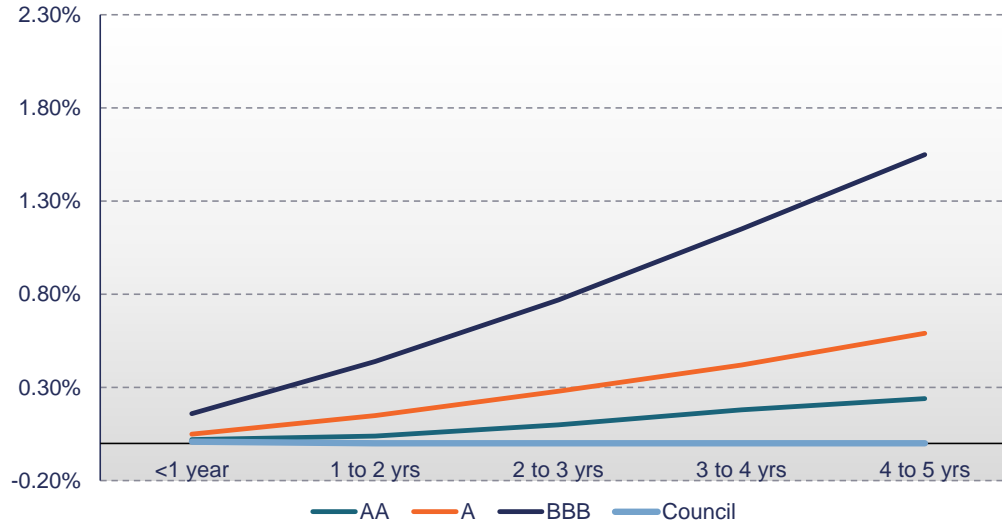
WARoR = Weighted Average Rate of Return  
 WAM = Weighted Average Time to Maturity

	% 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	29.55%	£31,670,000	52.64%	£16,670,000	15.55%	0.54%	56	110	118	233
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	32.66%	£35,000,000	57.14%	£20,000,000	18.66%	0.83%	102	130	238	303
Red	37.79%	£40,500,000	38.27%	£15,500,000	14.46%	0.64%	73	148	61	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>£107,170,000</b>	<b>48.68%</b>	<b>£52,170,000</b>	<b>48.68%</b>	<b>0.67%</b>	<b>77</b>	<b>131</b>	<b>125</b>	<b>229</b>

# Shropshire Council

## Investment Risk and Rating Exposure

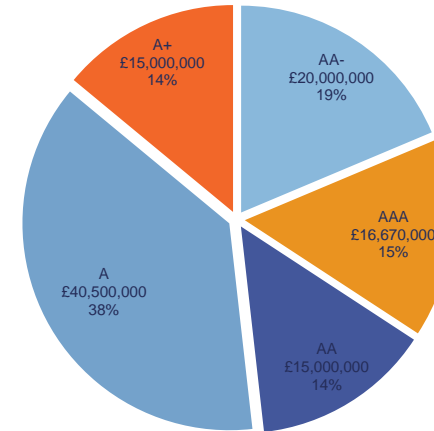
Investment Risk Vs. Rating Categories



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	0.02%	0.04%	0.10%	0.18%	0.24%
A	0.05%	0.15%	0.28%	0.42%	0.59%
BBB	0.16%	0.44%	0.77%	1.15%	1.55%
Council	0.010%	0.000%	0.000%	0.000%	0.000%

Rating Exposure



### Historic Risk of Default

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

### Chart Relative Risk

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

### Rating Exposures

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

## Shropshire Council

### Monthly Credit Rating Changes FITCH

Date	Update Number	Institution	Country	Rating Action
05/06/2018	1614	Qatar Sovereign	Qatar	Outlook on the Sovereign Rating changed to Stable from Negative
13/06/2018	1615	Qatar National Bank	Qatar	Outlook on the Long Term Rating changed to Stable from Negative
22/06/2018	1618	Goldman Sachs International Bank	UK	New Support Rating assigned at '1'
22/06/2018	1619	Bank of America N.A.	US	Long Term Rating upgraded to 'AA-' from 'A+'. Short Term Rating upgraded to 'F1+' from 'F1'. Viability Rating upgraded to 'a+' from 'a'
22/06/2018	1619	JPMorgan Chase Bank N.A.	US	Long Term Rating upgraded to 'AA' from 'AA-'. Viability Rating upgraded to 'aa-' from 'a+'
22/06/2018	1620	Deutsche Bank AG	Germany	Outlook on the Long Term Rating changed to Negative from Stable
22/06/2018	1620	Credit Suisse AG	Switzerland	Outlook on the Long Term Rating changed to Positive from Stable



## Shropshire Council

### Monthly Credit Rating Changes MOODY'S

Date	Update Number	Institution	Country	Rating Action
18/06/2018	1616	UBS AG	Switzerland	Long Term Rating upgraded to 'Aa2' from 'Aa3', removed from Positive Watch and placed on Stable Outlook
18/06/2018	1616	UBS Limited	UK	Long Term Rating upgraded to 'Aa3' from 'A1', removed from Positive Watch and placed on Stable Outlook
21/06/2018	1617	Clydesdale Bank PLC	UK	Outlook on the Long Term Rating was removed from Positive and placed on Negative Watch
25/06/2018	1621	KBC Bank N.V.	Belgium	Long Term Rating upgraded to 'Aa3' from 'A1'

## Shropshire Council

### Monthly Credit Rating Changes S&P

Date	Update Number	Institution	Country	Rating Action
01/06/2018	1613	Deutsche Bank AG	Germany	Long Term Rating downgraded to 'BBB+' from 'A-', removed from Negative Watch and placed on Stable Outlook. Colour based on Ratings changed to 'No Colour' from 'Green'
25/06/2018	1622	Credit Suisse AG	Switzerland	Outlook on the Long Term Rating changed to Positive from Stable
28/06/2018	1623	Royal Bank of Canada	Canada	Outlook on the Long Term Rating changed to Stable from Negative

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Appendix B

Prudential Indicators – Quarter 1 2018/19

Prudential Indicator	2018/19 Indicator £m	Quarter 1 – Actual £m	Quarter 2 – Actual £m	Quarter 3 – Actual £m	Quarter 4 – Actual £m
Non HRA Capital Financing Requirement (CFR)	307*	305			
HRA CFR	85	85			
Gross borrowing	312	318			
Investments	100	107			
Net borrowing	212	211			
Authorised limit for external debt	457	318			
Operational boundary for external debt	407	318			
Limit of fixed interest rates (borrowing)	457	318			
HRA debt Limit	96	85			
Limit of variable interest rates (borrowing)	229	0			
Principal sums invested > 364 days	50	0			
Maturity structure of borrowing limits	%	%	%	%	%
Under 12 months	15	2			
12 months to 2 years	15	3			
2 years to 5 years	45	5			
5 years to 10 years	75	0			
10 years to 20 years	100	36			
20 years to 30 years	100	23			
30 years to 40 years	100	15			
40 years to 50 years	100	7			
50 years and above	100	9			

\* Based on period 3 Capital Monitoring report including Shrewsbury Shopping Centres

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**Capital Financing 2018/19 - 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 2017/18 £	Budgeted 2018/19 £	First year MRP Charged	Asset Life	Final year MRP Charged
Monkmoor Campus	24/02/2006	3,580,000																
Capital Receipts Shortfall -Cashflow Applied:	24/02/2006	5,000,000																
Monkmoor Campus			3,000,000		0													2007/08 25 2031/32
William Brooks					0		3,580,000											2011/12 25 2035/36
Tern Valley					2,000,000													2010/11 35 2044/45
		<b>8,580,000</b>	<b>3,000,000</b>	<b>0</b>	<b>2,000,000</b>	<b>0</b>	<b>3,580,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>		
Highways	24/02/2006	2,000,000	2,000,000															2007/08 20 2026/27
Accommodation Changes	24/02/2006	650,000	410,200	39,800														2007/08 6 2012/13
Accommodation Changes - Saving	31/03/2007	(200,000)																
		<b>450,000</b>	<b>410,200</b>	<b>39,800</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>		
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 Hotel Acquisition	26/02/2015	4,160,000									4,160,000	-						2015/16 25 2039/40
Mardol Hotel 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												274,239	25,761			2018/19 5 2022/23
The Tanner Development		6,000,000																2019/20 25 2043/44
Car Parking Strategy Implementation		1,197,000																2018/19 5 2022/23
JPUT - Investment in Units re Shrewsbury Shopping Centres		52,731,922													52,731,922			2018/19 25 2042/43
Previous NSDC Borrowing		955,595			821,138	134,457												2009/10 5/25
		<b>89,018,249</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</b>	<b>(1,439,872)</b>	<b>4,327,641</b>	<b>3,172,359</b>	<b>0</b>	<b>53,006,161</b>	<b>7,222,761</b>			
								0	0	0	0	0	0					

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## Committee and Date

Cabinet

17<sup>th</sup> September 2018

## **FINANCIAL MONITORING REPORT – QUARTER 1 2018/19**

**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 2018/19 as at Quarter 1, and for capital sets out the expenditure up to the end of period Quarter 1. For capital, any budget increases and decreases and any re-profiling of budgets between 2018/19 and future years are also set out for decision making.
- 1.2 The revenue monitoring within this report is based on financial information held for the first three months of the year, extrapolated to year end to produce an estimated outturn position. As the year progresses and further financial information becomes available, the quality of the estimates used within this report are expected to increase.
- 1.3 Variances in the overall projected position for the Council do not yet reflect all management action that can be taken. Management action 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.
- 1.4 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 detail is provided in the report below). As at Quarter 1, evidence suggests that of the £15.541m of proposals to be delivered in 2018/19, £7.751m are rated as green – with a high degree of certainty of being delivered.
- 1.5 The Quarter 1 position indicates that £2.559m of the £15.541m savings planned are categorised as red, and further work is required within service areas to ensure that the total value of savings proposals is fully deliverable within the financial year. Furthermore, additional ongoing service pressures totalling a net value of £7.188m are already being highlighted, which services will need to address alongside delivering their savings. These pressures have been partially offset by the identification of a number of one off savings in year.
- 1.6 The key issues highlighted by this report are that:
  - The projected revenue outturn is an overspend of £6.790m.

- The projected General Fund balance as at 31 March 2019 is £8.521m, which is significantly below the recommended level.
- Management action is required to attempt to bring the budget back into balance, as far as possible. As described below, the variance is currently projected within the 'red zone' and thus above what would be considered a 'reasonable' variance.
- The projected capital outturn is £80.872m, in line with the current budget. This follows a net budget increase of £8.938m in Quarter 1.
- Current capital expenditure of £5.431m, representing 7% of the budget at Quarter 1, with 25% of the year elapsed.

## 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 £6.790m;
- B. Consider the impact of this on the Council's General Fund balance.
- C. Note that a budget virement as detailed in Appendix 2 that has taken place at period 3 to allocate pay award funding that had not been distributed at budget setting, due to the value of the pay award not having been agreed at that time.

## REPORT

### 3. Background

- 3.1 Budget monitoring reports are produced monthly for Directors, and quarterly for Cabinet, reporting on the period from June (period 2) to February (period 11) of each financial year, highlighting the anticipated year end projection. As in 2017/18, reports for Directors will not be produced at the end of period 4 or period 8 of 2018/19. This will allow the Finance Team to focus on a number of value added activities, particularly Digital Transformation.
- 3.2 The monitoring reports track progress against agreed budget decisions, consider any budget changes (including re-profiling on Capital), forecast any significant variances to the budget, and enable corrective action to be taken to attempt to ensure a balanced budget at year end.
- 3.3 Revenue variances are reported on an exception basis depending on the total variance from budget, and the percentage change in projection in any one period.
 

Green	Variance +/- 1% (or £0.05m if budget less than £5m)
Amber	Overspend between 1%-2% (or £0.05m-£0.1m if budget less than £5m)
Red	Variance over 2% (or £0.1m if budget less than £5m)
Yellow	Underspend more than 1% (or £0.05m if budget less than £5m)
- 3.4 In addition, given the level of savings proposals identified for delivery in 2018/19, this report also includes a second RAG rating, specifically relating to

the delivery of savings. The ratings are as follows:

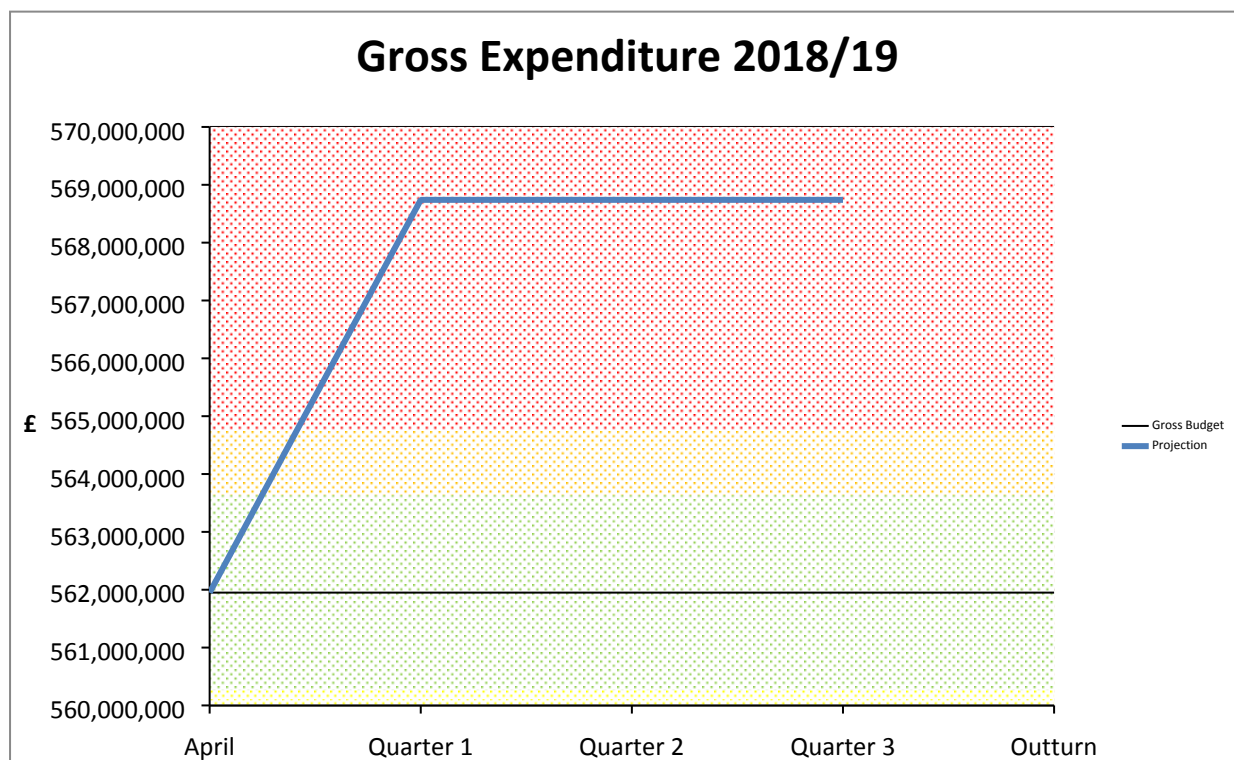
- Green – Saving identified, quantified and confirmed
- Amber – Saving identified but not yet confirmed
- Red – Saving not achieved or unachievable

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 2018/19 Budget - Overall Position

4.1 The projected revenue forecast for the year at Quarter 1, shows a potential overspend of £6.790m (1.21%) on a gross budget of £561.950m (net £208.768m). The forecast year end position for the Council is revised each Quarter (monthly for Directors) 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. However, at Quarter 1 the projected year end overspend of £6.790m is falling within the red (danger zone) banding as shown in Graph 1 below.

**Graph 1: Projected Outturn Variance to Gross Budget**



4.2 The projected overspend of £4.718m for 2018/19 is presented below and analysed in more detail within Appendix 1.

**Table 1: 2018/19 Projected Budget Variations Analysed by Service Area**

Service Area	Revised Budget £'000	Forecast Outturn £'000	(Under) / Overspend £'000	RAGY Classification
Adult Services	97,995	98,993	998	A
Children's Services	49,673	52,798	3,125	R
Commercial Services	1,176	1,825	649	R
Corporate Budgets	(28,963)	(29,230)	(268)	Y
Finance, Governance & Assurance	1,984	2,370	386	R
Legal & Democratic Services	597	548	(49)	Y
Place	81,613	83,161	1,548	A
Public Health	4,984	5,021	37	G
Strategic Management Board	6	(23)	(29)	Y
Workforce & Transformation	(297)	96	393	R
<b>Total</b>	<b>208,768</b>	<b>215,558</b>	<b>6,790</b>	<b>R</b>

## 5. Update on Savings Delivery

5.1 The savings projections for 2018/19 have been RAG rated in order to establish the deliverability of the savings and any potential impact on the outturn projection for the 2018/19 financial year. 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 4.3 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.

### Table 2: Update on Delivery of 2018/19 Savings Proposals

Service Area	Red £'000	Amber £'000	Green £'000	Total Savings £'000
Adult Services	-	337	566	902
Children's Services	1,058	196	389	1,643
Commercial Services	500	2,871	-	3,371
Corporate Budgets	286	214	-	500
Finance, Governance and Assurance	-	200	1,200	1,400
Legal and Democratic Services	-	-	182	182
Place	75	500	5,191	5,766
Public Health	141	193	223	557
Strategic Management Board	-	-	-	-
Workforce and Transformation	499	721	-	1,220
<b>Total Savings</b>	<b>2,559</b>	<b>5,231</b>	<b>7,751</b>	<b>15,541</b>

- 5.2 The figures presented above show that 50% of the 2018/19 savings required have been rated as green with a further 34% with plans in place to be delivered (rated amber). Paragraph 6.2 below provides further detail on the red savings.
- 5.3 Managers 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 savings could impact on the outturn position for 2018/19. 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.
- 5.4 Non-delivery of the amber rated savings would result in a projected outturn of £573.971m, which would fall within the critical zone within Graph 1, representing expenditure over £570.000m

**Table 3: Effect of Non-Delivery of Amber Savings in 2018/19**

	Quarter 1 Projected Variance £'000	Amber Savings £'000	Potential Outturn if Amber Savings not Achieved £'000
Adult Services	998	337	1,335
Children's Services	3,125	196	3,321
Commercial Services	649	2,871	3,520
Corporate Budgets	(268)	214	(54)
Finance, Governance & Assurance	386	200	586
Legal & Democratic Services	(49)	-	(49)
Place	1,548	500	2,048
Public Health	37	193	230
Strategic Management Board	(29)	-	(29)
Workforce & Transformation	393	721	1,114
<b>Total</b>	<b>6,790</b>	<b>5,231</b>	<b>12,021</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 2018/19 in addition to new monitoring pressures identified and one off solutions to reduce the projected overspend. Table 4 provides further analysis of the projected overspends for each service area.

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

	Quarter 1 Projection	Savings Pressure in 2018/19	Ongoing Monitoring Pressures Identified	Ongoing Monitoring Savings Identified	One Off Monitoring Pressures Identified	One Off Monitoring Savings Identified
	£000	£000	£000	£000	£000	£000
Adult Services Business Support & Development	(210)					(210)
Provider Services	(136)				31	(167)
Social Care Operations	1,331		2,655		338	(1,662)
Adult Services Management	15				15	
Housing Services	(2)				48	(50)
<b>Adult Services</b>	998	-	2,655	-	432	(2,089)
Learning & Skills	734	628	161		46	(100)
Children's Social Care & Safeguarding	2,024	430	1,712		1,201	(1,319)
Early Help, Partnerships and Commissioning	369		532	(111)	4	(56)
Children's Services Management	(3)					(3)
Central DSG	(0)					
<b>Children's Services</b>	3,125	1,058	2,406	(111)	1,250	(1,478)
Corporate Landlord	34		409		116	(491)
Strategic Asset Management	(7)				23	(30)
Property Services	159		290			(130)
Shire Services	(0)	75				(75)
Head of Commercial Services	462	425	37			
<b>Commercial Services</b>	649	500	736	-	139	(726)
Corporate Budgets	(268)	286	2,071	(2,267)		(358)
<b>Corporate Budgets</b>	(268)	286	2,071	(2,267)	-	(358)
Finance, Governance & Assurance	374		568		112	(306)
Commissioning Development & Procurement	12		16			(4)
<b>Finance, Governance and Assurance</b>	386	-	584	-	112	(310)
Legal & Democratic Services	(49)					(49)
<b>Legal and Democratic Services</b>	(49)	-	-	-	-	(49)
Director of Place	(51)					(51)
Economic Growth	398				407	(9)
Infrastructure & Communities	1,201	75	580	(50)	1,897	(1,301)
<b>Place</b>	1,548	75	580	(50)	2,304	(1,361)

Public Health - Ring Fenced	0					
Public Health - Non Ring Fenced	37	141	132	-	33	(268)
<b>Public Health</b>	37	141	132	-	33	(268)
Strategic Management Board	(29)					(29)
<b>Strategic Management Board</b>	(29)	-	-	-	-	(29)
Technology & Communications	(73)		95			(168)
ICT Digital Transformation	499	499				
Human Resources & Development	(30)					(30)
Information, Intelligence & Insight	(2)					(2)
<b>Workforce and Transformation</b>	393	499	95	-	-	(200)
<b>TOTAL</b>	<b>6,790</b>	<b>2,559</b>	<b>9,259</b>	<b>(2,428)</b>	<b>4,270</b>	<b>(6,869)</b>

6.2 The 2018/19 savings projected not to be delivered within the Quarter 1 position relate to:

- Reduced provision of home to school transport, a proportion of the current restructure saving within Learning and Skills, and reduced costs of safeguarding placements, within Children's Services
- Efficiencies within administrative buildings, and innovation within Shire Services, within Commercial Services
- Increased treasury management income within Corporate Budgets
- Review of environmental maintenance grants, within Place
- Reduced maintenance of closed churchyards and reduced posts within Regulatory Services, within Public Health
- Redesign of the Council's single front door, and the voluntary redundancy programme, within Workforce and Transformation.

More detail on these is provided within the relevant service sections of Appendix 1.

6.3 A number of ongoing pressures have been identified within service areas, some of which relate to savings unachieved within 2017/18. Total unachieved savings of £1.720m have been carried forward from 2017/18, of which £0.258m have been highlighted as ongoing pressures, with no forthcoming plans of delivering the corresponding savings. These relate to energy initiatives, CCTV provision and Revenues and Benefits. £1.462m savings carried forward from 2017/18 have been assumed to be delivered within 2018/19. These relate to Early Help hubs, home to school transport, car parking revenue, Council-wide grey fleet savings and redesign within Technology and Communications.

6.4 Other ongoing pressures include:

- increased purchasing pressures and a projected reduction in joint funded placement income from Shropshire CCG, within adult social care;
- loss of income, notably Dedicated Schools Grant, within Learning and Skills
- increased numbers and complexity of residential and foster placements within Children's Safeguarding
- increased agency costs within Children's Safeguarding
- increased property costs within Corporate Landlord

- reduced income within Property Services
- agency staff and postage costs within Revenues and Benefits
- increased costs of concessionary fares
- increased street lighting energy costs
- reduction in SLA income, and unfunded expenditure relating to Credit Union, within Technology and Communications

Some ongoing savings have been identified to mitigate these pressures, but these equate to approximately 34% 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, leading to an increase in the funding gap.

6.5 At the meeting of Cabinet and Directors on 9<sup>th</sup> July the forecast revenue outturn position of the Council for 2018/19 was discussed. Directors provided assurances in the following areas:

- A proportion of the £0.165m saving relating to promotion of independent travel training and SEN personal budgets would be delivered in year. This was estimated to be approximately £0.074m.
- A proportion of the £0.500m saving relating to rationalisation of office accommodation would be delivered in year. This was estimated to be approximately £0.075m - £0.080m.
- A proportion of the £0.500m saving relating to redesign of the Council's 'single front door' would be delivered in year. This was estimated to be approximately £0.330m.
- A proportion of the £0.500m saving relating to the voluntary redundancy programme would be delivered in year. This was estimated to be approximately £0.171m.
- The forecast overspend within the Revenues and Benefits service area would reduce by approximately £0.250m by year end.

Within the projected revenue outturn at Quarter 1, it has been assumed that the required management action to deliver these in year savings will take place as stated.

## **7. General Fund Balance**

7.1. The effect on the Council's reserves of the outturn forecast is detailed below. The Council's policy on reserve balances is to have a General Fund balance (excluding schools balances) of between 0.5% and 2% of the gross revenue budget. For 2018/19 the minimum balance required would therefore be £2.810m, although this is no longer considered to be an acceptable guide.

7.2. The more appropriate risk based target balance for the General Fund, as calculated in the Robustness of Estimates and Adequacy of Reserves 2017-23, reported to Council on 14<sup>th</sup> February 2018, is £17.081m in 2018/19, rising to £18.830m in 2019/20 and to £40.037m by 2022/23. These figures were significantly increased within the review, reflecting the remaining funding gap in these years as set out in the Financial Strategy, and the significant level of risk associated with the uncertainty over a number of funding sources that have not yet been confirmed as part of the multi-year settlement that the Council has



signed up to. At the time of the report it was noted that the projected balance of the General Fund would be below £17.081m during 2018/19.

- 7.3. Based on the current monitoring position the General Fund balance will be significantly below the required target, as shown in table 5 below.

**Table 5: Projected General Fund Balance as at 31 March 2019**

	<b>£'000</b>
General Fund Balance as at 31 March 2018	15,311
This Report – Projected Outturn Under/(Over)spend	<b>(6,790)</b>
<b>Projected Balance at 31 March 2019</b>	<b>8,521</b>

- 7.4 The outturn position reflects the part year effect of the Pay Award that was agreed by Council on 17<sup>th</sup> May 2018. Cabinet have agreed some potential savings that would be used to fund the Pay Award, but these have not been included as yet as these have not been consulted on, and Council has not formally agreed these. Therefore the General Fund Balance projected above should increase once the savings proposals have been formally agreed, and this pressure is resolved. The revised projected General Fund Balance once the savings for the Pay Award have been reflected is £10.592m

## **8. Movement in Capital Programme for 2018/19**

- 8.1 The capital budget for 2018/19 is continuously being monitored and changed to reflect the nature of capital projects which can be profiled for delivery over a number of years. In Quarter 1 there has been a net budget increase of £8.938m for 2018/19, compared to the position reported at Outturn 2017/18. 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 2018/19**

Service Area	Agreed Capital Programme - Council 22/02/18 £	Slippage & Budget Changes Approved To Outturn 2017/18 £	Quarter 1 Budget Changes To Be Approved £	Revised 2018/19 Capital Programme Period 2 £
<b>General Fund</b>				
Place & Enterprise	31,151,398	8,099,623	5,665,164	44,916,185
Adult Services	1,509,968	2,855,358	2,974,155	7,339,481
Public Health	300,000	144,792	1,800	446,592
Childrens Services	9,210,167	1,002,421	266,655	10,479,243
Resources & Support	6,060,200	98,759	0	6,158,959
<b>Total General Fund</b>	<b>48,231,733</b>	<b>12,200,953</b>	<b>8,907,774</b>	<b>69,340,460</b>
Housing Revenue Account	5,166,075	6,335,724	30,000	11,531,799
<b>Total Approved Budget</b>	<b>53,397,808</b>	<b>18,536,677</b>	<b>8,937,774</b>	<b>80,872,259</b>
<b>Financing</b>				
Self Financed Prudential Borrowing	8,197,000	25,761	(1,000,000)	7,222,761
Government Grants	28,969,300	6,008,274	6,761,454	41,739,028
Other Grants	2,541	9,703	6,532	18,776
Other Contributions	207,699	297,779	1,361,461	1,866,939
Revenue Contributions to Capital	0	3,878,387	1,247,145	5,125,532
Major Repairs Allowance	4,526,210	1,944,474	0	6,470,684
Corporate Resources (expectation - Capital Receipts only)	11,495,058	6,372,299	561,182	18,428,539
<b>Total Confirmed Funding</b>	<b>53,397,808</b>	<b>18,536,677</b>	<b>8,937,774</b>	<b>80,872,259</b>

8.2 Within the financing of the Capital Programme £5.125m is funded from revenue contributions. The major areas of revenue contributions to capital are the £1.216m approved towards essential repairs in relation to the Corporate Landlord estate and £3.876m in ringfenced HRA monies to new build schemes and undertake major housing stock repairs.

8.3 Full details of all budget changes are provided in Appendix 3 to this report. Significant budget changes across the life of the programme in Quarter 1 are:

#### **Budget Increases**

- Announcement of MHCLG Disabled Facilities Grant (DFG) of £2.974m.
- Confirmation of the Department of Transport Highways Maintenance Block incentive element funding allocation of £2.787m.
- Confirmation of £1.300m Section 106 Developer Contributions funding in the capital programme.
- Increase of £1.247m in revenue contributions to capital funding.
- Increase in capital receipts funding of £0.411m.
- Department for Education Condition grant has increased by £0.229m. The initial allocation in the capital programme was only provisional and final allocations have now been announced.

#### **Budget Decreases**

- Replacement of £1.000m self-financed Prudential Borrowing with Government Grant.
- Reduction in Environment Agency confirmed funding for Flood Defence & Water Management schemes of £0.100m.

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

- **Place & Enterprise:** re-profiling of £0.200m to 2019/20 in relation to the Shifnal Flood & Water Management scheme.

- **Place & Enterprise:** re-profiling of £1.221m from 2019/20 to 2018/19 to reflect current expected expenditure profiles and LEP grant claim profiling.

## 9. Actual versus Planned Expenditure to Date

- 9.1 The actual capital expenditure at Quarter 1 is £5.431m, which represents 7% of the revised capital budget at Quarter 1, 25% of the year. This is slightly 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 remainder of 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 budget at this point in the year, due to further re-profiling later in the year.
- 9.2 The level of spend is slightly low across the programme in some areas, but equal to the level of spend in the previous year at this period. In terms of the major areas the spend position is as follows: Place & Enterprise 8% (budget £44.916m), Adult Social Care 6% (budget £7.339m), Public Health 8% (budget £0.446m), Resources & Support 3% (budget £6.159m), Children's Services 7% (budget £10.479m), HRA Major Repairs & New Build Programme 5% (budget £11.532m).

## 10. Capital Receipts Position

- 10.1. The current capital programme is heavily reliant on the Council generating capital receipts to finance the capital programme. There is a high level of risk in these projections as they are subject to changes in property and land values, the actions of potential buyers and being granted planning permission on sites. Table 7 below, summarises the current allocated and projected capital receipt position across 2018/19 to 2020/21. 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 7: Projected capital receipts position

Detail	2018/19 £	2019/20 £	2020/21 £	2021/22 £
Corporate Resources Allocated in Capital Programme	18,428,539	1,801,850	114,288	-
Capital Receipts used to finance redundancy costs				
To be allocated from Ring Fenced Receipts	8,374,376	4,239,688	2,157,456	-
<b>Total Commitments</b>	<b>26,802,915</b>	<b>6,041,538</b>	<b>2,271,744</b>	-
<b>Capital Receipts in hand/projected:</b>				
Brought Forward in hand	20,857,133	(2,317,776)	(7,309,314)	
Generated 2018/19YTD	858,994	-	-	-
Projected - 'Green'	2,769,013	1,050,000	-	-
<b>Total in hand/projected</b>	<b>24,485,139</b>	<b>(1,267,776)</b>	<b>(7,309,314)</b>	-
Shortfall to be financed from Prudential Borrowing / (Surplus) to carry forward	<b>2,317,776</b>	<b>7,309,314</b>	<b>9,581,058</b>	-
Further Assets Being Considered for Disposal	<b>10,821,165</b>	<b>4,670,000</b>	-	-

- 10.2. Capital receipts of £20,857m were brought forward from 2017/18 and £0.859m has been generated to date in 2018/19. A further £2.769m is currently projected as 'Green' for 2018/19, which mainly relates to the sale of one Smallholding to an existing tenant; and a forecast receipt from the sale of land in Shrewsbury. Based on the current programme and capital receipts in hand and projected as Green, there are insufficient receipts generated to finance the capital programme for 2018/19; the shortfall being £2.318m which may need to be financed from Prudential Borrowing if it cannot be addressed in year.
- 10.3. There is an urgent pressure to progress the disposals programmed for the current and future years, to ensure that 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 minimise the funding shortfall. 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 revenue costs that are not budgeted for 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 2018/19-2022/23  
Financial Rules

**Appendices**

1. Service Area Pressures and Actions 2018/19
2. Amendments to Original Revenue Budget 2018/19
3. Capital Budget and Expenditure 2018/19

**Service Area Pressures and Actions 2018/19**Summary

Directorate	Budget £	Forecast £	Variance £	RAGBY
Adult Services	97,994,850	98,992,681	997,831	A
Children's Services	49,673,280	52,798,070	3,124,790	R
Commercial Services	1,176,260	1,825,062	648,802	R
Corporate Budgets	(28,962,600)	(29,230,488)	(267,888)	Y
Finance, Governance & Assurance	1,984,300	2,370,339	386,039	R
Legal & Democratic Services	597,190	548,356	(48,834)	Y
Place	81,613,130	83,161,214	1,548,084	A
Public Health	4,983,710	5,020,983	37,273	G
Strategic Management Board	5,780	(23,700)	(29,480)	Y
Workforce & Transformation	(297,450)	95,654	393,104	R
<b>TOTAL</b>	<b>208,768,450</b>	<b>215,558,171</b>	<b>6,789,721</b>	<b>R</b>

Detail

ADULT SERVICES	Full year			RAGY
	Budget	Forecast	Variance	
	£	£	£	
Total	97,994,850	98,992,681	£997,831	A

<b>Adult Services Business Support &amp; Development</b>	<b>Portfolio Holder Health &amp; Adult Social Care</b>	3,375,430	3,165,037	(210,393)	Y
<p>There is a projected underspend within Business Support and Development of (£0.210m) which is largely due to a number of managed variances across the service. These are not sustainable beyond the short-term, but are not expected to impact on service delivery in 2018/19. A summary of the major variances are as follows:</p> <ul style="list-style-type: none"> <li>• (£0.080m) projected underspend on Business Support staffing and costs associated with the posts, due to delays in appointing to vacant posts</li> <li>• (£0.096m) projected underspend on Joint Training and the Professional Development Unit</li> <li>• (£0.033m) projected underspend/increased contract income on Welfare to Work initiatives</li> </ul>					
<b>Provider Services</b>	<b>Portfolio Holder Health &amp; Adult Social Care</b>	5,280,270	5,143,902	(136,368)	Y
<p>There is a projected underspend within Provider Services of £0.136m which is due to a number of variances across the service which are not sustainable beyond the short-term, but which are not expected to impact on service delivery in 2018/19. The major variances are as follows:</p> <ul style="list-style-type: none"> <li>• (£0.021m) projected underspend relating to the Crowmoor contract</li> <li>• (£0.045m) projected underspend relating to various contract costs</li> <li>• (£0.100m) projected underspend across all Day Services due to an in year management restructure, vacancies and variances in working budgets such as transport recharges, office costs, equipment and furniture replacement.</li> <li>• £0.031m projected overspend relating to Four Rivers Nursing Home, due to higher than budgeted staff costs, including agency, and reduced Continuing Health Care and Free Nursing Care income.</li> </ul>					

<b>Social Care Operations</b>	<b>Portfolio Holder Health &amp; Adult Social Care</b>	82,038,080	83,369,266	1,331,186	A
<p>An overspend of £1.331m is forecast within the Social Care Operations section of Adult Services. To date in 2018/19 we have seen approximately 485 new clients since 1st April, costing in the region of £4.761m for this financial year. Some of this additional cost has been offset by people leaving the system and through the review of existing care packages to reduce care where suitable. There are concerns around the actions of the Clinical Commissioning Group (CCG) particularly around the removal of discharge to assess beds from the market and also around Continuing Health Care.</p> <p>The major variances are:</p> <ul style="list-style-type: none"> <li>• £1.449m projected overspend on the net cost of purchasing. The purchasing projections are breaching the 2017 growth model assumptions and this will need to be addressed going forward. Small percentage differences in numbers and cost have a large impact on the outturn position.</li> <li>• £0.016m projected overspend within Assistive Services, which includes occupational therapy equipment</li> <li>• (£0.052m) projected underspend on transport costs there may be adjustment with Day Services regarding TMO recharges</li> <li>• £0.120m projected overspend on property costs related to Supported living properties</li> <li>• (£0.209m) projected underspend on staffing due to delays in appointing to a number of staff vacancies, this has been offset against some agency costs</li> <li>• £0.012m projected overspend within Integrated Community Services (ICS)*, as a result of pressures from increasing numbers of patients being discharged from hospital requiring re-ablement. Changes are being made to the ICS operating model in order to make it sustainable in the long-term.</li> </ul> <p>*ICS is the team that facilitates hospital discharge and admission avoidance.</p>					
<b>Adult Services Management</b>	<b>Portfolio Holder Health &amp; Adult Social Care</b>	2,742,760	2,758,187	15,427	G
Minor variation from budget at Quarter 1.					
<b>Housing Services</b>	<b>Portfolio Holder Health &amp; Adult Social Care</b>	4,558,310	4,556,289	(2,021)	Y
Minor variation from budget at Quarter 1.					

CHILDREN'S SERVICES	Full year			RAGY
	Budget	Forecast	Variance	
	£	£	£	
Total	49,673,280	52,798,070	3,124,790	R

<b>Learning &amp; Skills</b>	<b>Portfolio Holder Children's &amp; Young People</b>	19,680,610	20,415,031	734,421	R
<p>The latest monitoring position reflects unachieved 2018/19 savings of £0.628m. £0.590m relates to the Home to School Transport budget where the 2018/19 savings target is subject to a home to school transport policy review. A paper is being drafted to present various savings opportunities, their value and timeline for their achievement given that some strategies will require extensive consultation and a Cabinet decision. Some strategies, if implemented would need to be on a phased approach.</p> <p>The remaining £0.038m relates to a £0.116m savings target against Learning and Skills Business Support where a staffing restructure has realised £0.078m of the proposed savings in year, with the remaining £0.038m expected to be achieved in 2019/20 at the latest.</p> <p>As well as unachieved savings targets, Learning and Skills' forecast overspend results from reductions in Central Government grants. Although some growth was built into the 2018/19 budget to negate for most of the loss of grant, £0.150m remains as an ongoing pressure and relates specifically to the loss of Dedicated Schools Grant funding. This was 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, but that fund statutory functions that the Council is required to undertake.</p> <p>There is also an ongoing budget pressure in Governor Services. Reduced SLA income is anticipated and there is likely to be a downward trend in income as the demand for traditional Governor support services has started</p>					

to reduce as schools have federated under one governing body, while others join multi-academy trusts (MATs). This shortfall in income has been largely managed in year through one-off vacancy management savings while the service reviews its offer to schools. The net forecast overspend or ongoing pressure is £0.011m.

The cost pressures above are partially offset by one-off underspends totalling £0.055m where services are carrying temporary vacancies.

<b>Children's Social Care &amp; Safeguarding</b>	<b>Portfolio Holder Children's &amp; Young People</b>	27,199,570	29,223,441	2,023,871	R
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A projected unachieved 2018/19 savings targets around reductions to external placement costs accounts for £0.430m of the £2.024m projected overspend. There are several strategies in place to deliver these savings.

Firstly, Children's Safeguarding are committed to increasing foster placement sufficiency so that the Council can care for more looked after children within a family environment. This is not only in the best interests of the majority of looked after children but will lead to significant financial savings. The aim is to increase the pool of foster carers and look to identify and support foster carers with looking after more complex children. This will reduce demand for expensive residential provision. To enable this to happen increased capacity is required in the Children's Placement Service to enable the recruitment of more carers and retain and support current carers. A business case has been approved and a recruitment campaign has started. In addition to this, a strategy to develop additional in-house residential provision is being explored with a view that internal provision could deliver savings through supporting a few of the most complex children at a lower cost than the market rate. Due to the longer term nature of these strategies, it is anticipated that the £0.430m will not be achieved in this financial year.

Although there is a view within the service that these strategies will deliver significant savings, there are some external risk factors that may impact on these savings being achieved. These include on-going placement disruption for our most complex young people resulting in children moving from foster placements to high cost residential placements and a continued high number of children coming into care through care proceedings.

Further, to the unachieved saving relating to placement costs, there is a forecast ongoing monitoring pressure of £1.222m relating to external residential care and all foster care placements. 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 increasing complexity of Shropshire's looked after children. This is reflecting the national picture with all Local Authorities reporting increasingly complex children. 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 costs can change significantly in year. This has been evident in this first quarter of the financial years where the £1.222m ongoing pressure has increased by £0.708m from £0.514m at the end of Period 2. This large increase results from 5 new high cost residential placements starting between mid-June and early July increasing the projected expenditure by £0.700m. In addition to these 5 new placements, 2 placements have been disrupted, resulting in the children moving into higher cost residential placements costing an additional £0.313m. At the same time, the service are continuing to transfer children from high cost residential placements to lower cost placements where appropriate. 2 placements have either stepped down to lower cost placements or ended since the end of period 2 resulting in a saving of £0.297m. Despite the increasing costs overall, the average weekly cost has reduced overall demonstrating that officers are striving to reduce the cost per placement where appropriate.

There is an on-going budget pressure of £0.370m caused by agency staffing costs in the social work teams. This pressure has continued from previous years. It is necessary to ensure that children who are looked after, on a Child Protection Plan or in need of a plan are adequately supported in line with statutory timescales and this will dictate that any sickness, maternity or temporary vacancy must be covered in the interim through agency staff. There is also a heavy reliance on agency social workers due to challenges in recruiting to vacant posts. To address this issue the service has appointed 11 ASYE (assessed and supported year in employment) social workers to start from September. Albeit not immediately, this should reduce this cost pressure by the end of the financial year as these staff can be given caseloads currently being covered by more expensive agency staff.

The issues of rising demand for high cost residential placements and cost pressures from agency social workers are not local to Shropshire and are reflected nationally.

<b>Early Help, Partnerships and Commissioning</b>	<b>Portfolio Holder Children's &amp; Young People</b>	2,356,270	2,725,450	369,180	R
The projected overspend in Early Help is the result of an unachieved saving around Early Help Family Hubs that has carried forward from previous years. An Early Help Family Hubs report was approved by Cabinet on 17th January proposing to consult formally with the public, key stakeholders and staff on a new delivery model for Early Help Services. The proposed delivery model will deliver the outstanding savings totalling in Early Help by March 2019, consequently this forecast overspend is being categorised as a one-off monitoring pressure.					
<b>Children's Services Management</b>	<b>Portfolio Holder Children's &amp; Young People</b>	426,180	423,499	(2,681)	Y
Minor variation from budget at Quarter 1.					
<b>Central DSG</b>	<b>Portfolio Holder Children's &amp; Young People</b>	10,650	10,650	0	Y
Minor variation from budget at Quarter 1.					

<b>COMMERCIAL SERVICES</b>	<b>Full year</b>			<b>RAGY</b>
	<b>Budget</b>	<b>Forecast</b>	<b>Variance</b>	
	<b>£</b>	<b>£</b>	<b>£</b>	
Total	1,176,260	1,825,062	648,802	R

<b>Corporate Landlord</b>	<b>Portfolio Holder Corporate Support</b>	3,280,870	3,314,748	33,878	G
Corporate Landlord has a projected overspend of £0.034m, consisting of a number of compensating variances. Rents and service charges are projected to be over budget by £0.103m. This is mainly within the Adult Social Care buildings where there has historically been a budget shortfall. Utilities and cleaning are projected to be over budget by £0.041m and £0.039m respectively, due to price increases above those budgeted for. The student accommodation at Mardol House continues to create a budget pressure, projected at £0.127m. Offsetting these are (£0.150m) received as backdated rates contributions from third parties and (£0.147m) income variance to budget. A number of properties have had new rental and service charge income identified and a large portion of this variance is backdated payments received.					
<b>Strategic Asset Management</b>	<b>Portfolio Holder Corporate Support</b>	(2,142,080)	(2,148,689)	(6,609)	Y
Minor variation from budget at Quarter 1					
<b>Property Services</b>	<b>Portfolio Holder Economic Growth</b>	20,690	179,925	159,235	R
An anticipated income shortfall of £0.290m has been identified based on knowledge of works planned for this financial year and comparing with income in previous years. The service area will continue to look for commercial opportunities to bridge this gap, whilst monitoring their resources in accordance with this. The service is holding a number of vacancies which total (£0.117m) and which will partially offset the income pressure.					
<b>Shire Services</b>	<b>Portfolio Holder Corporate Support</b>	262,450	262,450	0	Y
No variation from budget at Quarter 1					
<b>Head of Commercial Services</b>	<b>Portfolio Holder Economy &amp; Growth</b>	(245,670)	216,628	462,298	R



£0.425m of this projected overspend is part of a £0.500m saving that will not be achieved in this financial year. The saving in question involves rationalisation of some of our administrative buildings, but the practicalities of doing this has led to a delay in any possible implementation. A further pressure of £0.035m has been identified in order to recruit to a key post that has not been budgeted for. This is part of a wider restructure that is yet to be finalised across the whole of Commercial Services.

CORPORATE BUDGETS	Full year			RAGY
	Budget	Forecast	Variance	
	£	£	£	
Total	(28,962,600)	(29,230,488)	(267,888)	Y

Corporate Budgets	Portfolio Holder Finance	(28,962,600)	(29,230,488)	(267,888)	Y
<p>An underspend has been identified within Corporate Budgets due to corporate pension budgets that will be uncommitted during the year (£1.066m), and corporate inflation that was budgeted but is no longer required (£1.450m). This has been offset by the part year costs of the pay award (£2.071m) that was agreed by Council on 17<sup>th</sup> May 2018. Once the pay award has been implemented, accurate projections will be able to be included for each Directorate, but until that time, the pressure will be shown against Corporate Budgets. There is also an overspend of £0.286m has been identified relating to partially unachieved savings targets for Treasury Management. Work is ongoing to identify how the remaining target can be met.</p> <p>In year savings of (£0.068m) have been identified relating to non-distributable costs, and (£0.039m) relating to reduced expenditure on staffing.</p>					

FINANCE, GOVERNANCE & ASSURANCE	Full year			RAGY
	Budget	Forecast	Variance	
	£	£	£	
Total	1,984,300	2,370,339	386,039	R

Finance, Governance & Assurance	Portfolio Holder Finance	1,794,220	2,168,094	373,874	R
<p>The primary reason for the projected overspend within Finance, Governance &amp; Assurance is an anticipated overspend of £0.415m within Revenues &amp; Benefits. This service area has historic savings targets of £0.443m which are anticipated to remain unrealised. A reliance on agency staff creates a further pressure of £0.094m. These staff are essential for ensuring claims are completed on time and preventing the council from losing its subsidy. Plans are progressing to recruit and train apprentices, which will increase the pool of skilled staff within the council and reduce the reliance on agency staff. Additional income totalling (£0.148m) has been identified for this financial year that partly offset the pressures listed above.</p> <p>The Finance function has an anticipated over-spend of £0.041m, due to a one-off software pressure that has occurred as a result of digital transformation and the move to the ERP. It is expected that this overspend will be managed by reducing other controllable budgets within the service area.</p> <p>Audit and Treasury have projected underspends of (£0.052m) and (£0.036m) respectively, owing to vacancy management and control of supplies and services budgets.</p>					
Commissioning Development & Procurement	Portfolio Holder Corporate Support	190,080	202,245	12,165	G
Minor variation from budget at Quarter 1					

LEGAL & DEMOCRATIC SERVICES	Full year			RAGY
	Budget	Forecast	Variance	
	£	£	£	
Total	597,190	548,356	(48,834)	Y

Legal & Democratic Services	Portfolio Holder Corporate Support	597,190	548,356	(48,834)	Y
In year savings have been identified of (£0.027m) relating to general legal disbursement costs, and (£0.023m) has been secured in additional income from providing election services to another local authority.					

PLACE	Full year			RAGY
	Budget	Forecast	Variance	
	£	£	£	
Total	81,613,130	83,161,214	1,548,084	A

Director of Place	Portfolio Holder Communities	618,240	567,138	(51,102)	Y
The post has been vacant since the departure of the previous post holder in April, leading to an underspend against the budget. The recruitment process is underway and it is envisaged that a replacement will be in post before the end of the calendar year.					
<b>Director of Place Total</b>		618,240	567,138	(51,102)	Y

Planning Services	Portfolio Holder Planning & Regulatory Services	1,269,980	1,669,791	399,811	R
To date, we have seen reduced income from land charges/searches, as a result of receiving fewer applications. In addition, at present there is reduced income from planning applications, however, further analysis in this area indicates that this is due to a small drop in large, high value applications. Overall application numbers and enforcement caseloads are actually higher than anticipated.					
Economic Growth	Portfolio Holder Economy & Growth	876,450	867,582	(8,868)	Y
Minor variation from budget at Quarter 1					
Broadband	Portfolio Holder Economy & Growth	234,640	234,640	0	G
No variation from budget at Quarter 1					
Planning Policy	Portfolio Holder Planning & Regulatory Services	463,940	470,642	6,702	G
Minor variation from budget at Quarter 1					
Head of Economic Growth	Portfolio Holder Economy & Growth	143,890	144,362	472	G
Minor variation from budget at Quarter 1					
<b>Economic Growth Total</b>		<b>2,988,900</b>	<b>3,387,017</b>	<b>398,117</b>	<b>R</b>

<b>Head of Infrastructure &amp; Communities</b>	<b>Portfolio Holder Communities</b>	187,370	187,106	(264)	Y
Minor variation from budget at Quarter 1					
<b>Arts</b>	<b>Portfolio Holder Culture &amp; Leisure</b>	81,530	85,081	3,551	G
Minor variation from budget at Quarter 1					
<b>Community Enablement</b>	<b>Portfolio Holder Communities</b>	927,230	838,913	(88,317)	Y
The underspend is due to a number of post-holders who have left through the voluntary redundancy programme and therefore will not be replaced.					
<b>Environmental Maintenance</b>	<b>Portfolio Holder Highways &amp; Transport</b>	25,180,960	26,133,683	952,723	R
As a consequence of the severe and prolonged winter, there are a significant number of potholes/defects to be rectified. It is envisaged that it will take most of the summer months to clear the backlog before additional numbers of gangs can be reduced to the contracted number. In addition, the increase in the cost of street lighting electricity has been greater than anticipated. Finally, the Financial Strategy saving to end the Town and Parish Council Environmental Maintenance Grants is being projected as partly unachievable following the re-instatement of £0.075m of the grants.					
<b>Highways &amp; Transport</b>	<b>Portfolio Holder Highways and Transport</b>	5,767,510	6,446,430	678,920	R
There are variances expected as the anticipated additional income from car parking will only be realised as the strategy is rolled out and income is received. The 'Grey Fleet' (Casual Car user allowance) saving has now had initial trials and will be fully rolled out, however the full saving will only be delivered from when the scheme is fully implemented. Finally there are additional costs anticipated in relation to the concessionary fares reimbursements to bus operators.					
<b>Outdoor Partnerships</b>	<b>Portfolio Holder Culture and Leisure</b>	1,337,770	1,328,033	(9,737)	Y
Minor variation from budget at Quarter 1					
<b>Shropshire Hills AONB</b>	<b>Portfolio Holder Culture &amp; Leisure</b>	60,960	60,960	0	G
No variation from budget at Quarter 1					
<b>Leisure</b>	<b>Portfolio Holder Culture &amp; Leisure</b>	3,321,570	3,451,423	129,853	R
Overspends include consultancy related to updating the Sports Pitches Strategy (required every 10 years), negotiations to fund fitness equipment prior to the transfer of one of our in-house facilities, and contributions to other bodies to try to ensure the sustainability of contracted leisure facilities. Overspends also include reduced income and higher than anticipated staffing costs at our in-house leisure facilities.					
<b>Libraries</b>	<b>Portfolio Holder Culture &amp; Leisure</b>	3,936,700	4,935,069	(1,631)	Y
Minor variation from budget at Quarter 1					
<b>Locality Commissioning</b>	<b>Portfolio Holder Communities</b>	282,830	232,380	(50,450)	Y
A recent Cabinet decision has led to a reduction in the budget (£0.043m) for youth commissioning from 2018/19. Further underspends have been identified on the room hire budget for youth activities.					
<b>Theatre Services</b>	<b>Portfolio Holder Culture &amp; Leisure</b>	314,160	190,028	(124,132)	Y
Although very early in the year, sales at this point indicate a very positive start for the Theatre.					
<b>Museums and Archives</b>	<b>Portfolio Holder Culture &amp; Leisure</b>	1,762,940	1,749,543	(13,397)	Y

Minor variation from budget at Quarter 1					
<b>Waste Management</b>	<b>Portfolio Holder Planning and Regulatory Services</b>	34,717,230	34,423,696	(293,534)	Y
An underspend in relation to the PFI contract is anticipated, due to the estimated landfill tonnage being lower than budgeted for.					
<b>Culture and Heritage Manager</b>	<b>Portfolio Holder Culture &amp; Leisure</b>	127,230	144,714	17,484	G
Minor variation from budget at Quarter 1					
<b>Infrastructure &amp; Communities Total</b>		<b>78,005,990</b>	<b>79,207,059</b>	<b>1,201,069</b>	<b>A</b>

PUBLIC HEALTH	Full year			RAGY
	Budget	Forecast	Variance	
	£	£	£	
Total	4,983,710	5,020,983	37,273	G

<b>Coroners &amp; Bereavement Services</b>	<b>Portfolio Holder Health &amp; Adult Social Care</b>	199,490	224,398	24,908	G
Minor variation from budget at Quarter 1.					
<b>Multi Agency</b>	<b>Portfolio Holder Health &amp; Adult Social Care</b>	888,410	1,032,943	144,533	R
<p>Overall an overspend of £0.145m is projected due to a number of variances across the service. The major variances are:</p> <ul style="list-style-type: none"> <li>• £0.021m projected overspend on the Healthy Child Development Programme as a result of a change in management structure whereby the previous postholder was funded from the Public Health ring fenced grant.</li> <li>• £0.112m overspend in Community Safety, which is as a result of unachieved savings. The service is looking at ways of claiming funding towards the cost of management posts and other delivery models in order to try to achieve the required savings.</li> </ul> <p>The Links/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 has achieved savings of £0.068m; all contributions from the Council base budget have been withdrawn and the service is now funded purely from external funding.</p> <p>Savings of £0.039m on Targeted Mental Health in Schools and the Healthy Child Development Programme have been achieved through the removal of vacant posts and the reduction in scheme budgets.</p>					
<b>Public Health – Ring Fenced</b>	<b>Portfolio Holder Health &amp; Adult Social Care</b>	38,290	38,290	0	G
<p>Officers within the ring fenced element of Public Health are working on a number of savings initiatives in order to bring the overall cost of the ring fenced services to within available funds in future years. These savings initiatives include increased income generation within the Help to Change service and the roll out of commercial activities such as Health TV. Currently there is a requirement for reserves to cover core budget of £0.207m in 2018/19 but the expectation is that the service will be entirely funded by grant income in 2019/20. The Public Health Grant has been cut by 2.6% in 2018/19 and is expected to be reduced by a further 2.6% in 2019/20.</p>					
<b>Trading Standards and Licensing</b>	<b>Portfolio Holder Planning &amp; Regulatory Services</b>	765,250	634,547	(130,703)	Y
An underspend of £0.131m is projected due to a number of vacant posts within the service; plans are in place to appoint to the vacant posts and therefore the underspend variance is not sustainable beyond the short term.					
<b>Regulatory Services</b>	<b>Portfolio Holder Planning &amp; Regulatory Services</b>	2,879,930	2,897,675	17,745	G
Minor variation from budget at Quarter 1.					

<b>Registrars</b>	<b>Portfolio Holder Health &amp; Adult Social Care</b>	212,340	193,130	(19,210)	Y
Minor variation from budget at Quarter 1.					

<b>STRATEGIC MANAGEMENT BOARD</b>	<b>Full year</b>			<b>RAGY</b>
	<b>Budget</b>	<b>Forecast</b>	<b>Variance</b>	
	£	£	£	
Total	5,780	(23,700)	(29,480)	Y

<b>Strategic Management Board</b>	<b>Leader of the Council</b>	5,780	(23,700)	(29,480)	Y
In year vacancy management savings have been achieved within the Personal Assistants team of (£0.025m).					

<b>WORKFORCE &amp; TRANSFORMATION</b>		<b>Full year</b>			<b>RAGY</b>
		<b>Budget</b>	<b>Forecast</b>	<b>Variance</b>	
		<b>£</b>	<b>£</b>	<b>£</b>	
Total		(297,450)	95,654	393,104	R
<b>Technology &amp; Communications</b>	<b>Portfolio Holder Corporate Support</b>	235,330	162,038	(73,292)	Y
<p>The restructure within Customer Access has been completed and has achieved the savings target of £0.263m. Additional efficiencies have been identified on a one-off basis of £0.120m from vacancy management and (£0.026m) reduction in estimated use of agency staff, which will offset known in year pressures relating to loss of external income of £0.040m and unachieved historic savings targets of £0.055m.</p> <p>Blueprint has been able to fully repay its invest to save loans in the previous financial year. This has resulted in additional income generation, and currently a small surplus is being forecast of (£0.012m).</p>					
<b>ICT Digital Transformation</b>	<b>Portfolio Holder Corporate Support</b>	(586,920)	(87,800)	499,120	R
<p>The savings target of £1.000m relating to Digital Transformation is expected to be partly achieved in year. Currently £0.501m has potentially been identified as achievable, and work is being undertaken to identify how the remaining target can be achieved.</p>					
<b>Human Resources &amp; Development</b>	<b>Portfolio Holder Corporate Support</b>	43,790	13,371	(30,419)	Y
<p>In year savings of (£0.029m) relating to vacancy management across teams has been achieved, alongside additional income generation for Occupation Health Services of (£0.009m).</p>					
<b>Information, Intelligence &amp; Insight</b>	<b>Portfolio Holder Corporate Support</b>	10,350	8,045	(2,305)	Y
<p>Minor variation from budget at Quarter 1</p>					

**Appendix 2: Amendments to Original Revenue Budget 2018/19**

	Total	Adult Services	Children's Services	Commercial Services	Corporate Budgets	Finance, Governance and Assurance	Legal and Demographic Services	Place	Public Health	Strategic Management Board	Workforce and Transformation
<b>Original Budget as Agreed by Council</b>	<b>208,768</b>	97,846	49,628	1,021	(28,223)	1,917	579	81,500	4,888	0	(388)
<b>Quarter 1</b>											
Additional 1% pay award budget allocation	0	153	151	32	(740)	68	18	155	67	6	91
Movement of premises budgets between service areas and Corporate Landlord	0	(5)	(106)	123				(12)			
Transfer of posts between Highways and Transport and Trading Standards and Licensing	0							(30)	30		
<b>Revised Budget</b>	<b>208,768</b>	<b>97,995</b>	<b>49,673</b>	<b>1,176</b>	<b>(28,963)</b>	<b>1,984</b>	<b>597</b>	<b>81,613</b>	<b>4,984</b>	<b>6</b>	<b>(297)</b>

**Details of virements over £500,000, reported to Cabinet for information**

Quarter 1:

A budget virement has taken place at Quarter 1 to allocate pay award funding that had not been distributed at budget setting, due to the value of the pay award not having been agreed at that time. A 1% pay award had been assumed at budget setting, but the increase to 2% has meant that £0.740m has been vired from Corporate Budgets at period 3 and distributed across service areas in order to fund employees' increase in pay. A further £0.201m will be vired from Corporate Budgets to service areas at period 4 to fund the increase in salaries costs relating to employees on SCP 19 and below, who have been awarded a pay increase of between 3.7% and 9.2%

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

Quarter 1: None

**Proposed virements between £500,000 and £1m for Cabinet approval**

Quarter 1: None.

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## Shropshire Council - Capital Programme 2018/19- 2021/22

## Capital Programme Summary - Quarter 1 2018/19

Scheme Description	Revised Budget Outturn 17/18 £	Budget Virements Q1 £	Budget Inc/Dec Q1 £	Reprofile to/from future years Q1 £	Revised Budget Q1 18/19 £	Actual Spend 01/06/18	Spend to Budget Variance £	% Budget Spend	Outturn Projection £	Outturn Projection Variance £	2019/20 Revised Budget £	2020/21 Revised Budget £	2021/22 Revised Budget £
<b>General Fund</b>													
Place & Enterprise	39,251,021	-	4,644,045	1,021,119	44,916,185	3,489,927	41,426,258	8%	44,916,185	-	16,036,898	15,401,000	-
Adult Services	4,365,326	-	2,974,155	-	7,339,481	415,691	6,923,790	6%	7,339,481	-	-	-	-
Public Health	444,792	-	1,800	-	446,592	36,503	410,089	8%	446,592	-	-	-	-
Children's Services	10,212,588	-	266,655	-	10,479,243	755,262	9,723,981	7%	10,479,243	-	166,667	166,667	-
Resources & Support	6,158,959	-	-	-	6,158,959	198,735	5,960,224	3%	6,158,959	-	5,000,000	-	-
<b>Total General Fund</b>	<b>60,432,686</b>	<b>-</b>	<b>7,886,655</b>	<b>1,021,119</b>	<b>69,340,460</b>	<b>4,896,117</b>	<b>64,444,343</b>	<b>7%</b>	<b>69,340,460</b>	<b>-</b>	<b>21,203,565</b>	<b>15,567,667</b>	<b>-</b>
Housing Revenue Account	11,501,799	-	30,000	-	11,531,799	534,959	10,996,840	5%	11,531,799	-	3,760,950	-	-
<b>Total Approved Budget</b>	<b>71,934,485</b>	<b>-</b>	<b>7,916,655</b>	<b>1,021,119</b>	<b>80,872,259</b>	<b>5,431,076</b>	<b>75,441,183</b>	<b>7%</b>	<b>80,872,259</b>	<b>-</b>	<b>24,964,515</b>	<b>15,567,667</b>	<b>-</b>

Potfolio Holder	Revised Budget Outturn 17/18 £	Budget Virements Q1 £	Budget Inc/Dec Q1 £	Reprofile to/from future years Q1 £	Revised Budget Q1 18/19 £	Actual Spend 01/06/18	Spend to Budget Variance £	% Budget Spend	Outturn Projection £	Outturn Projection Variance £	2019/20 Revised Budget £	2020/21 Revised Budget £	2021/22 Revised Budget £
<b>General Fund</b>													
Culture & Leisure - Lezley Picton	207,266	-	439,689	-	646,955	57,914	589,041	9%	646,955	-	-	-	-
Communities - Joyce Barrow	356,222	(130,000)	(116)	-	226,106	135	225,971	0%	226,106	-	-	-	-
Planning & Regulation - Robert Macey	1,689,647	-	1,301,632	-	2,991,279	546,991	2,444,288	18%	2,991,279	-	-	-	-
Highways & Transport - Steve Davenport	16,005,847	-	2,687,000	1,021,119	19,713,966	1,652,350	18,061,616	8%	19,713,966	-	11,528,898	14,901,000	-
Economic Growth - Nicholas Laurens	20,992,039	130,000	215,840	-	21,337,879	1,232,537	20,105,342	6%	21,337,879	-	4,508,000	500,000	-
Deputy Leader, Coporate Support - Steve Charmley	6,158,959	-	-	-	6,158,959	198,735	5,960,224	3%	6,158,959	-	5,000,000	-	-
Health & Adult Social Care - Lee Chapman	4,810,118	-	2,975,955	-	7,786,073	452,194	7,333,880	6%	7,786,073	-	-	-	-
Children's Services & Education - Nicholas Bardsley	10,212,588	-	266,655	-	10,479,243	755,262	9,723,981	7%	10,479,243	-	166,667	166,667	-
<b>Total General Fund</b>	<b>60,432,686</b>	<b>-</b>	<b>7,886,655</b>	<b>1,021,119</b>	<b>69,340,460</b>	<b>4,896,117</b>	<b>64,444,343</b>	<b>7%</b>	<b>69,340,460</b>	<b>-</b>	<b>21,203,565</b>	<b>15,567,667</b>	<b>-</b>
Housing Revenue Account - Lee Chapman	11,501,799	-	30,000	-	11,531,799	534,959	10,996,840	5%	11,531,799	-	3,760,950	-	-
<b>Total Approved Budget</b>	<b>71,934,485</b>	<b>-</b>	<b>7,916,655</b>	<b>1,021,119</b>	<b>80,872,259</b>	<b>5,431,076</b>	<b>75,441,183</b>	<b>7%</b>	<b>80,872,259</b>	<b>-</b>	<b>24,964,515</b>	<b>15,567,667</b>	<b>-</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 2018/19- 2021/22

## Capital Scheme Details Quarter 1 2018/19

Scheme Description	Code	Portfolio Holder	Project Manager	Total Approved Scheme Budget £	Previous Years Spend £	Revised Budget Outturn 17/18 £	Budget Virements Q1 £	Budget Inc/Dec Q1 £	Reprofile to/from future years Q1 £	Revised Budget Q1 18/19 £	Actual Spend 29/06/18 £	Spend to Budget Variance £	Outturn Projection £	Outturn Projection Variance £	RAG Status Scheme on Budget	RAG Status Scheme Progress	2019/20 Revised Budget £	2020/21 Revised Budget £	2021/22 Revised Budget £
<b>Place &amp; Enterprise</b>																			
<b>Infrastructure &amp; Communities</b>																			
<b>Leisure</b>																			
Sports Equipment Phase 2	KCL01	Lezley Picton	P Davis	300,000	274,239	25,761	-	-	-	25,761	-	25,761	25,761	-	Green	Green	-	-	-
Shrewsbury Sports Village 3G Pitch Replacement	KCL02	Lezley Picton	P Davis	410,823	-	-	-	410,823	-	410,823	-	410,823	410,823	-	Green	Green	-	-	-
<b>Total</b>						<b>25,761</b>	<b>-</b>	<b>410,823</b>	<b>-</b>	<b>436,584</b>	<b>-</b>	<b>436,584</b>	<b>436,584</b>	<b>-</b>					
<b>Waste Management</b>																			
In Vessel Composting Facility	K6WM0	Robert Macey	P Beard	325,000	-	325,000	-	-	-	325,000	-	325,000	325,000	-	Green	Green	-	-	-
<b>Total</b>						<b>325,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>325,000</b>	<b>-</b>	<b>325,000</b>	<b>325,000</b>	<b>-</b>					
<b>Highways &amp; Transport - LTP</b>																			
<b>Structural Maintenance of Bridges &amp; Structures</b>																			
Bridgeguard - Unallocated	KBG01	Steve Davenport	T Sneddon	Ongoing	-	1,500,000	(1,499,912)	-	-	88	-	88	88	-			-	-	-
Bridgeguard - Consultancy Fees	KBG03	Steve Davenport	T Sneddon	Ongoing	-	-	262,500	-	-	262,500	12,006	250,494	262,500	-			-	-	-
Bridgeguard - Hadnall Culvert	KBG05	Steve Davenport	T Sneddon	234,468	202,545	-	31,923	-	-	31,923	-	31,923	31,923	-			-	-	-
Bridgeguard - Boreton Road Bridge	KBG28	Steve Davenport	T Sneddon	1,900	400	-	1,500	-	-	1,500	-	1,500	1,500	-			-	-	-
Bridgeguard - Sandyford Bridge	KBG33	Steve Davenport	T Sneddon	134,185	127,503	-	6,682	-	-	6,682	-	6,682	6,682	-			-	-	-
Bridgeguard - Dark Lane Broseley	KBG46	Steve Davenport	T Sneddon	214,489	203,807	-	10,682	-	-	10,682	-	10,682	10,682	-			-	-	-
Bridgeguard - Winterburn Bridge	KBG49	Steve Davenport	T Sneddon	6,269	1,269	-	5,000	-	-	5,000	-	5,000	5,000	-			-	-	-
Bridgeguard - Windmill Lane Canal Bridge	KBG61	Steve Davenport	T Sneddon	112,592	101,467	-	11,125	-	-	11,125	-	11,125	11,125	-			-	-	-
Bridgeguard - Gasworks Bridge	KBG63	Steve Davenport	T Sneddon	207,764	7,764	-	200,000	-	-	200,000	-	200,000	200,000	-			-	-	-
Row - Llys Lane Footbridge	KBG72	Steve Davenport	T Sneddon	115,000	-	-	115,000	-	-	115,000	-	115,000	115,000	-			-	-	-
Bridgeguard - Broad Bridge	KBG73	Steve Davenport	T Sneddon	190,210	210	-	190,000	-	-	190,000	7,800	182,200	190,000	-			-	-	-
Bridgeguard - Soultion Bridge	KBG74	Steve Davenport	T Sneddon	70,000	-	-	70,000	-	-	70,000	7,421	62,579	70,000	-			-	-	-
Bridgeguard - B1201 Rhyd Meredith	KBG84	Steve Davenport	T Sneddon	12,500	-	-	12,500	-	-	12,500	-	12,500	12,500	-			-	-	-
Bridgeguard - B5713 Cound Arbour	KBG85	Steve Davenport	T Sneddon	60,000	-	-	60,000	-	-	60,000	-	60,000	60,000	-			-	-	-
Bridgeguard - B4909 Bridgnorth Station Footbridge	KBG86	Steve Davenport	T Sneddon	70,000	-	-	70,000	-	-	70,000	-	70,000	70,000	-			-	-	-
Bridgeguard - B6731 Houghtons Pole	KBG90	Steve Davenport	T Sneddon	111,698	111,698	-	-	-	-	-	(111,698)	111,698	-			-	-	-	-
<b>Total</b>						<b>1,500,000</b>	<b>(453,000)</b>	<b>-</b>	<b>-</b>	<b>1,047,000</b>	<b>(84,471)</b>	<b>1,131,471</b>	<b>1,047,000</b>	<b>-</b>	<b>Green</b>	<b>Green</b>			
<b>Structural Maintenance of Roads</b>																			
Structural Maintenance of Principal Roads		Steve Davenport	T Sneddon	Ongoing	-	-	1,067,776	-	-	1,067,776	(35,951)	1,103,727	1,067,776	-	Green	Green	-	-	-
Structural Maintenance of Secondary Roads		Steve Davenport	T Sneddon	Ongoing	-	-	7,480,176	-	-	7,480,176	926,953	6,553,223	7,480,176	-	Green	Green	-	-	-
<b>Countywide</b>																			
Countywide Roadmaster Programme	KPS9A	I Walshaw	Ongoing	-	-	-	-	-	-	-	28,869	(28,869)	-	-			-	-	-
Countywide Permanent Repair Programme	KPS9B	I Walshaw	Ongoing	-	-	-	350,000	-	-	350,000	14,355	335,645	350,000	-			-	-	-
Shropshire Countywide - Resurfacing Design Budget	KHP00	A Wilde	Ongoing	-	-	-	1,100,000	-	-	1,100,000	11,824	1,088,176	1,100,000	-			-	-	-
Shropshire Countywide- Unallocated Responsive Budget	KSA01	A Wilde	Ongoing	-	-	7,953,447	(9,950,110)	2,187,000	-	190,337	-	190,337	190,337	-			8,275,000	13,275,000	-
Shropshire Countywide- Road Assessment Surveys	KSA94	A Wilde	Ongoing	-	-	-	-	-	-	-	-	-	-	-			-	-	-
Countywide Programme Design & Engineer Fees	KNS9A	A Wilde	Ongoing	-	-	-	300,000	-	-	300,000	-	300,000	300,000	-			-	-	-
Structural Maintenance of all Roads		Steve Davenport	T Sneddon	Ongoing	-	7,953,447	(8,200,110)	2,187,000	-	1,940,337	55,048	1,885,289	1,940,337	-	Green	Green	8,275,000	13,275,000	-
<b>Total</b>						<b>7,953,447</b>	<b>347,842</b>	<b>2,187,000</b>	<b>-</b>	<b>10,488,289</b>	<b>946,050</b>	<b>9,542,239</b>	<b>10,488,289</b>	<b>-</b>			<b>8,275,000</b>	<b>13,275,000</b>	<b>-</b>
<b>Street Lighting</b>																			
Programme of structural replacement of lighting columns	K6SL1	Steve Davenport	J Hughes	Ongoing	-	690,000	110,000	-	-	800,000	(26,736)	826,736	800,000	-	Green	Green	-	-	-
Street Lighting LED Conversions	K6SL2	Steve Davenport	J Hughes	Ongoing	-	100,000	(100,000)	-	-	-	(1,774)	1,774	-	-	Green	Green	-	-	-
Part Night Lighting	K6SL3	Steve Davenport	J Hughes	Ongoing	-	10,000	(10,000)	-	-	-	(6)	6	-	-	Green	Green	-	-	-
<b>Total</b>						<b>800,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>800,000</b>	<b>(28,515)</b>	<b>828,515</b>	<b>800,000</b>	<b>-</b>					
<b>Local Transport Plan - Integrated Transport Plan</b>																			
<b>Pedestrian &amp; Cycle Facilities</b>																			
<b>Central</b>																			
ITP Central - Minor Footpath Improvements	KST19	Steve Davenport	V Merrill	41,928	41,928	-	-	-	-	-	-	-	-	-			-	-	-
ITP Central - Ellesmere Road/Shrewsbury Road Pedestrian Cross	KTC37	Steve Davenport	V Merrill	-	-	-	-	-	-	-	-	-	-	-			-	-	-
<b>North</b>																			
<b>South</b>																			
ITP South - B4373 Wenlock Road & Westgate Crossing	KTC13	Steve Davenport	V Merrill	7,319	3,569	-	3,750	-	-	3,750	-	3,750	3,750	-			-	-	-
ITP South - B4379 Sherrifhales Pedestrian Improvements	KTC15	Steve Davenport	V Merrill	147,804	145,804	-	2,000	-	-	2,000	4,440	(2,440)	2,000	-			-	-	-
ITP South - A464 Park Street Shifnal Pedestrian Crossing	KTC16	Steve Davenport	V Merrill	72,766	72,766	-	-	-	-	-	65	(65)	-	-			-	-	-
ITP South - B4373 Cross Lane, Cantreyn, Footway	KTC23	Steve Davenport	V Merrill	9,260	9,260	-	-	-	-	-	-	-	-	-			-	-	-
ITP South - Salop Road Bridgnorth Pedestrian Crossing (S106)	KTC29	Steve Davenport	V Merrill	85,951	82,201	-	3,750	-	-	3,750	-	3,750	3,750	-			-	-	-
ITP South - Bromfield Road, Ludlow Pedestrian Crossing	KTC31	Steve Davenport	V Merrill	96,305	96,305	-	-	-	-	-	1	(1)	-	-			-	-	-
<b>Total</b>						<b>-</b>	<b>9,500</b>	<b>-</b>	<b>-</b>	<b>9,500</b>	<b>4,506</b>	<b>4,994</b>	<b>9,500</b>	<b>-</b>	<b>Green</b>	<b>Green</b>			
<b>Signal Enhancements</b>																			
<b>Countywide</b>																			
<b>Central</b>																			
<b>North</b>																			
ITP North - A495 Willow Street Ellesmere Pedestrian Crossing	KTS10	Steve Davenport	V Merrill	26,755	8,565	-	18,190	-	-	18,190	18,190	0	18,190	-			-	-	-
ITP North - Alexandra Road Market Drayton	KTS17	Steve Davenport	V Merrill	16,817	609	-	16,208	-	-	16,208	16,208	0	16,208	-			-	-	-
ITP North - Brownlow Street/ St John Street Whitchurch	KTS18	Steve Davenport	V Merrill	24,505	4,120	-	20,385	-	-	20,385	20,385	0	20,385	-			-	-	-
ITP North - Brownlow Street/Deermoss Lane Whitchurch	KTS19	Steve Davenport	V Merrill	25,975	3,859	-	22,116	-	-	22,116	22,116	(0)	22,116	-			-	-	-
<b>South</b>																			
ITP South - A442 Hospital Steet, Bridgnorth - Pedestrian Crossi	KTS11	Steve Davenport	V Merrill	67,200	45,003	-	22,197	-	-	22,197	22,197	(0)	22,197	-			-	-	-
ITP South - Stourbridge Road, Bridgnorth Signal Enhancement	KTS25	Steve Davenport	V Merrill	8,000	-	-	8,000	-	-	8,000	-	8,000	8,000	-			-	-	-
<b>Total</b>						<b>-</b>	<b>107,096</b>	<b>-</b>	<b>-</b>	<b>107,096</b>	<b>99,096</b>	<b>8,000</b>	<b>107,096</b>	<b>-</b>	<b>Green</b>	<b>Green</b>			
<b>Safety/Speed Reductions</b>																			

## Shropshire Council - Capital Programme 2018/19- 2021/22

## Capital Scheme Details Quarter 1 2018/19

Scheme Description	Code	Portfolio Holder	Project Manager	Total Approved Scheme Budget £	Previous Years Spend £	Revised Budget Outturn 17/18 £	Budget Virements Q1 £	Budget Inc/Dec Q1 £	Reprofile to/from future years Q1 £	Revised Budget Q1 18/19 £	Actual Spend 29/06/18 £	Spend to Budget Variance £	Outturn Projection £	Outturn Projection Variance £	RAG Status Scheme on Budget	RAG Status Scheme Progress	2019/20 Revised Budget £	2020/21 Revised Budget £	2021/22 Revised Budget £
<b>Countywide</b>																			
<b>Central</b>																			
ITP Central - Featherbed Lane Shres, Traffic Management	KTR32	Steve Davenport	V Merrill	127,263	127,263	-	-	-	-	-	(52)	52	-	-			-	-	-
ITP Central - Coleham School Safety Scheme	KTR33	Steve Davenport	V Merrill	81,582	81,582	-	-	-	-	-	31	(31)	-	-			-	-	-
ITP Central - Priory & Meole Brace Schools Safety Scheme	KTR35	Steve Davenport	V Merrill	112,750	112,750	-	-	-	-	-	(34)	34	-	-			-	-	-
<b>North</b>																			
ITP North - B4396 Knockin Speed Reduction	KTR09	Steve Davenport	V Merrill	-	-	-	-	-	-	-	40	(40)	-	-			-	-	-
ITP North - Chirk Rod Gobowen Sped Reduction	KTR11	Steve Davenport	V Merrill	-	-	-	-	-	-	-	956	(956)	-	-			-	-	-
ITP North - Ash Parva 30mph Speed Reduction	KTR66	Steve Davenport	V Merrill	5,000	-	2,983	2,017	-	-	5,000	-	5,000	5,000	5,000			-	-	-
<b>South</b>																			
ITP South - Hope Valley Speed Reduction	KTR22	Steve Davenport	V Merrill	43,795	43,795	-	-	-	-	-	2,038	(2,038)	-	-			-	-	-
ITP South - A41 Stanton Road Junction Improvement Tong	KTR30	Steve Davenport	V Merrill	243,726	45,726	-	198,000	-	-	198,000	(874)	198,874	198,000	198,000			-	-	-
ITP South - Coalport Road Traffic Management, Broseley	KTR31	Steve Davenport	V Merrill	100,910	100,910	-	-	-	-	-	(11)	11	-	-			-	-	-
ITP South - B4373 Bridgnorth Rd Speed Reduction, Broseley	KTR38	Steve Davenport	V Merrill	120,356	117,756	-	2,600	-	-	2,600	(1,168)	3,768	2,600	2,600			-	-	-
ITP South - Lackstone Farm Cattle Crossing	KTR52	Steve Davenport	V Merrill	-	-	-	-	-	-	-	16,154	(16,154)	-	-			-	-	-
ITP South - Much Wenlock, Barrow & Broseley HGV Mgmt	KTR53	Steve Davenport	V Merrill	139,037	27,704	-	111,333	-	-	111,333	-	111,333	111,333	111,333			-	-	-
ITP South - B4176 Royal Oak Speed Mgmt	KTR58	Steve Davenport	V Merrill	75,885	20,885	-	55,000	-	-	55,000	94	54,906	55,000	55,000			-	-	-
ITP South - Coppice Green Lane (Idsall School) Road Widening	KTR65	Steve Davenport	V Merrill	479,178	479,178	-	-	-	-	-	(39,413)	39,413	-	-			-	-	-
<b>Total</b>						2,983	368,950	-	-	371,933	(22,240)	394,173	371,933	371,933	Green	Green	-	-	-
<b>Traffic Management</b>																			
<b>Central</b>																			
<b>South</b>																			
ITP South - A464 Upton Crossroads Shifnal	KTM09	Steve Davenport	V Merrill	284,010	29,936	-	254,074	-	-	254,074	5,560	248,514	254,074	254,074			-	-	-
<b>Total</b>						-	254,074	-	-	254,074	5,560	248,514	254,074	254,074	Green	Green	-	-	-
<b>Parking Infrastructure</b>																			
<b>South</b>																			
<b>Total</b>						-	-	-	-	-	-	-	-	-	Green	Green	-	-	-
<b>Accident Clusters</b>																			
Countywide Accident Cluster Sites	KTA00	Steve Davenport	V Merrill	50,324	324	-	50,000	-	-	50,000	-	50,000	50,000	50,000			-	-	-
ITP South - A5 Crackley Bank - Marsh Lane Jctn	KTA01	Steve Davenport	V Merrill	167,734	27,734	-	140,000	-	-	140,000	-	140,000	140,000	140,000			-	-	-
ITP Central - Heathgates Rbout	KTA02	Steve Davenport	V Merrill	23,326	3,326	-	20,000	-	-	20,000	-	20,000	20,000	20,000			-	-	-
ITP South - A442 Worfe Bridge	KTA03	Steve Davenport	V Merrill	6,500	-	-	6,500	-	-	6,500	-	6,500	6,500	6,500			-	-	-
ITP Central - Column Roundabout	KTA06	Steve Davenport	V Merrill	28,606	15,106	-	13,500	-	-	13,500	-	13,500	13,500	13,500			-	-	-
ITP Central - Smithfield Road	KTA07	Steve Davenport	V Merrill	22,587	10,387	-	12,200	-	-	12,200	-	12,200	12,200	12,200			-	-	-
ITP Central - Huffley Lane	KTA09	Steve Davenport	V Merrill	20,000	-	-	20,000	-	-	20,000	-	20,000	20,000	20,000			-	-	-
ITP South - A41 Tong	KTA10	Steve Davenport	V Merrill	7,726	2,026	-	5,700	-	-	5,700	-	5,700	5,700	5,700			-	-	-
ITP North - A525 Woore	KTA11	Steve Davenport	V Merrill	5,126	2,026	-	3,100	-	-	3,100	-	3,100	3,100	3,100			-	-	-
ITP Central - A5112 Telford Way	KTA12	Steve Davenport	V Merrill	7,726	2,026	-	5,700	-	-	5,700	-	5,700	5,700	5,700			-	-	-
ITP Central - Ditherington Road	KTA13	Steve Davenport	V Merrill	5,126	2,026	-	3,100	-	-	3,100	-	3,100	3,100	3,100			-	-	-
ITP South - A442 Brockton, Sutton Maddock	KTA14	Steve Davenport	V Merrill	7,726	2,026	-	5,700	-	-	5,700	-	5,700	5,700	5,700			-	-	-
ITP South - Shrewsbury Road, Much Wenlock	KTA15	Steve Davenport	V Merrill	5,127	2,027	-	3,100	-	-	3,100	-	3,100	3,100	3,100			-	-	-
ITP South - A442 Cann Hall Road	KTA16	Steve Davenport	V Merrill	4,627	2,027	-	2,600	-	-	2,600	-	2,600	2,600	2,600			-	-	-
ITP South - A458 Wootton Crossroads	KTA17	Steve Davenport	V Merrill	10,327	2,027	-	8,300	-	-	8,300	-	8,300	8,300	8,300			-	-	-
ITP South - B4363 Wolverhampton Road, Bridgnorth	KTA18	Steve Davenport	V Merrill	10,327	2,027	-	8,300	-	-	8,300	-	8,300	8,300	8,300			-	-	-
<b>Total</b>						-	307,800	-	-	307,800	-	307,800	307,800	307,800	Green	Green	-	-	-
<b>Network Improvements</b>																			
<b>Countywide</b>																			
ITP Countywide - Bus Shelters	KTN02	Steve Davenport	V Merrill	43,079	43,079	-	-	-	-	-	-	-	-	-			-	-	-
<b>South</b>																			
ITP South - Shifnal Network Improvement (S106)	KTN03	Steve Davenport	V Merrill	155,743	155,743	-	-	-	-	-	-	-	-	-			-	-	-
ITP South - Shifnal Bradford Street Enhancement	KTN05	Steve Davenport	V Merrill	142,075	142,075	-	-	-	-	-	25,000	(25,000)	-	-			-	-	-
<b>Total</b>						-	-	-	-	-	25,000	(25,000)	-	-	Green	Green	-	-	-
<b>Integrated Transport Unallocated</b>																			
<b>Countywide</b>																			
ITP Countywide - Unallocated	KT000	Steve Davenport	V Merrill	Ongoing		1,000,000	(942,262)	-	-	57,738	-	57,738	57,738	57,738			1,126,000	1,442,761	-
<b>Total</b>						1,000,000	(942,262)	-	-	57,738	-	57,738	57,738	57,738	Green	Green	1,126,000	1,442,761	-
<b>Total Integrated Transport Plan</b>						1,002,983	105,158	-	-	1,108,141	111,921	996,220	1,108,141	1,108,141			1,126,000	1,442,761	-
<b>Total Highways &amp; Transport - LTP</b>						11,256,430	-	2,187,000	-	13,443,430	944,985	12,498,445	13,443,430	13,443,430			9,401,000	14,717,761	-
<b>LEP Schemes</b>																			
LEP Oxon Relief Road Project	KOX01	Steve Davenport	M Johnson	4,350,475	1,560,941	210,517	-	-	1,221,119	1,431,636	658,564	773,072	1,431,636	1,431,636	Green	Green	1,357,898	-	-
LEPSITP - Project Management/Design	KIT01	Steve Davenport	M Johnson	9,228,224	5,921,079	2,023,906	-	600,000	-	2,623,906	37,948	2,585,958	2,623,906	2,623,906	Green	Green	500,000	183,239	-
<b>Total</b>						2,234,423	-	600,000	1,221,119	4,055,542	696,512	3,359,030	4,055,542	4,055,542			1,857,898	183,239	-
<b>Flood Defences &amp; Water Management</b>																			
Much Wenlock - Flood & Water Management	K6FW1	Steve Davenport	T Sneddon	2,571,016	2,436,016	135,000	-	-	-	135,000	1,723	133,277	135,000	135,000	Green	Green	-	-	-
Craven Arms - Flood & Water Management	K6FW2	Steve Davenport	T Sneddon	70,000	43,951	26,049	-	-	-	26,049	-	26,049	26,049	26,049	Green	Green	-	-	-
Church Stretton - Flood & Water Management	K6FW3	Steve Davenport	T Sneddon	35,000	-	35,000	-	-	-	35,000	-	35,000	35,000	35,000	Green	Green	-	-	-
Shifnal - Flood & Water Management	K6FW4	Steve Davenport	T Sneddon	577,000	73,770	508,230	-	(5,000)	(200,000)	303,230	2,950	300,280	303,230	303,230	Green	Green	200,000	-	-
Oswestry - Flood & Water Management	K6FW5	Steve Davenport	T Sneddon	91,640	85,648	5,992	-	-	-	5,992	-	5,992	5,992	5,992	Green	Green	-	-	-
Shrewsbury - Flood & Water Management	K6FW6	Steve Davenport	T Sneddon	158,262	125,400	32,862	-	-	-	32,862	-	32,862	32,862	32,862	Green	Green	-	-	-
The Grove, Minsterley IPP Scheme	K6FW8	Steve Davenport	T Sneddon	66,000	61,008	4,992	-	-	-	4,992	-	4,992	4,992	4,992	Green	Green	-	-	-
Shropshire IPP Scheme Phase 1	K6FWA	Steve Davenport	T Sneddon	187,585	129,335	58,250	-	-	-	58,250	-	58,250	58,250	58,250	Green	Green	-	-	-
Shropshire Slow the Flow Project	KEF01	Steve Davenport	T Sneddon	350,000	179,795	100,205	-	-	-	100,205	6,165	94,040	100,205	100,205	Green	Green	70,000	-	-

## Shropshire Council - Capital Programme 2018/19- 2021/22

## Capital Scheme Details Quarter 1 2018/19

Scheme Description	Code	Portfolio Holder	Project Manager	Total Approved Scheme Budget £	Previous Years Spend £	Revised Budget Outturn 17/18 £	Budget Virements Q1 £	Budget Inc/Dec Q1 £	Reprofile to/from future years Q1 £	Revised Budget Q1 18/19 £	Actual Spend 29/06/18 £	Spend to Budget Variance £	Outturn Projection £	Outturn Projection Variance £	RAG Status Scheme on Budget	RAG Status Scheme Progress	2019/20 Revised Budget £	2020/21 Revised Budget £	2021/22 Revised Budget £
Westbury - Surface Water Flood Alleviation Scheme	KEF02	Steve Davenport	T Sneddon	58,000	-	58,000	-	-	-	58,000	15	57,985	58,000	-	Green	Green	-	-	-
Wesley Brook, Shifnal - Flood Alleviation Scheme	KEF03	Steve Davenport	T Sneddon	-	-	95,000	-	(95,000)	-	-	-	-	-	-	Green	Green	-	-	-
Westwood Quarry - Shropshire Wildlife Trust ERDF Project	KEF04	Steve Davenport	T Sneddon	22,151	22,151	-	-	-	-	-	-	-	-	-	Green	Green	-	-	-
Hopstone Flood Alleviation Scheme	KEF05	Steve Davenport	T Sneddon	10,000	5,042	4,958	-	-	-	4,958	-	4,958	4,958	-	Green	Green	-	-	-
Hunters Gate Surface Water Flood Alleviation	KEF06	Steve Davenport	T Sneddon	10,000	-	10,000	-	-	-	10,000	-	10,000	10,000	-	Green	Green	-	-	-
<b>Total</b>						<b>1,074,538</b>		<b>(100,000)</b>	<b>(200,000)</b>	<b>774,538</b>	<b>10,853</b>	<b>763,685</b>	<b>774,538</b>				<b>270,000</b>		
<b>Environmental Maintenance - Depots</b>																			
Depot Redevelopment - Unallocated	K6H03	Steve Davenport	S Brown	184,457	100,457	84,000	-	-	-	84,000	-	84,000	84,000	-	Green	Green	-	-	-
Depot Redevelopment - Stourbridge Road, Bridgnorth	K6H09	Steve Davenport	S Brown	210,227	200,771	9,456	-	-	-	9,456	-	9,456	9,456	-	Green	Green	-	-	-
Depot Redevelopment - Stourbridge Road Bridgnorth - Salt Dome	K6H10	Steve Davenport	S Brown	100,000	-	100,000	-	-	-	100,000	-	100,000	100,000	-	Green	Green	-	-	-
Depot Redevelopment - Manor House Lane Store	K6H11	Steve Davenport	S Brown	50,000	-	50,000	-	-	-	50,000	-	50,000	50,000	-	Green	Green	-	-	-
<b>Total</b>						<b>243,456</b>				<b>243,456</b>		<b>243,456</b>	<b>243,456</b>						
<b>Environmental Maintenance - Car Parks Major Works</b>																			
Parking Stratgey - Car Park Machines	KEC03	Steve Davenport	Z Mortimer	1,197,000	-	1,197,000	-	-	-	1,197,000	-	1,197,000	1,197,000	-	Green	Green	-	-	-
<b>Total</b>						<b>1,197,000</b>				<b>1,197,000</b>		<b>1,197,000</b>	<b>1,197,000</b>						
<b>Visitor Economy</b>																			
<b>Museums</b>																			
Music Hall Refurbishment	K5HA9	Lezley Picton	S Law	10,133,144	10,107,494	25,650	-	-	-	25,650	1,440	24,210	25,650	-	Green	Green	-	-	-
Shrewsbury Museum Projection Equipment	KBM02	Lezley Picton	E-K Lanyon	6,532	-	-	-	6,532	-	6,532	-	6,532	6,532	-	Green	Green	-	-	-
<b>Venues &amp; Programmes</b>																			
Ludlow Assembly Rooms - Refurbishment Works	KBT00	Lezley Picton	S Law	-	-	-	-	-	-	-	-	-	-	-	Green	Green	-	-	-
Theatre Severn - Major Maintenance Improvement Works	KBT01	Lezley Picton	S Law	114,613	62,871	51,742	-	-	-	51,742	49,255	2,487	51,742	-	Green	Green	-	-	-
<b>Total</b>						<b>77,392</b>		<b>6,532</b>		<b>83,924</b>	<b>50,695</b>	<b>33,229</b>	<b>83,924</b>						
<b>Outdoor Partnerships</b>																			
Project Onion - Craven Arms	K5BC4	Lezley Picton	M Blount	5,894	-	-	-	5,894	-	5,894	-	5,894	5,894	-	Green	Green	-	-	-
Snailbeach Lead Mine Higher Level Stewardship	K5T53	Lezley Picton	C Dean	197,761	196,368	1,393	-	-	-	1,393	-	1,393	1,393	-	Green	Green	-	-	-
Nesscliffe - Higher Level Stewardship	K5T55	Lezley Picton	C Dean	25,471	15,768	9,703	-	-	-	9,703	-	9,703	9,703	-	Green	Green	-	-	-
Broseley BMX & Outdoor Gym (S106)	KBR06	Lezley Picton	S McCarthy	40,000	35,951	4,049	-	-	-	4,049	-	4,049	4,049	-	Green	Green	-	-	-
Shelton Recreation Ground Pavilion (S106)	KBR07	Lezley Picton	M Blount	8,993	503	8,490	-	-	-	8,490	2,243	6,247	8,490	-	Green	Green	-	-	-
Nags Head Engine House	KBR08	Lezley Picton	J Howells	111,836	109,295	2,541	-	-	-	2,541	2,376	165	2,541	-	Green	Green	-	-	-
Severn Valley Country Park Vistor Centre Improvements	KBR09	Lezley Picton	M Blount	49,745	48,324	1,421	-	-	-	1,421	-	1,421	1,421	-	Green	Green	-	-	-
Whitchurch Skate Park (S106)	KBR10	Lezley Picton	S McCarthy	84,398	3,876	64,082	-	16,440	-	80,522	-	80,522	80,522	-	Green	Green	-	-	-
Severn valley Country Park RPA Extension	KBR11	Lezley Picton	M Blount	15,000	5,166	9,834	-	-	-	9,834	-	9,834	9,834	-	Green	Green	-	-	-
The Mere Ellesmere - S106 Public Realm Improvements	KBR12	Lezley Picton	S Burkey	6,880	4,280	2,600	-	-	-	2,600	2,600	-	2,600	-	Green	Green	-	-	-
<b>Total</b>						<b>104,113</b>		<b>22,334</b>		<b>126,447</b>	<b>7,219</b>	<b>119,228</b>	<b>126,447</b>						
<b>Total Infrastructure &amp; Communities</b>						<b>16,538,113</b>		<b>3,126,689</b>	<b>1,021,119</b>	<b>20,685,921</b>	<b>1,710,264</b>	<b>18,975,657</b>	<b>20,685,921</b>				<b>11,528,898</b>	<b>14,901,000</b>	
<b>Economic Development</b>																			
<b>Physical Regeneration</b>																			
Food Enterprise Centre - Construction (Battlefield)	KER38	Nicholas Laurens	G Davies	6,658,534	6,634,871	23,663	-	-	-	23,663	-	23,663	23,663	-	Green	Green	-	-	-
Flaxmill Project - Implementation	K6FM1	Nicholas Laurens	G Davies	1,000,000	-	-	-	-	-	-	-	-	-	-	Green	Green	1,000,000	-	-
Shrewsbury Vision - New Riverside Development	K6HR1	Nicholas Laurens	G Davies	298,265	217,034	81,231	-	-	-	81,231	46,066	35,165	81,231	-	Green	Green	-	-	-
<b>Total</b>						<b>104,894</b>				<b>104,894</b>	<b>46,066</b>	<b>58,828</b>	<b>104,894</b>				<b>1,000,000</b>		
<b>Natural &amp; Historical Environment</b>																			
Historic Environment Grants	K6HE1	Robert Macey	A Cooper	Ongoing	-	33,682	-	-	-	33,682	-	33,682	33,682	-	Green	Green	-	-	-
S106 Project Grants	KBN00	Robert Macey	A Cooper	Ongoing	-	-	-	7,132	-	7,132	7,132	-	7,132	-	Green	Green	-	-	-
Old Rectory, Whitchurch Section 106	KBN01	Robert Macey	A Cooper	250,000	44,075	205,925	-	-	-	205,925	3,850	202,075	205,925	-	Green	Green	-	-	-
<b>Total</b>						<b>239,607</b>		<b>7,132</b>		<b>246,739</b>	<b>10,982</b>	<b>235,757</b>	<b>246,739</b>						
<b>Planning Policy - Affordable Housing</b>																			
Affordable Housing - Rolling Fund	K6AHG	Robert Macey	N wood	Ongoing	-	200,346	-	-	-	200,346	-	200,346	200,346	-	Green	Green	-	-	-
Shrewsbury Self Build Scheme	K6AHT	Robert Macey	N wood	300,000	33,102	266,898	-	-	-	266,898	8,009	258,889	266,898	-	Green	Green	-	-	-
Community Housing Grant - Much Wenlock Scheme	KBH02	Robert Macey	N wood	156,000	-	156,000	-	-	-	156,000	-	156,000	156,000	-	Green	Green	-	-	-
Community Housing Grant - Wem Independent Living Scheme	KBH03	Robert Macey	N wood	52,000	-	52,000	-	-	-	52,000	-	52,000	52,000	-	Green	Green	-	-	-
Community Housing Grant - Site Acquisition Fund	KBH04	Robert Macey	N wood	309,296	-	309,296	-	-	-	309,296	-	309,296	309,296	-	Green	Green	-	-	-
Community Led Affordable Housing Grant Scheme	K6AHV	Robert Macey	N wood	2,236,000	2,210,000	-	-	26,000	-	26,000	-	26,000	26,000	-	Green	Green	-	-	-
Affordable Housing Contributions Grant Scheme (S106)	K6AHW	Robert Macey	N wood	2,256,542	892,542	140,500	-	1,223,500	-	1,364,000	528,000	836,000	1,364,000	-	Green	Green	-	-	-
<b>Total</b>						<b>1,125,040</b>		<b>1,249,500</b>		<b>2,374,540</b>	<b>536,009</b>	<b>1,838,531</b>	<b>2,374,540</b>						
<b>Community Infrastructure Levy</b>																			
CIL Project Grants	KBC01	Robert Macey	A Cooper	Ongoing	-	-	-	45,000	-	45,000	-	45,000	45,000	-	Green	Green	-	-	-
<b>Total</b>								<b>45,000</b>		<b>45,000</b>		<b>45,000</b>	<b>45,000</b>						
<b>Broadband</b>																			
Broadband Project - Milestone 0	KB000	Nicholas Laurens	C Taylor	874,700	907,477	(32,777)	-	-	-	(32,777)	-	(32,777)	(32,777)	-	Green	Green	-	-	-
Broadband Project - Milestone 1	KB001	Nicholas Laurens	C Taylor	9,957,509	7,527,852	2,429,657	-	-	-	2,429,657	-	2,429,657	2,429,657	-	Green	Green	-	-	-
Broadband Project - Milestone 2	KB002	Nicholas Laurens	C Taylor	4,912,389	6,000,234	(1,087,845)	-	-	-	(1,087,845)	-	(1,087,845)	(1,087,845)	-	Green	Green	-	-	-
Broadband Project - Milestone 3	KB003	Nicholas Laurens	C Taylor	1,749,657	-	1,749,657	-	-	-	1,749,657	-	1,749,657	1,749,657	-	Green	Green	-	-	-
Broadband Project - Phase 2 - Milestone 0	KB004	Nicholas Laurens	C Taylor	472,521	720,090	(247,569)	-	-	-	(247,569)	-	(247,569)	(247,569)	-	Green	Green	-	-	-
Broadband Project - Phase 2 - Milestone 1	KB005	Nicholas Laurens	C Taylor	538,335	118,083	420,252	-	-	-	420,252	-	420,252	420,252	-	Green	Green	-	-	-
Broadband Project - Phase 2 - Milestone 2	KB006	Nicholas Laurens	C Taylor	3,478,092	442,084	3,036,008	-	-	-	3,036,008	-	3,036,008	3,036,008	-	Green	Green	-	-	-
Broadband Project - Phase 2 - Milestone 3	KB007	Nicholas Laurens	C Taylor	236,261	-	236,261	-	-	-	236,261	-	236,261	236,261	-	Green	Green	-	-	-
Broadband Project - Phase 3	KB008	Nicholas Laurens	C Taylor	9,820,000	762,000	5,050,000	-	-	-	5,050,000	70,000	4,980,000	5,050,000	-	Green	Green	3,508,000	500,000	-
Broadband Project - Phase 4	KB009	Nicholas Laurens	C Taylor	1,856,791	-	1,856,791	-	-	-	1,856,791	3,130	1,853,661	1,856,791	-	Green	Green	-	-	-



## Shropshire Council - Capital Programme 2018/19- 2021/22

## Capital Scheme Details Quarter 1 2018/19

Scheme Description	Code	Portfolio Holder	Project Manager	Total Approved Scheme Budget £	Previous Years Spend £	Revised Budget Outturn 17/18 £	Budget Virements Q1 £	Budget Inc/Dec Q1 £	Reprofile to/from future years Q1 £	Revised Budget Q1 18/19 £	Actual Spend 29/06/18 £	Spend to Budget Variance £	Outturn Projection £	Outturn Projection Variance £	RAG Status Scheme on Budget	RAG Status Scheme Progress	2019/20 Revised Budget £	2020/21 Revised Budget £	2021/22 Revised Budget £
<b>Total</b>						<b>13,410,435</b>	-	-	-	<b>13,410,435</b>	<b>73,130</b>	<b>13,337,305</b>	<b>13,410,435</b>	-			<b>3,508,000</b>	<b>500,000</b>	-
<b>Total Economic Development</b>						<b>14,879,976</b>	-	<b>1,301,632</b>	-	<b>16,181,608</b>	<b>666,187</b>	<b>15,515,421</b>	<b>16,181,608</b>	-			<b>4,508,000</b>	<b>500,000</b>	-
<b>Business Enterprise &amp; Commercial Services</b>																			
<b>Strategic Asset Services</b>																			
<b>Corporate Landlord</b>																			
Corporate Landlord Unallocated	KRP00	Nicholas Laurens	S Law				(10,215)	10,215	-	-	-	-	-	-	Green	Green	-	-	-
18/19 Shoptach - toilet facilities	KRP04	Nicholas Laurens	S Law	36,000	34,844	1,156	-	-	-	1,156	-	1,156	1,156	-	Green	Green	-	-	-
Ellesmere Remediation - Land Release Funds	KRP05	Nicholas Laurens	S Law	544,507	-	544,507	-	-	-	544,507	-	544,507	544,507	-	Green	Green	-	-	-
The Tannery Development	KRP06	Nicholas Laurens	S Law	7,000,000	1,368,953	6,631,047	-	(1,000,000)	-	5,631,047	1,053,301	4,577,746	5,631,047	-	Green	Green	-	-	-
Shirehall - Renovation	KRP08	Nicholas Laurens	S Law	300,000	-	300,000	-	-	-	300,000	-	300,000	300,000	-	Green	Green	-	-	-
Acton Scott Fire Alarm	KRP09	Nicholas Laurens	S Law	38,273	-	-	-	38,273	-	38,273	2,816	35,457	38,273	-	Green	Green	-	-	-
Aquamira Fire Safety Works	KRP10	Nicholas Laurens	S Law	8,330	-	-	-	8,330	-	8,330	-	8,330	8,330	-	Green	Green	-	-	-
Market Drayton Swimming Pool Boiler	KRP11	Nicholas Laurens	S Law	50,516	-	-	(20,884)	71,400	-	50,516	-	50,516	50,516	-	Green	Green	-	-	-
Market Drayton Swimming Pool Filters	KRP12	Nicholas Laurens	S Law	32,386	-	-	14,536	17,850	-	32,386	-	32,386	32,386	-	Green	Green	-	-	-
Old Muisc Hall Lighting System	KRP13	Nicholas Laurens	S Law	17,850	-	-	-	17,850	-	17,850	-	17,850	17,850	-	Green	Green	-	-	-
Oswestry Castleview Lighting	KRP14	Nicholas Laurens	S Law	7,140	-	-	-	7,140	-	7,140	-	7,140	7,140	-	Green	Green	-	-	-
Richmond House Boiler	KRP15	Nicholas Laurens	S Law	35,700	-	-	-	35,700	-	35,700	-	35,700	35,700	-	Green	Green	-	-	-
Shrewsbury Castle Major Repair Work	KRP16	Nicholas Laurens	S Law	59,500	-	-	-	59,500	-	59,500	-	59,500	59,500	-	Green	Green	-	-	-
Shrewsbury Market Hall Ventilation System	KRP17	Nicholas Laurens	S Law	17,850	-	-	(17,850)	35,700	-	17,850	-	17,850	17,850	-	Green	Green	-	-	-
Shrewsbury Market Hall Fire Doors	KRP18	Nicholas Laurens	S Law	71,400	-	-	-	71,400	-	71,400	-	71,400	71,400	-	Green	Green	-	-	-
Shrewsbury Market Hall Lighting	KRP19	Nicholas Laurens	S Law	2,975	-	-	-	2,975	-	2,975	-	2,975	2,975	-	Green	Green	-	-	-
Shrewsbury Market Hall Safety Railing	KRP20	Nicholas Laurens	S Law	41,650	-	-	-	41,650	-	41,650	-	41,650	41,650	-	Green	Green	-	-	-
Wem Town Hall Boiler	KRP22	Nicholas Laurens	S Law	78,636	-	-	-	78,636	-	78,636	52,548	26,088	78,636	-	Green	Green	-	-	-
Whitchurch Swimming Pool Boiler Replacement	KRP23	Nicholas Laurens	S Law	77,350	-	-	-	77,350	-	77,350	-	77,350	77,350	-	Green	Green	-	-	-
Aquamira Boiler Replacement	KRP24	Nicholas Laurens	S Law	41,650	-	-	-	41,650	-	41,650	-	41,650	41,650	-	Green	Green	-	-	-
Aspire Centre Boiler Replacement	KRP25	Nicholas Laurens	S Law	23,800	-	-	-	23,800	-	23,800	-	23,800	23,800	-	Green	Green	-	-	-
Ludlow Leisure Centre Sports Hall Floor Replacement	KRP27	Nicholas Laurens	S Law	123,663	-	-	34,413	89,250	-	123,663	-	123,663	123,663	-	Green	Green	-	-	-
Shrewsbury Food Enterprise Centre Flooring	KRP28	Nicholas Laurens	S Law	35,700	-	-	-	35,700	-	35,700	-	35,700	35,700	-	Green	Green	-	-	-
Oswestry Victoria Centre Boiler Replacement	KRP29	Nicholas Laurens	S Law	41,650	-	-	-	41,650	-	41,650	-	41,650	41,650	-	Green	Green	-	-	-
Hive Replacement Air Conditioner	KRP30	Nicholas Laurens	S Law	-	-	-	-	-	-	-	372	(372)	-	-	Green	Green	-	-	-
Old Muisc Hall Air Conditioning	KRP31	Nicholas Laurens	S Law	23,800	-	-	-	23,800	-	23,800	-	23,800	23,800	-	Green	Green	-	-	-
Ludlow Assembly Rooms Roof Works	KRP32	Nicholas Laurens	S Law	205,700	-	-	130,000	75,700	-	205,700	-	205,700	205,700	-	Green	Green	-	-	-
Theatre Severn Fire Escape Staircase	KRP33	Nicholas Laurens	S Law	77,350	-	-	-	77,350	-	77,350	-	77,350	77,350	-	Green	Green	-	-	-
Old Muisc Hall Grease Catchment System	KRP34	Nicholas Laurens	S Law	17,850	-	-	-	17,850	-	17,850	-	17,850	17,850	-	Green	Green	-	-	-
Gateway Boiler Replacement	KRP35	Nicholas Laurens	S Law	95,267	-	-	-	95,267	-	95,267	4,087	91,180	95,267	-	Green	Green	-	-	-
Shrewsbury Market Hall Electrics Upgrade	KRP36	Nicholas Laurens	S Law	115,430	-	-	-	115,430	-	115,430	-	115,430	115,430	-	Green	Green	-	-	-
Stanley Lane Storm Damage	KRP37	Nicholas Laurens	S Law	4,424	-	-	-	4,424	-	4,424	218	4,207	4,424	-	Green	Green	-	-	-
<b>Total</b>						<b>7,476,710</b>	<b>130,000</b>	<b>215,840</b>	-	<b>7,822,550</b>	<b>1,113,341</b>	<b>6,709,209</b>	<b>7,822,550</b>	-			-	-	-
<b>Energy &amp; Sustainability</b>																			
<b>Small Holdings</b>																			
The Clamp - Smallholding Refurbishment	KCS03	Joyce Barrow	S Law	19,714	19,714	130,116	(130,000)	(116)	-	-	-	-	-	-	Green	Green	-	-	-
<b>Total</b>						<b>130,116</b>	<b>(130,000)</b>	<b>(116)</b>	-	-	-	-	-	-			-	-	-
<b>Gypsy Sites</b>																			
Travellers Sites Unallocated Grant (Phase 1&2 HCA)	K6T00	Joyce Barrow	S Law	55,858	-	55,858	-	-	-	55,858	-	55,858	55,858	-	Green	Green	-	-	-
Gypsy Site - Manor House Lane	K6T03	Joyce Barrow	S Law	694,576	694,576	-	-	-	-	-	-	-	-	-	Green	Green	-	-	-
Gypsy Sites - Whittington Phase 2	K6T04	Joyce Barrow	S Law	692,522	671,522	21,000	-	-	-	21,000	135	20,865	21,000	-	Green	Green	-	-	-
Gypsy Sites - Craven Arms Phase 2	K6T05	Joyce Barrow	S Law	439,749	439,749	-	-	-	-	-	-	-	-	-	Green	Green	-	-	-
Boars Den Gypsy Transit Site	K6T06	Joyce Barrow	S Law	149,648	400	149,248	-	-	-	149,248	-	149,248	149,248	-	Green	Green	-	-	-
<b>Total</b>						<b>226,106</b>	-	-	-	<b>226,106</b>	<b>135</b>	<b>225,971</b>	<b>226,106</b>	-			-	-	-
<b>Total Strategic Asset Services</b>						<b>7,832,932</b>	-	<b>215,724</b>	-	<b>8,048,656</b>	<b>1,113,476</b>	<b>6,935,180</b>	<b>8,048,656</b>	-			-	-	-
<b>Total Business Enterprise &amp; Commercial Services</b>						<b>7,832,932</b>	-	<b>215,724</b>	-	<b>8,048,656</b>	<b>1,113,476</b>	<b>6,935,180</b>	<b>8,048,656</b>	-			-	-	-
<b>Total Place &amp; Enterprise</b>						<b>39,251,021</b>	-	<b>4,644,045</b>	<b>1,021,119</b>	<b>44,916,185</b>	<b>3,489,927</b>	<b>41,426,258</b>	<b>44,916,185</b>	-			<b>16,036,898</b>	<b>15,401,000</b>	-
<b>Adult Services</b>																			
<b>Social Care</b>																			
Mount Pleasant - Shared Development Site	K5B60	Lee Chapman	T Miles	470,253	454,960	15,293	-	-	-	15,293	-	15,293	15,293	-	Green	Green	-	-	-
Development Trust Development - Raven Site, Market Drayton	K5B94	Lee Chapman	T Miles	2,039,023	2,039,023	17,394	(17,394)	-	-	-	-	-	-	-	Green	Green	-	-	-
Baschurch Assisted Living Bungalow - Phase 3	K5B04	Lee Chapman	T Miles	441,653	382,696	58,957	-	-	-	58,957	-	58,957	58,957	-	Green	Green	-	-	-
London Road Assisted Living Bungalow - Phase 4	K5B05	Lee Chapman	T Miles	570,000	470,652	99,348	-	-	-	99,348	-	99,348	99,348	-	Green	Green	-	-	-
ASC - Unallocated Grant	KA000	Lee Chapman	T Miles	Ongoing	-	-	17,575	-	-	17,575	-	17,575	17,575	-	Green	Green	-	-	-
Kempsfield/Aquamira Gas Installation	KA001	Lee Chapman	T Miles	16,489	16,489	-	-	-	-	-	2,721	(2,721)	-	-	Red	Green	-	-	-
Hearne Way Caretakers Bungalow Refurbishment	KA022	Lee Chapman	T Miles	55,174	30,475	24,699	-	-	-	24,699	4,200	20,499	24,699	-	Green	Green	-	-	-
Hook Lea, Hook Farm Road, Bridgnorth - Refurbishment	KA024	Lee Chapman	T Miles	55,000	-	55,000	-	-	-	55,000	-	55,000	55,000	-	Green	Green	-	-	-
Specialist Equipment (Additional DFG funding)	KA025	Lee Chapman	L Fisher	66,350	-	66,350	-	-	-	66,350	-	66,350	66,350	-	Green	Green	-	-	-
West Lodge Shelton Adaptations	KA026	Lee Chapman	T Miles	40,097	40,097	3,543	(3,543)	-	-	-	-	-	-	-	Green	Green	-	-	-
Aquamira - New Pool Cover/ additional changing rooms	KA027	Lee Chapman	T Miles	60,000	5,923	54,077	-	-	-	54,077	395	53,682	54,077	-	Green	Green	-	-	-
Aquamira - New Sensory Equipment	KA028	Lee Chapman	T Miles	8,585	8,585	3,415	(3,415)	-	-	-	-	-	-	-	Green	Green	-	-	-
Blackfriars Oswestry - Specialist Bath Replacement	KA029	Lee Chapman	T Miles	11,621	-	13,945	(2,324)	-	-	11,621	11,621	-	11,621	-	Green	Green	-	-	-

## Shropshire Council - Capital Programme 2018/19- 2021/22

## Capital Scheme Details Quarter 1 2018/19

Scheme Description	Code	Portfolio Holder	Project Manager	Total Approved Scheme Budget £	Previous Years Spend £	Revised Budget Outturn 17/18 £	Budget Virements Q1 £	Budget Inc/Dec Q1 £	Reprofile to/from future years Q1 £	Revised Budget Q1 18/19 £	Actual Spend 29/06/18 £	Spend to Budget Variance £	Outturn Projection £	Outturn Projection Variance £	RAG Status Scheme on Budget	RAG Status Scheme Progress	2019/20 Revised Budget £	2020/21 Revised Budget £	2021/22 Revised Budget £
Portland Crescent	KA031	Lee Chapman	T Miles	10,000	-	10,000	-	-	-	10,000	-	10,000	10,000	-	Green	Green	-	-	-
2 Pine View Minsterley	KA032	Lee Chapman	T Miles	-	-	5,000	(5,000)	-	-	-	-	-	-	-	Green	Green	-	-	-
Oswestry Blackfriars	KA033	Lee Chapman	T Miles	25,000	-	50,000	(25,000)	-	-	25,000	-	25,000	25,000	-	Green	Green	-	-	-
Four Rivers Bed Replacement & Fire Safety	KA034	Lee Chapman	T Miles	11,243	1,632	9,968	(357)	-	-	9,611	9,611	(0)	9,611	-	Green	Green	-	-	-
Greenacres Farm - Farm Buildings Upgrade	KA035	Lee Chapman	T Miles	298,923	-	298,923	-	-	-	298,923	2,782	296,142	298,923	-	Green	Green	-	-	-
Assistive Technology Equipment	KA036	Lee Chapman	J Burns	-	-	-	-	-	-	-	-	-	-	-	Green	Green	-	-	-
Crowmoor Refurbishment Works	KA037	Lee Chapman	T Miles	34,458	-	-	34,458	-	-	34,458	34,458	-	34,458	-	Green	Green	-	-	-
93 Sutton Road - White Goods	KA038	Lee Chapman	T Miles	5,000	-	-	5,000	-	-	5,000	-	5,000	5,000	-	Green	Green	-	-	-
<b>Total</b>						<b>785,912</b>	-	-	-	<b>785,912</b>	<b>65,787</b>	<b>720,125</b>	<b>785,912</b>	-			-	-	-
<b>Housing Health &amp; Wellbeing</b>																			
Disabled Facilities Grants - Fast track system	K5P02	Lee Chapman	A Begley	Ongoing	-	838,196	-	-	-	838,196	22,781	815,415	838,196	-	Green	Green	-	-	-
Disabled Facilities Grants	K5P03	Lee Chapman	A Begley	Ongoing	-	582,603	-	2,974,155	-	3,556,758	326,673	3,230,085	3,556,758	-	Green	Green	-	-	-
HOLD Project	K5P04	Lee Chapman	A Begley	2,415,000	256,385	2,158,615	-	-	-	2,158,615	450	2,158,165	2,158,615	-	Green	Green	-	-	-
<b>Total</b>						<b>3,579,414</b>	-	<b>2,974,155</b>	-	<b>6,553,569</b>	<b>349,903</b>	<b>6,203,666</b>	<b>6,553,569</b>	-			-	-	-
<b>Total Adult Services</b>						<b>4,365,326</b>	-	<b>2,974,155</b>	-	<b>7,339,481</b>	<b>415,691</b>	<b>6,923,790</b>	<b>7,339,481</b>	-			-	-	-
<b>Public Health</b>																			
<b>Substance Misuse</b>																			
Help 2 Change Transit DX66 ZYT	KHC04	Lee Chapman	J Pearce	19,635	14,235	-	-	5,400	-	5,400	5,400	-	5,400	-	Green	Green	-	-	-
Help 2 Change Liver Scanning Equipment	KHC05	Lee Chapman	J Pearce	45,900	45,900	3,600	-	(3,600)	-	-	-	-	-	-	Green	Green	-	-	-
<b>Total</b>						<b>3,600</b>	-	<b>1,800</b>	-	<b>5,400</b>	<b>5,400</b>	-	<b>5,400</b>	-			-	-	-
<b>Private Sector Housing</b>																			
Whitchurch Area Empty Property Incentive Grant	K5P17	Lee Chapman	K Collier	263,970	211,486	52,484	-	-	-	52,484	-	52,484	52,484	-	Green	Green	-	-	-
Shropshire County Empty Property Incentive Grant	KPS01	Lee Chapman	K Collier	529,517	140,809	388,708	-	-	-	388,708	31,103	357,605	388,708	-	Green	Green	-	-	-
<b>Total</b>						<b>441,192</b>	-	-	-	<b>441,192</b>	<b>31,103</b>	<b>410,089</b>	<b>441,192</b>	-			-	-	-
<b>Total Public Health</b>						<b>444,792</b>	-	<b>1,800</b>	-	<b>446,592</b>	<b>36,503</b>	<b>410,089</b>	<b>446,592</b>	-			-	-	-
<b>Resources &amp; Support</b>																			
<b>Customer Involvement</b>																			
<b>ICT Digital Transformation</b>																			
ICT Digital Transformation - Unallocated	KIC00	Steve Charmley	M Leith	9,448,062	-	4,448,062	-	-	-	4,448,062	-	4,448,062	4,448,062	-	Green	Green	5,000,000	-	-
ICT Digital Transformation - WI-FI Installation	KIC02	Steve Charmley	M Leith	222,523	108,476	114,047	-	-	-	114,047	-	114,047	114,047	-	Green	Green	-	-	-
ICT Digital Transformation - IVANTI (LAN Desk)	KIC03	Steve Charmley	M Leith	37,945	34,824	3,121	-	-	-	3,121	1,089	2,032	3,121	-	Green	Green	-	-	-
ICT Digital Transformation - Social Care Project	KIC04	Steve Charmley	M Leith	804,007	990,998	(186,991)	-	-	-	(186,991)	105,689	(292,680)	(186,991)	-	Green	Green	-	-	-
ICT Digital Transformation - Contact Centre Unified Comms	KIC05	Steve Charmley	M Leith	372,865	229,948	142,917	-	-	-	142,917	57,510	85,407	142,917	-	Green	Green	-	-	-
ICT Digital Transformation - ERP	KIC06	Steve Charmley	M Leith	1,699,536	281,733	1,417,803	-	-	-	1,417,803	34,447	1,383,356	1,417,803	-	Green	Green	-	-	-
ICT Digital Transformation - CRM	KIC07	Steve Charmley	M Leith	220,000	-	220,000	-	-	-	220,000	-	220,000	220,000	-	Green	Green	-	-	-
<b>Total</b>						<b>6,158,959</b>	-	-	-	<b>6,158,959</b>	<b>198,735</b>	<b>5,960,224</b>	<b>6,158,959</b>	-			<b>5,000,000</b>	-	-
<b>Total Resources &amp; Support</b>						<b>6,158,959</b>	-	-	-	<b>6,158,959</b>	<b>198,735</b>	<b>5,960,224</b>	<b>6,158,959</b>	-			<b>5,000,000</b>	-	-
<b>Children's Services</b>																			
<b>Children's Safeguarding</b>																			
<b>Children's Residential Care</b>																			
Children's Residential Care - Buildings Conversion	K3A47	Nicholas Bardsley	K Bradshaw	35,334	33,762	1,572	-	-	-	1,572	-	1,572	1,572	-	Green	Green	-	-	-
<b>Total</b>						<b>1,572</b>	-	-	-	<b>1,572</b>	-	<b>1,572</b>	<b>1,572</b>	-			-	-	-
<b>Youth Work</b>																			
<b>Total Children's Safeguarding</b>						<b>1,572</b>	-	-	-	<b>1,572</b>	-	<b>1,572</b>	<b>1,572</b>	-			-	-	-
<b>Learning &amp; Skills</b>																			
<b>Early Years</b>																			
Early Years Unallocated	KLE00	Nicholas Bardsley	N Ward	Ongoing	-	73,608	-	-	-	73,608	-	73,608	73,608	-	Green	Green	-	-	-
Brockton Primary Early Years	KLE06	Nicholas Bardsley	N Ward	50,000	2,115	47,885	-	-	-	47,885	-	47,885	47,885	-	Green	Green	-	-	-
Wistanstow EY	KLE12	Nicholas Bardsley	N Ward	7,725	2,944	4,781	-	-	-	4,781	139	4,642	4,781	-	Green	Green	-	-	-
Cressage EY	KLE13	Nicholas Bardsley	N Ward	15,000	-	15,000	-	-	-	15,000	-	15,000	15,000	-	Green	Green	-	-	-
Boony Bundles BN EY	KLE15	Nicholas Bardsley	N Ward	15,000	-	15,000	-	-	-	15,000	-	15,000	15,000	-	Green	Green	-	-	-
Broseley John Wilkinson Primary Early Years	K3L11	Nicholas Bardsley	N Ward	433,203	285,719	147,484	-	-	-	147,484	-	147,484	147,484	-	Green	Green	-	-	-
<b>Total</b>						<b>303,758</b>	-	-	-	<b>303,758</b>	<b>139</b>	<b>303,619</b>	<b>303,758</b>	-			-	-	-
<b>Basic Need</b>																			
Basic Need Unallocated	KLB00	Nicholas Bardsley	P Wilson	Ongoing	-	4,016,525	(1,272,721)	-	-	2,743,804	-	2,743,804	2,743,804	-	Green	Green	-	-	-
Market Drayton - Basic Need	K3181	Nicholas Bardsley	P Wilson	264,060	225,547	38,513	-	-	-	38,513	-	38,513	38,513	-	Green	Green	-	-	-
Shrewsbury Mount Pleasant	KLB01	Nicholas Bardsley	P Wilson	557,274	506,308	50,966	-	-	-	50,966	-	50,966	50,966	-	Green	Green	-	-	-
Shifnal Primary	KLB03	Nicholas Bardsley	P Wilson	373,636	341,467	32,169	-	-	-	32,169	9,903	22,266	32,169	-	Green	Green	-	-	-
Market Drayton Infant/Junior - Ste TBC	KLB05	Nicholas Bardsley	P Wilson	400,000	-	400,000	-	-	-	400,000	-	400,000	400,000	-	Green	Green	-	-	-
Sundorne Infants/Harlescott Junior - Site TBC	KLB07	Nicholas Bardsley	P Wilson	400,000	-	400,000	-	-	-	400,000	-	400,000	400,000	-	Green	Green	-	-	-

## Shropshire Council - Capital Programme 2018/19- 2021/22

## Capital Scheme Details Quarter 1 2018/19

Scheme Description	Code	Portfolio Holder	Project Manager	Total Approved Scheme Budget £	Previous Years Spend £	Revised Budget Outturn 17/18 £	Budget Virements Q1 £	Budget Inc/Dec Q1 £	Reprofile to/from future years Q1 £	Revised Budget Q1 18/19 £	Actual Spend 29/06/18 £	Spend to Budget Variance £	Outturn Projection £	Outturn Projection Variance £	RAG Status Scheme on Budget	RAG Status Scheme Progress	2019/20 Revised Budget £	2020/21 Revised Budget £	2021/22 Revised Budget £
Market Drayton Primary	KLB08	Nicholas Bardsley	P Wilson	400,000	-	400,000	-	-	-	400,000	-	400,000	400,000	-	Green	Green	-	-	-
Shifnal Primary 2 Class Extension	KLB09	Nicholas Bardsley	P Wilson	698,110	6,500	23,500	668,110	-	-	691,610	125,169	566,441	691,610	-	Green	Green	-	-	-
<b>Total</b>						<b>5,361,673</b>	<b>(604,611)</b>			<b>4,757,062</b>	<b>135,072</b>	<b>4,621,990</b>	<b>4,757,062</b>						
<b>School Amalgamations</b>																			
School Amalgamations Unallocated	KLA00	Nicholas Bardsley	P Wilson	Ongoing	-	118,334	-	-	-	118,334	-	118,334	118,334	-	Green	Green	-	-	-
Mount Pleasant	K3200	Nicholas Bardsley	P Wilson	2,865,218	2,853,516	11,702	-	-	-	11,702	-	11,702	11,702	-	Green	Green	-	-	-
Bishop Hooper	K3094	Nicholas Bardsley	P Wilson	3,440,817	3,402,845	37,972	-	-	-	37,972	-	37,972	37,972	-	Green	Green	-	-	-
Hope, Worthen & Westbury Amalgamation (Long Mountain)	K3217	Nicholas Bardsley	P Wilson	851,081	201,128	28,872	621,081	-	-	649,953	367,049	282,904	649,953	-	Green	Green	-	-	-
<b>Total</b>						<b>196,880</b>	<b>621,081</b>			<b>817,961</b>	<b>367,049</b>	<b>450,912</b>	<b>817,961</b>						
<b>Suitability</b>																			
Farlow Primary- PPA Space & Headteachers Office	KLS11	Nicholas Bardsley	P Wilson	93,764	48,056	45,708	-	-	-	45,708	26,021	19,687	45,708	-	Green	Green	-	-	-
Norbury Primary- PPA Space	KLS12	Nicholas Bardsley	P Wilson	76,300	-	76,300	-	-	-	76,300	-	76,300	76,300	-	Green	Green	-	-	-
Hodnet - Secure Access	KLS14	Nicholas Bardsley	P Wilson	155,400	575	154,825	-	-	-	154,825	495	154,330	154,825	-	Green	Green	-	-	-
<b>Total</b>						<b>276,833</b>				<b>276,833</b>	<b>26,516</b>	<b>250,317</b>	<b>276,833</b>						
<b>Energy Efficiency</b>																			
Bomere Heath - Boiler Replacement	KL009	Nicholas Bardsley	P Wilson	83,469	-	98,100	(14,631)	-	-	83,469	480	82,989	83,469	-	Green	Green	-	-	-
Greenhouses - Boiler & Controls	KL010	Nicholas Bardsley	P Wilson	62,375	-	70,850	(8,475)	-	-	62,375	-	62,375	62,375	-	Green	Green	-	-	-
Lower Heath - Boiler & Controls	KL011	Nicholas Bardsley	P Wilson	27,262	-	21,800	5,462	-	-	27,262	385	26,877	27,262	-	Green	Green	-	-	-
Meole Primary - Boiler & Controls	KL012	Nicholas Bardsley	P Wilson	39,728	-	32,700	7,028	-	-	39,728	385	39,343	39,728	-	Green	Green	-	-	-
Bicton Primary - Replace Boiler	KL013	Nicholas Bardsley	P Wilson	109,000	-	109,000	-	-	-	109,000	60,196	48,804	109,000	-	Green	Green	-	-	-
St Lawrence Ludlow - Boiler & Controls	KL014	Nicholas Bardsley	P Wilson	80,010	-	81,750	(1,740)	-	-	80,010	385	79,625	80,010	-	Green	Green	-	-	-
Woodlands - Repipe Heating Phase 1	KL015	Nicholas Bardsley	P Wilson	54,500	-	54,500	-	-	-	54,500	986	53,514	54,500	-	Green	Green	-	-	-
Woodlands Boiler & Controls	KL016	Nicholas Bardsley	P Wilson	91,878	-	98,100	(6,222)	-	-	91,878	480	91,398	91,878	-	Green	Green	-	-	-
<b>Total</b>						<b>566,800</b>	<b>(18,578)</b>			<b>548,222</b>	<b>63,297</b>	<b>484,925</b>	<b>548,222</b>						
<b>Condition</b>																			
Condition Unallocated	KL000	Nicholas Bardsley	P Wilson	Ongoing	-	480,599	(433,409)	229,655	-	276,845	-	276,845	276,845	-	Green	Green	-	-	-
Moreton Say - Re-Roofing of Original Main Building	KL071	Nicholas Bardsley	P Wilson	90,152	89,171	981	-	-	-	981	-	981	981	-	Green	Green	-	-	-
Hinstock Primary - Re-roof	KL323	Nicholas Bardsley	P Wilson	41,105	40,077	1,028	-	-	-	1,028	-	1,028	1,028	-	Green	Green	-	-	-
Kinnerley Primary - Phase 1 Heating	KL329	Nicholas Bardsley	P Wilson	85,585	81,341	4,244	-	-	-	4,244	-	4,244	4,244	-	Green	Green	-	-	-
Stiperstones Primary - Toilet refurbishment	KL343	Nicholas Bardsley	P Wilson	43,600	-	43,600	-	-	-	43,600	-	43,600	43,600	-	Green	Green	-	-	-
Woodfield Primary - replace kitchen roof	KL365	Nicholas Bardsley	P Wilson	72,491	70,996	1,495	-	-	-	1,495	-	1,495	1,495	-	Green	Green	-	-	-
Lighting Projects Phase 1	KL400	Nicholas Bardsley	P Wilson	-	-	32,700	(32,700)	-	-	-	-	-	-	-	Green	Green	-	-	-
BCCC - Window Replacement Phase 2	KL401	Nicholas Bardsley	P Wilson	68,923	-	49,050	19,873	-	-	68,923	-	68,923	68,923	-	Green	Green	-	-	-
BCCC - Reroof Demountable	KL402	Nicholas Bardsley	P Wilson	-	-	27,250	(27,250)	-	-	-	-	-	-	-	Green	Green	-	-	-
Church Preen - Replace Sewage Pump	KL403	Nicholas Bardsley	P Wilson	16,350	-	16,350	-	-	-	16,350	-	16,350	16,350	-	Green	Green	-	-	-
Church Preen - Rewire Phase 3	KL404	Nicholas Bardsley	P Wilson	7,035	-	10,900	(3,865)	-	-	7,035	378	6,657	7,035	-	Green	Green	-	-	-
Clive Primary - Rewire Phase 1	KL405	Nicholas Bardsley	P Wilson	21,829	-	21,800	29	-	-	21,829	1,172	20,657	21,829	-	Green	Green	-	-	-
BCCC - Rewire Phase 3	KL406	Nicholas Bardsley	P Wilson	37,077	-	54,500	(17,423)	-	-	37,077	-	37,077	37,077	-	Green	Green	-	-	-
Crowmoor - Reroof Block 3	KL407	Nicholas Bardsley	P Wilson	32,700	-	32,700	-	-	-	32,700	-	32,700	32,700	-	Green	Green	-	-	-
Crowmoor - Flooring Final Phase	KL408	Nicholas Bardsley	P Wilson	32,700	-	32,700	-	-	-	32,700	-	32,700	32,700	-	Green	Green	-	-	-
Greenacres - Refenestration	KL409	Nicholas Bardsley	P Wilson	25,064	-	27,250	(2,186)	-	-	25,064	1,180	23,884	25,064	-	Green	Green	-	-	-
Grove - Fenestration	KL410	Nicholas Bardsley	P Wilson	119,819	-	130,800	(10,981)	-	-	119,819	-	119,819	119,819	-	Green	Green	-	-	-
Highley - Windows Phase 3	KL411	Nicholas Bardsley	P Wilson	20,305	-	19,620	685	-	-	20,305	-	20,305	20,305	-	Green	Green	-	-	-
Hinstock - Kitchen Refurbishment	KL412	Nicholas Bardsley	P Wilson	44,217	-	49,050	(4,833)	-	-	44,217	-	44,217	44,217	-	Green	Green	-	-	-
Kinnerley - Window Replacement Phase 1	KL413	Nicholas Bardsley	P Wilson	65,400	-	65,400	-	-	-	65,400	2,869	62,531	65,400	-	Green	Green	-	-	-
Belvidere Secondary - Kitchen Ventilation and ASB	KL414	Nicholas Bardsley	P Wilson	81,610	-	76,300	5,310	-	-	81,610	1,070	80,540	81,610	-	Green	Green	-	-	-
Longnor - Floor Replacement	KL415	Nicholas Bardsley	P Wilson	30,278	-	26,160	4,118	-	-	30,278	-	30,278	30,278	-	Green	Green	-	-	-
Mary Webb - Phase 2 Toilet Refurbishment	KL416	Nicholas Bardsley	P Wilson	77,134	-	87,200	(10,066)	-	-	77,134	665	76,469	77,134	-	Green	Green	-	-	-
Market Drayton Infant - Toilet Reconfiguration	KL417	Nicholas Bardsley	P Wilson	46,830	-	65,400	(18,570)	-	-	46,830	-	46,830	46,830	-	Green	Green	-	-	-
Meole Brace Secondary - Replace Hall Windows	KL418	Nicholas Bardsley	P Wilson	35,411	-	27,250	8,161	-	-	35,411	-	35,411	35,411	-	Green	Green	-	-	-
Market Drayton Junior - Year 6 Toilet Refurbishment	KL419	Nicholas Bardsley	P Wilson	41,420	-	41,420	-	-	-	41,420	-	41,420	41,420	-	Green	Green	-	-	-
Martin Wilson - Replace Floor	KL420	Nicholas Bardsley	P Wilson	21,800	-	21,800	-	-	-	21,800	-	21,800	21,800	-	Green	Green	-	-	-
Oswestry Meadows - Rewire Phase 2	KL421	Nicholas Bardsley	P Wilson	35,819	-	32,700	3,119	-	-	35,819	-	35,819	35,819	-	Green	Green	-	-	-
Meole Brace - Primary Replace Ramp Demount	KL422	Nicholas Bardsley	P Wilson	10,900	-	10,900	-	-	-	10,900	-	10,900	10,900	-	Green	Green	-	-	-
Meole Brace Primary - Re-roof Lower KS2	KL423	Nicholas Bardsley	P Wilson	31,920	-	32,700	(780)	-	-	31,920	-	31,920	31,920	-	Green	Green	-	-	-
Minsterley - Replace Windows Final	KL424	Nicholas Bardsley	P Wilson	17,466	-	32,700	(15,234)	-	-	17,466	-	17,466	17,466	-	Green	Green	-	-	-
Minsterley - Playground Alterations	KL425	Nicholas Bardsley	P Wilson	38,150	-	38,150	-	-	-	38,150	-	38,150	38,150	-	Green	Green	-	-	-
Minsterley - Phase 2 re-wire	KL426	Nicholas Bardsley	P Wilson	38,477	-	32,700	5,777	-	-	38,477	-	38,477	38,477	-	Green	Green	-	-	-
Much Wenlock Primary - Fan Convectors	KL427	Nicholas Bardsley	P Wilson	42,884	-	38,150	4,734	-	-	42,884	3,020	39,864	42,884	-	Green	Green	-	-	-
Nesscliffe St Andrews- Fenestration	KL428	Nicholas Bardsley	P Wilson	109,590	-	81,750	27,840	-	-	109,590	-	109,590	109,590	-	Green	Green	-	-	-
Norton in Hales - Kitchen Refurbishment	KL429	Nicholas Bardsley	P Wilson	27,250	-	27,250	-	-	-	27,250	-	27,250	27,250	-	Green	Green	-	-	-
Norton in Hales - Replace Demountable Windows	KL430	Nicholas Bardsley	P Wilson	23,980	-	23,980	-	-	-	23,980	3,280	20,700	23,980	-	Green	Green	-	-	-
Oxon Primary - Refenestration	KL431	Nicholas Bardsley	P Wilson	32,700	-	32,700	-	-	-	32,700	-	32,700	32,700	-	Green	Green	-	-	-
Pontesbury Primary - Window Replacement Phase 3	KL432	Nicholas Bardsley	P Wilson	30,733	-	32,700	(1,967)	-	-	30,733	-	30,733	30,733	-	Green	Green	-	-	-
Selattyn - Stone Wall	KL433	Nicholas Bardsley	P Wilson	9,185	-	38,150	(28,965)	-	-	9,185	-	9,185	9,185	-	Green	Green	-	-	-
St Giles - Re-roof Phase 1	KL434	Nicholas Bardsley	P Wilson	130,800	-	130,800	-	-	-	130,800	-	130,800	130,800	-	Green	Green	-	-	-
Meole Brace Secondary - Window Replacement Drama Block	KL435	Nicholas Bardsley	P Wilson	45,613	-	49,050	(3,437)	-	-	45,613	-	45,613	45,613	-	Green	Green	-	-	-
St Peters Wem - Replace Roof Phase 4	KL437	Nicholas Bardsley	P Wilson																



## Shropshire Council - Capital Programme 2018/19- 2021/22

## Capital Scheme Details Quarter 1 2018/19

Scheme Description	Code	Portfolio Holder	Project Manager	Total Approved Scheme Budget £	Previous Years Spend £	Revised Budget Outturn 17/18 £	Budget Virements Q1 £	Budget Inc/Dec Q1 £	Reprofile to/from future years Q1 £	Revised Budget Q1 18/19 £	Actual Spend 29/06/18 £	Spend to Budget Variance £	Outturn Projection £	Outturn Projection Variance £	RAG Status Scheme on Budget	RAG Status Scheme Progress	2019/20 Revised Budget £	2020/21 Revised Budget £	2021/22 Revised Budget £
Adderley Primary Secure Lobby	KL448	Nicholas Bardsley	P Wilson	33,135	-	-	33,135	-	-	33,135	-	33,135	33,135	-	Green	Green	-	-	-
Ruyton X1 Towns Secure Lobby	KL449	Nicholas Bardsley	P Wilson	33,135	-	-	33,135	-	-	33,135	-	33,135	33,135	-	Green	Green	-	-	-
Lower Heath Electrical Capacity Upgrade	KL450	Nicholas Bardsley	P Wilson	16,282	-	-	16,282	-	-	16,282	-	16,282	16,282	-	Green	Green	-	-	-
Newcastle Primary Roof Replacement	KL451	Nicholas Bardsley	P Wilson	54,807	-	-	54,807	-	-	54,807	-	54,807	54,807	-	Green	Green	-	-	-
St Andrews Nesscliffe Fenestration	KL452	Nicholas Bardsley	P Wilson	-	-	-	-	-	-	-	-	-	-	-	Green	Green	-	-	-
Kinnerley Fenestration	KL453	Nicholas Bardsley	P Wilson	10,855	-	-	10,855	-	-	10,855	-	10,855	10,855	-	Green	Green	-	-	-
Thomas Adams Art Work Block Subsidence	KL454	Nicholas Bardsley	P Wilson	149,799	-	-	149,799	-	-	149,799	-	149,799	149,799	-	Green	Green	-	-	-
Thimas Adams Emergency Lighting	KL455	Nicholas Bardsley	P Wilson	5,450	-	-	5,450	-	-	5,450	-	5,450	5,450	-	Green	Green	-	-	-
Mereside Emergency Lighting	KL456	Nicholas Bardsley	P Wilson	1,090	-	-	1,090	-	-	1,090	-	1,090	1,090	-	Green	Green	-	-	-
West Felton Emergency Lighting	KL457	Nicholas Bardsley	P Wilson	10,900	-	-	10,900	-	-	10,900	-	10,900	10,900	-	Green	Green	-	-	-
Gobowen Emergency Lighting	KL458	Nicholas Bardsley	P Wilson	4,360	-	-	4,360	-	-	4,360	-	4,360	4,360	-	Green	Green	-	-	-
Myddle Emergency Lighting	KL459	Nicholas Bardsley	P Wilson	10,900	-	-	10,900	-	-	10,900	-	10,900	10,900	-	Green	Green	-	-	-
<b>Total</b>						<b>2,436,177</b>	<b>18,938</b>	<b>229,655</b>		<b>2,684,770</b>	<b>14,726</b>	<b>2,670,044</b>	<b>2,684,770</b>						
<b>Fire Safety Schemes</b>																			
Fire Safety - Beckbury	KLF16	Nicholas Bardsley	P Wilson	13,740	11,842	1,898	-	-	-	1,898	-	1,898	1,898	-	Green	Green	-	-	-
Fire Safety - Bomere Heath New Fire Alarm	KLF31	Nicholas Bardsley	P Wilson	26,890	-	27,250	(360)	-	-	26,890	11,413	15,477	26,890	-	Green	Green	-	-	-
<b>Total</b>						<b>29,148</b>	<b>(360)</b>			<b>28,788</b>	<b>11,413</b>	<b>17,375</b>	<b>28,788</b>						
<b>Special Education Needs</b>																			
Schools Access Initiative Unallocated	KLD00	Nicholas Bardsley	P Wilson	Ongoing	-	49,050	-	-	-	49,050	-	49,050	49,050	-	Green	Green	-	-	-
Special Provision Funds Allocation	KLD06	Nicholas Bardsley	P Wilson	500,001	-	166,667	-	-	-	166,667	-	166,667	166,667	-	Green	Green	166,667	166,667	-
<b>Total</b>						<b>215,717</b>				<b>215,717</b>		<b>215,717</b>	<b>215,717</b>				<b>166,667</b>	<b>166,667</b>	
<b>Devolved Formula Capital</b>				<b>Current</b>															
Devolved Formula Capital - Allocated by schools		Nicholas Bardsley	P Wilson	Ongoing		824,030	(16,470)	37,000	-	844,560	137,047	707,513	844,560	-	Green	Green	-	-	-
<b>Total Learning &amp; Skills</b>						<b>10,211,016</b>		<b>266,655</b>		<b>10,477,671</b>	<b>755,262</b>	<b>9,722,409</b>	<b>10,477,671</b>				<b>166,667</b>	<b>166,667</b>	
<b>Total Children's Services</b>						<b>10,212,588</b>		<b>266,655</b>		<b>10,479,243</b>	<b>755,262</b>	<b>9,723,981</b>	<b>10,479,243</b>				<b>166,667</b>	<b>166,667</b>	
<b>Total General Fund Capital Programme</b>						<b>60,432,686</b>		<b>7,886,655</b>	<b>1,021,119</b>	<b>69,340,460</b>	<b>4,896,117</b>	<b>64,444,343</b>	<b>69,340,460</b>				<b>21,203,565</b>	<b>15,567,667</b>	
<b>Housing Revenue Account</b>																			
<b>Major Repairs Programme - Unallocated</b>																			
Housing Major Repairs Programme	K5P01	Lee Chapman	A Begley	Ongoing	-	5,358,800	(5,320,000)	-	-	38,800	-	38,800	38,800	-	Green	Green	3,760,950	-	-
<b>Total</b>						<b>5,358,800</b>	<b>(5,320,000)</b>			<b>38,800</b>		<b>38,800</b>	<b>38,800</b>				<b>3,760,950</b>		
<b>Major Repairs Programme - STAR Housing Contracts</b>																			
STaR Rewires	K5R02	Lee Chapman	A Begley	1,577,978	1,269,102	48,876	260,000	-	-	308,876	19,270	289,606	308,876	-	Green	Green	-	-	-
STaR Electrical Remedial Works	K5R04	Lee Chapman	A Begley	1,197,626	944,877	52,749	200,000	-	-	252,749	26,551	226,198	252,749	-	Green	Green	-	-	-
STaR Roofing	K5R05	Lee Chapman	A Begley	366,028	220,966	145,062	-	-	-	145,062	-	145,062	145,062	-	Green	Green	-	-	-
STaR Major Works	K5R06	Lee Chapman	A Begley	884,821	716,496	68,325	100,000	-	-	168,325	6,350	161,975	168,325	-	Green	Green	-	-	-
STaR Kitchens & Bathrooms	K5R07	Lee Chapman	A Begley	3,559,194	2,559,635	49,559	950,000	-	-	999,559	83,506	916,053	999,559	-	Green	Green	-	-	-
STaR Fire Safety Works	K5R08	Lee Chapman	A Begley	288,095	224,667	63,428	-	-	-	63,428	19,791	43,638	63,428	-	Green	Green	-	-	-
STaR External Doors	K5R11	Lee Chapman	A Begley	777,770	559,665	(31,895)	250,000	-	-	218,105	9,696	208,409	218,105	-	Green	Green	-	-	-
STaR External Wall Insulation	K5R12	Lee Chapman	A Begley	909,696	895,574	14,122	-	-	-	14,122	-	14,122	14,122	-	Green	Green	-	-	-
STaR Disabled Aids & Adaptations	K5R13	Lee Chapman	A Begley	1,312,423	862,588	199,835	250,000	-	-	449,835	81,727	368,108	449,835	-	Green	Green	-	-	-
STaR Heating Insulation Works (Liberty)	K5R14	Lee Chapman	A Begley	3,553,313	2,649,596	178,717	725,000	-	-	903,717	1,191	902,526	903,717	-	Green	Green	-	-	-
STaR Sewage Treatment Works	KSH01	Lee Chapman	A Begley	160,465	21,367	49,098	90,000	-	-	139,098	850	138,248	139,098	-	Green	Green	-	-	-
STaR Asbestos Removal	KSH02	Lee Chapman	A Begley	440,112	363,369	76,743	-	-	-	76,743	9,354	67,389	76,743	-	Green	Green	-	-	-
STaR Kitchens & Bathrooms Voids	KSH03	Lee Chapman	A Begley	909,572	644,500	15,072	250,000	-	-	265,072	15,678	249,394	265,072	-	Green	Green	-	-	-
STaR Oswestry Castlefields Regeneration	KSH04	Lee Chapman	A Begley	185,840	162,968	22,872	-	-	-	22,872	-	22,872	22,872	-	Green	Green	-	-	-
STaR Radon Testing & Implementation	KSH05	Lee Chapman	A Begley	5,000	-	-	5,000	-	-	5,000	-	5,000	5,000	-	Green	Green	-	-	-
STaR Off Grid Properties Investment	KSH06	Lee Chapman	A Begley	1,243,500	376,520	216,980	650,000	-	-	866,980	53,586	813,394	866,980	-	Green	Green	-	-	-
STaR Heating Works - Reactive	KSH07	Lee Chapman	A Begley	1,560,786	929,667	81,119	550,000	-	-	631,119	51,379	579,740	631,119	-	Green	Green	-	-	-
STaR Communal Door Entry System Replacement	KSH08	Lee Chapman	A Begley	500,000	-	250,000	250,000	-	-	500,000	-	500,000	500,000	-	Green	Green	-	-	-
STaR Garage Sites Refurbishments	KSH09	Lee Chapman	A Begley	300,000	5,031	94,969	200,000	-	-	294,969	60,513	234,456	294,969	-	Green	Green	-	-	-
STaR Roof Replacement Works	KSH10	Lee Chapman	A Begley	340,000	-	-	340,000	-	-	340,000	454	339,546	340,000	-	Green	Green	-	-	-
STaR Window Replacement Works	KSH11	Lee Chapman	A Begley	250,000	-	-	250,000	-	-	250,000	-	250,000	250,000	-	Green	Green	-	-	-
<b>Total</b>						<b>1,595,631</b>	<b>5,320,000</b>			<b>6,915,631</b>	<b>439,895</b>	<b>6,475,736</b>	<b>6,915,631</b>						
<b>House re-purchases</b>																			
Shared Ownership Buy-back - Rhea Hall	K5RP2	Lee Chapman	A Begley	60,000	-	60,000	-	-	-	60,000	-	60,000	60,000	-	Green	Green	-	-	-
New Century Court Oswestry	K5RP3	Lee Chapman	A Begley	413,428	348,428	65,000	-	-	-	65,000	-	65,000	65,000	-	Green	Green	-	-	-
Purchase - 14 Weston Close, Morda	K5RP4	Lee Chapman	A Begley	(86)	-	(86)	-	-	-	(86)	71,000	(71,086)	(86)	-	Red	Green	-	-	-
25 Cottage Lane Lease Buyback	K5RP5	Lee Chapman	A Begley	-	-	-	-	-	-	-	90	(90)	-	-	Red	Green	-	-	-
Share Buy Back - 7 Gatacre Avenue	K5RP6	Lee Chapman	A Begley	-	-	-	-	-	-	-	18,600	(18,600)	-	-	Red	Green	-	-	-
<b>Total</b>						<b>124,914</b>				<b>124,914</b>	<b>89,690</b>	<b>35,224</b>	<b>124,914</b>						
<b>New Build Programme</b>																			
Housing New Build Programme - Phase 1	K5NB1	Lee Chapman	A Begley	7,126,349	7,119,304	7,045	-	-	-	7,045	-	7,045	7,045	-	Green	Green	-	-	-
Housing New Build Programme - Phase 2	K5NB2	Lee Chapman	A Begley	3,470,306	3,455,281	15,025	-	-	-	15,025	-	15,025	15,025	-	Green	Green	-	-	-
Housing New Build Programme - Phase 3	K5NB3	Lee Chapman	A Begley	672,350	660,975	11,375	-	-	-	11,375	-	11,375	11,375	-	Green	Green	-	-	-
Housing New Build Programme - Phase 4	K5NB4	Lee Chapman	A Begley	2,340,675	2,121,666	189,009	-	30,000	-	219,009	5,374	213,635	219,009	-	Green	Green	-	-	-
Housing New Build Programme - Phase 5	K5NB5	Lee Chapman	A Begley	4,200,000	-	4,200,000	-	-	-	4,200,000	-	4,200,000	4,200,000	-	Green	Green	-	-	-
<b>Total</b>						<b>4,422,454</b>		<b>30,000</b>		<b>4,452,454</b>	<b>5,374</b>	<b>4,447,080</b>	<b>4,452,454</b>						



## Shropshire Council - Capital Programme 2018/19- 2021/22

## Capital Scheme Details Quarter 1 2018/19

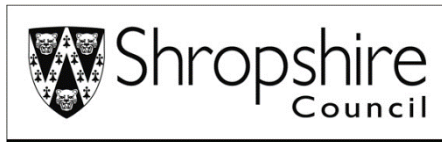
Scheme Description	Code	Portfolio Holder	Project Manager	Total Approved Scheme Budget £	Previous Years Spend £	Revised Budget Outturn 17/18 £	Budget Virements Q1 £	Budget Inc/Dec Q1 £	Reprofile to/from future years Q1 £	Revised Budget Q1 18/19 £	Actual Spend 29/06/18 £	Spend to Budget Variance £	Outturn Projection £	Outturn Projection Variance £	RAG Status Scheme on Budget	RAG Status Scheme Progress	2019/20 Revised Budget £	2020/21 Revised Budget £	2021/22 Revised Budget £	
<b>Total Housing Revenue Account</b>						<b>11,501,799</b>	-	<b>30,000</b>	-	<b>11,531,799</b>	<b>534,959</b>	<b>10,996,840</b>	<b>11,531,799</b>	-			<b>3,760,950</b>	-	-	
<b>Total Capital Programme</b>						<b>71,934,485</b>	-	<b>7,916,655</b>	<b>1,021,119</b>	<b>80,872,259</b>	<b>5,431,076</b>	<b>75,441,183</b>	<b>80,872,259</b>	-			<b>24,964,515</b>	<b>15,567,667</b>	-	
																	-	-	-	

**Shropshire Council - Capital Programme 2018/19- 2021/22**

Financing	B/F Budget Q4 17/18 £	Budget Virements Q1 £	Budget Inc/Dec Q1 £	Reprofile to/from future years Q1 £	Revised Budget C1 18/19 £	2019/20 Revised Budget £	2020/21 Revised Budget £	2021/22 Revised Budget £
<b>Self Financed Prudential Borrowing</b>	<b>8,222,761</b>	-	<b>(1,000,000)</b>	-	<b>7,222,761</b>	-	-	-
<b>Government Grants</b>								
Department for Transport	17,251,430	-	2,787,000	-	20,038,430	14,901,000	14,901,000	-
Ministry of Housing, Communities & Local Gov	544,507	-	-	-	544,507	-	-	-
Department for Health - Better Care Fund	-	-	2,974,155	-	2,974,155	-	-	-
Department for Health - HOLD Grant	2,158,615	-	-	-	2,158,615	-	-	-
Department for Education								
- Condition Capital Grant	2,500,000	-	229,655	-	2,729,655	-	-	-
- Basic Need Capital Grant	-	-	-	-	-	-	-	-
- Devolved Formula Capital	831,115	-	-	-	831,115	-	-	-
- Special Provision Funds	166,667	-	-	-	166,667	166,667	166,667	-
Department for Communities and Local Government								
- Community Housing Fund	517,296	-	-	-	517,296	-	-	-
Disabled Facilities Grant (Additional)	-	-	-	-	-	-	-	-
Education Funding Agency								
- Early Years Capital Fund	172,108	-	-	-	172,108	-	-	-
HCA - Travellers	76,858	-	-	-	76,858	-	-	-
HCA - New Build	370,000	-	-	-	370,000	-	-	-
BDUK - Broadband	7,525,902	-	-	-	7,525,902	1,892,605	269,756	-
Environment Agency	1,009,935	-	(100,000)	(200,000)	709,935	270,000	-	-
DEFRA	-	-	-	-	-	-	-	-
Local Enterprise Partnership (LEP) Fund	1,853,141	-	-	1,070,644	2,923,785	2,171,443	115,956	-
Public Health England	-	-	-	-	-	-	-	-
	<b>34,977,574</b>	-	<b>5,890,810</b>	<b>870,644</b>	<b>41,739,028</b>	<b>19,401,715</b>	<b>15,453,379</b>	-
<b>Other Grants</b>								
Historic England/English Heritage	2,541	-	6,532	-	9,073	-	-	-
Natural England	9,703	-	-	-	9,703	-	-	-
Other Grants	-	-	-	-	-	-	-	-
	<b>12,244</b>	-	<b>6,532</b>	-	<b>18,776</b>	-	-	-
<b>Other Contributions</b>								
Section 106	469,980	-	1,300,021	-	1,770,001	-	-	-
Community Infrastructure Levy (CIL)	-	-	45,000	-	45,000	-	-	-
Other Contributions	35,498	-	16,440	-	51,938	-	-	-
	<b>505,478</b>	-	<b>1,361,461</b>	-	<b>1,866,939</b>	-	-	-
<b>Revenue Contributions to Capital</b>	<b>3,878,387</b>	-	<b>1,247,145</b>	-	<b>5,125,532</b>	-	-	-
<b>Major Repairs Allowance</b>	<b>6,470,684</b>	-	-	-	<b>6,470,684</b>	<b>3,760,950</b>	-	-
<b>Corporate Resources (expectation - Capital Receipts only)</b>	<b>17,867,357</b>	-	<b>410,707</b>	<b>150,475</b>	<b>18,428,539</b>	<b>1,801,850</b>	<b>114,288</b>	-
<b>Total Confirmed Funding</b>	<b>71,934,485</b>	-	<b>7,916,655</b>	<b>1,021,119</b>	<b>80,872,259</b>	<b>24,964,515</b>	<b>15,567,667</b>	-

**Funding changes - Quarter 1**

Budget Increase/Decrease	2018/19	2019/20	2020/21	2021/22	Details
<b>Self Financed Prudential Borrowing</b>	<b>(1,000,000)</b>				Borrowing replaced by Government Grant in 2018/19
<b>Government Grants</b>					
Department for Transport	2,787,000				Addition of 2018/19 Highways Maintenance Incentive grant
Department for Education - Condition Grant	229,655				Increase following announcement of 18/19 award.
DCLG - Disabled Facilities Grant	2,974,155				Announcement of 2018/19 award
Environment Agency	(100,000)				Shifnal Flood Grant £95k already in main Shifnal Flood Cost Centre. £5k reduction in EA funding for Shifnal FWM
<b>Total Government Grants</b>	<b>5,890,810</b>	-	-	-	
<b>Other Grants</b>					
English Heritage	6,532				New grant for projection equipment at Museum £6,532
<b>Total Other Grants</b>	<b>6,532</b>	-	-	-	
<b>Other Contributions</b>					
Section 106	1,300,021				Section 106 Developer Contributions funding capital programme
Other Contributions	16,440				External Contribution from Next Generation Youth re Whitchurch Skate Park
CIL	45,000				CIL projects added to capital programme in Quarter 1
<b>Total Other Contributions</b>	<b>1,361,461</b>	-	-	-	
<b>Revenue Contributions to Capital</b>	<b>1,247,145</b>				Contribution to Project Orion £3,505. Corporate Landlord Capital Programme £1,215,840. Help 2 Change reduction for complete project. NHB re Community Led Affordable Housing Grant Scheme £26k
<b>Capital Receipts</b>	<b>410,707</b>				Additional schemes added in Quarter 1 funded from capital receipts
	<b>7,916,655</b>	-	-	-	
<b>Re-profiling</b>	<b>1,021,119</b>	<b>(1,021,119)</b>			Re-profiling of LEP funding inline with forecast drawdown
	<b>1,021,119</b>	<b>(1,021,119)</b>	-	-	



## Committee and Date

Cabinet  
17<sup>th</sup> September 2018

Council  
20<sup>th</sup> September 2018

## **REVISED MINIMUM REVENUE PROVISION STATEMENT 2018/19**

**Responsible Officer** James Walton

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

Tel:(01743)258915

### **1. Summary**

- 1.1 This Council is required by statute to set aside a minimum revenue provision (MRP) for the repayment of external debt. The calculation of the minimum revenue provision (MRP) is as per the *Local Authority (Capital Finance and Accounting) (England) (Amendment) Regulations 2008 [SI 2008/414]*. In regulation 28, detailed rules are replaced with a simple duty for an Authority to make an amount of MRP which it considers to be “prudent”.
- 1.2 The legislation recommends that before the start of each financial year the Council prepares a statement of its policy on making MRP in respect of that financial year and submits it to the Full Council for approval. If it is proposed to vary the terms of the original statement during the year, a revised statement should be put to Council at that time. The MRP Policy Statement was last revised for 2016/17 and was approved by members in February 2016 as part of the Treasury Strategy 2016/17. This revised policy was retained by the Council for the 2017/18 and 2018/19 financial years and approved by members as part of the 2017/18 and 2018/19 Treasury Strategy reports in February 2017 and 2018 respectively.
- 1.3 Shropshire Council’s Treasury advisor, Link Asset Services (LAS), has recently undertaken a review of the Authority’s Minimum Revenue Provision (MRP).
- 1.4 The brief for the review was to advise the Authority on how it can profile MRP for the repayment of its underlying debt liability, in line with the life of assets associated with that debt, to achieve short to medium term benefit to the General Fund and assist with easing current budgetary pressures, whilst ensuring that the provision provided remains prudent and compliant with the statutory guidance for MRP.
- 1.5 The review was limited to options for supported borrowing and PFI.

## **2. Recommendations**

Members are asked:

- 2.1 To consider all the options modelled for the revision of the calculation of MRP charges in relation to supported borrowing.
- 2.2 To approve the use of Option C3 (use a 45-year annuity method and apply Adjustment A from 2018/19) to calculate MRP charges in relation to supported borrowing.
- 2.3 To approve that the £2.217m saving generated in 2018/19, be ringfenced to fund the Digital Transformation Programme.

## **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 Local Authority (Capital Finance and Accounting) (England) (Amendment) Regulations 2008 [SI 2008/414] ensures that the Council is managing the risk of not providing an adequate and prudent budget for repaying external debt.

### **4. Financial Implications**

- 4.1 The financial implications arising from the Revised MRP Statement 2018/19 are detailed in sections 6 and 7 of this report. Changes to the MRP Policy are producing budgetary savings over a five year period and it is proposed that total savings of £9.25m can be delivered over this period, with a £1.85m saving each financial year.

### **5. Minimum Revenue Provision**

- 5.1 The Council is required by statute to set aside a minimum revenue provision (MRP) for the provision to repay external debt. The calculation of the minimum revenue provision (MRP) is as per the *Local Authority (Capital Finance and Accounting) (England) (Amendment) Regulations 2008 [SI 2008/414]*. In the regulation 28, detailed rules are replaced with a simple duty for an authority to make an amount of MRP which it considers to be “prudent”.
- 5.2 The broad aim of a prudent provision is to ensure that debt is repaid over a period that is either reasonably commensurate with that over which the capital expenditure provides benefits, or, in the case of borrowing supported by

Revenue Support Grant, reasonably commensurate with the period implicit in the determination of that grant. The guidance includes four options (and there are two alternatives under Option three) for the calculation of a prudent provision.

- 5.3 There is no requirement to charge MRP where the Capital Financing Requirement (CFR) is nil or negative at the end of the preceding financial years. There is also no requirement to charge MRP on the Housing Revenue Account share of the CFR.
- 5.4 The legislation recommends that before the start of each financial year the Council prepares a statement of its policy on making MRP in respect of that financial year and submits it to the Full Council for approval. If it is proposed to vary the terms of the original statement during the year, a revised statement should be put to Council at that time.
- 5.5 Members approved the MRP Statement for 2018/19 in February 2018 as part of the Treasury Strategy for 2018/19.
- 5.6 The Council's current MRP policy introduced in 2016/17 is as follows:
  - The provision for Supported Borrowing is calculated on the basis of the average remaining asset life of the assets financed from previous supported borrowing on a straight line (equal instalments) basis over 45 years.
  - For all unsupported borrowing from 1 April 2008, MRP will be based on the estimated life of the assets (Option 3), on a straight-line basis (equal instalments).
  - For assets under on-balance sheet PFI contracts and finance leases, the annual principal payment amount in the PFI or finance lease model is used as the MRP payment amount, with no additional charges above those within the contract.
  - There is no mandatory requirement to make provision in the HRA for annual MRP payments. However, the Council will make annual voluntary provision for debt repayment in the HRA based on affordable levels in the HRA against the need for investment and delivering services in the HRA. The annual level of provision will be determined annually as part of the closure of the HRA.
  - Where the Council has made capital loans to third parties financed from the Council's balances, the annual repayments of principal amounts are treated as capital receipts and set aside in the Capital Adjustment Account in place of a revenue MRP charge.

## **6. Evaluation of Options for Revising MRP Policy**

- 6.1 The options for the calculation of a prudent Provision are detailed in Appendix A to this report. The Council is proposing to revise the calculation basis for part of its debt from 2018/19. Up to 2016/17, the Council policy for debt supported

by the Government through the Revenue Support Grant system, has been calculated on the basis of expected useful life of the asset on a straight-line basis.

- 6.2 Option 3a - Asset Life Method - Equal Instalment Method - will continue to be used for unsupported borrowing and specific treatment for PFI assets and assets held under finance leases and long-term capital loans.

### **Supported Borrowing**

- 6.3 The following options were considered for revision of the MRP calculation associated with supported borrowing.

- Option A: Apply a 2% (50-year) straight-line method from 2018/19.
- Option B1: Apply a 45-year annuity method from 2018/19
- Option B2: Apply a 50-year annuity method from 2018/19.
- Option C1: Use the current 2.22% (45-year) straight-line method and apply Adjustment A from 2018/19
- Option C2: Use a 2% (50-year) straight-line method from and apply Adjustment A from 2018/19.
- Option C3: Use a 45-year annuity method and apply Adjustment A from 2018/19.
- Option C4: Use a 50-year annuity method and apply Adjustment A from 2018/19.

- 6.4 The various alternative approaches are summarised below and more detail of the options are contained in Appendix A.

### **Option A: 2% 50 Year Straight Line From 2018/19**

- 6.5 Option A produces a saving in MRP charges up to Year 40 of £18.998m but an increased liability in years 41 to 50 of £18.998m. This change in policy would generate savings of £0.475m and £1.900m in 2018/19 and 2019/20 to 2022/23 respectively, compared to the current calculation basis.

- 6.6 In February 2016 Council approved a proposal to calculate MRP for supported borrowing by linking MRP to the average remaining useful life of the assets it was used to finance. This is in accordance with the general principle of achieving a prudent approach set out in the guidance, that MRP charges should reflect the economic benefit the Council gets from using the asset to deliver services over its useful life. This ensures the Council Tax payers are being charged each year in line with asset usage and prevents current taxpayers meeting the cost of future usage or future Council Tax payers being burdened with “debt” and the costs of that debt, relating to assets that are no longer in use.

- 6.7 An analysis of the average remaining asset life of the assets financed from previous supported borrowing, determined the average remaining life to be around 45 years and this has been used as the basis of the existing calculation.

- 6.8 Extending this estimated life to 50 years would result in a longer repayment period and would oppose the MRP guidance which recommends that whatever period is chosen at the outset must remain as the chosen life.
- 6.9 Additionally, this approach would not be appropriate as it would extend the repayment period to longer than the life of the assets, as the asset lives have been reviewed and it is believed that 45 years is still appropriate.
- 6.10 Therefore, this option has been dismissed as a viable option.

### **Option B1: 45 Year Annuity Basis From 2018/19**

- 6.11 Option B1 produces a saving in MRP charges up to Year 25 of £28.619m but an increased liability in years 26 to 50 of £28.619m. This change in policy would generate savings of £2.162m and £7.953m in 2018/19 and 2019/20 to 2022/23 respectively, compared to the current calculation basis.
- 6.12 The annuity calculation method results in lower MRP payments in the early years, but higher payments in later years. This method has the advantage of linking MRP to the flow of benefits from an asset where these are expected to increase in later years.
- 6.13 CIPFA puts forward the following reasons for using the annuity method in CIPFA's "The Practitioner's Guide to Capital Finance in Local Government" (2008) which states:
- The annuity method provides a fairer charge than equal instalments as it takes account of the time value of money, whereby paying £100 in 10 year's time, is less of a burden than paying £100 now.
  - The schedule of charges produced by the annuity method results in a consistent charge over an asset's life, taking into account the real value of the amounts when they fall due.
  - The annuity method is a prudent basis for providing for assets that provide a steady flow of benefits over their useful life.
- 6.14 To adopt the annuity calculation method, the Council would need to recognise and be comfortable with the fact that using this method would increase MRP in later years and therefore may impact upon its ability to afford further capital expenditure financed by borrowing in the future. This is considered a viable option.

### **Option B2: 50 Year Annuity Basis From 2018/19**

- 6.15 Option B2 produces a saving in MRP charges up to Year 25 of £43.659m but an increased liability in years 26 to 50 of £43.659m. This change in policy would generate savings of £2.585m and £9.765m in 2018/19 and 2019/20 to 2022/23 respectively, compared to the current calculation basis.

- 6.16 Whilst the use of the annuity basis would be a viable option, this option has been dismissed due to the increase in payment profile in excess of the useful asset lives.

### **Option C: Use Adjustment A From 2018/19 Onwards**

- 6.17 When the Council revised its MRP Policy in December 2016 and elected to adopt the Asset Life method to calculate MRP charges in relation to supported borrowing, it was also decided to revise the calculation of the Capital Financing Requirement (CFR). From 2009/10 to 2015/16 the Council determined CFR used for the supported borrowing MRP calculation by adjusting for Adjustment A (the variance between the credit ceiling and the CFR as at 1<sup>st</sup> April 2004).
- 6.18 When the MRP Policy was revised it was no longer considered appropriate to adjust CFR by Adjustment A on the basis that it was not in line with the remaining asset life of the assets linked to the borrowing and not in line with the repayment profile of the Council's existing external debt.
- 6.19 However, Adjustment A continues to be a legitimate part of the MRP calculation under the 2003 Regulations (Regulation 28) and can therefore continue to be used to reduce the supported borrowing CFR for MRP purposes.
- 6.20 The following options model MRP charges utilising Adjustment A with a value of £4.446m.

### **Option C1: Adjustment A with Existing 2.22% (45 Years) Straight Line From 2018/19**

- 6.21 Option C1 produces an overall saving in MRP charges £4.446m and savings are realised in every year of the repayment period. This option produces a saving in MRP charges up to Year 40 of £22.703m but an increased liability in years 41 to 45 of £18.257m. This change in policy would generate savings of £0.103m and £0.414m in 2018/19 and 2019/20 to 2022/23 respectively, compared to the current calculation basis.
- 6.22 This is considered an appropriate option for consideration, however has been declined in order that the Council delivers a fairer and more consistent charge as per the annuity method.

### **Option C2: Adjustment A With 2% (50 Years) Straight Line From 2018/19**

- 6.23 Option C2 produces an overall saving in MRP charges £4.446m. This option produces a saving in MRP charges up to Year 25 of £22.703m but an increased liability in years 26 to 50 of £18.257m. This change in policy would generate savings of £0.568m and £2.270m in 2018/19 and 2019/20 to 2022/23 respectively, compared to the current calculation basis.
- 6.24 This option has been dismissed due to the increase in asset life not being appropriate and the intention to move to an annuity approach.



### **Option C3: Adjustment A With 45 Years Annuity Approach From 2018/19**

- 6.25 Option C3 produces an overall saving in MRP charges £4.446m. This option produces a saving in MRP charges up to Year 25 of £30.555m but an increased liability in years 26 to 50 of £26.109m. This change in policy would generate savings of £2.217m and £8.186m in 2018/19 and 2019/20 to 2022/23 respectively, compared to the current calculation basis.
- 6.26 This is considered a viable option as it maintains the payback period so that it is in line with the asset lives and it adopts the fairer annuity approach.

### **Option C4: Adjustment A With 50 Years Annuity Approach From 2018/19**

- 6.27 Option C4 produces an overall saving in MRP charges £4.446m. This option produces a saving in MRP charges up to Year 25 of £45.254m but an increased liability in years 26 to 50 of £40.808m. This change in policy would generate savings of £2.629m and £9.957m in 2018/19 and 2019/20 to 2022/23 respectively, compared to the current calculation basis.
- 6.28 This option has been dismissed due to the extension in payment profile over the useful asset lives.
- 6.29 The results clearly show that all the options would generate savings over the next 25 years when compared to the current methodology. However, these options would effectively reprofile the debt repayment over the same or a longer period, and so the Council's MRP liability is significantly increased with all the options considered over the 26 to 50-year period.
- 6.30 In the medium term, i.e. 1 to 5 years, the various options produce MRP savings ranging from £2.375m (Option A) to £12.587m (Option C4).

## **7. Conclusions**

- 7.1 As discussed previously under the relevant options it would not be reasonable for the Council to revise the remaining asset life of the assets financed from previous supported borrowing from 45 to 50 years, however, it would be prudent to revise the calculation from a straight line methodology to an annuity basis. Additionally, it would be sensible to consider adjusting the CFR calculation by reintroducing the use of Adjustment A in the calculation.
- 7.2 Taking all these points into consideration, it would be advisable for Council to consider adopting Option C3 for the calculation of MRP charges related to supported borrowing. Option C3 would generate the following relatively consistent MRP savings in the medium term:
- £2.217m in 2018/19.
  - £2.150m in 2019/20.
  - £2.083m in 2020/21.

- £1.941m in 2021/22.
- £1.867m in 2022/23.

- 7.3 Given that the savings level diminishes over the five-year period, it is proposed that a consistent level of saving is taken over the 5 year period in order that growth does not need to be built into the budget strategy for the remaining 4 years of the period to reduce down the saving. Therefore, a base budget saving of £1.85m will be taken each year of the five year period giving total savings of £9.25m.
- 7.4 The saving of £2.217m that will be generated in 2018/19 has not been reflected in the monitoring position for 2018/19. It is intended however that this saving is ringfenced to fund the Digital Transformation Project (DTP). Funding of the DTP was planned to come from capital funding, however there was always a gap of funding that would be bridged by undertaking prudential borrowing. It is therefore proposed that the MRP saving in 2018/19 is redirected to the DTP project so that we can avoid undertaking borrowing and incurring revenue costs of paying back the borrowing.

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

Treasury Strategy 2009/10 - Council 27<sup>th</sup> February 2009

Treasury Strategy 2016/17 - Council February 2016

Treasury Strategy 2018/19 - Council February 2018

**Cabinet Member (Portfolio Holder)**

David Minnery, Portfolio Holder for Finance

**Local Member**

N/A

**Appendices**

Appendix A: Summary of Options Modelled for the Calculation of MRP Charges Associated with Supported Borrowing

SUMMARY OF OPTIONS MODELLED FOR THE CALCULATION OF MRP CHARGES ASSOCIATED WITH SUPPORTED BORROWING															
Years	Current Basis MRP £'000s	Option A		Option B1		Option B2		Option C1		Option C2		Option C3		Option C4	
		MRP £'000s	Difference £'000s	MRP £'000s	Difference £'000s	MRP £'000s	Difference £'000s	MRP £'000s	Difference £'000s	MRP £'000s	Difference £'000s	MRP £'000s	Difference £'000s	MRP £'000s	Difference £'000s
2016/17															
2017/18															
2018/19	4,559	4,084	(475)	2,397	(2,162)	1,975	(2,585)	4,456	(103)	3,992	(568)	2,343	(2,217)	1,930	(2,629)
Years 2 To 5	18,238	16,338	(1,900)	10,285	(7,953)	8,473	(9,765)	17,824	(414)	15,967	(2,270)	10,051	(8,186)	8,280	(9,957)
Years 6 To 10	22,797	20,422	(2,375)	14,574	(8,223)	12,006	(10,791)	22,280	(517)	19,959	(2,838)	14,243	(8,554)	11,734	(11,063)
Years 11 To 25	68,391	61,267	(7,124)	58,111	(10,280)	47,873	(20,518)	66,840	(1,551)	59,878	(8,514)	56,793	(11,598)	46,787	(21,604)
Years 26 To 40	68,391	61,267	(7,124)	88,191	19,800	72,653	4,262	66,840	(1,551)	59,878	(8,514)	86,191	17,800	71,005	2,614
Years 41 To 48	13,678	32,676	18,998	22,498	8,819	53,076	39,398	13,368	(310)	31,935	18,257	21,987	8,309	51,872	38,194
<b>Total</b>	<b>196,055</b>	<b>196,055</b>	<b>0</b>	<b>196,055</b>	<b>0</b>	<b>196,055</b>	<b>0</b>	<b>191,609</b>	<b>(4,446)</b>	<b>191,609</b>	<b>(4,446)</b>	<b>191,609</b>	<b>(4,446)</b>	<b>191,609</b>	<b>(4,446)</b>

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## Committee and Date

Cabinet

17<sup>th</sup> September 2018

## **Quarter 1 Performance Report 2018/19**

**Responsible:** Tom Dodds, Intelligence and Insight Manager

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

01743 258518

### **1. Summary**

- 1.1 This report presents Cabinet with the Council's Performance against its key Outcomes for Quarter 1 2018/19.
- 1.2 The refreshed Corporate Plan 2018/19 and the High Level Outcomes provide the shape and focus of the updated Performance Management Framework. The measures in the framework been refined to reflect the updated strategic action plans for the coming 12 to 18 months.

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 Commercial Council. The range of performance measures covers a broader range of service areas than previously reported.
- 1.4 The online performance portal has continued to be developed to present performance information to be used in conjunction with this report, and can be accessed here -  
  
<https://shropshireperformance.inphase.com/>
- 1.5 This is part of improving access to performance information and that of data transparency. Member and user feedback will help to inform further developments 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 and 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 reports will be used to highlight performance exceptions and changes to measures reported annually.

The refreshed Corporate Plan was approved by Council on 17<sup>th</sup> May 2018, as a result of this the online performance portal has been updated to reflect the new measures and milestones from quarter 1 2018/19. This report has also been aligned to the new Corporate Plan, focussing on the performance of the new measures and milestones.

## 6. **Healthy People**

The sub outcomes for Healthy People are; Improving Public Health, Providing Appropriate Care, Children are Protected for the best Possible Start in Life, Participation in Positive Activities for Health and Well-being and Keeping People Safe.

- 6.1 Additional measures have been added to the performance framework under the outcome of Improving Public Health. The new measure of people participating in healthy walking schemes is reported for the first time and shows that 1,818 people participated in the scheme during quarter one. Additional measures for the heat-savers scheme and childhood obesity are also reported in the performance portal and contain historical data.
- 6.2 The rate of permanent admissions of adults both aged 18 – 64 and aged 65+ into residential or nursing homes is lower (better) than the profile and is currently lower than in previous years. 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.
- 6.3 The new Delayed Transfer of Care measure was established in April 2017. 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 for the first year (2017/18) for Shropshire Adult Social Care, set by the Department of Health, was to reduce delays attributed to social care by 60%. Performance targets for 2018/19 are to further reduce delays to less than an average of 1.3 delayed patients per day, attributed to Adult Social Care.

Performance for the year to date shows that Shropshire Council is achieving this target and is one of the most improved Adult Social Care departments in England, performing within the top quartile.

- 6.4 The rate of Looked After Children (LAC) per 10,000 children aged under 18 has risen during quarter 1 to 57.3 from 56.6 at the end of quarter 4 2017/18. This is also a year-on-year increase against June 2017 (51.1). This figure puts Shropshire slightly higher than Statistical Neighbours (55.5) but below the national average (62).

We have seen an increase in children becoming looked after over last year. Children in need of accommodation due to safeguarding concerns has continued to increase. We saw an increase in care proceedings being initiated last year and the care proceedings work has continued which has resulted in more younger

children entering the care of the local authority under the auspices of court orders. The increase in the level of care proceedings is as a result of strengthened child protection planning, early identification of risk and a robust legal planning process. This is much more in line with our statistical neighbours. Year on Year the proportion of Care Orders has increased by 5.8 percentage points, while the proportion of children under Section 20 (children living away from the family home, usually foster care) has fallen by 7 percentage points. Nearly three quarters of our LAC population is related to court orders confirming the need for the child to be looked after by the local authority.

- 6.5 The overall aim of a Child Protection Plan is to ensure the child is safe and prevent 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 2017. Progress in the quality of our child protection planning is evidenced in the Independent Review Unit reports. Where safeguarding concerns are addressed, we are now ending CPP as appropriate and stepping down to Child In Need planning; ensuring that children have a gradual step down in services before stepping down to Early Help.

The rate of Child Protection Plans per 10,000 children aged under 18 increased slightly between quarter 4 2017/18 (31.8) and quarter 1 2018/19 (33.7 – which is a similar rate to June 2017). Shropshire's rate remains below both Statistical Neighbour and England Averages.

- 6.6 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.

There has been a continued long-term reduction in visits to libraries; when comparing the same period last year there has been a reduction in visitor numbers 900,461 for 2018/19 compared to 973,707 in 2017/18.

The annual number of visitors to visitor attractions in Ludlow, Much Wenlock, Acton Scott and Shrewsbury has increased to 191,571 at quarter 1 2018/19 compared to 148,863 at quarter 1 2017/18. Shrewsbury Museum continues to see an increase in visitor numbers; the Lego exhibition earlier this year attracted 13,000 visitors.

- 6.7 The number of visitors to the Theatre Severn has increased when comparing to the same period last year. There were almost 5% more visitors in quarter 1 2018/19 (190,429) compared to quarter 1 2017/18 (181,908). This increase can be attributed to a number of sell out productions. The Theatre is also making a positive contribution to the visitor economy of Shropshire with 33.1% of visitors coming from outside of the county.
- 6.8 Keeping safe measures show that retail food and drink premises in Shropshire continue to maintain high food safety standards. Based on nationally published information, 99% of premises are rated as generally satisfactory or higher



- 6.9 As identified and detailed in previous Corporate Performance reports the number of people Killed or Seriously Injured (KSI) on the roads in Shropshire has continued to increase. The annual average over the past 3 years is for 169 people to be seriously or fatally injured.

A new approach to the determining of the severity of casualties was introduced in December 2015 and now relies less on the judgement of Police Officers. This has seen a national increase in the rate of reported severity. It is forecast that the reported number of KSI in this report will continue to rise until December 2018 after which the new methodology for recording casualties will have completed a 3 year cycle.

It should be noted that the number of casualties does not reflect the number of accidents which have remained at similar levels throughout the period.

Performance Management Scrutiny Committee considered at detailed report on road traffic casualties at their meeting in July 2018 and recommended that a Task and Finish group be formed to look into the topic.

## **7. Prosperous Economy**

The sub outcomes for Prosperous Economy are; Educational Achievement, Employment and Training, Employment and Income, Transports, Physical and Digital Infrastructure, Housing is provided to meet the Needs of Shropshire Residents and Developing a Prosperous Economy.

- 7.1 The attainment results will not be available until later in the year and are normally included in the quarter 3 performance report.
- 7.2 Being young and unemployed can lead to an 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 1,370 claimants. Since June 2015 the number of claimants has remained constant; the number of young claimants as at June 2018 was 480.
- 7.3 The Council's performance measures for broadband only cover those parts of the Shropshire Council area where we have State Aid approval to invest in improving access to faster broadband (the Intervention Area). This accounts for approximately half of the premises in the Shropshire Council area, where we currently have 3 contracts, with 2 partners (BT and Airband). The remaining areas are covered by commercial providers who have indicated that they intend to upgrade infrastructure to provide superfast broadband by 2020. These providers include Virgin Media, BT, and Secure Web Services.

Contract 1 (BT) deployment completed in spring 2017 and has resulted in an extra 52,000 premises getting access to superfast Broadband. Contract 2 (BT) commenced in autumn 2016, approximately 4,000 premises are expected to benefit from this contract. Contract 3 (Airband) has now been signed and will

enable us to connect another 14,000 premises with superfast broadband by March 2020.

At the end of all our contracts, and assuming that all other commercial broadband is delivered, we anticipate a final gap of between 2,000 to 3,000 premises that are currently not projected to get superfast broadband.

Shropshire Council remains fully committed to the aspirations of connecting all our premises to fast broadband by 2020.

- 7.4 Additional measures have been added to the performance framework under the outcome of Housing is provided to meet the needs of Shropshire residents. The current set of measures will be reported annually when new data is made available. Baseline data is reported in the performance portal. Data on the number of new affordable homes has become available during quarter 1. These show a similar number of new affordable homes to the year ending March 2018 (452) compared to the year ending March 2017 (445).

## **8. Resilient Communities**

The sub outcomes for Resilient Communities are; A Clean and Attractive Environment is Maintained, Volunteering, People are Supported to Stay in their Local Communities, Adult Social Care user feedback.

- 8.1 The projected Recycling and Composting rate for quarter 1 2018/19 is 55.6%. This shows a projected increase compared to the 54% of quarter 1 2017/18 largely due to the full year impact of the new recycling service and the food waste rollout in Shrewsbury which occurred during the last financial year. However, the hot weather during the quarter is expected to result in significantly less garden waste being composted, which could bring the projection down when figures are available.
- 8.2 Shropshire has an active volunteer community who help to provide essential support to help make Shropshire an attractive and welcoming county. Whilst reflecting only a small part of the volunteering that takes place in Shropshire the volunteer hours reported here were given to support the Outdoor Recreation service, Libraries, Archives and Visitor Attractions in Shropshire. During quarter 1 18,986 volunteer hours were provided to support services.
- 8.3 The proportion of adults with learning disabilities who live in stable and appropriate accommodation for the year to March 2018 (annual) was 83.6%. Performance is better than target and shows a continued and gradual improvement, which has a positive impact for people with learning disabilities. This performance is better than the latest known average for England which was 76.2% as at March 2017.

## **9. Commercial Council**

- 9.1 Revenue spend figures for quarter 1 of 2018/19 are due to be reported to Cabinet on 17<sup>th</sup> September 2018.

- 9.2 There has been a slight decrease in the number of Full Time Equivalent employee numbers, which have reduced from 2,527 at quarter 4 2017/18 to 2,512 at quarter 1 2018/19.
- 9.3 Additional measures have been added to the performance framework to report compliments and complaints. Quarter 1 has seen an increase in the number of corporate complaints which were predominantly linked to complaints about Highways and Waste Management. The impact of the winter weather has contributed to this increase.

## 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 Q1 of 2018/19 has generally been positive with continued improvements or stabilisation of performance.
- Delayed Transfer of Care has significantly improved with performance now in the top quartile for England.
  - Combined attendance at Theatre Severn and the Old Market Hall continues to increase with annual attendance now more than a quarter of a million.
  - Permanent admissions to residential care is better than the expected profile.

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

- The number of Looked After Children has increased placing additional pressure on the service
- The number of corporate complaints linked to Highways and Waste Management have increased.

<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>
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<p>Business Plan and Financial Strategy 2014 – 2017</p>
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<p>Corporate Plan 2018/19</p>
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<p><b>Cabinet Member (Portfolio Holder)</b></p>
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<p>Cllr Steve Charmley - Portfolio Holder for Corporate and Commercial Support</p>
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<p><b>Local Member All</b></p>
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<p><b>Appendices</b> <a href="https://shropshireperformance.inphase.com/">https://shropshireperformance.inphase.com/</a></p>
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## Committee and Date

Cabinet

17th September 2018

## **Annual Customer Feedback (Complaints, Comments and Compliments) Report 2017/18**

**Responsible:** Tom Dodds, Information, Intelligence and Insight Manager  
e-mail: [tom.dodds@shropshire.gov.uk](mailto:tom.dodds@shropshire.gov.uk) tel: 01743 258518

### **1. Summary**

- 1.1 This report presents Cabinet with an overview of the formal customer feedback the Council received during 2017/18. Formal customer feedback includes complaints, compliments, comments and other types of enquiry. MP enquiries are monitored and reported separately because they can often duplicate complaints.
- 1.2 2017/18 saw a continued increase in the amount of feedback from customers to the Council compared to 2016/17 (including an increase in the number of complaints). The proportion of complaints that were upheld, partially upheld and not upheld remained broadly the same for each year. Over the same period the time taken to complete stage 1 complaint investigations has been maintained at 20 working days. The Local Government Ombudsman (LGO) has investigated a similar number of enquiries about Shropshire Council during each of the past three years, but the upheld rate for the Council has got steadily lower, whilst the national average upheld rate has steadily increased.
- 1.3 Complaints formed 51% of all cases of customer feedback during 2017/18, followed by compliments at 25%. 20% of all customer feedback were comments. Customer feedback provides the Council with the opportunity to improve services following concerns and recognise where customers have had a good experience. The learning and actions that are identified through the complaint investigations are used to improve service provision.

### **2. Recommendations**

Members are asked to:

- A. Approve the Annual Customer Feedback Report 2017/18 (Appendix 1) for publication on the Council's website.
- B. Agree the recommendations included within the Annual Report [pages 18 and 19] highlighting key issues and areas for improvement.

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

- 3.1 Effective monitoring and follow-up provides the opportunity to manage risks and identify any trends and common issues being raised through customer feedback.

### **4. Financial Implications**

- 4.1 This report presents information to support decision making and does not itself carry any direct financial implications. 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.

## **REPORT**

### **5. Introduction**

- 5.1 The Customer Feedback Annual Report for Shropshire Council covers the formal feedback Shropshire Council received during 2017/18 (excluding MP enquiries; these commonly duplicate complaints). The Annual Report covers all service areas and, as a result, the handling of complaints under all three complaints procedures (the statutory and nationally set processes for Adult Social Care and Children's Social Care, and the Council's locally defined Corporate Complaints procedure). More detailed reports have been produced for Adult Social Care and Children's Services.
- 5.2 The Annual Report details the performance of Shropshire Council during 2017/18. In addition, quarterly monitoring takes place and where necessary issues are addressed within the year.

### **6. Customer Feedback 2017/18 (focus on complaints)**

- 6.1 Shropshire Council received 2,187 cases of formal feedback during 2017/18, up by 198 from 1,989 in 2016/17. There were 1,119 complaints (51%), 448 comments (20%) and 541 compliments (25%). The number of complaints rose by 197 (21%) compared to 2016/17, returning to the same proportion of overall customer feedback received by the Council in 2015/16.
- 6.2 Of the 1,119 complaints received, 874 were complaints handled under the Council's corporate complaints procedure, an increase of 143 compared to 2016/17. 245 were statutory complaints (with an element of social care so handled under the nationally set Adult or Children's complaints procedures), up 54 compared to 2016/17, with Adult Social Care rising by 32 complaints and Children's Social Care rising by 22 complaints. Effective stage 1 complaints handling can reduce the number of stage 2 complaints. Almost all of these were addressed and closed at the first stage of the complaints procedures with only 26 (2.3%) progressing beyond this stage in 2017/18, which is lower than the 46 in 2016/17 and the 38 in 2015/16.
- 6.3 More than two thirds of the complaints received relate to four main service areas; Highways and Streetscene, Waste/Recycling, Adult Social Care, and Children's Services. This is consistent with patterns for previous years and reflects the size of

budget and number of staff, the nature of the services provided, and the number of people and/or organisations which come into contact with, or receive, these services. Complaints for most service areas relate to quality of services and failure to deliver a service or take action.

- 6.4 On average it took almost the same length of time to respond to stage 1 complaints in 2017/18 as it did in 2016/17. This remains well within the LGO timescales of 60 days for Stage 1 and Stage 2 investigations to be completed. (The Council work to 30 days for each stage). Complex and long running cases can impact on this, and it is recognised that reduced officer capacity may also have an impact on the ability to respond to all comments and contacts in a timely manner. This is equally likely to be true for the time taken to respond to Freedom of Information and Data Protection requests. In light of the 21% increase over the past 12 months, sustaining the timeliness of responses to stage 1 complaints at the same level as 2016/17 should be considered as positive performance by those investigating the complaints and those coordinating the complaints procedure.
- 6.5 In 2017/18 at the end of stage 1, 24% of complaints were upheld, 22% were partly upheld (often where a complaint might have multiple points within it), and 35% were not upheld. The remainder were withdrawn or had no finding. These rates are broadly the same as for 2016/17 which is to be expected.
- 6.6 The learning and actions resulting from complaints are an important element of customer feedback reporting and improving services. Understanding the causes of complaints and common themes informs learning and the identification of actions to address the underlying causes of the complaint being made.
- 6.7 Learning from complaints during 2017/18 covered a range of issues. Communication and information provision continue to be the most common themes and range from responding to correspondence and comments in a timely manner and keeping people up to date, through to clear communication about the level and reach of services that were provided. Service quality provided another key area of learning and included issues such as access to services, the quality of work done, and the attitude and behaviour of those providing services.
- 6.8 Appendix 1 of the Annual Report includes Shropshire Council's annual report from the Local Government Ombudsman (LGO). The LGO publish data on the investigations that they have carried out, including whether they upheld the complaints they looked into. Table 1 below sets out the number of enquiries that the LGO received, the number investigated, the number upheld and the uphold rate as a percentage of the cases investigated.

<b>Table 1</b>	2015/16	2016/17	2017/18
Number of enquiries to the LGO	83	90	84
Number investigated by the LGO	30	23	25
Number upheld by the LGO	15	11	8
LGO upheld rate for Shropshire Council	50%	48%	32%
LGO national average upheld rate	50%	54%	57%

Shropshire Council has demonstrated consistency over the past three years. In addition the upheld rate for the Council is reducing against a rise in the national average.

6.9 Appendix 2 of the Annual Report highlights recommendations made by the LGO within 2017/18 on upheld cases. All recommendations are monitored and actioned by the Shropshire Council service area responsible for the complaint.

## 7. Customer Feedback Development

7.1 The recommendations included within the Annual Report highlight areas of development designed to improve customer feedback handling. Key areas of focus arising from the 2017/18 annual report include:

- The importance of recording all formal customer feedback.
- Where additional complaints are generated as a result of policy or service changes, they should be reported to senior managers for consideration.
- If the number of complaints continues to increase there is a danger that Shropshire Council will see average timescales for responding to complaints increasing.
- All staff should be supported through the complaints process. The more pressure staff are under the more likely that some otherwise avoidable mistakes could be made.
- Making the best use of learning from customer feedback to inform service improvement.
- Implementing the new complaints system as part of the Customer Relationship Management System (CRM) through the Digital Transformation Programme. Further design work will continue through 2018/19 as more customer feedback processes including councillor enquiries will be added to the system.

<b>List of Background Papers (This MUST be completed for all reports, but does not include items containing exempt or confidential information)</b>
2015/16 Annual Corporate Customer Feedback Report 2016/17 Annual Corporate Customer Feedback Report
<b>Cabinet Member (Portfolio Holder)</b> Cllr Steve Charmley - Portfolio Holder for Corporate Support
<b>Local Member</b> All
<b>Appendices</b> Appendix 1 – Customer Feedback Annual Report 2017/18



# Customer Feedback Annual Report Shropshire Council 2017/18

Information, Intelligence and Insight Team, Commissioning Support  
July 2018



# 1. Introduction

The annual customer feedback report provides details of the complaints, compliments, comments and other types of formal feedback received by Shropshire Council. The report covers the period 1 April 2017 to 31 March 2018. The annual customer feedback report is made available to members of the public, councillors and council staff. The report complements the quarterly reporting and regular monitoring reporting that takes place within the Council during the course of the year. The ongoing work to monitor customer feedback ensures an up to date understanding of customer experiences and enables the identification of learning and implementation of actions designed to generate service improvement.

Complaints containing an element of social care fall under the statutory guidelines. These are classed as statutory complaints for either adult or children's services and are handled in line with the statutory complaints procedures. The remainder of complaints are corporate complaints. Corporate complaints relate to a support service or services that do not provide social care and these are handled under the Council's corporate complaints procedure. You can find out more on Shropshire Council's website.

This report covers both statutory complaints and corporate complaints, providing a whole council view of formal customer feedback. Annual reports are also prepared for Adult Services and Children's Services allowing for a more detailed consideration of feedback for those service areas.

## Complaint

We aim to make it as easy as possible to make a complaint. A complaint is a written or verbal expression of dissatisfaction about a service provided. Family members and advocates may also make a complaint on behalf of one of our customers. We will ask for consent to ensure that the complaint is not being made against the customer's wishes.

## Compliment

Many people get in touch with a compliment when the information or support they have received has exceeded their expectations. It is really helpful to learn when a service has been provided well or when a member of staff has done a great job. We like to recognise compliments alongside any complaints. It is good for us to say 'thank you' to our teams and staff members too.

## Comment

Feedback about a service could be:

- a suggestion to improve it.
- a question as to whether something could be done differently.
- an idea for delivering a service differently.



## 2. The Complaints Process

Shropshire Council encourages users of our services, their family members and carers to give feedback and highlight any concerns so that they may be addressed as quickly as possible. If problems cannot be resolved and the customer wishes to make a complaint, staff members offer advice on how to make a complaint. Support is also available from complaints officers based with Shropshire Council's Feedback and Insight Team.

- Speak to a member of staff and fill in one of our complaints leaflets.
- Telephone us: 0345 678 9000
- Email us at: [customer.feedback@shropshire.gov.uk](mailto:customer.feedback@shropshire.gov.uk)
- Fill in the customer feedback form on the council's website. Use the 'make a complaint' button at: <https://new.shropshire.gov.uk/feedback/corporate-complaints/>



Complaints will be acknowledged within 5 working days of being received and we let the complainant know how their complaint will be handled.

### STAGE 1

An appropriate Investigating Officer will be allocated to the case and asked to investigate the complaint. This is usually a manager within the service area the complaint relates to. The complainant will be provided with a written response within approximately 6 weeks (12 weeks is the timescale for stage 1 and stage 2 responses and 6 weeks is usually allocated to each). In some complex cases it may take longer than 6 weeks at Stage 1 but we let the customer know if this extra time is needed and why. The Investigating Officer will write to explain the outcome of their investigation, any learning or actions and information outlining how to progress the complaint if the customer is not satisfied with the outcome.



### STAGE 2 - Review

The complaint will be reviewed by a more senior manager, commissioner, or in most cases, the Complaints Monitoring Officer. They will decide if there is more the service can do to address the concerns raised. If the reviewing officer believes the service has done all they reasonably can do, the customer will be written to and advised of this. They will also be given information about the Local Government Ombudsman.



### Ombudsman

If a complaint cannot be resolved locally it can be investigated by the Ombudsman. The council has a timescale of 28 calendar days to provide a response to the Local Government Ombudsman (LGO). Responses are often complex, lengthy and require a large volume of appendices to be collated, catalogued and returned to the LGO. Complainants can request to go to the Ombudsman without a review if they choose to.

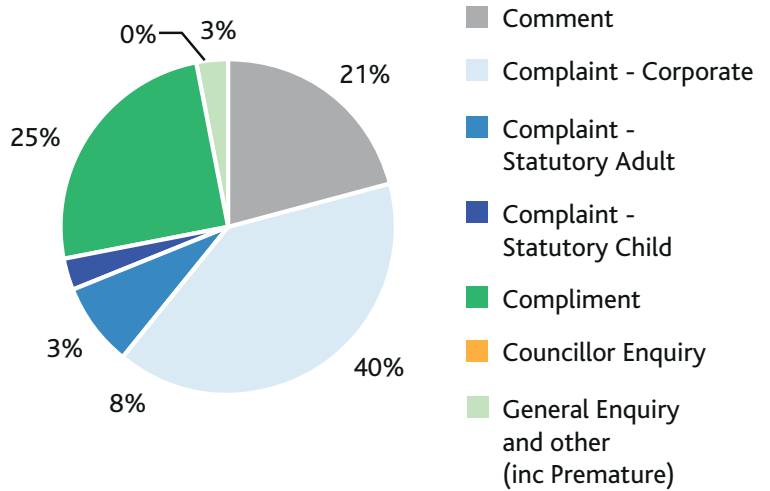
We cannot promise to get the result complainants want, but we do make sure that complaints are dealt with as quickly and as thoroughly as possible and we work to keep customers informed of what is happening and the progress being made.

### 3. Customer Feedback 2017/18

In 2017/18 there were 2,187 cases of formal feedback recorded by Shropshire Council. There were:

- 874 corporate complaints
- 171 Adult Services statutory complaints
- 74 Children’s Services statutory complaints
- 5 councillor enquiries
- 74 general enquiries and other types of feedback (including premature enquiries).
- 448 comments
- 541 compliments

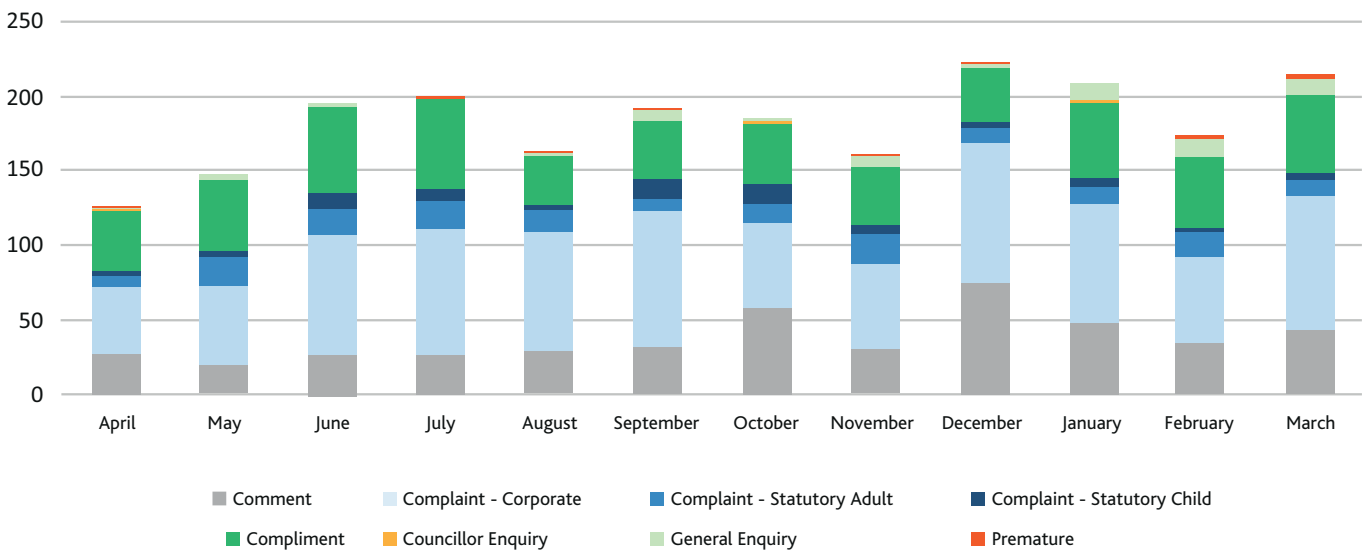
Types of Customer Feedback Received 2017/18



Complaints formed 51% of all cases, followed by compliments at 25%. 20% of all customer feedback cases were comments and 4% of cases were other types of enquiry.

A separate report is available for MP enquiries since MP enquiries often relate to complaints and inclusion would result in double counting and the over reporting of cases

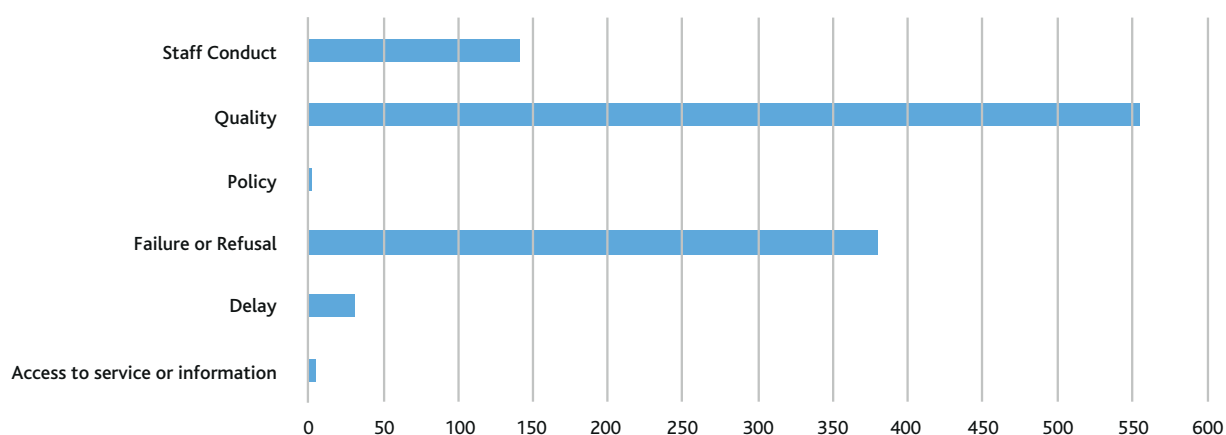
Customer Feedback by Month 2017/18



Over the year, the monthly average was 182 customer feedback cases. December 2017 saw the greatest number of cases at 222, followed by March 2018 at 215 cases. Unlike 2016/17 there were no decreases in case numbers during the months associated with main holidays (December and August). Overall case volumes increased over the course of the year. On average 93 complaints were made to Shropshire Council each month (compared to 77 in 2016/17).

The last quarter of 2017/18 (January to March 2018) saw a greater volume of customer feedback cases than any other quarter in the year. The quarter totals increased over the year highlighting a steady increase over the course of the year.

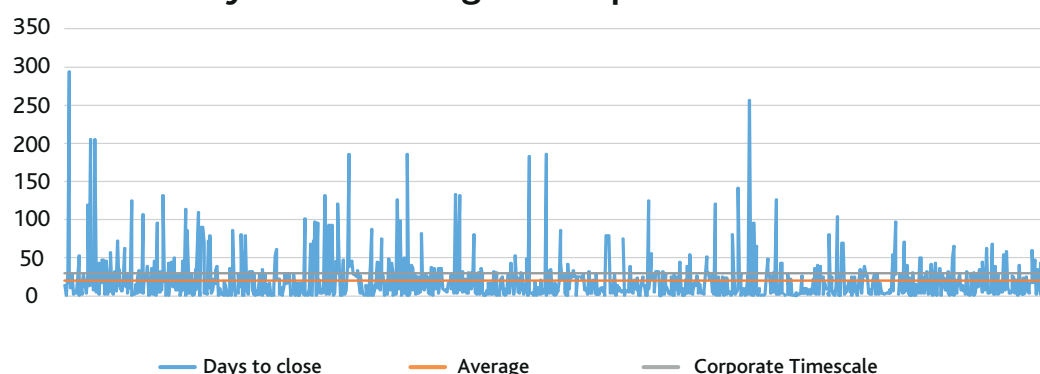
### Category of Complaints Received 2017/18



There were 1,119 complaints made within the year. 'Quality' was the main category under which complaints were made. Only the main or dominant issue may be recorded and it should be noted that some complaints are more complex and cover a number of different categories. Within 'quality' there are a number of sub categories and analysis highlights that 'quality – service provided' and 'quality - unreasonable decision' were the dominant sub categories. 'Failure or refusal' was the second main category under which complaints were recorded in 2017/18 and the dominant sub category within that was 'failure or refusal to deliver a service', followed by 'failure or refusal to take action'. It seems likely, when reading the complaints in full, that a proportion of complaints have been generated as a result of service changes or reductions caused by budget reductions.

During 2017/18 Shropshire Council took an average of 20.4 working days to respond to stage 1 complaints which is consistent with the 20.2 working days in 2016/17. This is well within the 30 day timescale Shropshire Council works to and it is encouraging to see timescales have not increased as a result of a growth in numbers of feedback cases and complaints. However it should be noted that there is significant variation around the average and some cases, particularly complex complaints, can take longer than the 30 days allocated to respond. The Council has 60 working days in total to respond to corporate complaints, 30 working days for each stage (stage 1 and stage 2). Days to close is a key measure within ongoing performance monitoring.

## Days to Close Stage 1 Complaints 2017/18

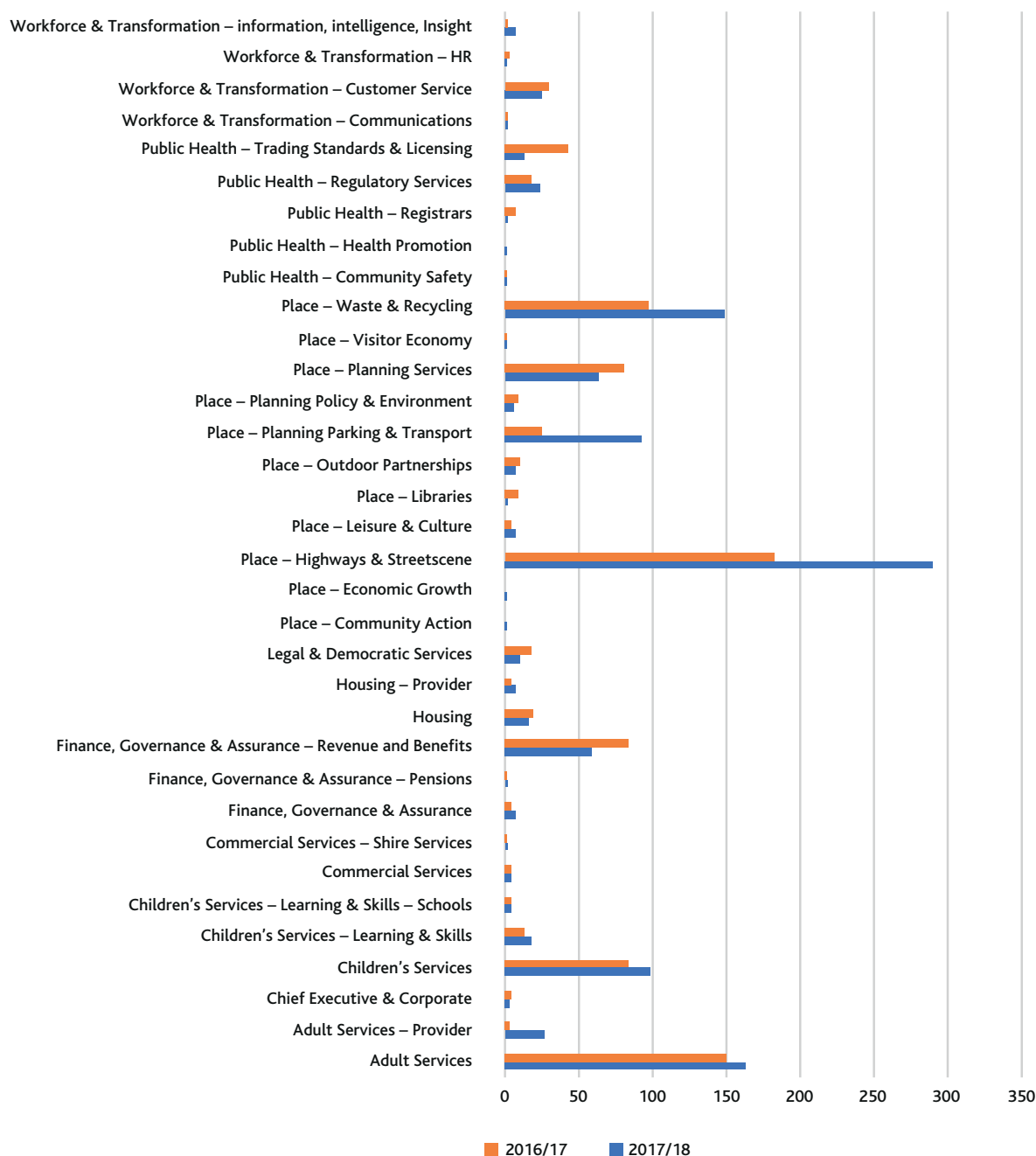


Some types of service are more likely to result in complaints than others and the chart on the following page highlights complaints by service area. Highways and Streetscene received 26% of all Shropshire Council's complaints during 2017/18 followed by Adult Services at 19%. Waste & Recycling services received 13% of complaints followed by Children's Services (11%), Parking and Transport (8%), Planning (6%) and Revenue & Benefits (5%).

Highways and Waste are the service areas where the most significant increases in complaint numbers have occurred over the last year. Reading the complaints and considering which month they were made suggests that a proportion of complaints for these service areas resulted from the more extreme weather conditions in 2017/18. These services appear to be affected more by weather conditions than other areas of service and they are also services which every household in Shropshire uses in some way which means more people will have been impacted. A more in-depth analysis of Highways complaints has been carried out and considered by the Council's Scrutiny Committee for Place. This has explored causes and remedial action.

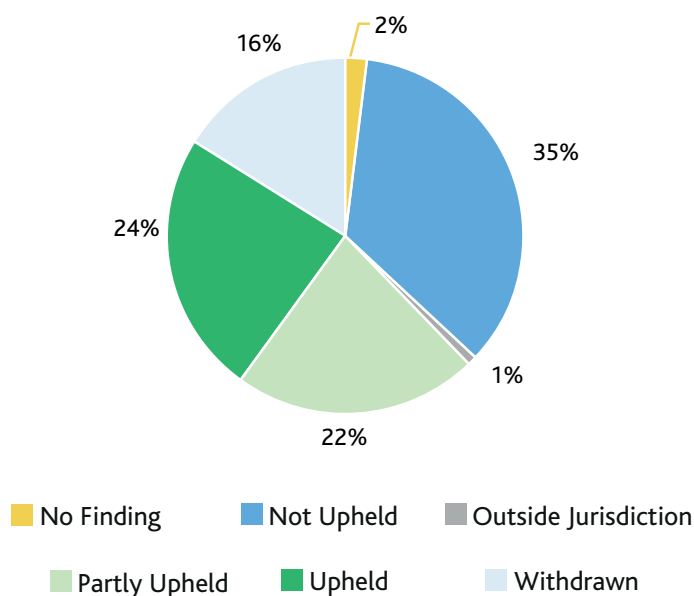
The annual comparison of complaints also illustrates that parking complaints increased. Reading the complaints indicates that that this was partly caused by the parking consultation and proposed changes in charging. Adult Services and Children's Services have also seen slight increases in complaint numbers. Separate reports on Adult Services and Children's services explore their complaints and customer feedback in more detail.

## Complaints by Service Area 2017/18



- At the end of 2017/18 1,021 stage 1 complaints were completed or closed. 72 stage 1 complaints remained open. A small proportion of complaints had also progressed to stage 2 or beyond.
- Of the closed stage 1 complaints 24% were upheld (245 complaints), 22% were partly upheld and 35% were not upheld.
- Of the complaints that were upheld, 30% were with Highways & Streetscene, 26% were with Waste & Recycling, and 15% were with Adult Services.

### Outcome of Stage 1 Complaints 2017/18



## 4. Progression of Complaints

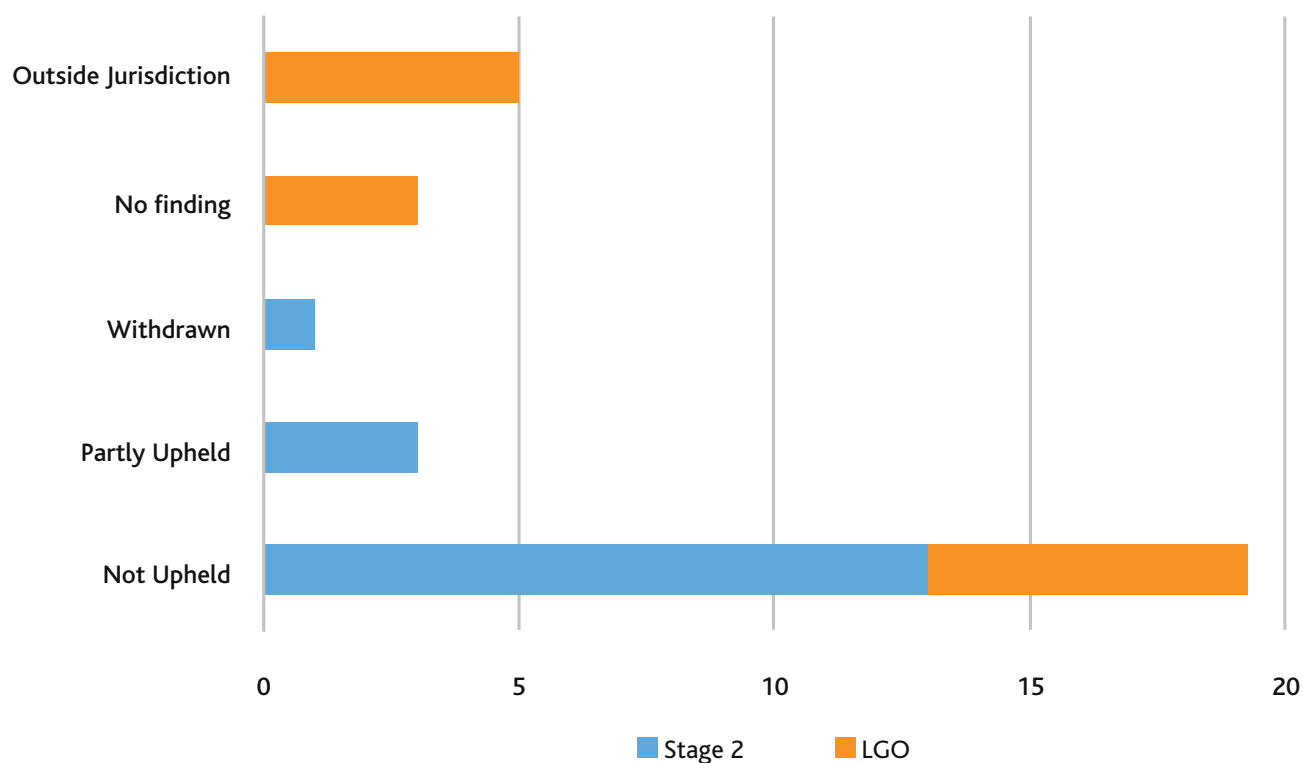
Effective stage 1 complaint handling can reduce the number of stage 2 complaints. It is important to understand how many complaints progress beyond stage 1 and this is a measure included within regular performance reporting. During 2017/18 only a small proportion of all the complaints Shropshire Council received progressed beyond stage 1.

During 2017/18 26 of the cases received went on to require further investigation beyond stage 1. There were 26 investigations completed beyond stage 1. The table below shows the number of closed complaints within the year that progressed beyond stage 1 by service area and the chart on the following page highlights the outcome of those complaints. The Local Government and Social Care Ombudsman (LGO) initial considerations where the outcome was 'outside jurisdiction' have not been included.

	Stage 2	LGO	Total investigations beyond stage 1
Adult Services		2	2
Adult Services - Provider		1	1
Adult Services - Housing	1		1
Children's Services	3	1	4
Children's Services - Learning & Skills		2	2
Children's Services - Learning & Skills - Schools		1	1
Finance, Governance & Assurance - Revenue and Benefits	1		1
Place - Highways & Streetscene	1	1	2
Place - Parking & Transport	3	1	4
Place - Planning Services	7		7
Public Health - Trading Standards & Licensing	1		1
<b>Total</b>	<b>17</b>	<b>9</b>	<b>26</b>



## Outcome of cases stage 2 and beyond 2017/18



The Shropshire annual report from the Local Government Ombudsman and Social Care (LGO) highlighted that 84 complaints and enquiries were made to the LGO from Shropshire during the year (see Appendix 1). Of those, 25 resulted in an investigation outcome: 17 were not upheld and 8 were upheld. The LGO reports Shropshire Council's upheld rate at 32%. Some of the complaints the LGO investigated related to complaints received by Shropshire Council before the start of the financial year (and so not covered within this report).

Appendix 2 highlights findings and recommendations made by the LGO within 2017/18. All recommendations are monitored and actioned by the Shropshire Council service area responsible for the complaint, and in most cases overseen by the service area's Director.

Overall Shropshire Council has performed well. Fewer complaints were upheld by the LGO compared to last year. (In 2016/17 11 cases were upheld and the uphold rate was 48%). Although similar numbers of cases are progressing to the LGO (90 in 2016/17 and 84 in 2017/18) only a small proportion of total complaints are subject to review/stage 2 and/or LGO investigation.

Despite good performance overall there is a recognition that the learning from complaints may help to reduce complaint numbers in future. Learning is explored in more detail later in this report.

## 5. Annual Comparison 2015/16 and 2017/18

### Number of compliments – decreased

In 2015/16 462 compliments were recorded for Shropshire Council. In 2016/17 the Council received 646 compliments, and in the last year (2017/18) 541 compliments. Compliments average at 45 a month with fewer compliments recorded in August and December than in any other months of the year. Overall the numbers of compliments received are fairly steady over the year but quarter 4 saw the greatest number of compliments overall.



### Number of complaints - increased

The number of complaints received was 1,119 in 2017/18 compared to 922 in 2016/17 and 874 in 2015/16. Complaints have increased by 21% between 2016/17 and 2017/18 (there was a 28% increase from 2015/16 to 2017/18). A positive consideration is that people feel able to complain but the significant increase does suggest that the consequences of local authority budget reductions may be impacting on customer experience in some circumstances.



### Nature of complaints - problems remain similar

The table below highlights that the nature of complaints over the last 3 years follows a very similar pattern and the results hardly vary at all year to year.



Category	2015/16	2016/17	2017/18
Access to Service or Information	1%	1%	1%
Delay	8%	5%	3%
Failure or Refusal	30%	33%	34%
Policy	1%	0%	0%
Quality	46%	47%	49%
Staff Conduct	13%	14%	13%
Other or not stated	1%	1%	0%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

## Days to close - a little longer to resolve complaints

In 2015/16 it took Shropshire Council an average of 17.4 working days to close stage 1 complaints. In 2016/17 this increased to 20.2 working days and in 2017/18 there was similar performance at 20.4 working days. This well within the 30 day corporate timescale we work to for stage 1 complaints. This is good performance considering the increase in complaint numbers overall. In addition there appears to have been an increase in the number of complex complaints cases received.



Similar

## Outcome of complaints - Slightly fewer complaints are upheld

In 2016/17 27% of cases were upheld, 25% were partly upheld and 36% were not upheld, (other cases may have been withdrawn, resolved on the spot or resulted in a 'no finding'). In 2017/18 24% of cases were upheld, 22% were partly upheld and 35% were not upheld (the remainder were withdrawn, had no finding or were resolved in other ways). The proportions remain similar over the years and this balance is to be expected. If significant proportions of complaints are upheld this would be a concern and suggest some problems need to be resolved. If very few cases are upheld that could indicate the Council is not willing to accept fault. Quality checking of complaint responses remains in place and enables a balanced approach.



Similar

## Complaints Progressing Beyond Stage 1 - similar proportion

In 2016/17 5% of all cases progressed beyond stage 1 and in 2017/18 the proportion was 2.4% (27 cases). Performance remains good with only a small proportion of complaint cases progressing beyond stage 1.



Similar

## 6. Example Compliments

Shropshire Council received 541 compliments during 2017/18. Many of the compliments highlight recognition for staff members who provided a higher standard of service or care than customers expected to receive.

"I wanted to draw your attention to [name of staff member], who works at the recycling centre at Craven Arms. We have visited the site several times over the last few weeks and on every occasion he has been cheerful, helpful and welcoming. He has helped us to unload items and has made sure we put them in the right place. He provides extra information about what happens to recycled carpet underlay etc. It is a real pleasure to visit the site when [name of staff member] is on duty, and he is a real credit to Shropshire Council." (Waste & Recycling)

"The START Team were super! They were such a great help and so lovely, caring, polite and professional". (START Team (Ludlow), Adult Social Care)

"Thank to your teams of Bin and Recycling workers for managing to take away our waste in Bucknell today. Friday was a 'white out' and we didn't expect an extra response today. Much appreciated! I hope you can pass this on to your staff who are brilliant. Thank you on behalf of all of us here in Bucknell." (Waste & Recycling)

"I contacted your department less than 5 working days ago regarding a Building certificate... from my first contact by email I was then called by [name of staff member] who fully explained the process of having an inspection completed. He then arranged a date and time to visit us and then called 30 minutes before his arrival. He completed the survey and sent me the report on his next working day. .... thank you for this swift professional manner in dealing with my request." (Planning Services)

"I would like to congratulate you and your team for acting so swiftly with this matter. The good people of Shropshire can be very proud of their Council officers when they respond so quickly to matters of public safety and protection. Once again, many thanks for your excellent work with this." (Licensing and Trading Standards, Public Health)

"I was impressed with the professional and helpful way that [name of staff member] and [name of staff member] both dealt with me when my heating had stopped working. Thank you for sorting this so quickly." (Housing Options, Adult Services)

"I would like to say that your Superintendent Registrar, [name of staff member], went above and beyond the call of duty when dealing with myself (and family) both before my husband's recent death and afterwards. I can only say what a very lovely lady she is and very professional, a credit to you. The service received was excellent." (Registration and Celebratory Services)

"Shropshire Council Housing Out of Hours Service were amazing last night, helping a young homeless person. Thank you." (Housing Options, Adult Services)

"I phoned Customer Services this morning for advice about a Blue Badge application. The lady I spoke to was so very friendly, cheerful and helpful. It made me want to commend her on her excellent customer service manner." (Customer Services)

"Compliment for [name of staff member] Rights of Way Officer: Last Sunday, to my surprise, I found a new footbridge and new metal kissing-gates replacing the rickety stiles. I would like to thank you for your efforts in this matter it looks like Shropshire Council is on the ball." (Outdoor Partnerships)



## 7. Example Complaints

Shropshire Council received 1,119 complaints during 2017/18. Some example complaints have been included below to highlight the type of feedback Shropshire Council receives. These examples were not all upheld and some related to a lack of understanding of the service Shropshire Council was able to provide. Where necessary wording within complaints has been removed within the examples to ensure anonymity. The next section of this report looks more closely at learning and the actions taken following complaint investigations.

"We are a family of six. One of our wheelie bins was removed during bin collection and has not been replaced, explained etc. We cannot get through on the phone lines due to extensive delays in answering calls." (Waste & Recycling)

"In January we, and a number of other properties, experienced catastrophic flooding, in part due to the illegal culverting of a water course. Your Land Drainage team are investigating the matter but two months on and we are still no closer to a solution". (Planning Services and Highways)

"Your website continually failed, every time I tried to submit my council tax application. I now have absolutely no idea if it has worked or not. Your website is completely unreliable. I couldn't even leave feedback about the above as that button would not work either. My browser refused to load the feedback page telling me the site was not secure. This is not the first time I have had trouble trying to do something online at shropshire.gov.uk recently. But in the past your website has worked fine. What has gone wrong lately?" (Digital Services)

"I couldn't get hold of anyone in Traffic Management (at 09:13am) so I said I would put a message through asking someone to call the customer back. The customer reported that Shropshire Council has been putting messages through for the last 18 months asking for someone to call them back but no one has. She said the only reason that they got a call back 2 weeks ago was because they got their local councillor involved". (Transport and Highways)

"I and many others are astonished at the early closing hours of the park and ride. It means it is impossible to use the feature and enjoy an evening meal, see a film or theatre show, or just browse the shops that hope for business later on. We are told the council owns the park and ride and control the hours. We shudder to think how the town will develop now the shopping centres have been bought by the council. The main multi-storey (also council owned), closes at 7pm which is also very anti-social." (Parking, Public Protection)

"I arranged to meet with [staff member name] at 2pm today ... I amended my Christmas plans in order to attend the meeting. [Staff member name] did not arrive and on speaking to someone .....I was informed that she was off work ill - and had been for some time.....why didn't the Adult Social Care administrative system check her appointments and rearrange or cover the meetings accordingly?" (Adult Social Care)

"The customer's complaint is that he feels that the officer who spoke to him was patronising in his manner and the advice that he was provided with, was incorrect information during the conversation." (Welfare Benefits)

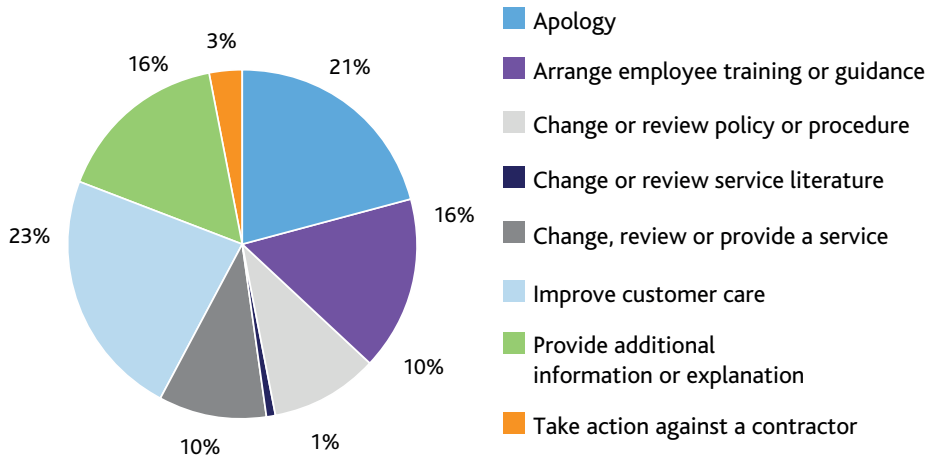
"... [name removed] has not been given a fair opportunity to represent himself and has been given no opportunity to respond to allegations. I fear that the report written by [staff member name] may have a one-sided view point and that unsubstantiated allegations will be used." (Children's Services)



## 8. Learning and Actions

Shropshire Council recorded learning and or actions against 23% of complaints in 2017/18. 15.4% of complaints had an improvement action recorded and 7.5% had a learning point recorded. Limitations in the system used to record complaints mean that the ability to easily record and report multiple learning and action points is not currently in place but has been identified as a future requirement within Digital Transformation and the Customer Relationship Management system (CRM). The charts below highlight the primary action and learning point recorded.

**Improvement Actions Recorded 2017/18**



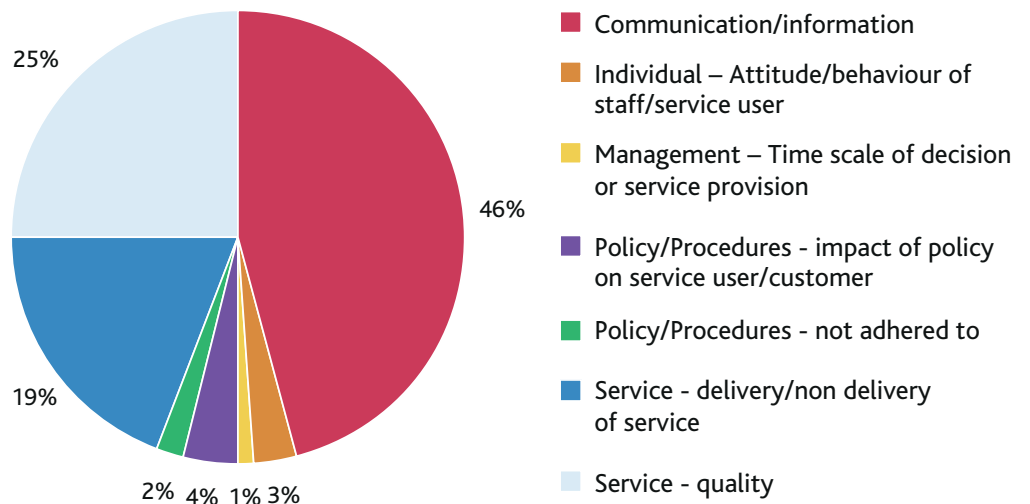
Of the actions that were recorded against complaints closed in 2017/18:

- 22% were to improve customer care
- 21% were to make an apology
- 16% were to provide additional information or explanation
- 16% were to arrange employee training or guidance.

Consideration of the learning points recorded during the year highlights:

- 46% of learning points related to communication/information
- 25% of learning points were in relation to service quality
- 18% of learning points fell into the category of delivery or non-delivery of a service
- Other types of learning points were not seen in any significant numbers.

**Learning Points Recorded 2017/18**



## 9. Example Learning and Actions

Shropshire Council works to record, and act on learning from complaints to avoid any mistakes from being repeated and implement improvements where they have been identified. Examples are shown below to highlight the type of action taken in order to minimise the number of complaints received and try to ensure that customers receive a good standard of service. Wording within the examples has been altered slightly for simplicity and to ensure confidentiality.

To respond to the complaint the local Senior Highways Technician visited the area. He arranged for remedial work to be carried out by the contractor. The issue was also discussed at the weekly meeting and progress monitoring was planned.

A letter was sent to the customer with answers to all of the issues raised together with an apology because Shropshire Council did not meet the initial deadline.

Explanation was provided to the customer regarding the delay in removing an object and the process involved. It is accepted that this should have been dealt with in a more expedient manner. It is also accepted the person making the original complaint should have been kept informed. Local staff have been informed of the issue in order to learn from the complaint.

An enquiry was not actioned because it was thought that the council did not own the land referred to. The officer was mistaken about the land ownership. Information has since been provided to all other customer service point staff across the county. An apology was offered.

An apology was provided because the customer did not receive a direct response to the questions asked in emails. Clear correspondence will be issued covering exactly the information required. Information is also needed from the customer and an explanation has been given that if information is not provided Shropshire Council will not be able to progress the case and provide a service.

The system that processes payments was going through an upgrade. A message was displayed to customers to prevent them using the payment pages until Shropshire Council had assurance that the system was functioning correctly. Apologies were given for any inconvenience caused, alongside a full explanation. The complaint will be used to consider whether there is a different way of informing customers for future system upgrades.

A member of staff has phoned and spoken to the customer regarding her concerns about the quality of street cleaning. The officer will inspect the areas that were specifically mentioned and will arrange for remedial work to be carried out.




A customer complained as a result of confusion about appointment times. To ensure that no other customer experiences similar confusion a message was sent to all advisers to confirm that when communicating times of appointments that they should clearly confirm the start and finish time of the appointment. The cause for the confusion was understood and steps taken to avoid the problem from being repeated.

A parking complaint was investigated and it was discovered that there had been a coin jam in the machine. A refund was given with an apology for the inconvenience caused.

It was agreed that it is not acceptable to be unable to leave a message. An instruction has been issued to have an answerphone facility for callers to leave a message should they be unable to speak to the staff members at the time of the call. This will be followed up at the team meeting and at individual supervision sessions. Spot checks will also be made to ensure there is an answerphone facility for callers to the service.

A council officer parked on private land to undertake their duties. This was due to a lack of understanding of parking restrictions and guidelines. Shropshire Council has apologised. All officers within the service have been given more information about appropriate parking to ensure this does not happen again. The customer was thanked for bringing the matter to the Council's attention.

A letter has been issued with apologies for the way in which a member of staff behaved when speaking on the telephone. An explanation as to why this happened was given. The customer was also agitated which contributed to the escalation of the situation.

A stylized illustration of a woman with brown hair and a pink top, and a man with spiky black hair and an orange t-shirt. A green speech bubble originates from the man, containing text.

I didn't really want to make a complaint.  
I hoped that if I told the council about my experiences, lessons would be learnt, things would change, and other people wouldn't experience the same situation again.



## 10. Conclusions

Local data highlights that, overall there were more cases of customer feedback recorded in 2017/18 compared to the last two years. There was an increase in all types of cases of 10% from 2016/17 to 2017/18 and a 21% increase in complaints. The nature of complaints remains similar. Stage 1 complaints handling remains effective with a small proportion of complaints progressing to Stage 2.

A close analysis of complaints by service area (separate and more detailed reports are provided for Children's Services and Adults Services) highlights the main themes for services receiving the greatest number of corporate complaints. Please note that these are reported issues and not necessarily upheld complaints:

- **Highways & Streetscene** – lack of response/communication, lack of action or delays, complaints about potholes, complaints related to grass cutting and concerns about traffic lights, traffic works and obstructions.
- **Waste & Recycling** – repeated missed collections, mess caused by rubbish not contained by bins, not returning bins or recycling containers to properties after emptying, attitude and behaviour of individuals collecting waste.
- **Revenue & Benefits** – delays in service, difficulties contacting the service, customers believing mistakes have been made, challenges setting up payments and complaints about poor customer experience.
- **Planning** – failure to respond to communications, delays/time taken to progress applications and lack of enforcement action taken.

It is difficult to assess how well Shropshire Council is performing overall with a lack of benchmarking data available to compare Shropshire Council with other local authorities. The Local Government Ombudsman has issued the Shropshire Council report included as Appendix 1. Overall the LGO received 84 enquiries from Shropshire in 2017/18, 90 in 2016/17 and 83 in 2015/16. Overall performance in terms of numbers of cases referred is similar across the 3 years. The LGO annual data includes upheld rates as key measures of performance. In 2015/16 Shropshire Council's upheld rate was 50%, in 2016/17 it was 48% and in 2017/18 the uphold rate was 32% suggesting good performance for the last year.



# 11. Recommendations

1. It is important to include an ongoing recommendation concerning the recording of all formal customer feedback and the implementation of the Council's complaints and representations procedures. Guidance is available for all staff members to refer to. Most members of staff understand the importance of feedback for their own service but it is important to remind staff of the overall value of customer feedback and the learning it can generate for the whole organisation: complaints in one service area can generate learning for a number of services.
2. Communication is an underlying theme for many complaints and for some areas of service complaints appear to be generated because customers are frustrated that they cannot contact the service, have not had a response to an initial enquiry, or have not been kept updated on their case. All service areas, particularly those going through digital transformation, are encouraged to review their customer service standards and processes and identify any opportunities for improvement.
3. Certain types of service and role are likely to generate more complaints than others. However, performance should be regularly monitored and reviewed in order to recognise any changes in complaint volumes and the cause. Where additional complaints are generated as a result of service changes or budget restrictions those should be identified and reported to senior managers for consideration. Additional analysis work has been undertaken for Highways and consideration has been given to managing the increase in case numbers. It is recommended that this approach may also be applied to other areas of service where increases in cases are seen or where performance monitoring highlights concerns.
4. The time taken to respond to stage 1 complaints has remained stable despite increases in case numbers. Average performance remains well within the 30 working day timescale. However, there are cases which extend beyond the expected timescales. If the number of complaints continues to increase there is a danger that Shropshire Council will see average timescales increasing. It is recommended that this continues to be monitored within quarterly reporting (and the more regular reports provided to some service areas). Investigating officers will be reminded of the need to respond within the agreed timescales. If there are identified areas of concern it may be feasible to identify additional investigating officers to support.
5. It is recommended that all complaints investigators record the learning and actions from complaints and, where appropriate, highlight learning and actions within response letters. This focus on learning and action should result in a reduction in complaint numbers.



## Recommendations continued...

6. Overall the number of cases handled at stage 2 has not increased significantly. However, it is recommended that this continues to be monitored closely considering the overall increase in complaint numbers. Should the number of stage 2 complaints increase there will be a significant impact due to the time taken to review and manage more complex complaints cases.
7. An ongoing recommendation should be that all staff are supported through the complaints process. The more pressure staff are under the more likely that some mistakes could be made. The emphasis must be placed on making the most of the learning from complaints and preventing future complaints.
8. Toward the end of 2015/16 the LGO issued expectations concerning the way in which local authorities deal with provider complaints. Shropshire Council has made good progress throughout 2017/18 in adopting a more robust approach to the handling of provider complaints (with an emphasis on adult social care). However, it is recognised that this is a long term change and that further work required. It is recommended that during 2018/19 a review is undertaken to consider progress across all service areas and identify any further action required.
9. An ongoing recommendation is for all services to ensure their customers (and the customers of any commissioned services) understand their right to complain to Shropshire Council and how to provide customer feedback (compliments, complaints and comments). Although information is available on the Council's website it is recognised that some people are less likely to access websites and could benefit from verbal or written communications (pdf leaflets are available on the website).
10. A significant focus during 2017/18 has been the development of a new customer feedback system under the Council's Digital Transformation Programme. This work has been a priority in order to overcome many of the challenges the current IT system presents. Further design work will continue into 2018/19 as processes for MP Enquiries, Councillor Enquiries and Persistent and Vexatious Customers are added to the system. It is anticipated that the implementation and refining of the system will remain a significant focus during 2018/19.
11. Due to the work involved in designing a new IT system for formal customer feedback work has been delayed on the planned development of training on the Council's new Learning Management System. This presents an opportunity for more accessible complaints and customer feedback training and will become a focus once the system implementation under the digital transformation process is complete.

# Appendix 1

**Local Authority Report:** Shropshire Council  
**For the Period Ending:** 31/03/2018

For further information on how to interpret our statistics, please visit our website:  
<http://www.lgo.org.uk/information-centre/reports/annual-review-reports/interpreting-local-authority-statistics>

## Complaints and enquiries received

Adult Care Services	Benefits and Tax	Corporate and Other Services	Education and Children's Services	Environment Services	Highways and Transport	Housing	Planning and Development	Other	Total
21	2	2	19	11	3	1	24	1	84

## Decisions made

Incomplete or Invalid	Advice Given	Referred back for Local Resolution	Closed After Initial Enquiries	Detailed Investigations		Total
				Not Upheld	Upheld	
2	1	34	22	17	8	84
					32%	

### Notes

Our uphold rate is calculated in relation to the total number of detailed investigations. The number of remedied complaints may not equal the number of upheld complaints. This is because, while we may uphold a complaint because we find fault, we may not always find grounds to say that fault caused injustice that ought to be remedied.

### Complaints Remedied

by LGO	Satisfactorily by Authority before LGO Involvement
4	1

## Appendix 2

### Recommendations to the Council made by the LGO during 2017/18

Department	LGO's Recommendation	Recommendation actioned
Environmental Services & Public Protection & Regulation	The complaint related to the Council's role as Chair and Coordinator of a Safety Advisory Group (SAG). The LGO found that there were faults in the way that the Council had carried out its role, but that they did not affect decisions taken by participating agencies and therefore did not cause injustice to the complainants.	No action required
Adult Care Services	This complaint involved a delay in assessing Deprivation of Liberty (DoLs) for someone who had moved care setting. DoLs are setting specific so cannot move with the person. The LGO found no fault with the Council's decisions and that the Council had correctly involved relatives in the best interest decisions. However, they did find that there was fault with the Council's Deprivation of Liberty Safeguards process. The LGO believes that that person was correctly residing in a care home, but that their relatives had suffered distress. The LGO also concluded that the Council had provided a suitable remedy.	No action required
Education & Children's Services	The Council failed to consider a suitable financial remedy for a person after failing to carry out an assessment. The LGO recommended an apology, changes to procedures, training for officers, and payment of £250 as a satisfactory remedy for the injustice caused. The Council were satisfied with the decision by the LGO.	Action completed
Planning & Development	This complaint related the timeliness of responding to a complaint and the way that the Council dealt with alleged breaches of planning control. The LGO found that the delays caused the complainants frustration and that the Council had agreed to apologise, pay £250 and investigate the alleged breaches without delay. The Council will report to the LGO with the outcome of its investigations.	Action complete as far as possible. One seasonal action remaining (due October 2018)
Planning & Development	The Council had not maintained a record of the reasons for its decisions about planning enforcement action, or kept the complainant informed. It had agreed to apologise to the complainant, share this decision with relevant staff, and review its enforcement decisions on this site using sufficient evidence and giving reasons for these.	Action completed

Department	LGO's Recommendation	Recommendation actioned
Adult Care Services	The Council accepted that it did not deal properly with the funding for a nursing home placement. It has therefore offered to backdate its contribution.	Action completed
Education & Children's Services, Legal and Democratic Services	The LGO found that the Education Admissions Appeal Panel's decision was not flawed by fault and could not question the outcome of the appeal. They did find that Council should make sure it clearly records and communicates the reasons for the panel's decision.	Ongoing
Planning & Development	The LGO found that the Council had not implemented a remedy to a previous complaint by delaying investigating planning breaches. However, they did not find significant injustice to the complainant and did not propose a further remedy.	No action required



# Customer Feedback Annual Report Shropshire Council 2017/18

For more information concerning Shropshire Council's  
customer feedback reporting contact:

Information, Intelligence and Insight Team,  
Commissioning Support, Shropshire Council  
Abbey Foregate, Shrewsbury, Shropshire SY2 6ND

Email: [customer.feedback@shropshire.gov.uk](mailto:customer.feedback@shropshire.gov.uk)  
[www.shropshire.gov.uk](http://www.shropshire.gov.uk)







## Committee and Date

Cabinet

Monday 17<sup>th</sup> September 2018

## Application by Broseley Town Council to be considered as a Neighbourhood Plan Area

**Responsible Officer** Gemma Davies, Head of Economic Growth  
Email: Gemma.davies@shropshire.gov.uk Tel: 01743 258985

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### 1. Summary

- 1.1 This report seeks approval for the application by Broseley Town 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 1).
- 1.2 Broseley Town Council made the application to Shropshire Council in April 2018 under the provisions of the Town and Country Planning Act 1990. In line with regulations Shropshire Council consulted on the proposed area for four weeks between August and September 2017. Only two responses were received to this consultation, neither of which objected to the principle of using the proposed Neighbourhood Plan Area.
- 1.3 It is Shropshire Council's role to decide if the Broseley Parish area is an appropriate area for the purposes of preparing the proposed Neighbourhood Plan. This consideration should take account of any views expressed through the consultation process as well as information from the Town Council. 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 proposed or potential content of the Neighbourhood Plan, which are issues to be considered by Broseley Town Council in cooperation with Shropshire Council in due course.

### 2. Recommendations

1. Cabinet agrees that the Broseley Parish area is an appropriate basis for the development of a Neighbourhood Plan and notifies the Town Council accordingly.
2. Cabinet agrees that if the proposed Neighbourhood Plan Area is approved, Broseley Town Council will be able to prepare a Neighbourhood Plan for that area, which will be subject to public consultation, examination and local referendum as set out in Neighbourhood Planning Regulations 2012 as amended. Assuming any subsequent local referendum is successful, Shropshire Council's full Council will then be asked to adopt the final version of 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. Broseley Town Council is a relevant body for the purposes of the Act.
- 3.2 The relevant material (Area Application and Area Map included as Appendix 1 to this report) was received by Shropshire Council in April 2018 and as required by regulation, advertised on 1<sup>st</sup> May 2018 for a period of four weeks in line with requirements of the Regulations.. In advertising this information comments were invited through the ‘Get Involved’ section of the Shropshire Council website. Shropshire Council and Broseley Town Council received only two responses to this consultation, neither 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 area and the desirability of maintaining the existing boundaries of areas already designated as neighbourhood areas. 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 the thematic scope of that Plan. Indeed, the designation of a Neighbourhood Plan area does not commit the Parish or Town Council to producing or completing a Neighbourhood Plan. It is, however, a first important step in the process of preparing a Neighbourhood Plan.
- 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 Broseley Town Council in following this carefully. However, it is important that a high degree of trust and cooperation between the Councils is maintained in order to reduce any risk of the inconsistency and conflict between the Neighbourhood Plan and those other parts of the Development Plan prepared by Shropshire Council.
- 3.6 A key issue to be considered through the Neighbourhood Plan’s preparation is the implications of Shropshire Council’s ongoing Local Plan Review. The recently updated National Planning Policy Framework (NPPF) clarifies that Neighbourhood Plans must support the delivery of the strategic policies of the Local Plan. Work on the Local Plan Review is ongoing by Shropshire Council. The Council’s Preferred Scale and Distribution of Growth was subject to consultation in 2017 and proposed Broseley would continue to act as a ‘Key Centre’ and accommodate around 250 dwellings and 3 hectares of employment land between 2016 and 2036. Subject to Cabinet agreement, the Council will be publishing preferred site allocations for a number of settlements, including Broseley, in October 2018 for further consultation. It is therefore particularly important that discussions between Shropshire Council and representatives from Broseley’s Neighbourhood Plan Steering Group and the Parish Council continue to ensure the aspirations of the Neighbourhood Plan are in conformity with the emerging Local Plan Review.

3.7 A Neighbourhood Plan will, after passing through the relevant stages of consultation, submission, examination and the referendum, go on to become part of the statutory Development Plan for the area. 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 a Neighbourhood Plan through its examination process is dependent upon the scope of the Plan but is unlikely to be to the same degree as the strategic elements of the Development Plan. However, it will continue to be important for appropriate evidence to be produced to inform the Neighbourhood Plan. Statute provides that planning applications should be determined in accordance with the provisions of relevant Development Plan policies unless material considerations indicate otherwise. The weight given to the Plan thus remains to be balanced with other considerations when taken in 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 Central 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, Shropshire 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 The Government's recently published update to the National Planning Policy Framework (NPPF) continues to support the principle of Neighbourhood Plans and their status as part of the Development Plan. The NPPF states "*Neighbourhood plans should support the delivery of strategic policies contained in local plans or spatial development strategies; and should shape and direct development that is outside of these strategic policies*". It is also made clear that Neighbourhood Plans should not promote less development than set out in the strategic policies for the area, or undermine those strategic policies.
- 5.3 The development of a Neighbourhood Plan must be facilitated by the Town or Parish Council and will, in most cases, proceed with support and assistance from volunteers across the community. It is noted Broseley Town Council have assembled a number of volunteers to act as a Neighbourhood Plan Steering Group to help the Plan's preparation. It

is also noted that this Group has already begun to assemble information and data to inform the Plan.

- 5.4 In due course and as part of the Neighbourhood Plan preparation process, Shropshire Council will consider whether the Broseley Neighbourhood Plan conforms to the adopted strategic policies of the Development Plan and, in agreement with the Town 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 Broseley Neighbourhood Plan and bring it into force. This final decision to ‘make’ the Plan will be a matter for full Council.

### **Consideration of Designation**

- 5.5 Only two responses were received to the consultation, from Gladman Development and Councillor David Turner, local elected Member for Much Wenlock. Gladman’s response neither objects nor supports the proposed designated area, but is useful insofar as it covers many of the same issues highlighted in this report, such as the general role of Neighbourhood Plans and legal procedure. It does also highlight the importance of Neighbourhood Plans supporting the delivery of the strategic policies of the Development Plan. Councillor Turner’s comment on the other hand provides a clear and concise statement of support for the proposed designated area.
- 5.6 Broseley Town Council seeks to ensure the future sustainable development of the settlement by providing detailed planning policies for their area. Whilst the exact scope and remit of the Plan is to be discussed, 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. Further discussions will help to clarify this. It is considered the proposed Designated Area, which covers the Parish of Broseley only, is a sensible and appropriate one, and will allow flexibility as the Town 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> Broseley Neighbourhood Plan - application to designate a neighbourhood plan area</p>
<p><b>Portfolio Holder:</b> Councillor Robert Macey, Portfolio Holder for Planning and Housing Development</p>
<p><b>Local Member:</b> Councillor Simon Harris</p>
<p><b>Appendices:</b> Appendix 1: Area Application and Map</p>

**Application to designate a Neighbourhood Area**

**Town and Country Planning Act 1990**

**Neighbourhood Planning (General) Regulations 2012**

**Town Clerk details:**

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**Relevant Body:**

We confirm that we are the relevant body to undertake a neighbourhood plan in our area in accordance with Section 61G of the 1990 Act and Section 5C of the 2012 Regulations.

**Name of Council:**

Broseley Town Council

**Extent of the Plan Area:**

The area proposed to be covered by the Broseley Neighbourhood Plan is that area within the town boundary of Broseley, as shown on the attached plan.

**Justification Statement**

Broseley Town Council seeks to ensure the sustainable development of the town, including its infrastructure and amenities.

Name: Trudi Barrett

Position: Town Clerk

Date: 16<sup>th</sup> April 2018

