

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

Date: Tuesday, 21 February 2023

**Committee:**  
**Performance Management Scrutiny Committee**

**Date: Wednesday, 1 March 2023**  
**Time: 10.00 am**  
**Venue: Council Chamber, Shirehall, Abbey Foregate, Shrewsbury, SY2 6ND**

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

There will be some access to the meeting room for members of the press and public, but this will be limited. If you wish to attend the meeting please email [democracy@shropshire.gov.uk](mailto:democracy@shropshire.gov.uk) to check that a seat will be available for you.

Please click [here](#) to view the livestream of the meeting on the date and time stated on the agenda

The recording of the event will also be made available shortly after the meeting on the Shropshire Council Youtube Channel [Here](#)

Tim Collard  
Assistant Director - Legal and Governance

**Members of Performance Management Scrutiny Committee**

Claire Wild (Chairman)	Alan Mosley
Joyce Barrow (Vice Chairman)	Peggy Mullock
Julia Buckley	Chris Schofield
Roger Evans	David Vasmer
Robert Macey	

Your Committee Officer is:

**Amanda Holyoak** Committee Officer  
Tel: 01743 257714  
Email: [amanda.holyoak@shropshire.gov.uk](mailto:amanda.holyoak@shropshire.gov.uk)

# AGENDA

## **1 Apologies for Absence and Substitutions**

## **2 Disclosable Pecuniary Interests**

Members are reminded that they must declare their disclosable pecuniary interests and other registrable or non-registrable interests in any matter being considered at the meeting as set out in Appendix B of the Members' Code of Conduct and consider if they should leave the room prior to the item being considered. Further advice can be sought from the Monitoring Officer in advance of the meeting.

## **3 Minutes of the meeting held on 11 January 2023 (Pages 1 - 4)**

To consider the Minutes of the Performance Management Scrutiny Committee meeting held on 11 January 2023

## **4 Public Question Time**

To receive any questions from the public of which members of the public have given notice. Deadline for notification for this meeting is 5.00pm on Thursday 23 February 2023

## **5 Member Question Time**

To receive any questions of which members of the Council have given notice. Deadline for notification for this meeting is 5.00pm on Thursday 23 February 2023

## **6 Performance report for Children's Social Care**

Report to Follow

## **7 Aligning our Customer Services and the Drive to Digital - Green Paper (Pages 5 - 36)**

Report of Executive Director - Resources attached

Contact: James Walton - 01743 258915

**8 Financial resilience MTFS 2023/24 onwards**

To receive a verbal update

Contact: James Walton. Tel. 01743 258915

**9 Performance Monitoring Report Quarter 3 2022/23 (Pages 37 - 58)**

Report of Executive Director - Resources attached

Contact: James Walton - 01743 258915

**10 Q3 Financial Monitoring Report (Pages 59 - 94)**

Report of Executive Director - Resources attached

Contact: James Walton - 01743 258915

**11 Work Programme**

To receive a verbal update

Contact Tom Dodds – 01743 258518

**12 Exclusion of Press and Public**

To resolve that, in accordance with the provisions of Schedule 12A of the Local Government Act 1972 and Paragraph 10.4 [3] of the Council's Access to Information Rules, the press and public be excluded from the meeting during consideration of the following items

**13 Exempt Minutes of the meeting held on 11 January 2023 (Pages 95 - 96)**

To consider the Exempt Minutes of the Performance Management Scrutiny Committee meeting held on 11 January 2023

**14 Date/Time of next meeting of the Committee**

The Committee is scheduled to next meet at 2.00pm on Wednesday 24 May 2023

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## SHOPSHIRE COUNCIL

### PERFORMANCE MANAGEMENT SCRUTINY COMMITTEE

Minutes of the meeting held on 11 January 2023

10.00 am - 1.50 pm in the Council Chamber, Shirehall, Abbey Foregate, Shrewsbury,  
SY2 6ND

**Responsible Officer:** Amanda Holyoak

Email: amanda.holyoak@shropshire.gov.uk

Tel: 01743 257714

#### **Present**

Councillor Claire Wild (Chairman)

Councillors Joyce Barrow (Vice Chairman), Julia Buckley, Roger Evans, Robert Macey,  
Alan Mosley, Peggy Mullock, Chris Schofield and David Vasmer

#### **20 Apologies for Absence and Substitutions**

There were no apologies for absence.

#### **21 Disclosable Pecuniary Interests**

There were no declarations of interest

#### **22 Minutes of the meeting held on 30 November 2022**

The minutes of the meeting that had been held on the 30<sup>th</sup> November 2022 had been circulated

Councillor Schofield pointed out that he had been present but had been omitted from the list of those attending the meeting.

Subject to the above amendment the minutes were confirmed as a correct record.

#### **23 Public Question Time**

There were no public questions.

#### **24 Member Question Time**

There were no questions from Members

#### **25 Alternative Budget Proposals 2023/24**

Members had before them the report of the Executive Director – Resources which set out the alternative budget proposals of the opposition groups.

The Chair commented that all the opposition budgets were predicated on the cancellation of the North West Relief Road (NWRR) which would result in a £20million pressure in the revenue budget.

Councillor Roger Evans commented that refusal of the NWRR planning application would place council in grave financial position and suggested that if the Council abandoned plans for the NWRR and just proceeded with the Oxon Link Road this would eventually release money to cover the outstanding finance. He asked what contingencies did the administration have of the planning permission was refused?

The Executive Director – Resources stated that if the NWRR didn't get planning permission there would be a need to disaggregate the expenditure to show which parts were associated with the NWRR, Oxon Link Road and other projects. There would be some one-off funding which could be capitalised depending on what parts of the project were taken forward. He added that when it was understood which parts of the project were not being taken forward, the costs associated with this would be taken into the revenue budget and that these could be addressed through using reserves.

The Assistant Director – Finance and Technology commented that he had been advised that it would be very difficult from an operational perspective to disaggregate the two schemes. In response to a question from the Chair, the Assistant Director – Finance and Technology confirmed that if the NWRR did not go ahead the expenditure to date could not be capitalised and would transfer to the revenue budget creating a pressure of £20 million.

The Executive Director – Resources advised the meeting that the provisional annual settlement had been received after the cabinet which had agreed the budget, and it was better than was originally envisaged. He reminded members that the Council would not receive the full details till then end of January and that there were a number of other grants and funding that would not be confirmed until later in the year. In response to a question the Executive Director- Resources confirmed that details of the preliminary settlement were available from the Government website.

Councillor Roger Evans then presented the Liberal Democrat alternative budget.

In response to proposals around health and adult social care the Executive Director – People informed the meeting that the subject of care home capacity had been discussed at HASC and that the Council were working with the market to develop this. She went on to say that the Councils policy was to treat as many people as possible at home. With regard to the proposal around the hospital at Bishops Castle, the Executive Director of Health, Wellbeing and Prevention advised the meeting that work was ongoing through the ICS to look at this, and any proposals would be brought to a future meeting of HASC.

With regard to the proposal around collection of dry recycling the Assistant Director – Finance and Technology informed the meeting that he had been advised that currently the waste contracts would not allow for this type of collection, and that there was a reluctance within the marketplace to carry out the type of collection suggested.

Councillor Julia Buckley then presented the Labour alternative budget.

In response to proposals around payments to social workers the Executive Director – People informed the meeting that there was currently a welcome payment for new

starters and a retention payment for qualified social workers. She added that the turn over of staff was currently low but acknowledged that the spend on agency staff was high but that work was ongoing to reduce this. She also acknowledged that there was a disparity between salary levels paid in Shropshire and those paid in neighbouring council and informed the meeting that work was ongoing to address this.

With regard to the proposal to recruit more educational psychologists the Executive Director – People advised the meeting that the number of education psychologists employed by the council had risen from 9.9 fte in 2020 to 15 fte in 2022. In response to a request from Councillor Buckley the Executive Director – People agreed to circulate details on the timescales for the production of IEP reports.

With regard to the proposal around solar panels on council sites it was agreed to ask the Place Overview Committee to look at this.

With regard to the proposal around the effect of extensions on council tax the Assistant Director – Finance and Technology explained that the change in council tax banding brought about by improvement to the dwelling could only be applied when there is a change in ownership of the property. The Executive Director – Resources advised the committee that there was a team within the Revenues and Benefits team which carried out inspections and that where an improvement had been made, a note is made on the system and a revaluation for council tax purposes carried out at the point of sale.

With regard to the proposal around the council tax rebate for those on benefit, the Portfolio Holder for Finance and Corporate Resources suggested that this should be looked at by the Social Task Group looking at the cost-of-living crisis.

Councillor Duncan Kerr then presented the Green alternative budget.

With regard to the proposal around the rebanding of some car parks in Shrewsbury, the Chair suggested that this should be looked at as part of the Car Parking Strategy review.

With regard to the proposals around therapeutic services available to children who have been exposed to domestic abuse, the Executive Director People advised that this was being address through extra funding for the Stepping Stones project. She added that domestic abuse was a key priority of the Shropshire Safeguarding Partnership. The Chair commented that this was a topic that the People Overview Committee could look at.

Group Leaders thanked the Assistant Director – Finance and Technology for his help and assistance during the alternative budget process.

## 26 **Work Programme**

Members agreed that consideration of the work programme should be deferred to the next meeting.

Members had before them the terms of reference for a Task and Finish Group on Bullying and Harassment. It was agreed that the terms of reference should be accepted and that a Task and Finish Group on Bullying and Harassment should be established.

**27 Exclusion of Press and Public**

RESOLVED:

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

Councillor Roger Evans asked that it be recorded that he had voted against this resolution.

**28 Call In - Acton Scott Historic Working Farm**

Members had before them the exempt report of the Assistant Director Homes and Communities which set out a response to the call-in by the Liberal Democrat Group, made in respect of the Cabinet decision of 14 December 2022 to surrender the lease of Acton Scott Historic Working Farm (ASHWF).

Members received a presentation from the Portfolio Holder for Culture and Digital which set out responses to the points made in the call in and following discussion it was **RESOLVED**

To accept the recommendations in the report.

Councillor Roger Evans asked that it be recorded that he had voted against this resolution.

**29 Date of Next Meeting**

Members noted that the next meeting would take place on Wednesday 1 March 2023 at 10.00 am

Signed ..... (Chairman)

Date: .....



	<b>Committee and Date</b>  Performance Management Scrutiny Committee  1 <sup>st</sup> March 2023	Item         Public
	   	

## Green Paper on Aligning our Customer Services and the Drive to Digital – GREEN PAPER

<b>Responsible Officer:</b>	James Walton		
email:	<a href="mailto:james.walton@shropshire.gov.uk">james.walton@shropshire.gov.uk</a>	Tel:	01743 258915
<b>Cabinet Member (Portfolio Holder):</b>	Cllr Rob Gittins, Culture & Digital		

### 1. Synopsis

This report details a proposal to consult with the public on shortening the opening hours of our customer service centre to support the council’s ICT and Digital Strategy, support the shift to more digital services for our customers whilst continuing to provide an adequate telephone channel as an alternative, and repurpose Customer Service Adviser capacity freed up by any change to preventative outbound customer contact.

### 2. Executive Summary

2.0 The Shropshire Plan sets out our priorities around Healthy People and Healthy Organisation both of which are considered within this report. We are committed to ensuring our resources are aligned to the delivery of our strategic outcomes and this includes ensuring we have strong communication with our communities and people, improved access to our services on a 24/7 basis and being proactive, where we can, with those members of our society who need more tailored help or support. Subject to further review, as the Council’s online service offer grows, it is initially proposed that the opening times of the Customer Service Centre (“CSC”) are reduced as described in this report to help free up staff to focus time helping those we identify as being most in need. This will generate service efficiencies through greater use of online services. We recognise the challenges some residents will have around digital exclusion and these will remain a consideration of

any proposals for reduced opening. Additionally, through using outbound calling, this will also support a more preventative and proactive targeting of advice and information to residents with additional care and support needs before they experience crisis, identifying opportunities for early help and preventative services, particularly for health and wellbeing.

2.1 The council's CSC handles public contact for over 50 council departments including specialist services such as Adults and Children's concerns, Homelessness and Local Welfare fund alongside many more transactional service requests such as Highways, Waste, Registrars and Planning. Current opening times are 8am to 6pm on Monday to Friday and 9am to 1pm Saturdays, a total of 54 hours per week. Outside of these hours, and over all public holidays, an out of hours services for emergency only issues is handled in-house via the council's CCTV team.

2.2. As the Council's online services continues to develop, it is recommended that we balance the cost of continuing to provide a full telephony service against encouraging Shropshire's residents to access online services and information, achieving the same outcome in many cases with higher levels of useful information available to the Council at a considerably lower cost. The estimated cost of each telephone call is £2.83, compared to £0.15 per online transaction.

2.3 This report proposes a period of public consultation with Shropshire residents on a reduction in CSC opening times to around 30 hours per week, Monday to Friday. The options to achieve this are outlined in Appendix 2 to this report. A change in opening times, supported by pre-recorded customer advisory messages on appropriate lines towards an expanding online offer, would help to encourage more residents to transact with the council online and would also support the Healthy People priority of the Shropshire Plan, through freeing capacity in the CSC to support more proactive outbound calls. These calls would target those residents most likely to need early support that may prevent greater call on council and health services at a later date.

2.4 The proposed changes would affect only the more generalist non-emergency service requests handled by the CSC. The opening times of other more complex Council services, including First Point of Contact for Adults and Children's Services, homelessness calls, or calls to the Local Welfare Support Team for financial support, would not change. These teams would work seamlessly to support with any issues identified through outbound contact, so strengthening the CSC's ability to assist the Healthy People priority

### 3. Recommendations

#### Members are asked to

3.1. Consider, challenge, and comment on the proposals in this report for revised CSC opening times that will support the Council's strategy of a Digital First approach for delivering and commissioning services now and in the future, whilst also continuing to support delivery via traditional channels for those residents best served in this manner.

3.2. Consider the range and sufficiency of the intended consultation with the public on the range of proposals for reducing opening hours.

# Report

## 4. Risk Assessment and Opportunities Appraisal

4.1. The following risks have been identified with the proposed changes to opening hours.

Risk	Mitigation plans in place
Residents may perceive this as a loss of service	<p>These proposed changes have the intention of encouraging, wherever possible and wherever people are able, the adoption of online services particularly for more transactional type service requests. In addition, they will ensure that a phone service remains available during the times, evidenced through current data, as the most popularly used times of the day, for those residents unable to self-serve online.</p> <p>Ongoing monitoring would help to identify any disproportionate impact and the CSC would work closely with Shropshire Local sites, as the Council's community presence, to ensure residents have recourse to help and support to transact with us in person if required as well as offering access to digital upskilling classes where desired.</p>
Initially, calls to CSC may continue at current levels but within some reduced service times leading to increased wait times and call abandonment	<p>The recorded greetings that customers hear when calling CSC will continue to play varying messages, reminding and promoting online services as an alternative. These will alter depending upon how long a caller waits. These will be periodically reviewed to ensure that callers are signposted to report issues online, leaving telephone contact for those residents unable to access use online services</p>
Some Shropshire households may not have, or be able to use, online services, through choice, ability, financial or other reasons	<p>Research suggests that the Covid 19 pandemic has dramatically altered the digital landscape in the UK. When the Consumer digital Index, the UK's largest study of digital and financial lives, began its research into digital exclusion in 2016 it suggested that 89% of the UK population reported having been online in the preceding 3 months. The 2022 update reports that this figure increased significantly with 99% saying they had been online in the previous 3 months. Further, that 65% reported having tried new activities online and 90% saying they had continued that activity. This is encouraging but we recognise the digital divide and the potential for the cost-of-living crisis to impact Shropshire households therefore any proposal for revised opening times would seek to continue to provide a telephone-based service for those who might otherwise be</p>

	<p>excluded, retaining around 55% of current opening hours with these purposefully matched to the times we know most customers contact us.</p> <p>An Equality, Social Inclusion and Health Impact Assessment (ESHIA) initial screening record has been completed ahead of the proposed consultation exercise; this is at Appendix 3 of this report.</p> <p>This ESHIA will be revisited and revised as necessary once the outcome of any consultation is known.</p>
<p>Risk that missed conversations may equate to failure to identify more significant issues at an early stage, particularly for more vulnerable residents</p>	<p>The proposed changes affect only the more transactional non urgent service-based requests and queries that Customer Services handle, not the more in-depth calls such as Social Care, Welfare Support or homelessness. Urgent issues, including urgent Highways reporting issues, will still be picked up through the out of hours service.</p> <p>In addition, any change in opening times would help to free up the resource to make outbound calls to residents we identify as having care or support needs, helping to identify potential problems and target support and advice before these become more serious issues.</p>
<p>Council's online offer is incomplete for some services</p>	<p>The CSC will remain open and numbers for services published. The Council's webpages are being amended to promote online transactions first, but contact numbers will remain available for those that need this service. Where there are gaps in our online provision, phone numbers will be more prominent and recorded customer greetings will reflect this.</p>
<p>Closing call lines earlier in the day could place additional demand on our out of hours response and adversely affect the Council's ability to respond to emergencies such as floods and seasonal variances such as Elections issues and school admissions</p>	<p>Retaining CSC staff who are then repurposed to other duties will allow us, with appropriate permission, to pull this resource back in to handle any unexpected or seasonal variances</p>

## 5. Financial Implications

- 5.1. The financial advantage of online solutions rather than telephone contact are explained in paragraph 2.2 above, and again in paragraph 7.2 below. The expectation is that the cost of transferring the resulting staff time into making outbound contacts will be met from grants and other funding sources, therefore we do not expect any redundancies within CSC as a result of this change. Depending on the eventual level of opening hours adopted, we would anticipate a reduction in budgets of approximately £93,000. This excludes any financial benefit from customers using lower cost contact methods.

## 6. Climate Change Appraisal

6.1. There are no direct implications for climate change as a result of this report and full implications and considerations of climate change as a result of any changes to the approved approach will be reviewed at that time.

## 7. Background

7.1. Since Shropshire Council introduced the strategy of “channel shift” for customer contact (Shropshire Council Customer Strategy 2012/2013) the CSC has seen a steady reduction in telephone contact across many services with an increase in customers contacting the CSC either by using online forms, social media or via webchat embedded in the council’s webpages.

7.2. There are a number of reports in the public domain that define differing costs per transaction per different channel of customer contact. The cost figures reproduced below are taken from SOCITM’s 2012 report “*The potential for channel shift in local Government*” These figures will doubtlessly have increased over time but are accepted as a benchmark figure.

Contact channel	Face to Face	Telephone	Online Transaction
Cost per transaction	£8.62	£2.83	£0.15

7.3. Therefore, the potential cost savings to the council of continuing to build and encourage the use of accessible and convenient online alternatives in place of telephone calls to request services are tangible. We nevertheless recognise the fact that some residents may not be able to transact online, some online offers are in development or not complete and in some cases, residents may need to pursue transactions or service requests already submitted.

7.4. The Covid-19 pandemic has done much to transform the digital landscape in the UK. For example, among 50–70-year-olds, three quarters (75%) say they were making video calls more often during lockdown and three in ten (31%) said they were emailing more than they did before the pandemic struck. A survey by Lloyds Bank found that three times more 70-year-olds registered for online banking during lockdown compared to the same time last year.

7.5. However, against this, the same research suggests that people in mid to later life are at greater risk of being digitally excluded. Those who are not online are not just older, they are also likely to be in worse health, be on lower incomes and have lower educational attainment. 71% of those offline have no more than a secondary education, and nearly half (47%) are from low-income households.

*(Source: Centre for Ageing Better report: How has Covid 19 changed the landscape of digital inclusion)*

7.6. Therefore, the proposal to review the opening times of the CSC seeks to provide a reasonable compromise between these issues: the council’s online offer is now wider and more complete than it was but there still needs to be an alternative offer to avoid excluding those residents unable to use online services.

- 7.7. Appendix 1 to this report illustrates the profile of the volume of calls received by CSC against current opening times, plus the number of calls potentially displaced by the proposals for opening times. These profiles show a markedly fewer customer contacts early in the day and again later in the afternoon.
- 7.8. This is a trend that has also always been apparent in the number of customers presenting at Face-to-Face sites. Historical profiling of customer contact in Library based Customer Service Points displayed markedly lower customer footfall prior to 9am and again after 3pm and recent figures from Shropshire Local suggest that only 18% of customers access sites after 3pm.
- 7.9. The proposals for revised opening times for the CSC factor in this variation in customer contact times so that in practice, an opening hours reduction across the week totalling 45% of current hours would in no way displace an equivalent percentage of customers. Such a proposal would displace between 24 and 27% of customer contact.

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

**Local Member:**

All - Changes to customer service centre opening times has the potential for a County wide impact affecting all local members.

**Appendices**

Appendix 1 – profile of average call volumes to CSC throughout current opening times and the potential displacement of calls with revised opening times  
Appendix 2 – Proposals for revised CSC opening times  
Appendix 3 - Equality and Social Inclusion Impact Assessment

## Average daily, weekly and monthly calls to the Customer Service Centre (CSC) and potential effect of shorter opening

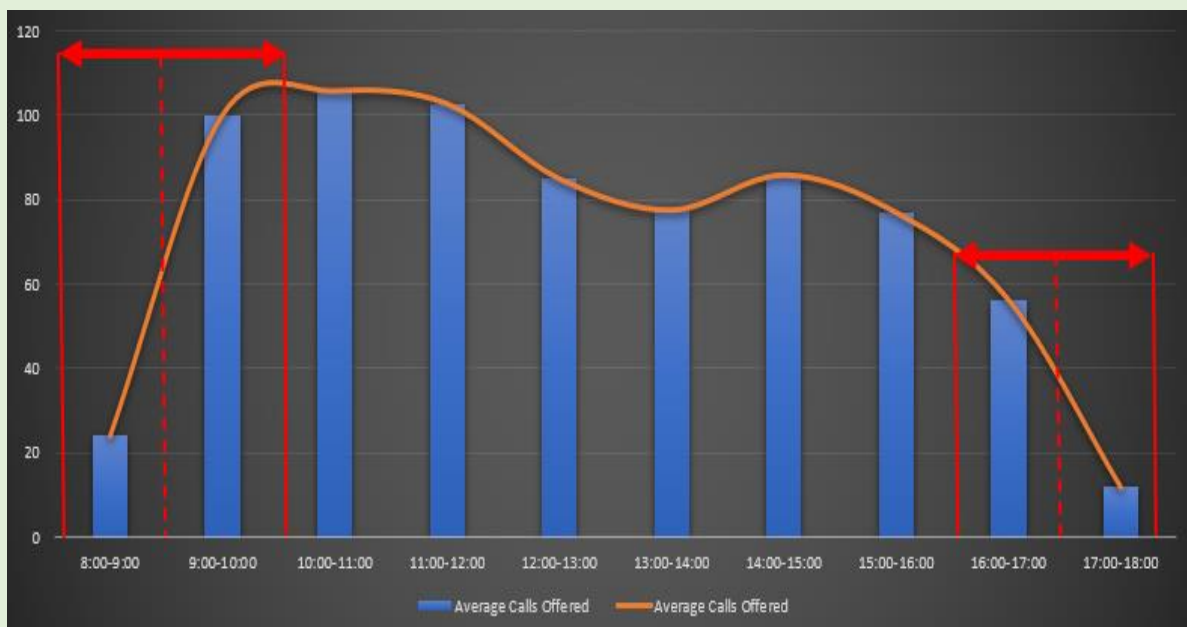
Note – in these visuals, the blue bars represent the number of phone calls received during each hourly slot CSC is open. The red divisions illustrate the volumes of calls potentially affected by revised opening times.

Analysis of calls in a typical week would suggest that the majority of calls affected by revised opening hours would be for Waste services (37% of total calls in that week), general enquiries (15% of total calls), Highways issues (14% of total calls) and Registrar’s Services (8% of total calls)

This can vary considerably during expected seasonal peaks for example around elections issues, school admissions and especially during major events such as flooding.

**Table 1**

Average calls received throughout the day (Period 1 January to 31 August 2022)



The average number of calls over a normal day over the period is 725

Revising CSC opening times to 9am to 5pm would affect around 36 calls

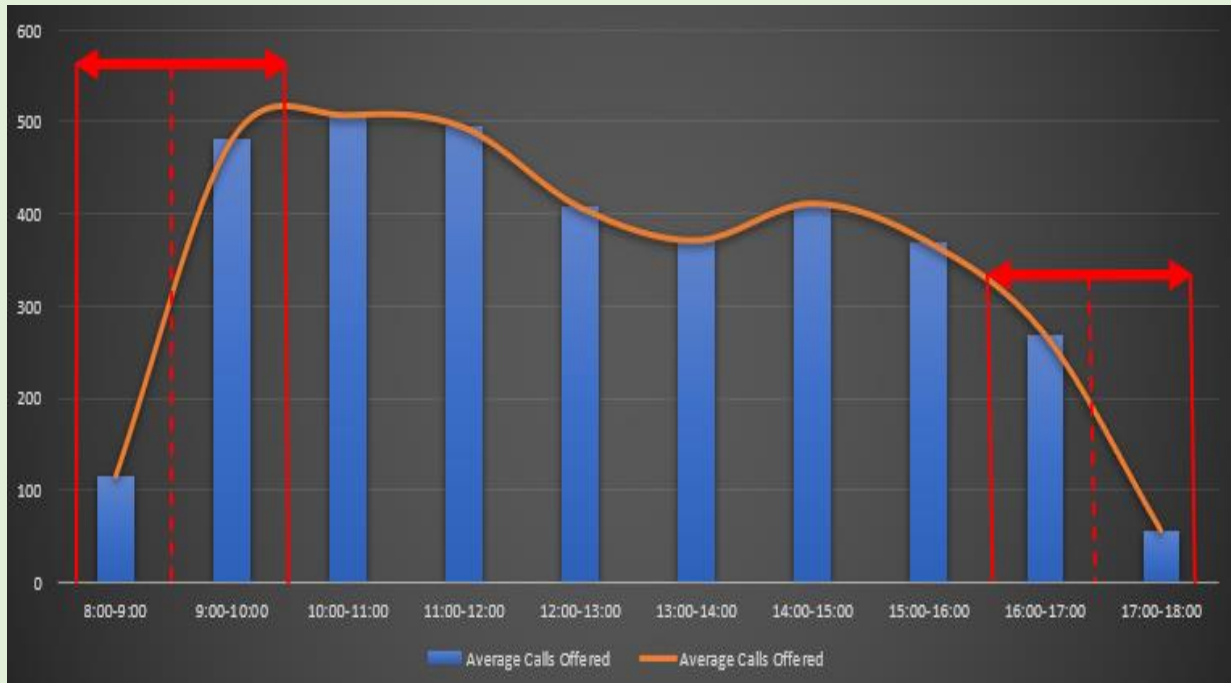
Revising CSC opening times to 9am to 4pm would affect around 92 calls

Revising CSC opening times to 9am to 3pm would affect around 170 calls

Revising CSC opening times to 10am to 4pm would affect around 192 calls

**Table 2:**

Average number of calls received over a week (Period 1 January to 31 August 2022)



The average number of calls over a normal week in the period is 3486

- Revising CSC opening times to 9am to 5pm would affect around 182 calls
- Revising CSC opening times to 9am to 4pm would affect around 442 calls
- Revising CSC opening times to 9am to 3pm would affect around 810 calls
- Revising CSC opening hours to 10am to 4pm would affect around 923 calls

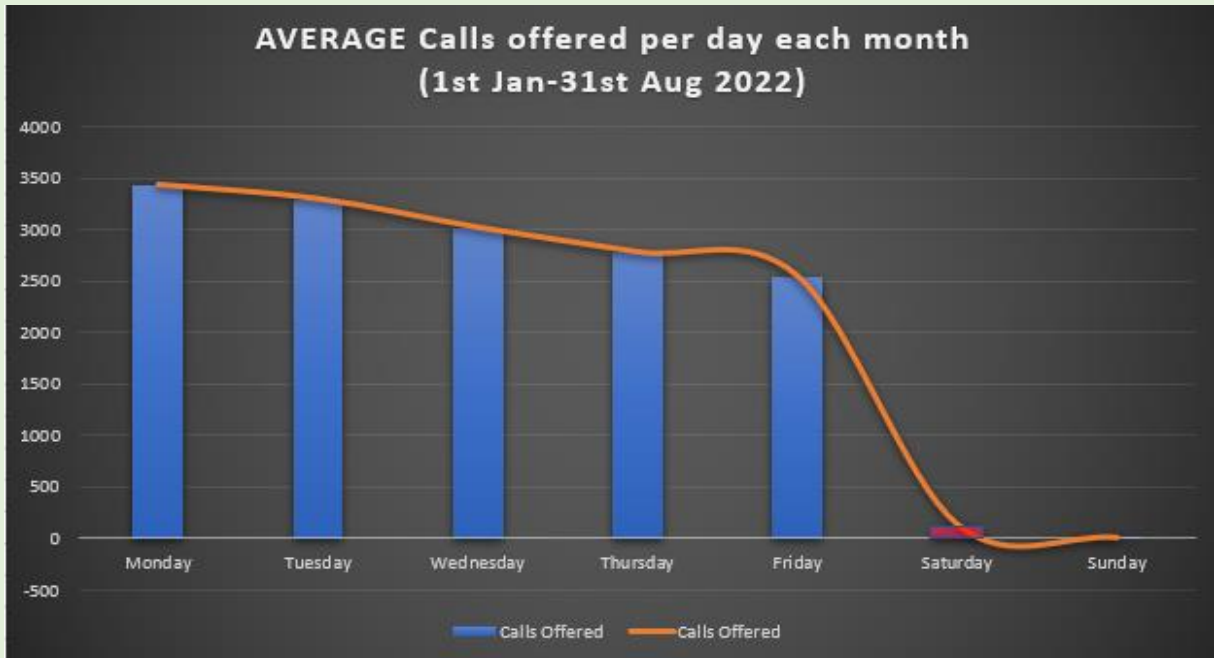
**The graphs above are average figures, there are weeks and months where seasonal peaks occur and numbers will be higher as a result.**

There is a marked profile to the contacts received throughout the day with the bulk of calls occurring between 9am and 3pm.

In practice therefore, opening later and closing earlier each day minimises the effect on customers meaning a reduction to 30 hours per week, around 55% of current opening hours, would displace around 24 to 27% of calls.



**Table 3:**  
Average call profile over a working week for CSC



This graph illustrates the typically busiest days for call volumes across the working week, in particular the very low levels of calls received on Saturday opening times of 9am to 1pm.

There are again seasonal variations that are down to service activities and in particular following bank holiday closures

## Options for consultation: Revised Customer Service Centre opening times

### Option 1

**Monday to Friday 9am to 3pm, closed Saturdays. Total opening hours per week: 30 (55.5% of current opening times)**

#### Positives:

Uniform opening times more easily recognised by residents

Few calls are received before 9am therefore minimal disruption to calls in the morning

These opening times release up to 11 staff for 2 hours Monday to Thursday plus 10 staff for 2 hours on Friday, theoretically up to 108 staff hours to dedicate to preventative outbound calls in the afternoons.

#### Negatives:

Still relatively high numbers of calls currently received between 3pm and 5pm before they tail off, we would expect there to be a period of disruption for residents during this adjustment where waiting times will be longer.

Does not address the higher call numbers at the start of a week, again a period of adjustment for residents

No outbound calls envisaged prior to 9am

### Option 2

**Monday to Friday 10am to 4pm, closed Saturdays. Total opening hours per week: 30 (55.5% of current opening times)**

#### Positives:

Uniform opening times more easily recognised by residents

Releases up to 11 staff for one hour a day Monday to Thursday and 10 staff for one hour Friday, theoretically up to 54 staff hours to dedicate to preventative outbound calls – (afternoons only)

#### Negatives:

Disruption to relatively high call numbers between 9am and 10am, risk that these calls may then present at 10am leading to long wait times in the morning. Possible disruption for residents over a period of adjustment.

Outbound calls prior to 10am is possible but success rate and effectiveness is questionable.

Far fewer staff hours available each week to make preventative outbound calls.

### Option 3

**Monday and Tuesday 9am to 3.30pm**

**Wednesday and Thursday 9am to 3pm**

**Friday 10am to 3pm**

**Total opening hours per week: 30 (55.5% of current opening times)**

#### Positives:

Slightly longer opening times Monday and Tuesday attempt to address higher call levels earlier in the week

Releases up to 11 staff for 1.5 hours Monday and Tuesday, 11 staff for 2 hours Wednesday and Thursday and 10 staff for 2 hours on Fridays, theoretically 97 hours a week to dedicate to preventative outbound calls.

**Negatives:**

Opening times may not be easy for residents to remember

Still some possible disruption to calls attempted after 3/3.30pm meaning a period of adjustment for resident.

Outbound calls prior to 10am on the Friday is possible but success rate and effectiveness is questionable

**Option 4**

**Monday and Tuesday 9am to 5pm**

**Wednesday to Friday 9am to 3pm**

**Total opening hours: 34 (63% of current opening hours)**

**Positives:**

Longer opening times on Monday and Tuesday address attempt to higher call volumes at the start of the week.

Minimal disruption to calls in the mornings

Potentially easier opening pattern for residents to remember

Releases up to 11 staff for 2 hours Wednesday and Thursday and up to 10 staff on Friday, theoretically 54 staff hours per week for outbound calls

**Negatives:**

Still some possible disruption to calls attempted after 3pm Wednesday to Friday

Far fewer staff hours available each week to make outbound preventative calls. Possible bias towards transactional calls over outbound wellbeing calls

Only able to make outbound calls later in the week

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**Shropshire Council**  
**Equality, Social Inclusion and Health Impact Assessment (ESHIA)**  
**Initial Screening Record 2021-2022**

**A. Summary Sheet on Accountability and Actions**

<b>Name of proposed service change</b>
Review of Customer Service Centre opening times

<b>Name of lead officer carrying out the screening</b>
Chris Westwood

<b>Decision, review, and monitoring</b>
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Decision	Yes	No
Initial (part one) ESHIA Only?	✓	
Proceed to Full ESHIA or HIA (part two) Report?		✓

*If completion of an initial or Part One assessment is an appropriate and proportionate action at this stage, please use the boxes above. If a Full or Part Two report is required, please move on to full report stage once you have completed this initial screening assessment as a record of the considerations which you have given to this matter.*

<b>Actions to mitigate negative impact or enhance positive impact of the service change in terms of equality, social inclusion, and health considerations</b>
<p>The Council's policy intention is to free up time to be able to use our existing staff resource, to make higher value and more preventative outbound calls to Shropshire's more vulnerable residents and families.</p> <p>The reason for choosing to make contact by telephone are not immediately clear from the data we hold but there is a suggestion that a sizeable proportion of callers do so through preference. Additionally, not everyone is able to use online services instead, for reasons including lack of assured digital connectivity across this very rural county, lack of confidence and competencies in terms of digital skills, or disinclination to use online services.</p> <p>It is essential to retain a sufficient level of telephone service to cater for those residents unable to access services another way but against this must be balanced the drive to encourage as many people as possible to use more cost-effective online channels particularly where the request is for more transactional council services.</p>

It has been suggested through programmes such as the Good Things Foundation's "*Nobody in the Dark*" that an estimated 1 in 7 of UK citizens might be digitally excluded. In Shropshire, that would suggest around 46,000 residents with either no access to the internet or lacking the skills to use online services and Shropshire Council's own Digital Skills Programme estimates that over 11,000 of these will be aged 65 or over.

The desired outcomes of this consultation are therefore to find a way to reduce the opening times of the CSC to a point where it still remains sufficient to meet the needs of those residents not able to transact online, and still supports the various council services for whom we handle contact, whilst encouraging and supporting people to use online services as an alternative.

Achieving this will free up sufficient staff time for them to make more involved outbound calls to identify and deal early with issues arising for Shropshire's more vulnerable residents.

As such, there will be a likely positive equality impact across the Protected Characteristic groupings as set out in the Equality Act 2010, together with positive impacts for those individuals and households who find themselves in circumstances where they may be considered to be vulnerable and at risk of social exclusion. This particularly includes intersectionality with regard to Age and to Disability, for individuals within these groupings, for example young people who are care leavers and may also have a learning disability, and with regard to the circumstances in which people may find themselves, for example veterans and serving members of the armed forces and their families, and people in low income households.

From the call statistics we monitor, which show the busier days of the week and the busier times of each day, we believe a reasonable opening hours availability would equate to 30 hours per week across a 5 day week, Monday to Friday and this consultation therefore seeks to inform the public and our partners of how we might do this with the minimum of call disruption.

Whilst it means calls to the Customer Service Centre would be affected by revised opening times, the positive effects of working in this different way, especially for individuals and households more susceptible to financial and health inequalities, are expected to outweigh these.

#### **Actions to review and monitor the impact of the service change in terms of equality, social inclusion, and health considerations**

The Customer Service Centre continually monitors the number of calls we receive for each service across each day. This includes typical wait times across each day and the number of callers that abandon their call.

We are also able to configure the recorded messages and advice on using alternative online services that a caller hears during any wait time and at the end

of a call, our advisers ask “wrap up” questions to find out why a telephone call was preferred.

This will enable us to review demand and our subsequent response, to determine whether impact is being disproportionately felt, as well as identify where improvements can be made to online services according to our callers.

Outbound calls that we are able to make as a result of freeing up staff time through reduced opening hours will be closely scrutinised to show the value of the contact in terms of who has been contacted, any issues identified, the advice, solutions or signposting given in return and the likely outcomes of this more proactive approach.

As now, we will work closely with Shropshire Local as the council’s presence in the community to determine any adverse impact as well as to provide an inclusive alternative to those genuinely unable to carry out transactional requests online.

#### **Associated ESHIAs**

There are no earlier associated Equalities Impact Assessments

#### **Actions to mitigate negative impact, enhance positive impact, and review and monitor overall impacts in terms of any other considerations. This includes climate change considerations**

Climate change

There are no direct implications for climate change as a result of this proposal and full implications and considerations of climate change as a result of any changes to the approved approach will be reviewed at that time.

Health and well being

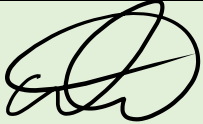
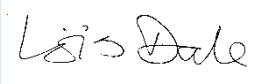
These proposals only affect the opening times for more transactional general service requests, especially as most council services have developed online alternatives to telephoning. These are things like highways issues or waste and planning enquiries.

There would be no change to the availability of the Council’s First Point of Contact service that handles Adult and Children’s concerns calls and the initial contact for Adult Social Care nor to the opening times of the Welfare Support Team that handle calls for homelessness and administer grants from the council’s Local Welfare Fund.

In reducing the opening times for these transactional services, we will release staff time to make proactive contact with Shropshire’s more vulnerable residents who

will be identified from across various council data systems. As was first developed during the Covid pandemic, these calls will help us to identify any emerging needs amongst our most vulnerable residents before these reach any point of crisis or concern. We know from our experience during Covid that these contacts are well received and help identify and mitigate a range of emerging health and wellbeing issues.

**Scrutiny at Part One screening stage**

<b>People involved</b>	<b>Signatures</b>	<b>Date</b>
<i>Lead officer carrying out the screening</i>		24 January 2023
<i>Any internal service area support*</i>		
<i>Any external support**</i> <b>Mrs Lois Dale, Rurality and Equalities Specialist</b>		4 <sup>th</sup> November 2022

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

*\*\*This refers to support external to the service but within the Council, e.g., the Rurality and Equalities Specialist, the Feedback and Insight Team, performance data specialists, Climate Change specialists, and Public Health colleagues*

**Sign off at Part One screening stage**

<b>Name</b>	<b>Signatures</b>	<b>Date</b>
<i>Lead officer's name</i>		
<i>Accountable officer's name</i>		

*\*This may either be the Head of Service or the lead officer*



## **B. Detailed Screening Assessment**

### **Aims of the service change and description**

Shropshire Council continues to develop its online service offer as a very effective alternative to more traditional contact and one that is not restricted to office hours, being quite literally available all day and every day to suit the user.

It is however essential to retain a sufficient level of telephone service to cater for those residents unable to access services another way but against this must be balanced that drive to encourage as many people as possible to use more cost-effective online channels particularly where the request is for more transactional council services.

We need to do this to increase the efficiency of how people do business with the council but also to enable us to use our existing highly skilled staff resource to make higher value and more preventative outbound calls to Shropshire's more vulnerable residents and families.

Therefore, the desired outcome of this consultation is to find a way to reduce the opening times of the CSC to 30 hours across the week, Monday to Friday, so that it still provides for the needs of those residents not able to transact online, and still supports the various council services for whom we handle contact, whilst encouraging and supporting people to use online services as an always available alternative.

Achieving this must free up sufficient staff time to enable them to make more involved outbound calls to identify and deal early with issues arising for Shropshire's more vulnerable residents.

The general calls section in the Customer Service Centre handles around 200,000 enquiries from residents over a typical year.

Around 160,000 contacts are over the telephone and of these, 45% are from people requesting services from Waste and Recycling, Highways, Registrars and Planning, all of which have an online service available.

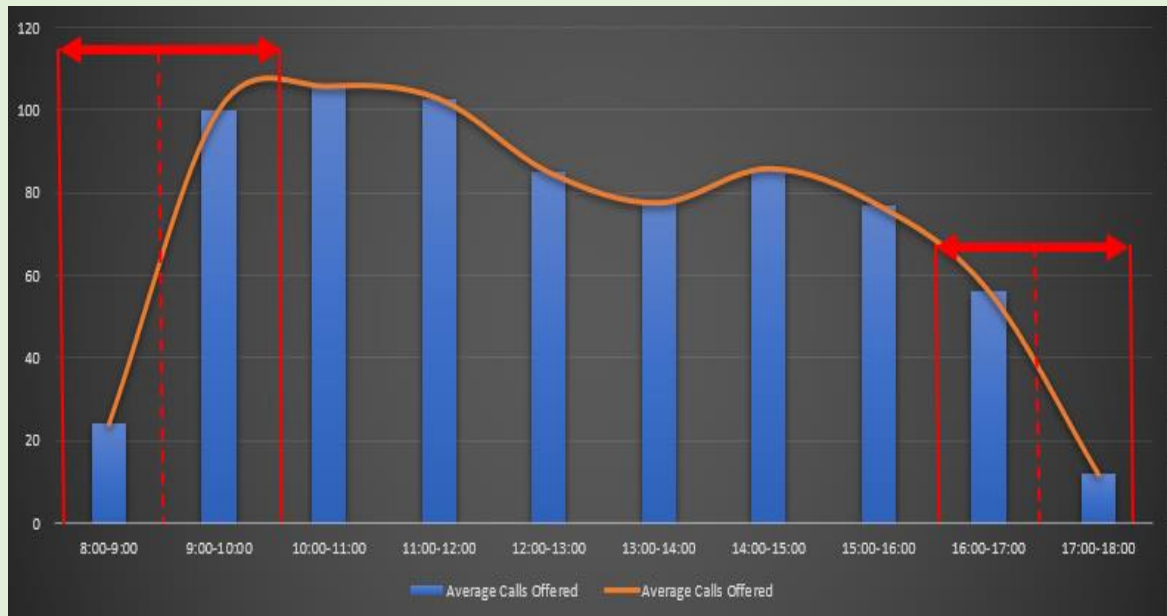
A further 37,000 enquiries are made online, either through E mail, Web Chat or social media.

The level and intensity of these contacts is not uniform and varies throughout a year and indeed throughout a typical day with peaks and troughs in contact within certain months, across different days of a week and across different times of a typical day.

The following graphs illustrate the levels of telephone contact we experience across specific periods and support our suggestions for opening hours including the preferred option that form the basis of the proposals on which we are consulting with the public:

**Table 1**

Average calls received throughout the day (Period 1 January to 31 August 2022)



The average number of calls over a normal day over this period is 725, the profile shows that calls reach a peak between 10am and 12 noon and remain relatively stable until a sharp drop off from 4pm onwards. The red lines illustrate the volume of calls handled from 8-10am and again from 4-6pm

Revising CSC opening times to 9am to 5pm would affect around 36 calls

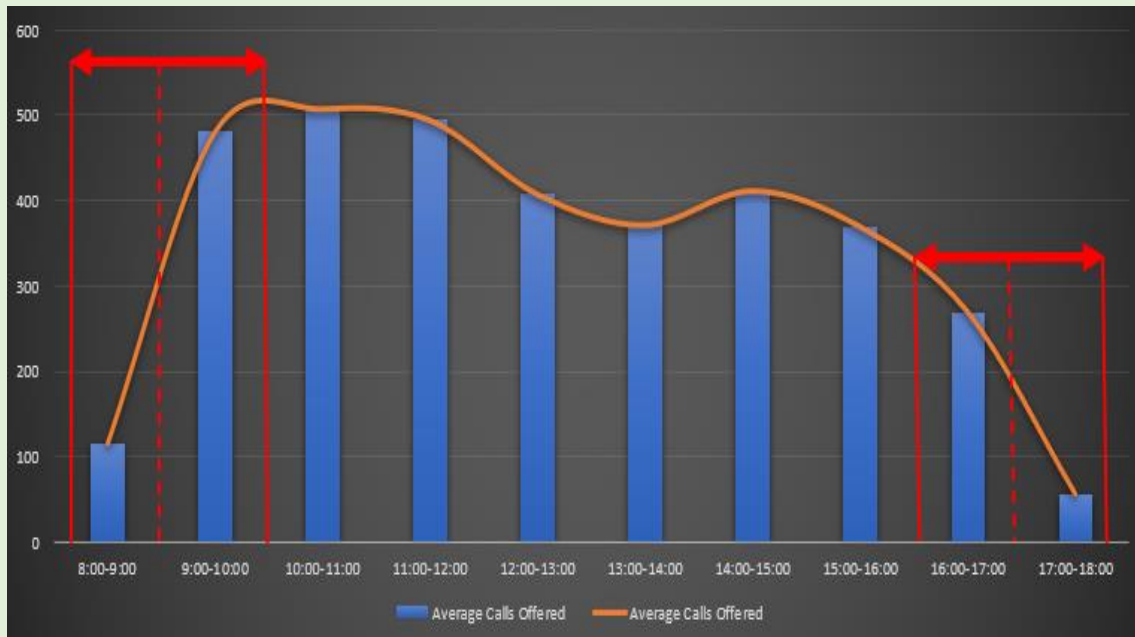
Revising CSC opening times to 9am to 4pm would affect around 92 calls

Revising CSC opening times to 9am to 3pm would affect around 170 calls

Revising CSC opening times to 10am to 4pm would affect around 192 calls

**Table 2:**

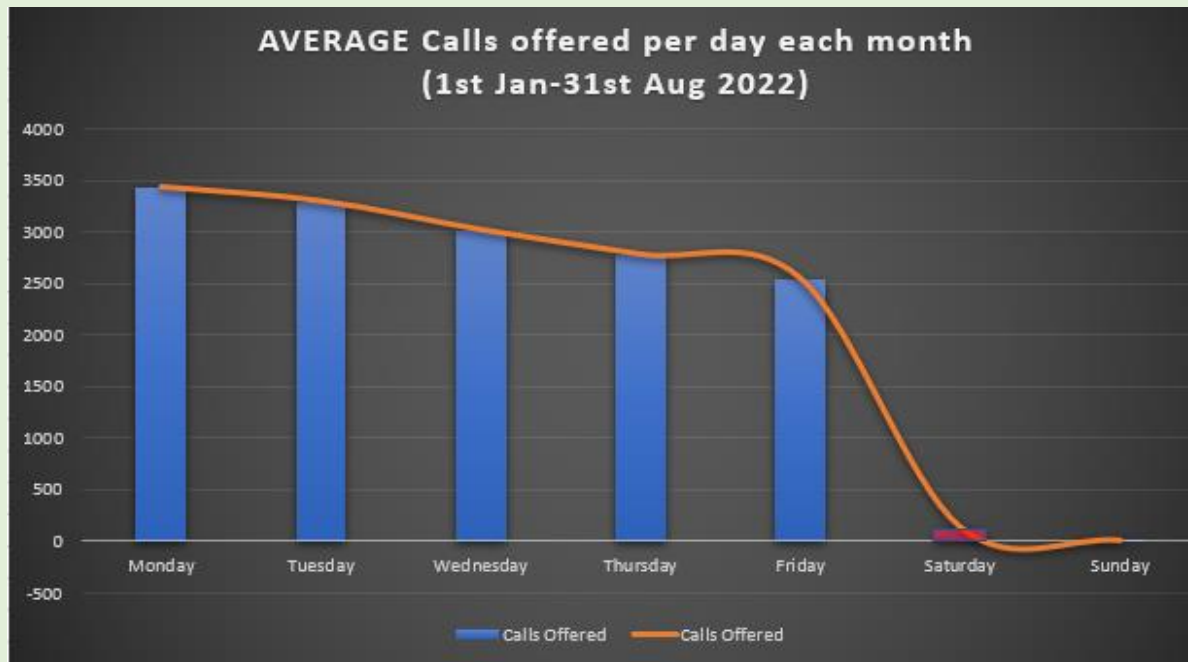
Average number of calls received over a week (Period 1 January to 31 August 2022)



This graph extends the first to show the numbers of calls we handle in one week. The total number of calls in the week is 3486. Again, the red lines show the volumes of calls associated with the period 8-10am and 4-6pm.

- Revising CSC opening times to 9am to 5pm would affect around 182 calls
- Revising CSC opening times to 9am to 4pm would affect around 442 calls
- Revising CSC opening times to 9am to 3pm would affect around 810 calls
- Revising CSC opening hours to 10am to 4pm would affect around 923 calls

**Table 3:**  
Average call profile over a working week for CSC



When we compare the volume of calls across a typical week we see some differences in numbers as the week progresses. Whereas the calls throughout the day itself follow a typical pattern as in tables 1 and 2, the actual volume of calls compared day by day show a definite decline in numbers as the week progresses received on each day with calls on Saturday mornings reaching a bare minimum.

Mondays and Tuesdays are clearly busier than the rest of the week showing a “storing up” of customer enquiries over the weekend. We notice this especially after Bank Holidays.

### **Options for revised opening times**

#### **Option 1**

**Monday to Friday 9am to 3pm, closed Saturdays. Total opening hours per week: 30 (55.5% of current opening times)**

#### **Positives:**

Uniform opening times easily recognised by residents  
 Few calls received before 9am therefore minimal disruption to calls in the morning  
 Releases up to 108 staff hours to dedicate to preventative outbound calls – afternoons only

**Negatives:**

Still relatively high numbers of calls currently received between 3pm and 5pm before they tail off, a period of disruption for residents during adjustment where waiting times will be longer.

Does not address the higher call numbers at the start of a week, again a period of adjustment for residents

No outbound calls envisaged prior to 9am

**Option 2**

**Monday to Friday 10am to 4pm, closed Saturdays. Total opening hours per week: 30 (55.5% of current opening times)**

**Positives:**

Uniform opening times easily recognised by residents

Frees up a maximum of 54 staff hours to dedicate to preventative outbound calls – afternoons only

**Negatives:**

Disruption to relatively high call numbers between 9am and 10am, risk that these calls may then present at 10am leading to long wait times in the morning. Possible disruption for the resident during period of adjustment.

Releases up to 65 staff hours per week for outbound calls.

Outbound calls prior to 10am is possible but success rate and effectiveness is questionable.

**Option 3**

**Monday and Tuesday 9am to 3.30pm**

**Wednesday and Thursday 9am to 3pm**

**Friday 10am to 3pm**

**Total opening hours per week: 30 (55.5% of current opening times)**

**Positives:**

Slightly longer opening times Monday and Tuesday to address higher call levels earlier in the week

Releases up to 97 staff hours per week for outbound calls

**Negatives:**

Complex opening times for residents to remember

Still some possible disruption to calls attempted after 3/3.30pm meaning a period of adjustment for resident.

Outbound calls prior to 10am on the Friday is possible but success rate and effectiveness is questionable

**Option 4**

**Monday and Tuesday 9am to 5pm**

**Wednesday to Friday 9am to 3pm**

**Total opening hours: 34 (63% of current opening hours)**

**Positives:**

Longer opening times on Monday and Tuesday address the heavier call volumes at the start of the week.

Minimal disruption to calls in the mornings

Potentially easier opening pattern for residents to remember

Releases up to 54 staff hours per week for outbound calls

**Negatives:**

Still some possible disruption to calls attempted after 3pm Wednesday to Friday

Possible bias towards transactional calls over outbound wellbeing calls

Only able to make outbound calls later in the week

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

The Customer Service Centre is the point of contact for over 50 Council services and serves a diverse range of users including Shropshire's residents, organisations, local councils and Elected Members

The First Point of Contact service for both Adult and Children's Services and the contact point for homelessness and Local Welfare Fund applications, used by residents and organisations alike, are not affected by these proposals and would retain their normal operating times.

Stakeholders for whom it would be useful to be made aware of the proposals and kept informed of developments include the Shropshire and Telford and Wrekin ICS, Members of Parliament, neighbouring local authorities, the County Councils Network and the Rural Services Network

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

These proposed changes reflect the increasing take up of online services, especially in the wake of the Covid pandemic lockdowns but also takes into account also what we know and can assume about digital exclusion in our county as detailed earlier in this assessment.

In arriving at this proposal, we have referred to existing research and information presented to the Health and Wellbeing Board by Shropshire's Social Task force, covering in particular the effects of the current cost of living crisis for Shropshire's residents. Full details can be found here:

<https://shropshire.gov.uk/committee-services/documents/b15906/8.%20Health%20Protection%20update%2011.%20Social%20Action%20Task%20Force%20report%2014th-Jul-2022%2009.30%20Health%20and%20We.pdf?T=9>

Such information is instrumental to the intention to use existing staff resource, time and expertise not only to provide a support line for inbound calls but also to be

more proactive in contacting households across Shropshire to identify emerging need before it reaches crisis point and advising on potential solutions available.

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

This assessment has been drawn up in advance of any consultation period. Consultation, together with accompanying information and questionnaires, will be made available online, with links to surveys published via social media. It will also be available via E mail and on paper on request to the Customer Service Centre, through Shropshire Local branches, and local library branches. Appropriate publicity will point people to the different sources available to suit. In addition, we will inform all stakeholders and partner organisations with invitation to comment.

**Initial equality impact assessment by grouping (Initial health impact assessment is included below)**

*Please rate the impact that you perceive the service change is likely to have on a group, through stating this in the relevant column.*

*Please state if it is anticipated to be neutral (no impact) and add any extra notes that you think might be helpful for readers.*

<b>Protected Characteristic groupings and other groupings in Shropshire</b>	<b>High negative impact <i>Part Two ESIIA required</i></b>	<b>High positive impact <i>Part One ESIIA required</i></b>	<b>Medium positive or negative impact <i>Part One ESIIA required</i></b>	<b>Low positive, negative, or neutral impact (please specify) <i>Part One ESIIA required</i></b>
<u>Age</u> (please include children, young people, young people leaving care, people of working age, older people. Some people may belong to more than one group e.g., a child or young person for whom there are safeguarding concerns e.g., an older person with disability)			✓	
<u>Disability</u> (please include mental health conditions and syndromes; hidden disabilities including autism and Crohn's disease; physical and sensory disabilities or impairments; learning disabilities; Multiple Sclerosis; cancer; and HIV)			✓	
<u>Gender re-assignment</u> (please include associated aspects: safety, caring responsibility, potential for bullying and harassment)				✓
<u>Marriage and Civil Partnership</u> (please include associated aspects: caring responsibility,			✓	

potential for bullying and harassment)				
<b>Pregnancy and Maternity</b> (please include associated aspects: safety, caring responsibility, potential for bullying and harassment)				✓
<b>Race</b> (please include ethnicity, nationality, culture, language, Gypsy, Traveller)				✓
<b>Religion and belief</b> (please include Buddhism, Christianity, Hinduism, Islam, Jainism, Judaism, Nonconformists; Rastafarianism; Shinto, Sikhism, Taoism, Zoroastrianism, and any others)				✓
<b>Sex</b> (this can also be viewed as relating to gender. Please include associated aspects: safety, caring responsibility, potential for bullying and harassment)				✓
<b>Sexual Orientation</b> (please include associated aspects: safety; caring responsibility; potential for bullying and harassment)				✓
<b>Other: Social Inclusion</b> (please include families and friends with caring responsibilities; households in poverty; people for whom there are safeguarding concerns; people you consider to be vulnerable; people with health inequalities; refugees and asylum seekers; rural communities; veterans and serving members of the armed forces and their families)			✓	

### **Initial health and wellbeing impact assessment by category**

*Please rate the impact that you perceive the service change is likely to have with regard to health and wellbeing, through stating this in the relevant column.*

*Please state if it is anticipated to be neutral (no impact) and add any extra notes that you think might be helpful for readers.*

<b>Health and wellbeing: individuals and communities in Shropshire</b>	<b>High negative impact</b> <i>Part Two HIA required</i>	<b>High positive impact</b>	<b>Medium positive or negative impact</b>	<b>Low positive negative or neutral impact (please specify)</b>
<b>Will the proposal have a direct impact on an</b>			✓	



<p><b>individual's health, mental health and wellbeing?</b></p> <p>For example, would it cause ill health, affecting social inclusion, independence and participation?</p> <p>.</p>				
<p><b>Will the proposal indirectly impact an individual's ability to improve their own health and wellbeing?</b></p> <p>For example, will it affect their ability to be physically active, choose healthy food, reduce drinking and smoking?</p> <p>.</p>			✓	
<p><b>Will the policy have a direct impact on the community - social, economic and environmental living conditions that would impact health?</b></p> <p>For example, would it affect housing, transport, child development, education, employment opportunities, availability of green space or climate change mitigation?</p> <p>.</p>			✓	
<p><b>Will there be a likely change in demand for or access to health and social care services?</b></p> <p>For example: Primary Care, Hospital Care, Community Services, Mental Health, Local Authority services including Social Services?</p> <p>.</p>			✓	

**Identification of likely impact of the service change in terms of other considerations including climate change and economic or societal impacts**

These proposals attempt to balance the direct demand on the Council's Customer Service Centre of service requests for our more transactional services and where

workable alternatives exist, with using the skilled resources freed up to be more instrumental in supporting the diverse health and wellbeing needs of our residents.

Whilst it means calls to the Customer Service Centre would be affected by revised opening times, the positive effects of working in this different way, especially for households more susceptible to financial and health inequalities, are expected to outweigh these.

We would work closely with our Data and Information Governance teams to ensure that any personal data accessed to support a more proactive and preventative approach to our residents, was used in accordance with the principles of the General Data Protection Regulations

## **Guidance Notes**

### **1. Legal Context**

It is a legal requirement for local authorities to assess the equality and human rights impact of changes proposed or made to services. It is up to us as an authority to decide what form our equality impact assessment may take. By way of illustration, some local authorities focus more overtly upon human rights; some include safeguarding. It is about what is considered to be needed in a local authority's area, in line with local factors such as demography and strategic objectives as well as with the national legislative imperatives.

Carrying out these impact assessments helps us as a public authority to ensure that, as far as possible, we are taking actions to meet the general equality duty placed on us by the Equality Act 2010, and to thus demonstrate that the three equality aims are integral to our decision making processes.

These are: eliminating discrimination, harassment and victimisation; advancing equality of opportunity; and fostering good relations.

These screening assessments for any proposed service change go to Cabinet as part of the committee report, or occasionally direct to Full Council, unless they are ones to do with Licensing, in which case they go to Strategic Licensing Committee.

Service areas would ordinarily carry out a screening assessment, or Part One equality impact assessment. This enables energies to be focussed on review and monitoring and ongoing evidence collection about the positive or negative impacts of a service change upon groupings in the community, and for any adjustments to be considered and made accordingly.

These screening assessments are recommended to be undertaken at timely points in the development and implementation of the proposed service change.

For example, an ESHIA would be a recommended course of action before a consultation. This would draw upon the evidence available at that time, and identify

the target audiences, and assess at that initial stage what the likely impact of the service change could be across the Protected Characteristic groupings and our tenth category of Social Inclusion. This ESHIA would set out intended actions to engage with the groupings, particularly those who are historically less likely to engage in public consultation eg young people, as otherwise we would not know their specific needs.

A second ESHIA would then be carried out after the consultation, to say what the feedback was, to set out changes proposed as a result of the feedback, and to say where responses were low and what the plans are to engage with groupings who did not really respond. This ESHIA would also draw more upon actions to review impacts in order to mitigate the negative and accentuate the positive. Examples of this approach include the Great Outdoors Strategy, and the Economic Growth Strategy 2017-2021

Meeting our Public Sector Equality Duty through carrying out these ESHIAs is very much about using them as an opportunity to demonstrate ongoing engagement across groupings and to thus visibly show we are taking what is called due regard of the needs of people in protected characteristic groupings

If the screening indicates that there are likely to be significant negative impacts for groupings within the community, the service area would need to carry out a full report, or Part Two assessment. This will enable more evidence to be collected that will help the service area to reach an informed opinion.

In practice, Part Two or Full Screening Assessments have only been recommended twice since 2014, as the ongoing mitigation of negative equality impacts should serve to keep them below the threshold for triggering a Full Screening Assessment. The expectation is that Full Screening Assessments in regard to Health Impacts may occasionally need to be undertaken, but this would be very much the exception rather than the rule.

## **2. Council Wide and Service Area Policy and Practice on Equality, Social Inclusion and Health**

This involves taking an equality and social inclusion approach in planning changes to services, policies, or procedures, including those that may be required by Government.

The decisions that you make when you are planning a service change need to be recorded, to demonstrate that you have thought about the possible equality impacts on communities and to show openness and transparency in your decision-making processes.

This is where Equality, Social Inclusion and Health Impact Assessments (ESHIA) come in. Where you carry out an ESHIA in your service area, this provides an opportunity to show:

- What evidence you have drawn upon to help you to recommend a strategy or policy or a course of action to Cabinet.
- What target groups and audiences you have worked with to date.
- What actions you will take in order to mitigate any likely negative impact upon a group or groupings, and enhance any positive effects for a group or groupings; and
- What actions you are planning to review the impact of your planned service change.

The formal template is there not only to help the service area but also to act as a stand-alone for a member of the public to read. The approach helps to identify whether or not any new or significant changes to services, including policies, procedures, functions, or projects, may have an adverse impact on a particular group of people, and whether the human rights of individuals may be affected.

This assessment encompasses consideration of social inclusion. This is so that we are thinking as carefully and completely as possible about all Shropshire groups and communities, including people in rural areas and people or households that we may describe as vulnerable.

Examples could be households on low incomes or people for whom there are safeguarding concerns, as well as people in what are described as the nine 'protected characteristics' of groups of people in our population, e.g., Age. Another specific vulnerable grouping is veterans and serving members of the Armed Forces, who face particular challenges with regard to access to Health, to Education, and to Housing.

We demonstrate equal treatment to people who are in these groups and to people who are not, through having what is termed 'due regard' to their needs and views when developing and implementing policy and strategy and when commissioning, procuring, arranging, or delivering services.

When you are not carrying out an ESHIA, you still need to demonstrate and record that you have considered equality in your decision-making processes. It is up to you what format you choose.–You could use a checklist, an explanatory note, or a document setting out our expectations of standards of behaviour, for contractors to read and sign. It may well not be something that is in the public domain like an ESHIA, but you should still be ready for it to be made available.

**Both the approaches sit with a manager, and the manager has to make the call, and record the decision made on behalf of the Council. Help and guidance is also available via the Commissioning Support Team, either for data, or for policy advice from the Rurality and Equalities Specialist. Here are some examples to get you thinking.**

*Carry out an ESHIA:*

- If you are building or reconfiguring a building.
- If you are planning to reduce or remove a service.
- If you are consulting on a policy or a strategy.

- If you are bringing in a change to a process or procedure that involves other stakeholders and the wider community as well as particular groupings

For example, there may be a planned change to a leisure facility. This gives you the chance to look at things like flexible changing room provision, which will maximise positive impacts for everyone. A specific grouping that would benefit would be people undergoing gender reassignment

*Carry out an equality and social inclusion approach:*

- If you are setting out how you expect a contractor to behave with regard to equality, where you are commissioning a service or product from them.
- If you are setting out the standards of behaviour that we expect from people who work with vulnerable groupings, such as taxi drivers that we license.
- If you are planning consultation and engagement activity, where we need to collect equality data in ways that will be proportionate and non-intrusive as well as meaningful for the purposes of the consultation itself.
- If you are looking at services provided by others that help the community, where we need to demonstrate a community leadership approach

For example, you may be involved in commissioning a production to tour schools or appear at a local venue, whether a community hall or somewhere like Theatre Severn. The production company should be made aware of our equality policies and our expectation that they will seek to avoid promotion of potentially negative stereotypes. Specific groupings that could be affected include: Disability, Race, Religion and Belief, and Sexual Orientation. There is positive impact to be gained from positive portrayals and use of appropriate and respectful language in regard to these groupings in particular.

### **3. Council wide and service area policy and practice on health and wellbeing**

This is a relatively new area to record within our overall assessments of impacts, for individual and for communities, and as such we are asking service area leads to consider health and wellbeing impacts, much as they have been doing during 2020-2021, and to look at these in the context of direct and indirect impacts for individuals and for communities. A better understanding across the Council of these impacts will also better enable the Public Health colleagues to prioritise activities to reduce health inequalities in ways that are evidence based and that link effectively with equality impact considerations and climate change mitigation.

#### **Health in All Policies – Health Impact Assessment**

Health in All Policies is an upstream approach for health and wellbeing promotion and prevention, and to reduce health inequalities. The Health Impact Assessment (HIA) is the supporting mechanism

- Health Impact Assessment (HIA) is the technical name for a common-sense idea. It is a process that considers the wider effects of local policies, strategies and initiatives and how they, in turn, may affect people's health and wellbeing.
- Health Impact Assessment is a means of assessing both the positive and negative health impacts of a policy. It is also a means of developing good evidence-based policy and strategy using a structured process to review the impact.
- A Health Impact Assessment seeks to determine how to maximise health benefits and reduce health inequalities. It identifies any unintended health consequences. These consequences may support policy and strategy or may lead to suggestions for improvements.
- An agreed framework will set out a clear pathway through which a policy or strategy can be assessed and impacts with outcomes identified. It also sets out the support mechanisms for maximising health benefits.

The embedding of a Health in All Policies approach will support Shropshire Council through evidence-based practice and a whole systems approach, in achieving our corporate and partnership strategic priorities. This will assist the Council and partners in promoting, enabling and sustaining the health and wellbeing of individuals and communities whilst reducing health inequalities.

## **Individuals**

### **Will the proposal have a *direct impact* on health, mental health and wellbeing?**

For example, would it cause ill health, affecting social inclusion, independence and participation?

Will the proposal directly affect an individual's ability to improve their own health and wellbeing?

This could include the following: their ability to be physically active e.g., being able to use a cycle route; to access food more easily; to change lifestyle in ways that are of positive impact for their health.

An example of this could be that you may be involved in proposals for the establishment of safer walking and cycling routes (e.g., green highways), and changes to public transport that could encourage people away from car usage. and increase the number of journeys that they make on public transport, by foot or on bicycle or scooter. This could improve lives.

**Will the proposal *indirectly impact* an individual's ability to improve their own health and wellbeing?**

This could include the following: their ability to access local facilities e.g., to access food more easily, or to access a means of mobility to local services and amenities? (e.g. change to bus route)

Similarly to the above, an example of this could be that you may be involved in proposals for the establishment of safer walking and cycling routes (e.g. pedestrianisation of town centres), and changes to public transport that could encourage people away from car usage, and increase the number of journeys that they make on public transport, by foot or on bicycle or scooter. This could improve their health and well being.

**Communities**

Will the proposal directly or indirectly affect the physical health, mental health, and wellbeing of the wider community?

A *direct impact* could include either the causing of ill health, affecting social inclusion, independence and participation, or the promotion of better health.

An example of this could be that safer walking and cycling routes could help the wider community, as more people across groupings may be encouraged to walk more, and as there will be reductions in emission leading to better air quality.

An *indirect impact* could mean that a service change could indirectly affect living and working conditions and therefore the health and well being of the wider community.

An example of this could be: an increase in the availability of warm homes would improve the quality of the housing offer in Shropshire and reduce the costs for households of having a warm home in Shropshire. Often a health promoting approach also supports our agenda to reduce the level of Carbon Dioxide emissions and to reduce the impact of climate change.

Please record whether at this stage you consider the proposed service change to have a direct or an indirect impact upon communities.

**Demand**

**Will there be a change in demand for or access to health, local authority and social care services?**

For example: Primary Care, Hospital Care, Community Services, Mental Health and Social Services?

An example of this could be: a new housing development in an area would affect demand for primary care and local authority facilities and services in that location and surrounding areas. If the housing development does not factor in consideration

of availability of green space and safety within the public realm, further down the line there could be an increased demand upon health and social care services as a result of the lack of opportunities for physical recreation, and reluctance of some groupings to venture outside if they do not perceive it to be safe.

***For further information on the use of ESHIAs: please contact your head of service or contact Mrs Lois Dale, Rurality and Equalities Specialist and Council policy support on equality, via telephone 01743 258528, or email [lois.dale@shropshire.gov.uk](mailto:lois.dale@shropshire.gov.uk).***

***For further guidance on public health policy considerations: please contact Amanda Cheeseman Development Officer in Public Health, via telephone 01743 253164 or email [amanda.cheeseman@shropshire.gov.uk](mailto:amanda.cheeseman@shropshire.gov.uk)***





<b>Committee and Date</b>	Item
Cabinet 15 <sup>th</sup> February 2023	
	Public



## Performance Monitoring Report Quarter 3 2022/23

<b>Responsible Officer:</b>	James Walton		
email:	james.walton@shropshire.gov.uk	Tel:	01743 258915
<b>Cabinet Member</b> (Portfolio Holder):	Rob Gittins, Culture and Digital		

### 1. Synopsis

The Q3 performance report, shows continued progress in the development of a Performance Management Framework to reflect The Shropshire Plan outcomes: Healthy People, Healthy Economy, Healthy Environment and a Healthy Organisation.

### 2. Executive Summary

- 2.1. The Shropshire Plan was approved by Council on 12 May 2022 with the Vision: Shropshire Living the Best Life and four priorities covering Healthy People, Healthy Economy, Healthy Environment and a Healthy Organisation.
- 2.2. To bring these priorities to life, each contains a set of Strategic Objectives and for 'Healthy Organisation' this includes the following:

We will put our resources in the right place using accurate data, insights, and evidence to support the delivery of the organisation's priorities and balance the books.

We are presently developing a Performance Management Framework to underpin each of the Strategic Objectives and a set of Key Performance Indicators is in development linked to:

- The outcomes to be achieved within the Shropshire Plan

- Outcomes aligned to other strategies and policies that sit beneath The Shropshire Plan
- Measures aligned to Service Delivery Plans and Personal Development Plans
- Measures of key concern to Members (being developed in conjunction with Performance Management Scrutiny Committee).

The Performance Management Framework will enable improvement in our use of data and insight, and progress to date is incorporated in Appendix 1, including those measures where new data are available.

The performance portal provides performance comments and trend information - <https://shropshireperformance.inphase.com/>

21 measures and 5 key deliverables have been updated in the performance portal for this quarter.

5 measures show an improvement in performance  
7 measures remain at the same level  
2 measures show a decline  
7 measures are not appropriate to report direction of travel – e.g. seasonal variance or cumulative

### 3. Recommendations

- 3.1. Consider and endorse, with appropriate comment, the performance to date
- 3.2. Consider any issues in this report as set out in paragraph 9.2
- 3.3. Review both the appendix and performance portal to identify any performance areas that Cabinet would like to consider in greater detail.

## Report

### 4. Risk Assessment and Opportunities Appraisal

- 4.1. Poor performance could have implications for the county, potentially harming the environment, infrastructure, businesses or people who are supported by Council services. 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.
- 4.2. Effective monitoring and follow-up against key measures of success provides the opportunity to manage risks and ensure that desirable outcomes are achieved.
- 4.3. The development of the Shropshire Plan will include an emerging range of deliverables, measures and targets to further manage potential risks and exploit new opportunities.

## 5. Financial Implications

- 5.1. This report does not have any direct financial implications. It presents performance information from which financial risks may occur. These risks are managed by accountable officers and senior managers within the relevant service area and reported in the quarterly financial reports. Information in this report should be used to support decision making and to inform actions or interventions for improving service performance and managing financial risks.

## 6. Climate Change Appraisal

- 6.1. This report does not have any direct climate change implications and instead presents information from which climate and environmental considerations can be made. These risks are managed by accountable officers and senior managers within the relevant service area. Some direct measures, for example solar energy generation and carbon savings by the Council, are reported within the performance portal.
- 6.2. The Shropshire Plan and associated Performance Management Framework is currently in development. This emerging plan will contain new measures to more effectively reflect the ambitions of the climate action plan
- 6.3. Information in this report should be used to support decision making and to inform actions or interventions for improving service performance and managing climate risks.

## 7. Background

- 7.1. This quarterly corporate report updates on the performance of measures and deliverables for the Shropshire plan
- 7.2. Appendix 1 reports performance and key deliverables. The development of new service plans during this financial year will inform the future structure of the corporate performance framework.

## 8. Additional Information

- 8.1. Appendix 2 provides an annual update of recently published benchmarking data for Adult Social Care, Children's Social Care and Economic Growth. These data are for 2022 and may not reflect current performance.

## 9. Conclusions

- 9.1. Performance reporting (appendix 1) for Quarter 3 of 2022/23 shows the journey of performance through the reporting of progress of measures and key deliverables.

- 9.2. Quarter 3 continues to present challenges with social and economic pressures impacting on our people, businesses and the Council. Rates of Looked After Children continue to increase. The number of Looked After Children continues to increase. During the quarter, numbers have increased from 647 to 669. This net increase of 22 includes 5 who were unaccompanied asylum seeker children. 56 children became looked after and 34 ceased to be looked after during the reporting period.
- 9.3. Despite these challenges there continues to be areas of good performance. Annual weekly pay rates have increased higher than the regional and national rates. Claimant count figures have decreased in the overall total, albeit with an increase amongst younger claimants. The rolling average of people Killed or Seriously Injured on our roads has reduced further.

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


**All Members:** All

**Appendices**




Appendix 1 – Corporate Performance Report

See also: <https://shropshireperformance.inphase.com/>

Appendix 2 – Benchmarking Data

 <b>Shropshire Council</b>	<b>Committee and Date</b>	<b>Item</b>
	Cabinet 15 <sup>th</sup> February 2023	Appendix 1 – Corporate Performance Public



	5 measures improving
	7 measures stable
	2 measure declining

This report should be used in conjunction with the performance portal where trend information and additional commentary can be found

<https://shropshireperformance.inphase.com/>

21 measures and 5 deliverables have been updated this quarter.

5 measures show an improvement in performance

7 measures remain at the same level

2 measure show a decline

7 measures are not appropriate to report direction of travel – e.g. seasonal variance or cumulative

5 deliverables remain on course for delivery



<ul style="list-style-type: none"> <li>• Tackle inequalities</li> </ul>	<ul style="list-style-type: none"> <li>• Early intervention</li> </ul>
<ul style="list-style-type: none"> <li>• Partnerships</li> </ul>	<ul style="list-style-type: none"> <li>• Self responsibility</li> </ul>

Key Deliverables	Service Area
Opening of the Chelmaren residential hub - Stepping Stones Programme	Children's Social Care
Develop Carers Strategy	Adult Social Care

Opening of the Chelmaren residential hub	
<p>The Stepping Stones programme aims to reduce the number of children requiring high-cost residential placements. It provides early interventions to prevent children becoming looked after and supports children to be able to safely return to live with their family or a foster family.</p>	
Due: Q1 (Apr – Jun 2023)	Current Status :
<p>Q3 – Works identified for building conversions to meet the needs of Stepping Stones. The Chelmaren subgroup have begun to develop pathways and processes for the home – fortnightly meetings ongoing. Tender and specification for building works drawn up, out to tender for 4 weeks</p> <p>Next Milestone - Works due to start April and run to Jun 2023</p>	
Develop All Age Carers Strategy	
<p>The strategy will recognise the diverse needs of carers of all ages and will provide a framework for support to enable a balance between carers own needs and of their caring responsibilities</p>	
Due: April 2023	Current Status :
<p>Q3 –</p> <p>Draft strategy presented to Health and Adult Social Care overview and scrutiny committee on 30<sup>th</sup> January 2023, and going to cabinet on 22<sup>nd</sup> March 2023</p>	

Measure	Previous Performance	Latest Performance	Direction of Travel	Target
Number of children Stepping Stones Project prevented	11 (Sept 22)	26 (Dec 22)	cumulative	5 (Mar 23)


becoming Looked After				Achieved
Number of children Stepping Stones Project have helped step down in their care need	4 (Sep 22)	12 (Dec 22)	cumulative	5 (Mar 23)  Achieved
Savings achieved by Stepping Stones Project	£1,659,000 (Sep 22)	£4,247,000 (Dec 22)	cumulative	£2,328,000 (Mar 23)  Achieved
Number of looked After Children	647 (Sep 22)	669 (Dec 22)	↑	n/a
% of people in receipt of long term services living independently at home	66.8% (Sep 22)	65.9% (Dec 22)	→	68% (Mar 23)  Requires improvement
Rate of admissions (aged 65+) to nursing/residential care per 100,000 people	300.5 (Sept 22)	400 (Dec 22)	cumulative	500 (Mar 23)  On track
% of inspections rated at 3, 4 or 5 stars in the food hygiene rating scheme	99 (Sept 22)	98.7 Dec 22	→	
Rolling 3 year average for the number of people killed or seriously injured (KSI) on Shropshire roads.	128.7 (Sept 22)	122 Dec 22	↓	





● Climate change strategy and actions	● Safe communities
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<ul style="list-style-type: none"> <li>Natural environment</li> </ul>	
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Key Deliverables	Service Area
Delivery of new crematorium for Shrewsbury	Bereavement
Roll out of new recycling bins	Waste Management

New Cemetery Site for Shrewsbury	
Additional crematorium capacity is required to meet future needs for the people of Shrewsbury and the surrounds. The initial phase of the deliverable is to identify a suitable site and obtain the necessary planning permissions.	
Due: December 2025	Current Status : 
Q3 – Meetings held with Estates Team to identify suitable borehole monitoring locations in the vicinity of considered sites	

Roll Out of Recycling Bins	
As part of the plans to improve and simplify household recycling services the new recycling bin scheme is being implemented. This should also reduce accidental littering from the existing boxes during windy weather.	
Due: Dec 2022	Current Status : 
Q3 – All bins requested in Phase 1 and Phase 2 of the recycling bin rollout have now been delivered.	


Measure	Previous Performance	Latest Performance	Direction of Travel	Target
% of household waste collections recycle, reused, composted	52% (Sept 22)	52.5% (Dec 22)		52.6% (Mar 23)  On track
The estimated annual recycling rate based on Q3 data is 52.5%. This is below the 52.6% target due to a significant reduction in composting tonnages compared to previous years. That is a result of the high temperature and low rainfall for large parts of the summer growing season leading to a reduction in garden waste.				
Kwh of Solar Energy generated	277,473 Kwh	89,568 kwh	N/A due to seasonal variance	








<ul style="list-style-type: none"> <li>• Skills and employment</li> </ul>	<ul style="list-style-type: none"> <li>• Safe, strong, and vibrant destination</li> </ul>
<ul style="list-style-type: none"> <li>• Connectivity and infrastructure</li> </ul>	<ul style="list-style-type: none"> <li>• Housing</li> </ul>

Key Deliverables	Service Area
Economic Growth deliverable	Economic Growth

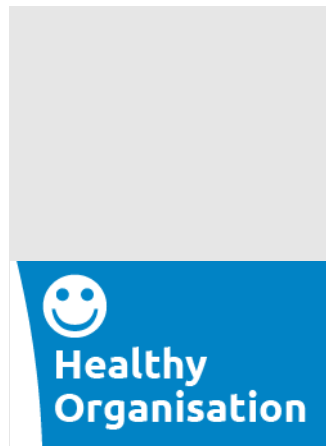
Publish the Economic Growth Strategy	
<p>The new economic growth strategy for Shropshire will set out the vision to support businesses within Shropshire, provide infrastructure to encourage business investment and encourage the connectivity, housing and employment opportunities for our communities.</p>	
Due: Dec 2022	Current Status : 
<p>Q3 – Economic Growth Strategy is now complete. Team are developing a communication and publication to the website (SC and Invest in Shropshire). Focus is now on the action plan to deliver the strategy.</p>	

Measure	Previous Performance	Latest Performance	Direction of Travel	Target
Number of premises on Council Tax Register	148,938 (Sept 22)	149,509 Dec 22		
Claimant count 16+	4,565 (Sept 22)	4,520 (Dec 22)		
Claimant count – aged 18 - 24	725 (Sept 22)	750 (Dec 22)		

Workplace Pay – Gross Weekly	£555.20 (2021)	£598.10 (2022)	↑	
Residents Pay – Gross weekly	£575.40 (2021)	£637.40 (2022)	↑	
% of superfast and fibre coverage	98.6% (Sept 22)	98.6% (Dec 22)	→	98.8 Mar 23 99.4 Mar 24 100 Mar 25  On track




[Broadband Coverage and Speed Test Statistics for Shropshire \(thinkbroadband.com\)](http://thinkbroadband.com)

Annual pay rates for 2022 have been published. Resident gross weekly pay increased by 10.8% whilst Workplace pay by 7.8%. Both rates of increase are higher than those for Great Britain and the West Midlands. Some degree of caution should be used as smaller local sample sizes can cause a greater variance. Resident pay remains higher than workplace pay.




• Best workforce	• Absorb, Adapt, Anticipate
• Communicate well	• Align our resources
Strong councillors	

Measure	Previous Performance	Latest Performance	Direction of Travel	Target
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Number of complaints	283 (Sept 22)	268 Dec 22		
Number of compliments	86 (Sept 22)	106 Dec 22		
% of Council tax collected	57.09% (Sept 22)	89.3% Dec 22	cumulative	March 23 97%
% of Business rates collected	57.9% (Sept 22)	83.40% Dec 22	cumulative	March 23 97%
Number of FTE Staff	2768 (Sept 22)	2778 Dec 22		

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	<b>Committee and Date</b>  Cabinet 15 <sup>th</sup> February 2023	<b>Item</b>  Appendix 2 –  Corporate Performance Benchmarking data  Public
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## Introduction

This report updates cabinet with comparator (benchmarking) data published during quarter 3. Information relates to:

- Adult Social Care for the year 2021/22 - for the year ending March 22 published November 22
- Children’s Social Care for the year 2021/22 - for the year ending March 22 published November 22
- Economic Growth – wages rates from April 22 survey published December 22



## Adult Social Care

### Adult Social Care annual benchmarking review

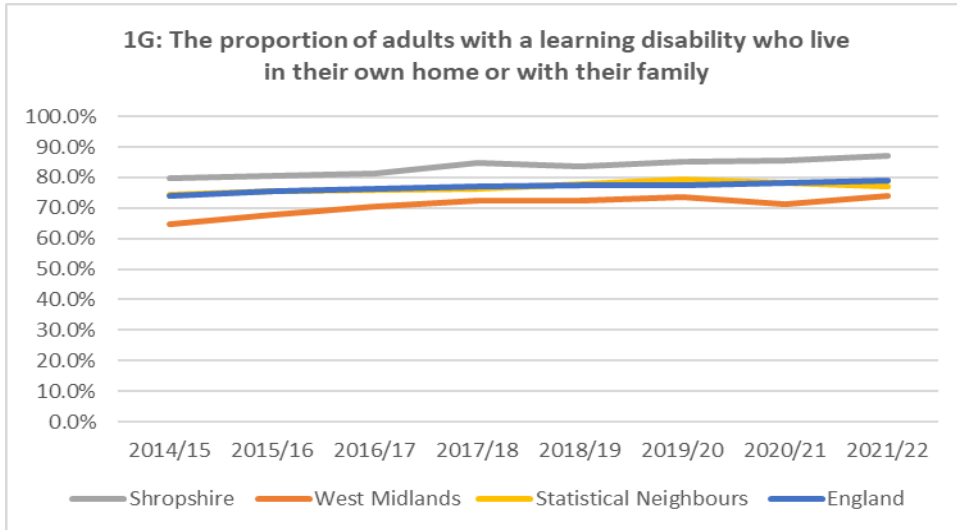
The Adult Social Care Outcome Framework (ASCOF) comparator data has now been published. This report provides a summary of performance for the year to March 22 in comparison to England, West Midlands and our CIPFA Statistical Neighbours.

### Summary

Adult Social Care comparator data indicates good performance in the areas of learning disabilities, admissions and reablement. Surveys of users and carers have seen a downturn in results. It should be noted that survey results can be influenced by circumstances that are directly out of the control of the service. The service will be exploring options this year to identify if service developments can be made to improve future outcomes.

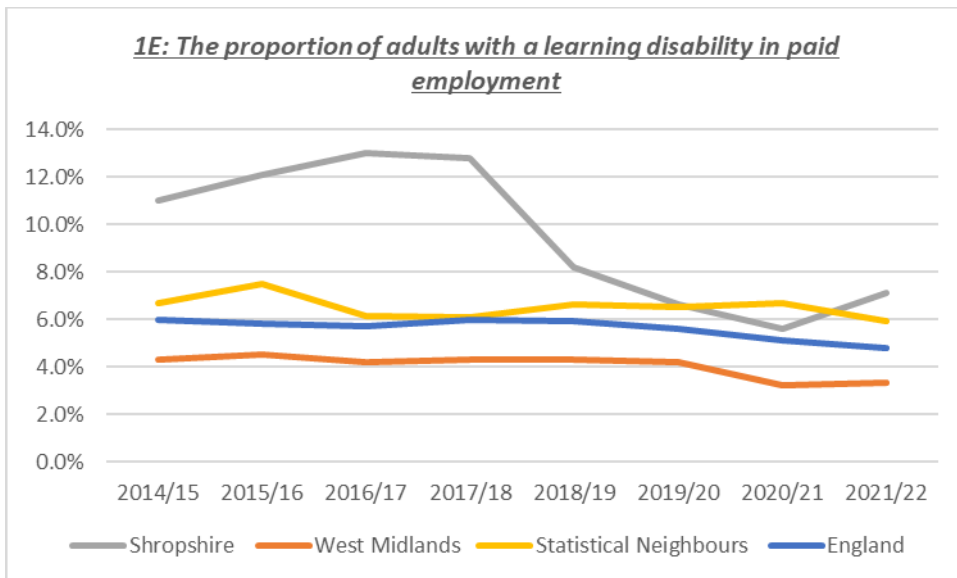
### Learning Disabilities

Shropshire Council has performed well in supporting positive outcomes for service users with Learning Disabilities. The percentage of people living in their own home or with family now stands at 87% and is now in the top quartile of local authorities.



After a period of decrease the efforts of work with the Enable team has seen an improvement in the number of adults with a learning disability in paid employment. This has resulted in the rate moving back above comparator rates.

Work continues to find both training, volunteering and work experience opportunities to help step into employment.



Admissions and Reablement

Admissions and reablement services have both performed well during the year.

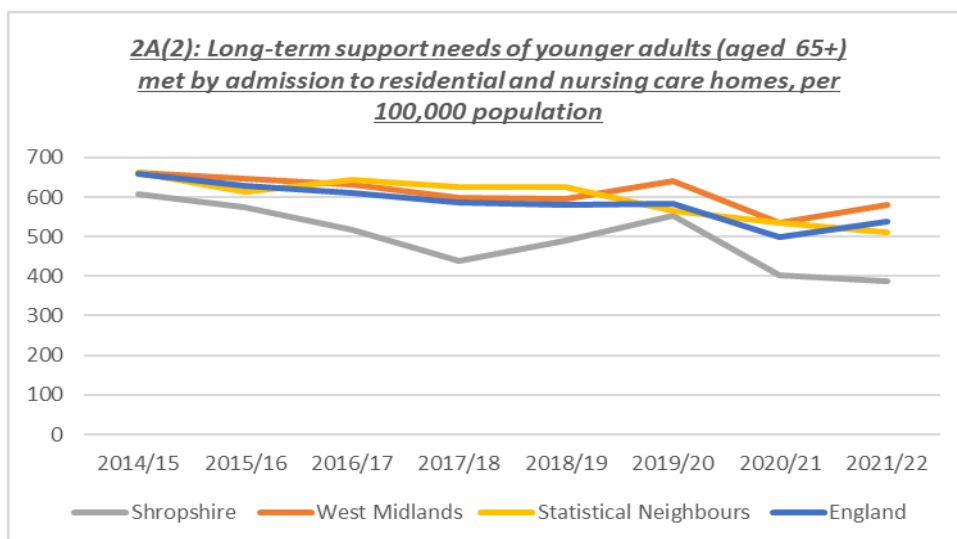
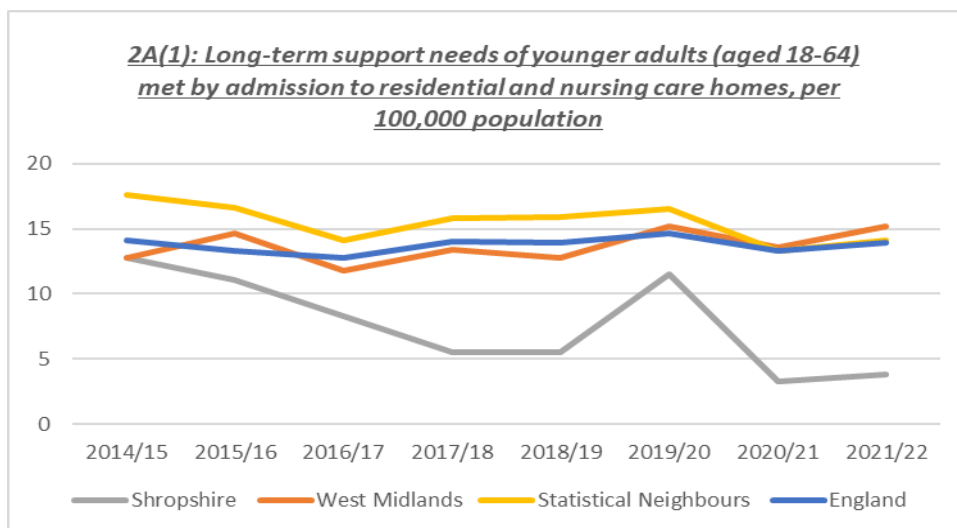
Reablement services seek to improve outcomes and value for money across the health and social care sectors. Reablement seeks to support people and maximise their level of independence, in order to minimise their need for ongoing support and dependence on public services. Results for 2021/22 show that 83.6% of people using the service remain at home 91 days after their discharge from hospital.

Previous Result	Shropshire 2021/22	Statistical Neighbours 2021/22	West Midlands 2021/22	England 2021/22
83.2 (2020/21)	<b>83.6</b>	80.4	81.2	81.8

Achievement of high reablement results in Shropshire is notable given the challenges of providing support in a sparsely populated county and above average age profile of those transferring from care.

Living at home provides better outcomes for people and improves quality of life. Avoiding permanent placements in residential and nursing care homes is a good measure of delaying dependency. Shropshire has performed well in supporting people at home with admission rates being lower than comparator groups with both age groups within the top quartile for performance.

Low performance scores are good



## Annual User Survey

Results for 2021/22 include the annual users survey. A survey did not take place during 2020/21 due to the pandemic.

The quality-of-life score is an overarching measure calculated from the annual user survey which comprises of eight factors covering; control, dignity, personal care, food and nutrition, safety, occupation, social participation and accommodation. The maximum score is 24.

Factors affecting the quality of life reflect some of the wider social and economic conditions and concerns of residents and may not necessarily be as a result of interventions from social care.

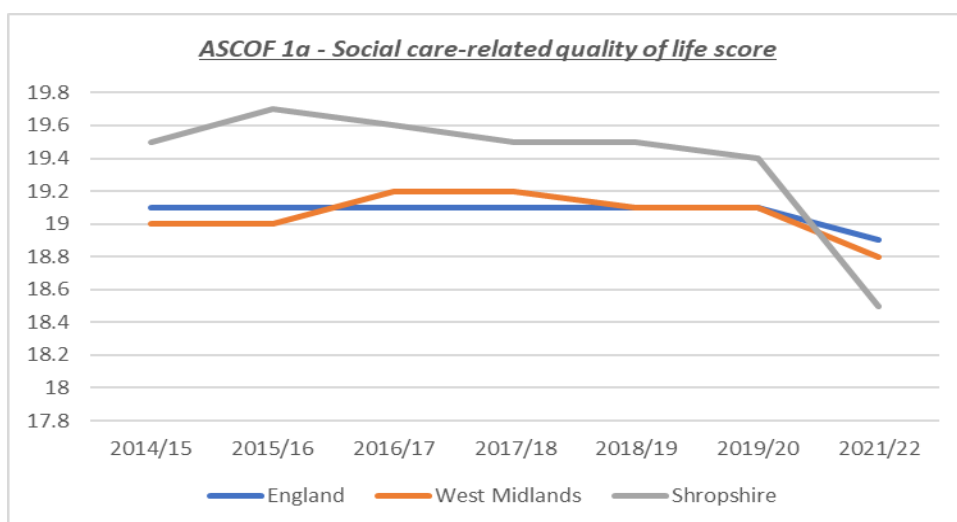
Elements of the survey that have had the most impact on the overall score are the overall satisfaction of people who use Adult Social Care services were; having enough social contact and if services make people feel safe.

Overall satisfaction of Adult Social Care Services in Shropshire has remained higher than those for England and West Midlands.

The rate of variation could be attributed to a number of reasons:

- Local sample sizes are smaller which can result in a greater statistical variance when compared to regional and national results.
- Social and economic factors, not directly related to service provision, having a greater impact on our communities

To help better understand the responses the service is working with the customer insights team and will be asking additional questions in this year's survey. This information will be used to inform future service planning and design.





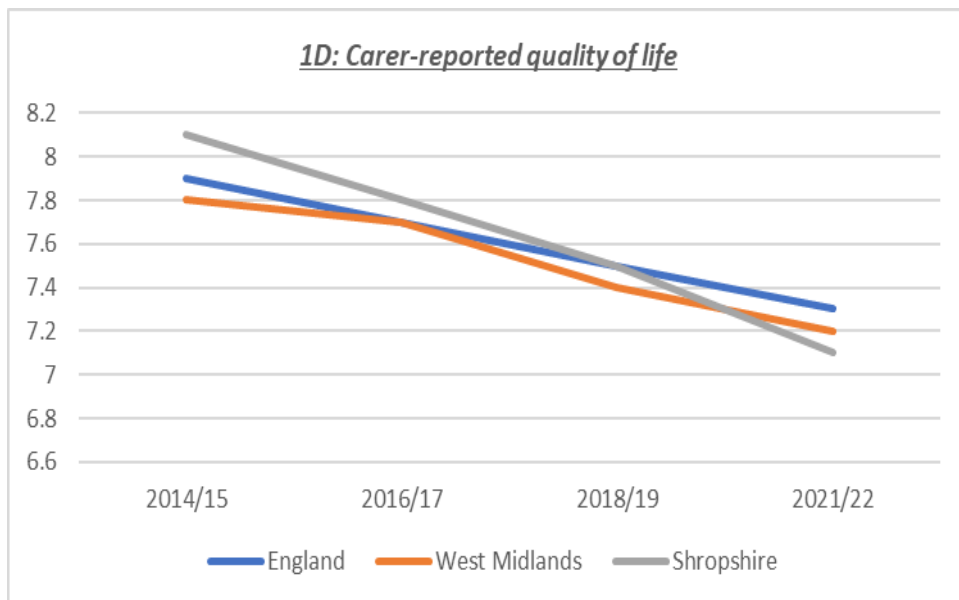
Carers Survey – every two years

Results for 2021/22 include the annual Carers Survey. A survey did not take place during 2020/21 due to the pandemic. The previous survey year was 2018/19

Carer results show a mixed picture. The overall quality of life indicator shows a decrease across all comparators. In Shropshire this mainly affected by carers reporting that they do not have enough social contact as they would like. This measure has seen the greatest reduction in satisfaction.

Social contact is now factored into the work that Shropshire Carers are offering, linking in with Social Prescribing to connect users with the wider communities.

A positive message from the carers survey is that carers report an improved level of satisfaction with social services.



The service is developing an all-age carers strategy which should help to design and commission future services to help improve carers experiences and overall quality of life.

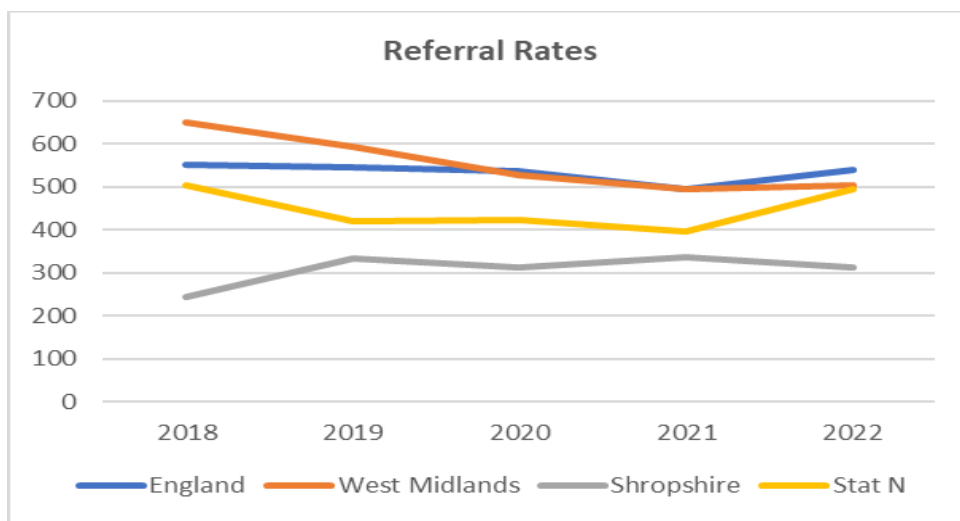
**Summary**

Children’s Social Care comparator data indicates good performance in the areas of referrals, re-referrals, children in need and child protection rates. Timeliness of assessments and child protection conferences were impacted by covid related issues but remain similar or better than comparators. Looked After Children rates continued increased at higher than average rates. Managers continue to assess each child ensuring the appropriate support and care is in place to keep each child safe.

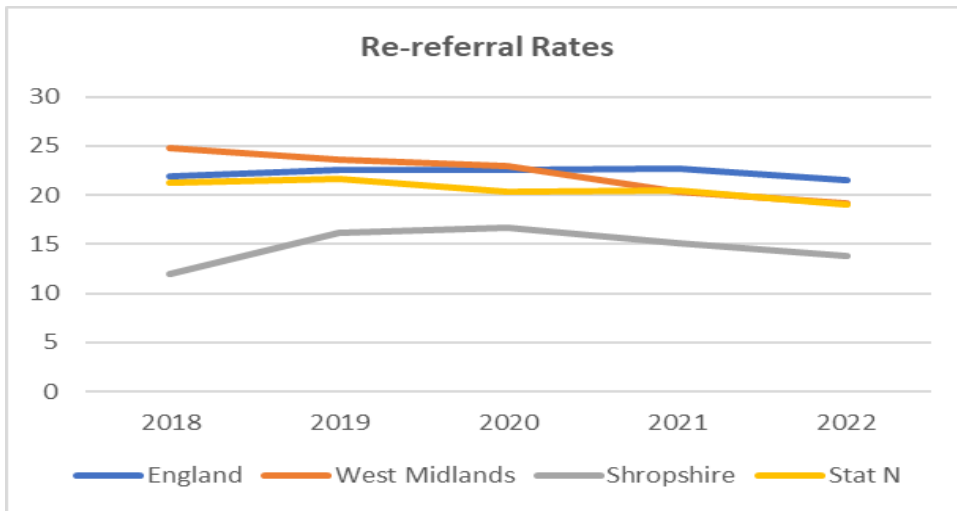
Referrals and Re-referrals

A referral is where information shared relates to a concern about a child’s welfare, the threshold for intervention is met and further information or action is required.

Referral rates in Shropshire are lower than our comparator groups and remained at a similar level to the previous year.

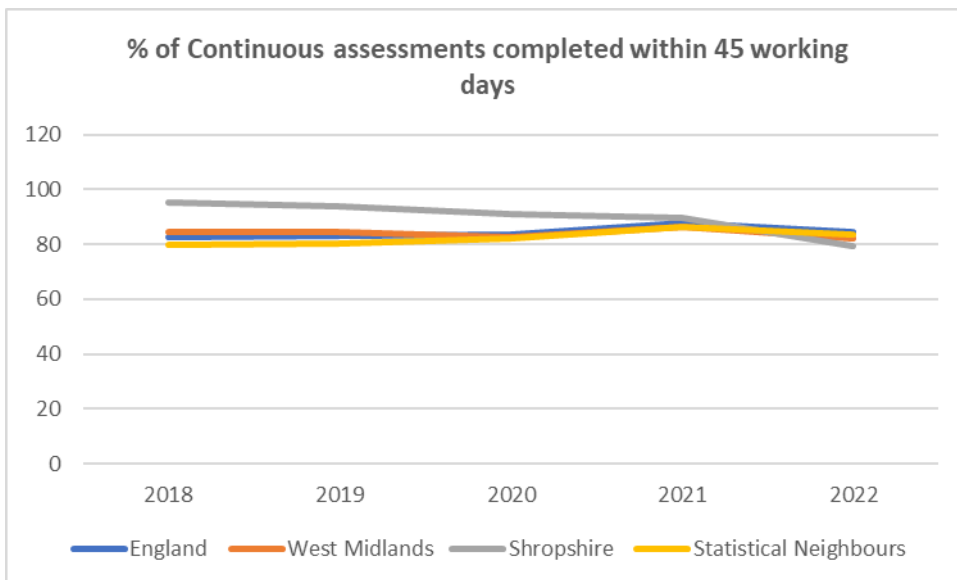


Re-referrals into CSC remain low, suggesting that children requiring support are new to social care, or have not been supported in some time. Re -referral rates being low indicate effective intervention in the previous period of being open to Childrens social care and is therefore an indicator of positive performance.

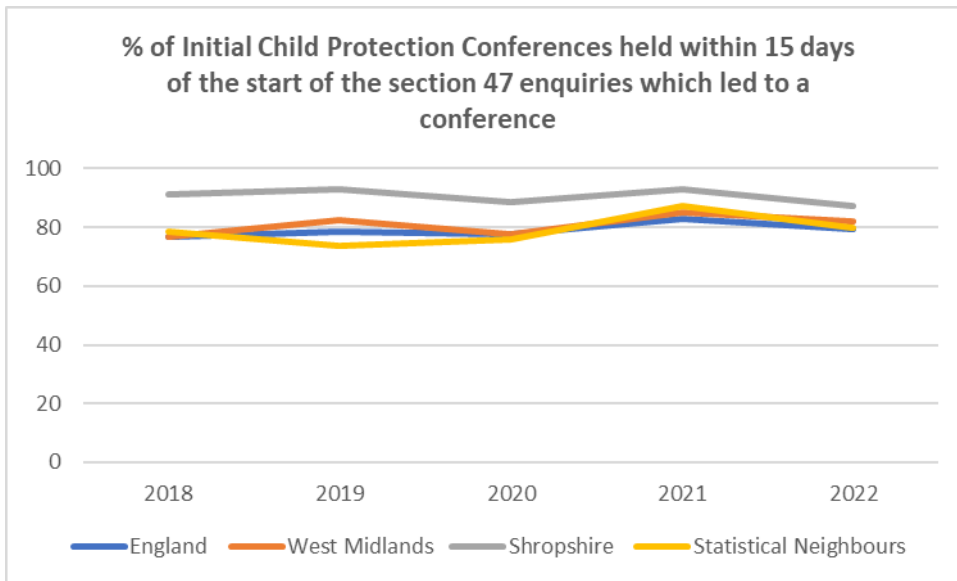


### Timeliness

During the year the timeliness of completing Social Work Assessments saw a decrease. This was the result of high levels of Covid-related sickness which caused delays. All comparator groups have seen staffing pressures resulting in a decrease in timeliness. Shropshire rate remains similar to comparator groups. The service is monitoring current performance and has developed action plans to improve the timeliness in completion of assessments

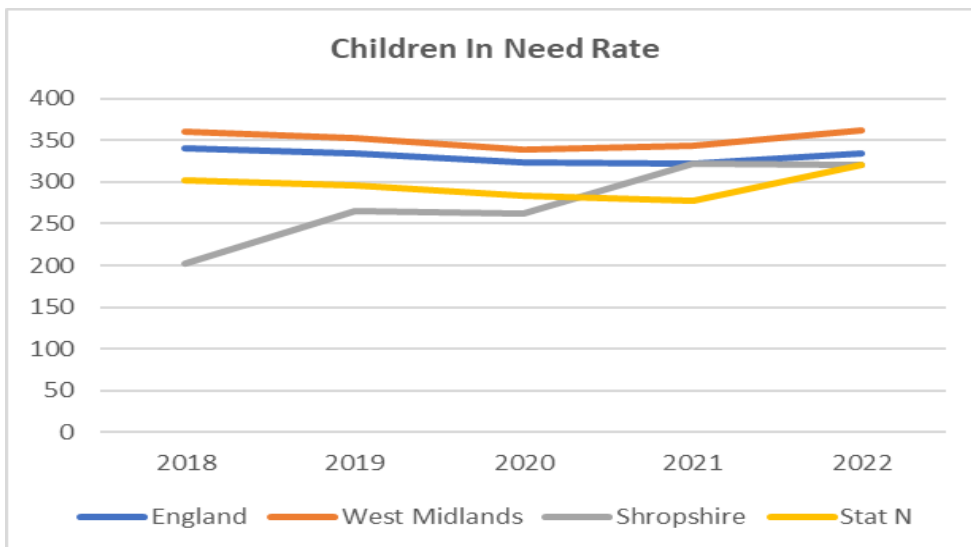


The percentage of Initial Child Protection Conferences held within 15 days has seen a decrease across all comparator groups. Performance in Shropshire remains above the comparator rates.



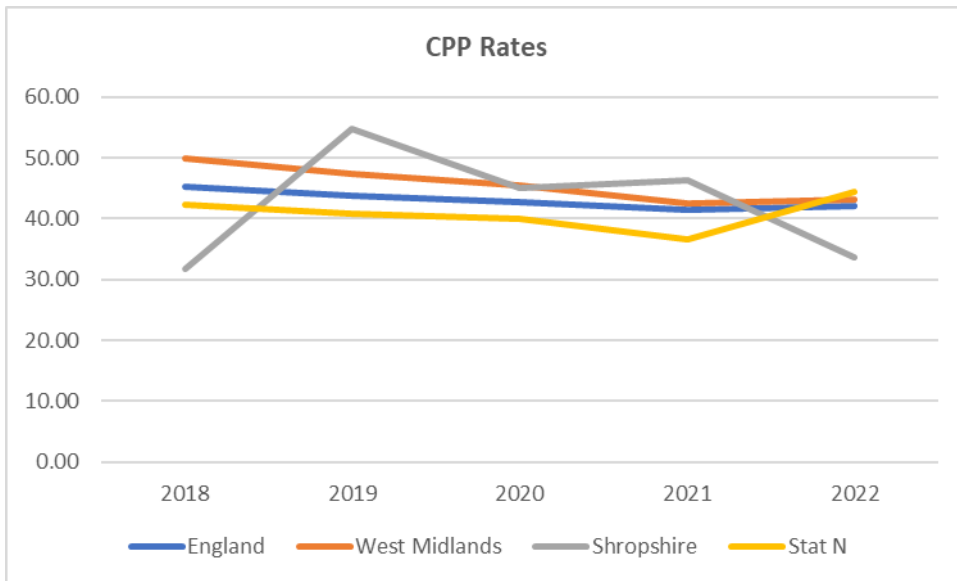
### Children in Need

The number of Children in Need stabilised in Shropshire in the year to March 2022. This differs to comparator groups who all saw an increase in their rates of Children in Need.



### Child Protection

The number of Child Protection Plans peaked in 2019 at 328. Numbers have since decreased and 2022 saw the largest decrease (27%) of any authority in its comparator group. Rates in Shropshire are now lower than its comparator groups.

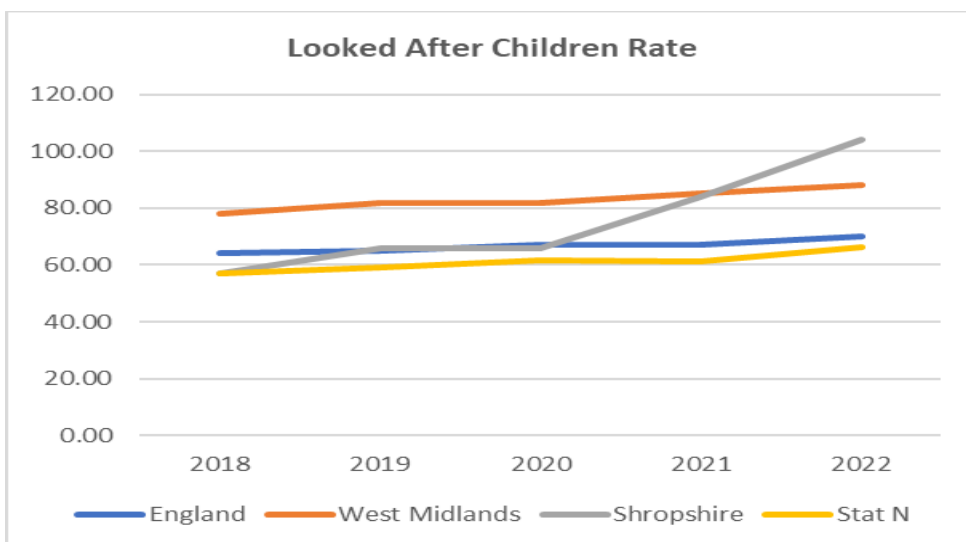


### Looked After Children

Rates for Looked After Children in Shropshire are now higher than its comparator groups. This has been reported and discussed throughout the year at cabinet and scrutiny.

There are multiple factors for the increased rates and senior management continues to assess all children entering care to ensure the appropriate support package is in place to keep our children safe.

There are multiple and combined factors for the increase in children looked after, including; large sibling groups, increase in neglect, increasing number of young children especially under ones, delays in court proceedings being completed, system challenges such as SW capacity, delays to exiting children's care plans and an increase in Unaccompanied Asylum Seeker Children which is mandatory requirement under the National Transfer Scheme.



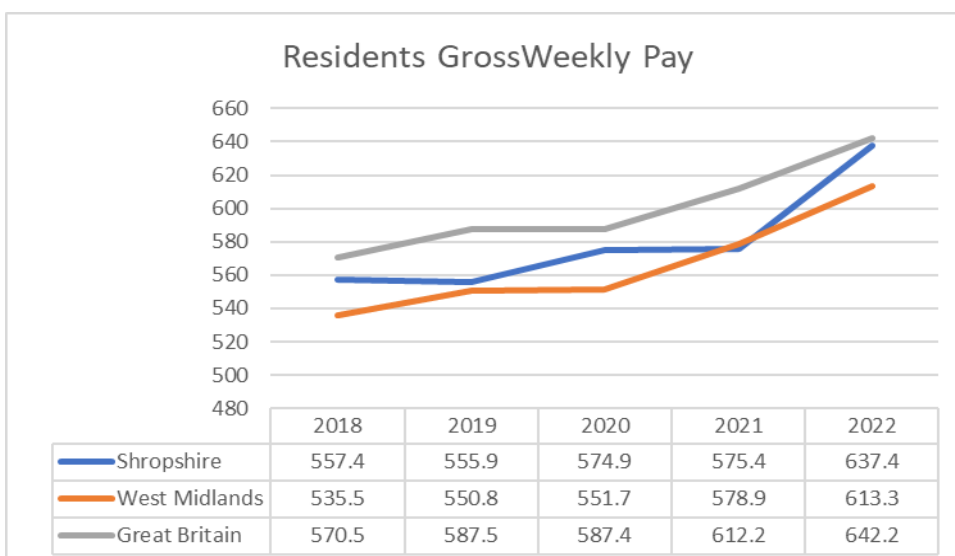
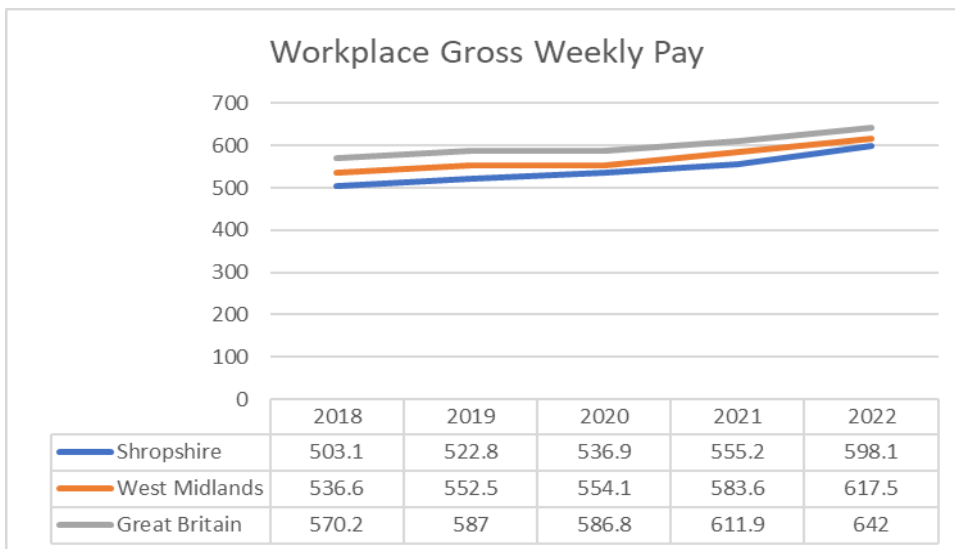


## Weekly Pay Rates

Results from the ONS Annual Survey of Hours and Earnings have been published. Percentage increases in the pay rates for Shropshire, for both workplace and residents, have been higher than those for the West Midlands and for Great Britain.

Workplace pay in Shropshire is typically lower than comparators. This reflects the higher employment rates in lower paid sectors such as tourism, retail and care.

Residents pay is typically higher than the West Midlands and lower than Great Britain. The higher rate of residents pay indicates a net out commute by skilled workers to higher paying sectors and localities.



Please note the smaller sample size for Shropshire can result in a greater annual variance of rates.



## Committee and Date

Cabinet  
15<sup>th</sup> February 2023

Item

Public



## Financial Monitoring Report Quarter 3 2022/23

<b>Responsible Officer:</b>	James Walton		
email:	james.walton@shropshire.gov.uk	Tel:	01743 258915
<b>Cabinet Member (Portfolio Holder):</b>	Gwilym Butler, Finance & Corporate Support		

### 1. Synopsis

*The Council's projected financial position at Quarter 3 is still demonstrating a challenging position with ongoing cost pressures in Adult Social Care and Children's Social Care alongside the impact of inflation.*

### 2. Executive Summary

- 2.1. This report estimates the Council's year end position based on information over the period 1st April 2022 to 31st December 2022.
- 2.2 The key issues highlighted by this report are that:
  - Revenue: The projected revenue outturn position is estimated (by use of a 'control corridor') to be an overspend of between £4.138m and £17.506m, with a 'best estimate' of £9.950m. The lowest overspend shown within the control corridor would leave the General Fund balance as at 31st March 2023 below the recommended level, but still viable.
  - Focussed management action across all areas is being taken and will continue over the final 3 months of the year, to manage the uncertainty and bring the budget closer to overall balance. This includes maximising and accelerating the delivery of planned savings.
  - Capital: The projected capital outturn is £115.119m, in line with the current budget with current capital expenditure of £51.590m, (55% of the budget at Quarter 3, with 75% of the year elapsed).

- In 2022/23 capital receipts are projected to be sufficient to finance the capital programme, with a surplus of £10.412m currently projected at the year end.
- In 2023/24, 2024/25 and 2025/26, capital receipts are currently projected to be lower than those required for the programme. Urgent action is required to bring to market those assets identified for disposal in both the current and future years.

2.3. The forecast revenue outturn overspend of £9.950m at Quarter 3 compares with a forecast overspend of £10.998m at Quarter 2. Although in-year savings have been identified almost across the board within the rest of the Council, the position for children's social care has deteriorated significantly. See appendix 1A for details of the movement between Quarter 2 and Quarter 3.

### **3. Recommendations**

3.1. It is recommended that Members:

- A. Note that at the end of Quarter 3 (31<sup>st</sup> December 2022), the full year revenue forecast is a potential overspend of between £4.138m and £17.506m, with best estimates indicating an overall overspend of £9.950m;
- B. Considers the detrimental impact of this on the Council's General Fund balance and mitigating actions urgently required to avoid this.

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

- 4.1. The management of the Council's Budget is a key process in ensuring the strategic risks are mitigated and the Council can carry out the business as intended and planned for within The Shropshire Plan.
- 4.2. The Council is also experiencing locally the nationally reported shift in the labour market which is making recruitment more difficult. Actions are being put in place to ensure that our employment offer is attractive within the market and well publicised.
- 4.3. The current economic climate in the UK presents specific risks including the changes to the bank rate and the pressures from inflation which require active management.
- 4.4. The level of savings delivery and financial pressures in the current year are a recognised risk for the 2023/24 budget, and additional measures are being put in place to address this.
- 4.5. The Council is also experiencing locally the nationally reported shift in the labour market which is making recruitment more difficult. Actions are being put in place to ensure that our employment offer is attractive within the market and well publicised.

### **5. Financial Implications**

- 5.1. This report sets out the financial projections for the Council in the 2022/23 Financial Year. Full details of projected spend in both the revenue and capital budgets are detailed in section 8-12 of this report.

### **6. Climate Change Appraisal**



6.1. The Council's Financial Strategy supports its strategies for Climate Change and Carbon Reduction in a number of ways. A specific climate change revenue budget is held and spend is included in Appendix 1 to this report. The climate change schemes involving the Council's assets or infrastructure are included within the capital programme of which further detail can be found within Appendix 7. These two areas of expenditure are anticipated to have a positive contribution towards climate change outcomes.

## 7. Background

7.1. Budget monitoring reports are produced quarterly for Cabinet and the budget position is reported monthly to Executive Directors, highlighting the anticipated year end projection.

7.2. 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 ensure a balanced budget at year end.

7.3. Council approved the Financial Strategy 2022/23 – 2026/27 on 24 February 2022 which outlined the revenue and capital budget for 2022/23. Since that date there have been a number of factors that have specifically impacting on the 2022/23 financial year. These include:

- Increased inflationary pressures
- Work on short term budget savings

7.4. As a result, a review of the Financial Strategy was considered at Cabinet on 20th July 2022. This showed that the inflationary pressures identified for 2022/23 were anticipated to be offset by the short term budget savings identified, and this report builds on these projections, following 9 months of transactions in this financial year.

## 8. Projected Revenue Outturn

8.1. At Quarter 3 (Period 9), the Council is reporting a forecast overspend of £9.950m. Table 1 below summarises the position by directorate (see Appendix 1A and 1B), including latest projections on funding. A breakdown of the projected outturn by portfolio holder is detailed in Appendix 1C.

**Table 1: Projected Revenue Outturn**

Directorate	Revised Budget (£'000)	Forecast Outturn (£'000)	(Under)/Overspend (£'000)
People	182,831	195,818	12,987
Place	63,766	68,784	5,018
Strategic Management Board	731	699	(32)
Health and Wellbeing	1,356	1,091	(265)
Resources	25,624	23,880	(1,744)
<b>Service Spending</b>	<b>274,308</b>	<b>290,272</b>	<b>15,964</b>
Corporate Budgets	(49,692)	(55,706)	(6,014)
<b>Total Net Expenditure</b>	<b>224,616</b>	<b>234,566</b>	<b>9,950</b>

<b>Funded By:</b>			
Council Tax	(180,285)	(180,285)	0
Business Rates	(36,844)	(36,844)	0
Top Up Grant	(10,031)	(10,031)	0
Revenue Support Grant	(6,450)	(6,450)	0
Collection Fund (Surplus)/Deficit	8,994	8,994	0
<b>Total Funding</b>	<b>(224,616)</b>	<b>(224,616)</b>	
<b>Total Overall</b>	<b>0</b>	<b>9,950</b>	<b>9,950</b>

8.2 The majority of the current forecast overspend can be summarised as:

- £5.1m budget pressures in Adult Social Care
- £8.0m budget pressures in Children's Social Care and Safeguarding
- £5.3m unachieved savings within the Place directorate, largely relating to Corporate Landlord, Property and Development
- Offset by (£8.4m) underspends across the Council, principally through vacancy management savings, increased Treasury Management income (interest receivable) and release of MRP budgets and earmarked reserves.

## 9. Income

9.1. The revenue budget is funded income including specific government grants and retained local taxation receipts. Grant values are advised in the settlement before the start of the year and are unchanged. Taxation receipts have improved in excess of budgeted estimates – this is reflected in the Collection Fund forecast, elsewhere on this agenda. Income through discretionary fees and charges is included in budgets for service area net spending). Appendix 2 provides analysis of the current projection of specific government grant income by directorate, including any new allocations, and highlights the current delivery of income through fees and charges charged in services.

## 10. Savings

10.1. The savings projections for 2022/23 have been RAG rated and are presented in Appendix 3. This includes both savings agreed as part of the 2022/23 budget strategy and additional tactical budget savings. These projections show that 69% of the 2022/23 savings required have been rated as green. Of the unachieved savings, £1.2m will remain as a pressure for next year, the remainder being addressed in budget proposals.

**Table 2: Savings Delivery in 2022/23**

Directorate	Red (£'000)	Amber (£'000)	Green (£'000)	Total (£'000)
Corporate Budgets	0	0	50	50
Health and Wellbeing	0	0	209	209
People	501	0	2,530	3,030
Place	5,272	0	3,441	8,713
Resources	50	0	634	684
Strategic Management Board	0	0	9	9
Tactical Budget Savings	768	0	7,712	8,480
<b>Total Savings</b>	<b>6,591</b>	<b>0</b>	<b>14,585</b>	<b>21,175</b>

## 11. Reserves

- 11.1. The 2022/23 budget strategy included a contribution of £4.028m to the General Fund balance which would then reach £15.550m, which is a safer level given the current profile of external financial risks. This is shown in the table below, and in appendix 5.
- 11.2 If the current projected overspend is not mitigated by appropriate management action and actually occurs, it would need to be funded from the General Fund balance, resulting in an outturn level of £5.600m.
- 11.3 This is an unsafe level for this balance to reach, as it would limit the ability of the council to mitigate any further unforeseen shocks such as ongoing inflationary increases, climate events such as flooding and drought, or reductions in available resources due to changed national policy. Independent advice is that General Fund un-earmarked reserves should equate to 5%-10% of next spending. Actions to address this are set out in the update of the MTFS, also on this agenda.

General Fund	£'000
Balance as at 1 <sup>st</sup> April 2022	11,522
Budgeted Contribution in 2022/23	4,028
<b>Resulting Balance</b>	<b>15,550</b>
2022/23 Current Projected Outturn (this report)	(9,950)
<b>Potential General Fund Balance as at 31<sup>st</sup> March</b>	<b>5,600</b>

## 12. Capital

- 12.1. The current capital programme and actual spend is detailed in Table 3 below, including updated projections on financing of the programme. Further detail is provided in Appendix 7.

**Table 3: Projected Capital Programme Outturn**

Directorate	2022/23 Revised Capital Programme (£'000)	2022/23 Actual Spend (£'000)	2022/23 Actual YTD spend as % of Budgeted YTD Spend	2023/24 Capital Programme (£'000)	2024/25 Capital Programme (£'000)
Health and Wellbeing	-	-	-	-	-
People	25,225	8,395	33.28	20,639	17,577
Place	71,462	48,453	67.80	72,605	78,715
Resources	486	72	14.91	1,000	-
<b>Total General Fund</b>	<b>97,173</b>	<b>56,920</b>	<b>58.58</b>	<b>94,244</b>	<b>96,292</b>
Housing Revenue Account	17,946	2,705	36.83	20,475	15,122
<b>Total Capital Programme</b>	<b>115,119</b>	<b>42,126</b>	<b>55.19</b>	<b>114,719</b>	<b>111,414</b>
<b>Financed By:</b>					
Borrowing	35,416			41,079	30,837
Government Grants	41,015			48,690	58,838
Other Grants	6,515			118	61
Other Contributions	15,067			7,175	5,861
Revenue Contributions to Capital	5,195			749	-
Major Repairs Allowance	4,090			4,828	4,828

Capital Receipts	7,821			12,080	10,989
<b>Total Financing</b>	<b>115,119</b>			<b>114,719</b>	<b>111,414</b>

\* Actual financing of the capital programme is determined at closedown.

12.2 The current capital programme assumes a level of capital receipts to finance the capital programme. Without these, the council may need to borrow externally, which would be more costly. Appendix 8 summarises the current capital receipt position and highlights both opportunities to secure receipts and the risk of increased revenue costs in future years.

### 13. Housing Revenue Account (HRA)

13.1. At Quarter 3 (Period 9), the HRA is projecting a minor overspend of £0.112m (0.56% of gross budget) due to reduced projected dwellings rent. This will be financed through the HRA reserve.

### 14. Dedicated Schools Grant

14.1 Although there is a (£0.426m) surplus reported against the central allocation of Dedicated Schools Grant (DSG), which is used to fund educational services provided on a Council wide basis to support all schools, this underspend will be retained on the balance sheet for use in future years. The majority of the underspend (£0.386m) relates to the High Needs Block of DSG.

14.2 Significant growth has been allocated to the High Needs Block in 2022-23. While the expenditure continues to increase year on year, the forecasted spend has not increased by as much as the increase in funding. For example, post 16 FE College placements saw the budget increased by £0.581m in anticipation of significant growth in numbers of pupils and expenditure, however we are currently reporting a (£0.817m) underspend against this budget.

14.3 A report has been presented to Schools Forum on the High Needs Block DSG 3 year forecast for 2023-24 to 2025-26. While the financial position for 2022-23 and 2023-24 is forecast to be healthy, Schools Forum members have been told that the position will start to worsen from 2024-25 onwards if current growth assumptions are correct. Schools Forum members and Officers will need to consider a range of strategies to manage the future increase in demand so that it is sustainable within future year's High Needs Block DSG allocations.

### 15. Financial Management

15.1. Key indicators of financial management can be examined through the management of routine financial transactions that the Council undertakes on a day-to-day basis.

15.2. In paying suppliers, the Council has adopted a no Purchase Order, no pay process which ensure that transactions are only processed with a valid, authorised purchase order, thereby ensuring prompt payments to suppliers on receipt of invoice.

15.3. Another key indicator of financial management is the level of aged debt that the Council is managing. These indicators are tracked over the course of the financial year to monitor progress. The indicators as at Quarter 3 are detailed in Appendix 9.

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

Financial Strategy 2022/23 – 2026/27  
Financial Rules  
Financial Monitoring Report Quarter 1 2022/23  
Financial Monitoring Report Quarter 2 2022/23

**Local Member:**

All

**Appendices [Please list the titles of Appendices]**

Appendix 1A – 2022/23 Projected Revenue Outturn by Service  
Appendix 1B – 2022/23 Detailed Projected Revenue Outturn by Service  
Appendix 1C – 2022/23 Projected Revenue Outturn by Portfolio Holder  
Appendix 2 – 2022/23 Income Projections  
Appendix 3 – Delivery of 2022/23 Savings Proposals  
Appendix 4 – Reconciliation of Monitoring Projections to Savings Delivery  
Appendix 5 – Amendments to Original Budget 2022/23  
Appendix 6 – Reserves 2022/23  
Appendix 7 – Projected Capital Programme Outturn 2022/23 – 2024/25  
Appendix 8 – Projected Capital Receipts  
Appendix 9 – Financial Management Indicators

## APPENDIX 1A

## 2022/23 PROJECTED REVENUE OUTTURN BY SERVICE

Directorate / Service	Controllable Budget at Q3*	Forecast Outturn at Q3	Forecast Outturn Variance at Q3	Movement from Q2 to Q3	Forecast Outturn Variance at Q2	Reasons for Movement
	£'000	£'000	£'000	£'000	£'000	
<b>People</b>						
Children's Social Care and Safeguarding	44,362	52,390	8,028	2,304	5,724	See table below
Adult Social Care	115,131	120,280	5,149	(865)	6,013	See table below
Directorate Management	632	704	73	8	65	Minor variations
Housing Services	4,109	4,109	0	0	0	No variation
Learning and Skills	16,028	16,018	(10)	51	(62)	Increased forecast costs of home to school transport, particularly in relation to SEND statutory transport
Children's Early Help, Partnerships and Commissioning	2,570	2,318	(251)	(31)	(221)	Minor variations
<b>People Total</b>	<b>182,831</b>	<b>195,818</b>	<b>12,987</b>	<b>1,467</b>	<b>11,520</b>	
<b>Place</b>						
Commercial Services	659	5,662	5,004	427	4,577	<ul style="list-style-type: none"> <li>• £0.338m deterioration in the position relating to Shire Services, as a result of the NJC pay award not previously included. as well as reduced income.</li> <li>• £0.061m increased Corporate Landlord costs due to fire risk assessment issues.</li> </ul>
Homes and Communities	7,445	7,900	455	33	422	Minor variations
Economy and Place	2,909	3,133	224	26	198	Minor variations
Directorate Management	360	435	76	48	28	Minor variations

Directorate / Service	Controllable Budget at Q3*	Forecast Outturn at Q3	Forecast Outturn Variance at Q3	Movement from Q2 to Q3	Forecast Outturn Variance at Q2	Reasons for Movement
	£'000	£'000	£'000	£'000	£'000	
Infrastructure	52,393	51,652	(740)	(683)	(57)	<ul style="list-style-type: none"> <li>• (£0.290m) reduction in forecast costs of Waste Management following reduced landfill tonnages and increased forecast income relating to the Energy Recovery Facility.</li> <li>• (£0.235m) net reduction in forecast costs of Environment and Transport following a net reduction in the cost of supported bus services and an improvement in net parking income.</li> <li>• (£0.158m) net reduction in forecast Highways costs as a result of increased Streetworks income and reduced management resource and support costs.</li> </ul>
<b>Place Total</b>	<b>63,766</b>	<b>68,784</b>	<b>5,018</b>	<b>(150)</b>	<b>5,167</b>	
<b>Resources</b>						
Finance and Technology	12,598	11,855	(743)	(282)	(460)	<ul style="list-style-type: none"> <li>• (£0.212m) additional vacancy management savings and reduced supplies and services costs forecast within Finance.</li> <li>• (£0.070m) increased income and additional one-off funding identified within Automation and Technology.</li> </ul>
Workforce and Improvement	3,768	3,250	(518)	(238)	(280)	Additional vacancy management and supplies and services savings identified. Also released some earmarked reserves no longer required.
Communications and Engagement	3,426	3,146	(280)	(45)	(235)	Minor variations
Treasury and Pensions	(81)	(88)	(6)	(1)	(5)	Minor variations
Directorate Management	277	282	5	0	5	No movement
Legal and Governance	5,637	5,435	(202)	205	(407)	Increased pressures in relation to Legal Services childcare costs (legal disbursements and external legal support costs) due to an increased number of more complex cases, meaning longer hearing times and increased costs
<b>Resources Total</b>	<b>25,624</b>	<b>23,880</b>	<b>(1,744)</b>	<b>(361)</b>	<b>(1,384)</b>	
<b>Corporate Budgets</b>	<b>(49,692)</b>	<b>(55,705)</b>	<b>(6,013)</b>	<b>(1,892)</b>	<b>(4,121)</b>	Forecast adjusted for 2022/23 pay inflation (corporate funding) and release of corporate earmarked reserves (2.066m) following a review of uncommitted balances..

Directorate / Service	Controllable Budget at Q3*	Forecast Outturn at Q3	Forecast Outturn Variance at Q3	Movement from Q2 to Q3	Forecast Outturn Variance at Q2	Reasons for Movement
	£'000	£'000	£'000	£'000	£'000	
<b>Health and Wellbeing</b>						
Public Health	(269)	(346)	(77)	4	(81)	NA
Regulatory Services	1,625	1,437	(188)	(101)	(87)	Further application of (COVID) Contain Outbreak Management Fund.
<b>Health and Wellbeing Total</b>	<b>1,356</b>	<b>1,091</b>	<b>(265)</b>	<b>(97)</b>	<b>(168)</b>	
<b>Strategic Management Board</b>						
Chief Executive and PAs	729	695	(34)	(18)	(16)	Minor variations
Programme Management	1	3	2	2	0	Minor variations
<b>Strategic Management Board Total</b>	<b>731</b>	<b>699</b>	<b>(32)</b>	<b>(16)</b>	<b>(16)</b>	
<b>Council Total</b>	<b>224,616</b>	<b>234,566</b>	<b>9,950</b>	<b>(1,048)</b>	<b>10,998</b>	

\*Budgets exclude non-controllable costs, internal market and corporate landlord recharges

Social Care Service Area	Forecast Outturn Variance at Q3 £'000	Movement from Q2 to Q3 £'000	Reasons for Movement
Adult Social Care	<b>5,149</b>	(865)	<p>+£3.160m increase in forecast spot purchasing expenditure, mainly in care homes, due to a new short- and long-term service users and an increase to average weekly rates.</p> <p>(£1.446m) reduction in reablement expenditure, which in turn has led to some of the additional costs above (staff refocused).</p> <p>(£2.267m) additional NHS funding confirmed towards hospital discharge related expenditure.</p> <p>+£0.439m increased in forecast block contract expenditure, mainly due to service users needing high cost supported living.</p>



			(£0.285m) reduction in staffing costs
Children's Social Care and Safeguarding	<b>8,028</b>	2,304	<p>+£1.044m forecast increased spending in relation to residential and fostering placements (includes internal residential homes): £0.857m relates to external residential placements with 9 new external residential placements in November and December which was higher than forecast at Q2. The remainder of the increase relates to internal residential homes.</p> <p>+£0.413m forecast increase in Disabled Children's Team expenditure, mainly due to £0.210m complex home care packages, and £0.121m on the overnight short breaks contract.</p> <p>+£0.301m forecast increase in LAC Service expenditure: £0.151m on staffing and £0.150m on non-staffing costs (transport and supplies and services).</p> <p>+£0.167m increase in Quality and Assurance expenditure, and +£0.147m increase in Case Management expenditure: £0.147m increase in non-staffing relating to transport and supplies and services costs.</p>

## APPENDIX 1B

## DETAIL BY SERVICE AREA

Directorate	Revised Budget*	Forecast Outturn	Variance
	£	£	£
People	182,831,290	195,818,631	12,987,341
Place	63,765,800	68,783,606	5,017,806
Strategic Management Board	730,710	698,743	(31,967)
Health and Wellbeing	1,356,150	1,090,845	(265,305)
Resources	25,624,280	23,879,663	(1,744,617)
Corporate Budgets	(49,691,930)	(55,705,788)	(6,013,858)
<b>Total</b>	<b>224,616,300</b>	<b>234,565,700</b>	<b>9,949,400</b>

\*Budgets exclude non-controllable costs, internal market and corporate landlord recharges

CORPORATE BUDGETS	Full Year			RAGY
	Budget £	Forecast £	Variance £	
<b>Total</b>	<b>(278,257,040)</b>	<b>(284,270,898)</b>	<b>(6,013,858)</b>	Y

Corporate Budgets	Portfolio Holder Finance and Corporate Resources	(278,257,040)	(284,270,898)	(6,013,858)	Y
<p>The interest receivable budget is expected to deliver additional income of (£2.174m) due to increases in the Bank of England base rate. The current estimates are based on assumptions of the value of investment balances.</p> <p>The MRP budget is expected to deliver one-off in year savings of (£1.300m). Of this, (£1.000m) is the result of releasing budget held for potential additional MRP costs from new projects. (£0.300m) is as a result of changes in actual borrowing requirements identified during the 2021-22 closedown.</p> <p>Savings of (£0.513m) are expected against interest payable budgets, however recent Bank of England base rate increases will have an impact on borrowing rates going forward; i.e. it will be more expensive to borrow. The interest payable budget does not include any new external borrowing. The interest payable budget includes the current fixed term debt charges only.</p> <p>A review of earmarked reserves has been carried out to determine if any balances can be uncommitted at this stage of the financial year. It has been determined that balances of £2.066m can be released from Earmarked Reserves as commitments originally anticipated for 2022/23 are no longer required.</p>					

HEALTH AND WELLBEING	Full Year			RAGY
	Budget £	Forecast £	Variance £	
<b>Total</b>	<b>1,356,150</b>	<b>1,090,845</b>	<b>(265,305)</b>	Y

<b>Regulatory Services</b>	<b>Portfolio Holder Highways and Regulatory Services</b>	1,625,020	1,436,951	(188,069)	Y
The underspend is due to vacant posts within the Health Protection Team and a significant review and redesign of the service to optimise capacity, resilience and performance. The new structure has now been developed with recruitment to all posts, providing confidence internally and externally (to the Food Standards Agency), that the service has an appropriate establishment for meeting statutory Official Food Control targets moving forward. Underspends have occurred due to delays in filling vacant posts. In the interim, and to assist with meeting existing food inspection targets, EHO Food Safety consultants were appointed, funded from that underspend. In addition, resources have been diverted to activities associated with Contain Outbreak Management.					
<b>Non Ring Fenced Public Health Services</b>	<b>Portfolio Holder Adult Social Care and Public Health</b>	231,490	154,255	(77,235)	Y
The favourable variance is due to the application of Contain Outbreak Management Funding, where resources have been diverted to this initiative.					
<b>Ring Fenced Public Health Services</b>	<b>Portfolio Holder Adult Social Care and Public Health</b>	(500,360)	(500,360)	-	G
No variance from budget as at Quarter 3.					

PEOPLE	Full Year			RAGY
	Budget £	Forecast £	Variance £	
<b>Total</b>	<b>182,831,290</b>	<b>195,818,631</b>	<b>12,987,341</b>	<b>R</b>

<b>People Directorate Management</b>	<b>Portfolio Holder Adult Social Care and Public Health</b>	631,590	704,302	72,712	A
There is a £0.073m overspend within the Adult Services Director cost centre. £0.066m relates to a one-off legal cost.					
<b>Adult Social Care Business Support and Development</b>	<b>Portfolio Holder Adult Social Care and Public Health</b>	2,873,770	2,660,225	(213,545)	Y
There is a (£0.214m) underspend within Adult Social Care Business Support. (£0.042m) relates to a one-off underspend on a contract. The remaining underspend relates to in year vacancy management savings.					
<b>Adult Social Care Management</b>	<b>Portfolio Holder Adult Social Care and Public Health</b>	965,650	839,420	(126,230)	Y
There is an underspend in this area due to staff vacancies. All commissioning service manager posts have now been recruited to, and recruitment is in progress for the remaining operational service manager posts. Recruitment expenses are offsetting a proportion of the gross underspend on salaries that has resulted from the vacant posts.					
<b>Adult Social Care Provider Services</b>	<b>Portfolio Holder Adult Social Care and Public Health</b>	2,741,320	2,719,722	(21,598)	Y
Minor variance from budget as at Quarter 3.					
<b>Adult Social Care Operations</b>	<b>Portfolio Holder Adult Social Care and Public Health</b>	108,550,470	114,060,438	5,509,968	R

The social care purchasing: £5.022m, as follows:

- £2.316m overspend on spot purchasing. The current gross pressure amounts to £6.771m. Initial forecasts indicated an estimated pressure of £3.163m due to 6% fee rate increase being agreed from 1st April but only 2% being budgeted for. There have since been further pressures. We have seen an increase in nursing care highlighting a complexity in people's needs from the community and through the hospital discharge routes; in addition to this the care market costs have significantly increased compared to pre pandemic levels and continue to remain high. Due to the continued pressure to support hospital discharges; we were asked to find additional capacity. Part of the budget pressure in this area has been offset with one-off contributions from reserves.

- £1.836m unachieved client contributions to care costs (income) - due to the increase in the minimum income guarantee, new service users' contributions have not increased as much as anticipated in the budget.

- £1.820m overspend on new and increased supported living packages, driven by increased complexity in service users' needs, and so work is underway to remodel the service.

In addition, there is a net forecast underspend of (£0.487m) across all other services within Adult Social Care Operations, primarily due to an underspend on staffing, as a result of vacant posts.

<b>Housing Services</b>	<b>Portfolio Holder Adult Social Care and Public Health</b>	4,108,600	4,108,600	-	G
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No variance from budget as at Quarter 3.

<b>Children's Social Care and Safeguarding</b>	<b>Portfolio Holder Children and Education</b>	44,361,830	52,389,638	8,027,808	R
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- £2.620m overspend on placement costs, primarily residential spot placements which has increased from 36 to 50.

- £1.837m overspend on staffing. The majority of this relates to agency social workers (37.4 FTE) covering vacancies.

- £0.840m overspend in the Disabled Children's Team (non-staffing): £0.521m due to short term care packages of prevention and support for disabled children. This is an area which has seen a significant increase in demand. High-cost home care packages for disabled children are in some cases a short term alternative to placing a child in a long term residential placement. £0.198m relates to direct payments for disabled children. Although growth was included in the 2022/23 budget, the increase in numbers of children requiring support has been greater than anticipated. This is as well as an increase in the number of support hours per child, which indicates an increase in complexity. The remaining £0.121m overspend relates to overnight short breaks provision.

- £0.660m overspend due to other demand related costs such as transport related expenditure e.g taxi costs or travel allowances or expenses. These costs have increased in line with the increase in demand.

- £0.474m overspend in the Leaving Care Team (non-staffing). £0.397m of this overspend relates to accommodation costs for care leavers and allowances paid to care leavers, reflecting an increased number of children staying in supported accommodation after their 18th birthday.

- £0.358m overspend on the Council's five internal residential children's homes. The majority is due to additional hours/overtime in response to an increase in complexity of the children accommodated in these homes.

- £0.340m overspend in Adoption Services. £0.149m relates to Adoption and Special Guardianship Order Allowances, where there has been an increase in forecast expenditure in 2022/23. £0.117m forecast overspend relates to intra agency adoption fees where the Council has paid fees for adoption placements with adoption agencies.

- £0.245m overspend relating to Public Law Outline Support Packages. This overspend reflects increasing legal costs in line with the increase in demand.

The service is considering a number of strategies to address the current budget pressures, particularly around residential placements and agency social workers. These include investing in the Council's internal foster carers and reviewing terms and conditions for social work staff to ensure Shropshire's pay and conditions are competitive with neighbouring local authorities.

<b>Children's Early Help, Partnerships and Commissioning</b>	<b>Portfolio Holder Children and Education</b>	2,569,670	2,318,267	(251,403)	Y
The forecast underspend is due to delays in recruiting staff to new posts. (£0.221m) of this forecast underspend relates to the Council's 3 family hubs, (£0.012m) to the Parenting team and (£0.021m) to the Not in Education, Employment or Training (NEETS) team.					
<b>Learning and Skills</b>	<b>Portfolio Holder Children and Education</b>	16,028,390	16,018,020	(10,370)	Y
<ul style="list-style-type: none"> <li>• £0.335m estimated overspend on home to school transport caused by increased costs from external providers. This pressure is partially caused by an agreed price uplift to operators' daily contract prices by 5% earlier in the financial year to support them to deal with the impact of fuel price increases.</li> <li>• (£0.291m) underspend against staff related budgets (largely teachers' pension compensation payments).</li> <li>• The remaining (£0.055m) underspend relates to the use of one-off funding mainly in Learning and Skills Business Support.</li> </ul>					

PLACE	Full Year			RAGY
	Budget £	Forecast £	Variance £	
<b>Total</b>	<b>63,765,800</b>	<b>68,783,606</b>	<b>5,017,806</b>	<b>R</b>

<b>Director of Place</b>	<b>Portfolio Holder Growth and Regeneration</b>	359,560	435,410	75,850	A
There is a £0.047m pressure on annual subscriptions and £0.023m budget pressure relating to employee related costs.					

<b>Assistant Director Commercial Services</b>	<b>Portfolio Holder Growth and Regeneration</b>	132,290	143,583	11,293	G
Minor variance from budget as at Quarter 3.					
<b>Corporate Landlord, Property and Development</b>	<b>Portfolio Holder Growth and Regeneration</b>	1,095,930	5,096,087	4,000,157	R
<ul style="list-style-type: none"> <li>• £2.021m commercial savings now unachievable due to market conditions.</li> <li>• £1.442m delay in achievement of Commercial savings. These are due to be achieved in future years.</li> <li>• £1.391m delay in achievement of 'Efficiencies within administrative buildings' relating to the closure of Shirehall and Mount McKinley and the use of the Guildhall. The savings are due to be achieved in full by 2026-27 when Council moves to new Multi-Agency Hub in Shrewsbury town centre.</li> <li>• £0.944m pressure projected as a result of unbudgeted inflationary pressures across utilities and maintenance, offset by one-off (£0.467m) draw from reserves.</li> <li>• £0.109m additional valuation costs have been incurred.</li> <li>• (£0.990m) in year savings resulting from unused MRP and enabling budgets,</li> <li>• One-off income of (£0.331m) is forecast to be generated across the estate</li> <li>• Delays between vacant posts being appointed to due to market issues is resulting in a projected (£0.025m) salary underspend.</li> <li>• Balanced by small underspends across the estate.</li> </ul>					
<b>Commercial Services Business Development</b>	<b>Portfolio Holder Growth and Regeneration</b>	(102,420)	32,229	134,649	R
The overspend is made up of a combination of £0.111m unachieved savings and £0.024m unachieved income to cover salary costs.					
<b>Climate Change</b>	<b>Deputy Leader and Portfolio Holder Climate Change, Environment and Transport</b>	520,080	521,612	1,532	G
Minor variance from budget as at Quarter 3.					
<b>Shire Services</b>	<b>Portfolio Holder Growth and Regeneration</b>	(986,970)	(131,077)	855,893	R
<p>The forecast overspend is due to the following factors:</p> <ul style="list-style-type: none"> <li>• £0.410m savings target now not achievable.</li> <li>• £0.250m relates to salary overspends due to the additional pay award.</li> <li>• £0.180m recharges budget not achieved (recharging of Head Office staff to sites).</li> <li>• £0.044m relates to school catering deficits for 21/22 being paid for by the service.</li> <li>• £0.012m additional spend relating to holiday pay on additional hours worked, not included in the budget.</li> </ul>					
<b>Assistant Director Economy &amp; Place</b>	<b>Portfolio Holder Growth and Regeneration</b>	249,500	255,194	5,694	G
Minor variance from budget as at Quarter 3.					
<b>Planning Services</b>	<b>Portfolio Holder Highways and Regulatory Services</b>	523,440	650,184	126,744	R
Additional costs (staff resource) of £0.086m for the Building Control service in dealing with enforcement issues & dangerous structures, and a variance of £0.043m associated with external income generated by the Natural and Historic Team.					
<b>Economic Growth</b>	<b>Portfolio Holder Growth and Regeneration</b>	930,610	930,610	(0)	Y
No variance from budget as at Quarter 3.					
<b>Broadband</b>	<b>Portfolio Holder Culture and Digital</b>	127,100	127,100	0	G

No variance from budget as at Quarter 3.					
<b>Planning Policy</b>	<b>Portfolio Holder Highways and Regulatory Services</b>	782,750	782,750	0	G
No variance from budget as at Quarter 3.					
<b>Shrewsbury Shopping Centres (Commercial)</b>	<b>Portfolio Holder Growth and Regeneration</b>	(234,900)	(190,154)	44,746	G
Minor variance from budget as at Quarter 3.					
<b>Shrewsbury Shopping Centres (Development)</b>	<b>Portfolio Holder Growth and Regeneration</b>	530,900	577,432	46,532	G
Minor variance from budget as at Quarter 3.					
<b>Assistant Director Homes and Communities</b>	<b>Portfolio Holder for Health (Integrated Care System) and Communities</b>	106,220	263,740	157,520	R
Developing the 'Shropshire Local' initiative will lead to unbudgeted costs of £0.127m, from the centre located in the Darwin Shopping Centre.					
<b>Housing Development and HRA</b>	<b>Portfolio Holder Growth and Regeneration</b>	6,470	(548,792)	(555,262)	Y
Following completion of Cornovii Developments Ltd's first scheme, the overage payment to the Council (as shareholder) resulting from the scheme is greater than anticipated and budgeted for.					
<b>Bereavement Services</b>	<b>Portfolio Holder for Health (Integrated Care System) and Communities</b>	167,460	136,885	(30,575)	Y
Minor variance from budget as at Quarter 3.					
<b>Registrars and Coroners</b>	<b>Portfolio Holder for Health (Integrated Care System) and Communities</b>	251,450	288,914	37,464	G
Minor variance from budget as at Quarter 3.					
<b>Trading Standards and Licensing</b>	<b>Portfolio Holder Highways and Regulatory Services</b>	1,538,540	1,445,664	(92,876)	Y
There is a forecast underspend of (£0.093m) across Trading Standards and Licencing at Quarter 3. The most significant underspend in this area relates to Trading Standards & Parking Enforcement, largely due to staff vacancies.					
<b>Head of Culture, Leisure &amp; Tourism</b>	<b>Portfolio Holder for Health (Integrated Care System) and Communities</b>	461,980	468,992	7,012	G
Minor variance from budget as at Quarter 3.					
<b>Arts</b>	<b>Portfolio Holder for Health (Integrated Care System) and Communities</b>	62,430	57,408	(5,022)	Y
Minor variance from budget as at Quarter 3.					
<b>Shropshire Hills AONB</b>	<b>Deputy Leader and Portfolio Holder Climate Change, Environment and Transport</b>	(5,870)	(5,870)	(0)	Y

No variance from budget as at Quarter 3.					
<b>Outdoor Partnerships</b>	<b>Portfolio Holder for Health (Integrated Care System) and Communities</b>	1,110,740	1,080,490	(30,250)	Y
Minor variance from budget as at Quarter 3.					
<b>Leisure</b>	<b>Portfolio Holder for Health (Integrated Care System) and Communities</b>	1,539,410	2,134,842	595,432	R
The adverse variance is primarily due to the following factors: <ul style="list-style-type: none"> <li>• £0.202m Increased cost of renegotiated SERCO contract, due to market factors.</li> <li>• £0.263m Additional costs of SERCO facilities, mainly as a result of closure of the Quarry swimming pool.</li> <li>• £0.210m pressure on Council-operated Leisure centres (loss of income and increased staff costs).</li> <li>• £0.046m legal and consultant fees.</li> <li>• (£0.142m) Funding from Public Health to support delivery Leisure.</li> </ul>					
<b>Libraries</b>	<b>Portfolio Holder for Health (Integrated Care System) and Communities</b>	2,230,840	2,267,690	36,850	G
Minor variance from budget as at Quarter 3.					
<b>Museums and Archives</b>	<b>Portfolio Holder for Health (Integrated Care System) and Communities</b>	790,320	954,660	164,340	R
There is a forecast overspend of £0.164m for Museums and Archives at Quarter 3. The majority of the overspend (£0.101m) relates to Acton Scott Working Farm, which is currently closed. Further overspends are due to a shortfall in projected income for Museum Learning and Shropshire Archives (£0.063m).					
<b>Theatre Services</b>	<b>Portfolio Holder for Health (Integrated Care System) and Communities</b>	(814,810)	(644,476)	170,334	R
Whilst there has been good post-pandemic admissions at the Theatre and Old Market Hall, there continues to be significant challenges both from the costs of operating and the cost of living crisis. This is anticipated to have a significant net impact on the service, currently estimated at £0.170m for 2022/23. A successful pantomime season achieved £0.843m in gross ticket income, breaking the previous record by £0.045m.					
<b>Assistant Director Infrastructure</b>	<b>Portfolio Holder Highways and Regulatory Services</b>	242,700	206,486	(36,214)	Y
Minor variance from budget as at Quarter 3.					
<b>Environment and Transport</b>	<b>Deputy Leader and Portfolio Holder Climate Change, Environment and Transport</b>	7,744,020	7,835,883	91,863	A
<ul style="list-style-type: none"> <li>• Net parking income is projected to be lower than budgeted for. The budget pressure is currently estimated to be £0.190m.</li> <li>• Street Cleansing and Grounds Maintenance - Additional maintenance works have been required amounting to £0.059m.</li> <li>• There is a forecast overspend of £0.025m in Strategic Highways services, mainly connected to traffic engineering works and assessments.</li> <li>• Public Transport – There is a net reduction in the costs of supported bus services, amounting to (£0.182m).</li> </ul>					
<b>Highways</b>	<b>Portfolio Holder Highways and</b>	11,249,820	10,225,733	(1,024,087)	Y



	<b>Regulatory Services</b>				
<ul style="list-style-type: none"> <li>The Streetworks team seeks to minimise disruption to the highways network and will penalise organisations that fail to complete their interventions in accordance with their permit to operate. Net income for this service area is anticipated to be (£0.566m) greater than budget.</li> <li>An energy saving of (£0.195m) is forecast, resulting from the LED streetlights already installed. This is currently delivering a saving of 5% compared to the 2022/23 budget.</li> <li>Budget savings are anticipated relating to Highways works resulting from increased 'Right First Time' capital repairs and some delays/savings in delivery of revenue works and engineering support.</li> </ul>					
<b>Waste Management</b>	<b>Deputy Leader and Portfolio Holder Climate Change, Environment and Transport</b>	33,156,210	33,384,398	228,188	G
<p>Inflation of the waste PFI contract is determined in January of the previous financial year, and in January 2022 RPI and RPIx were 7.7% and 8%. The inflationary growth included in the budget (determined during the autumn of 2021) was 5.5%, and therefore there is an ongoing inflationary budget pressure relating to this contract, in the region of £0.450m. However, one-off savings have been achieved in year through reduced landfill tonnages and greater forecast income being received in relation to the Energy Recovery Facility.</p>					

RESOURCES	Full Year			RAGY
	Budget £	Forecast £	Variance £	
<b>Total</b>	<b>25,624,280</b>	<b>23,879,663</b>	<b>(1,744,617)</b>	Y

<b>Resources Management Team</b>	<b>Portfolio Holder Finance and Corporate Resources</b>	276,830	281,586	4,756	G
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Minor variance from budget as at Quarter 3.

<b>Organisation Performance Management</b>	<b>Portfolio Holder Culture and Digital</b>	-	(1)	(1)	Y
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Minor variance from budget as at Quarter 3.

<b>Automation and Technology</b>	<b>Portfolio Holder Culture and Digital</b>	6,848,980	6,592,643	(256,337)	Y
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Savings have been identified on ICT system budgets.

<b>Finance</b>	<b>Portfolio Holder Finance and Corporate Resources</b>	4,241,670	3,755,178	(486,492)	Y
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There have been net savings identified across the Revenues and Benefits teams of (£0.355m) in relation to vacancies and staffing recharges within the teams. This is as a result of difficulties in recruiting staff to the vacant positions, and in relation to recharging staff to externally funded grant projects. There have been workforce pressures in relation to additional responsibilities within the team for administering new programmes such as energy rebates. This has resulted in the need for existing staff to work additional hours and the requirement for additional agency staff resources to support the team to deliver business critical activities, although this additional cost is funded by administration elements of the grant funding and from savings on vacant posts. There has been a successful recruitment activity focused on filling apprenticeship posts within the teams. This will help to create a pool of experienced staff for the future to fill future vacancies and to aid with succession planning. Additional one-off savings of (£0.135m) have been identified across grant income and a review of supplies and services budgets.

A net underspend of (£0.020m) is forecast within Finance, due to staffing savings and additional income generation.

<b>Housing Benefits</b>	<b>Portfolio Holder Finance and Corporate Resources</b>	1,507,020	1,507,020	-	G
No variance from budget as at Quarter 3.					
<b>Business Improvement: Data, Analysis and Intelligence</b>	<b>Portfolio Holder Culture and Digital</b>	913,330	888,376	(24,954)	Y
Minor variance from budget at Quarter 3.					
<b>Human Resources and Organisational Development</b>	<b>Portfolio Holder Finance and Corporate Resources</b>	2,871,170	2,451,314	(419,856)	Y
The team is currently undergoing a full-scale restructure of the services. This is currently resulting in an underspend on staff costs due to in year vacancies. These will all be filled moving forwards. Overall, there is a forecast underspend of (£0.187m) relating to Human Resources Business Partner and Advice Teams. There are further forecast underspends of (£0.108m) from a combination of additional income generation and vacancy management across Health & Safety and Occupational Health Teams, (£0.041m) relating to Payroll Services (as a result of vacancy management) and (£0.011m) relating to Corporate Training. Earmarked reserves of £0.080m have also been released relating to Occupational Health and Human Resources.					
<b>Risk Management and Insurance</b>	<b>Portfolio Holder Finance and Corporate Resources</b>	(70,440)	(143,746)	(73,306)	Y
Savings of (£0.073m) are currently forecast within the Insurance team, largely as a result of a claims handler vacancy. This post has previously been advertised and not filled. The post is currently out for recruitment and may be filled later in the year.					
<b>Scrutiny</b>	<b>Portfolio Holder Finance and Corporate Resources</b>	54,120	54,120	-	G
No variance from budget as at Quarter 3.					
<b>Commissioning Development and Procurement</b>	<b>Portfolio Holder Finance and Corporate Resources</b>	359,820	311,593	(48,227)	Y
Minor variance from budget as at Quarter 3.					
<b>Legal Services</b>	<b>Portfolio Holder Finance and Corporate Resources</b>	2,497,610	2,577,574	79,964	A
There is a forecast pressure against external legal costs of £0.192m (predominantly Counsel) relating to children's social care (legal child care). This position needs to be monitored until year-end, as, due to a number of complex cases, the costs could potentially increase. Difficulties in being able to recruit to vacant posts are leading to a forecast underspend of (£0.112m) in the remaining areas of Legal Services. The underspend on staffing is part-funding the budget pressure in Legal Child Care.					
<b>Democratic Services</b>	<b>Portfolio Holder Finance and Corporate Resources</b>	1,581,750	1,513,794	(67,956)	Y
There is a forecast underspend of (£0.025m) in Democratic Services, as a result of savings on mileage and subsistence budgets. Committee Services has a forecast underspend of (£0.022m), largely due to a vacant post within the team that were not filled until the end of August. Members' Services has a forecast underspend of (£0.021m) due to in year savings on IT budgets.					

<b>Elections</b>	<b>Portfolio Holder Finance and Corporate Resources</b>	434,850	426,709	(8,141)	Y
Minor variance from budget as at Quarter 3.					
<b>Audit and Information Governance</b>	<b>Portfolio Holder Finance and Corporate Resources</b>	762,690	604,906	(157,784)	Y
Due to staff turnover within the Audit team, there are currently underspends forecast due to vacancies of (£0.216m). This is partly offset by additional expenditure of £0.086m on agency staff to support the team. The current level of vacancies is not sustainable and recruitment activity is in progress.					
<b>Treasury and Pensions</b>	<b>Portfolio Holder Finance and Corporate Resources</b>	(81,260)	(87,551)	(6,291)	Y
Minor variance from budget as at Quarter 3.					
<b>Communications &amp; Engagement</b>	<b>Leader and Portfolio Holder Policy and Strategy, Improvement and Communications</b>	3,426,140	3,146,150	(279,990)	Y
There are expected net savings of (£0.280m) across Customer Services and Communications. These are as a result of a number of posts held vacant. A proportion of the staff budget savings are being reallocated to support the creation of a 24/7 out of hours support service within the Safer Communities Coordination Team.					

<b>STRATEGIC MANAGEMENT BOARD</b>	<b>Full Year</b>			<b>RAGY</b>
	<b>Budget £</b>	<b>Forecast £</b>	<b>Variance £</b>	
<b>Total</b>	<b>730,710</b>	<b>698,743</b>	<b>(31,967)</b>	<b>Y</b>

<b>Chief Executive &amp; PAs</b>	<b>Leader and Portfolio Holder Policy and Strategy, Improvement and Communications</b>	729,330	695,283	(34,047)	Y
Minor variance from budget as at Quarter 3.					
<b>Programme Management</b>	<b>Leader and Portfolio Holder Policy and Strategy, Improvement and Communications</b>	1,380	3,460	2,080	G
Minor variance from budget as at Quarter 3.					

**APPENDIX 1C****2022/23 PROJECTED REVENUE OUTTURN BY PORTFOLIO HOLDER**

<b>Portfolio Holder</b>	<b>Revised Budget*</b> <b>£'000</b>	<b>Forecast Outturn</b> <b>£'000</b>	<b>Variance</b> <b>£'000</b>
Portfolio Holder Children and Education	62,960	70,726	7,766
Portfolio Holder Adult Social Care and Public Health	119,603	124,747	5,144
Portfolio Holder Growth and Regeneration	1,981	6,601	4,620
Portfolio Holder for Health (Integrated Care System) and Communities	5,906	7,009	1,103
Deputy Leader and Portfolio Holder Climate Change, Environment and Transport	41,414	41,736	322
Portfolio Holder Culture and Digital	7,889	7,608	(281)
Leader and Portfolio Holder Policy and Strategy, Improvement and Communications	4,157	3,845	(312)
Portfolio Holder Highways and Regulatory Services	15,962	14,748	(1,214)
Portfolio Holder Finance and Corporate Resources	(35,256)	(42,454)	(7,198)
<b>Total</b>	<b>224,616</b>	<b>234,566</b>	<b>9,950</b>

\*Budgets exclude non-controllable costs, internal market and corporate landlord recharges

**APPENDIX 2****2022/23 INCOME PROJECTIONS****Specific Government Grants**

The revenue budget for 2022/23 includes specific Government Grants of £250.760m. The majority of these budgets will be based on known allocations that the Government has announced for Shropshire Council. However during the course of the financial year, the Council will also bid for additional grant funding to support activities and so the value of Government Grants received in the financial year may be different to the budgeted figure. An analysis of specific Government Grants is provided in the table below:

<b>Government Grants</b>		<b>Revised Budget £'000</b>	<b>Forecast Outturn £'000</b>	<b>Variance £'000</b>
<b>Corporate Budgets</b>				
	Business Rate Retention Scheme – s31 Grants	(16,647)	(16,647)	0
	Social Care Support Grant	(12,620)	(12,620)	0
	Improved Better Care Fund	(11,863)	(11,863)	0
	Rural Service Delivery Grant	(6,941)	(6,941)	0
	New Homes Bonus	(4,651)	(4,651)	0
	Other Grants	(6,382)	(6,382)	0
	<b>Total Corporate Budgets</b>	<b>(59,104)</b>	<b>(59,104)</b>	<b>0</b>
<b>Health and Wellbeing</b>				
	Public Health Grant	(12,426)	(12,775)	(349)
	Other Grants	(216)	(320)	(104)
	<b>Total Health and Wellbeing Grants</b>	<b>(12,642)</b>	<b>(13,095)</b>	<b>(453)</b>
<b>People</b>				
	Dedicated Schools Grant	(105,555)	(105,555)	0
	Pupil Premium Grant	(3,668)	(3,668)	0
	Improved Better Care Fund	(1,967)	(1,967)	0
	Independent Living Fund	(1,512)	(1,512)	0
	Other Grants**	(3,996)	(4,157)	(161)
	<b>Total People Grants</b>	<b>(116,698)</b>	<b>(116,859)</b>	<b>(161)</b>
<b>Place</b>				
	Waste - PFI	(3,186)	(3,186)	0
	Other Grants	(1,841)	(2,428)	(587)
	<b>Total Place Grants</b>	<b>(5,027)</b>	<b>(5,614)</b>	<b>(587)</b>
<b>Resources</b>				
	Mandatory Rent Allowances: Subsidy	(49,000)	(49,000)	0
	Rent Rebates: Subsidy	(8,047)	(8,047)	0
	Other Grants	(1,087)	(5,541)	(4,454)
	<b>Total Resources Grants</b>	<b>(58,134)</b>	<b>(62,588)</b>	<b>(4,454)</b>
	<b>Strategic Management Board</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>TOTAL</b>	<b>(251,605)</b>	<b>(257,260)</b>	<b>(5,655)</b>

\*\*The additional grants forecast to be received and applied in 2022/23 include an additional £5.0m for Homes for Ukraine (People directorate), and £4.2m in Household Support Fund (Resources directorate).

## Income from Fees and Charges

The forecast income from discretionary sales, fees and charges is showing a projected shortfall, mainly in client contributions within Adult Social Care Operations and trading income within Commercial Services. Some of this reduction in income has been offset by a contribution from earmarked reserves. Further work will be undertaken within these services to generate additional income to offset these projected shortfalls, or expenditure will be reduced accordingly.

<b>Fees and Charges Income</b>	<b>Revised Budget £'000</b>	<b>Forecast Outturn £'000</b>	<b>Variance £'000</b>
<b>Corporate Budgets</b>	(1,301)	(3,212)	(1,911)
<b>Health and Wellbeing</b>			
Directorate Management	0	0	0
Public Health - Non Ringfenced	(221)	(186)	35
Public Health - Ringfenced	(5)	(4)	1
<b>Health and Wellbeing Total</b>	<b>(226)</b>	<b>(190)</b>	<b>36</b>
<b>People</b>			
Directorate Management	0	0	0
Adult Social Care Management	0	0	0
Adult Social Care Business Support & Development	(3,739)	(3,708)	31
Adult Social Care Provider Services	(1,116)	(1,086)	30
Adult Social Care Operations	(21,889)	(19,921)	1,968
Housing Services	(378)	(306)	73
Children's Social Care and Safeguarding	0	0	0
Children's Early Help, Partnerships and Commissioning	0	(3)	(3)
Learning and Skills	(1,821)	(1,746)	75
<b>People Total</b>	<b>(28,944)</b>	<b>(26,770)</b>	<b>2,174</b>
<b>Place</b>			
Directorate Management	0	0	0
Commercial Services	(17,142)	(13,655)	3,487
Economy and Place	(8,104)	(7,941)	163
Homes and Communities	(10,216)	(10,000)	216
Infrastructure	(10,334)	(10,824)	(490)
<b>Place Total</b>	<b>(45,795)</b>	<b>(42,419)</b>	<b>3,376</b>
<b>Resources</b>			
Directorate Management	0	0	0
Workforce and Improvement	(682)	(593)	89
Finance and Technology	(4,426)	(3,553)	873
Legal and Governance	(127)	(128)	(1)
Communications and Engagement	(55)	(75)	(20)
Treasury and Pensions	(26)	(22)	4
<b>Resources Total</b>	<b>(5,316)</b>	<b>(4,371)</b>	<b>945</b>
<b>Strategic Management Board</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>TOTAL</b>	<b>(81,582)</b>	<b>(76,962)</b>	<b>4,620</b>

**APPENDIX 3****DELIVERY OF 2022/23 SAVINGS PROPOSALS****2.1 Summary**

The savings projections for 2022/23 have been RAG rated in order to establish the deliverability of the savings and any potential impact on the outturn position for the 2022/23 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.

**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.

The table below summarises the position as at 31<sup>st</sup> December 2022.

Directorate	Green (£'000)	Amber (£'000)	Red (£'000)	Total (£'000)
Tactical Budget Savings	7,712	0	768	8,480
Place	3,441	0	5,272	8,713
People	2,530	0	501	3,030
Resources	634	0	50	684
Health and Wellbeing	209	0	0	209
Corporate Budgets	50	0	0	50
Strategic Management Board	9	0	0	9
<b>Total Savings</b>	<b>14,585</b>	<b>0</b>	<b>6,591</b>	<b>21,175</b>

The update to the Financial Strategy considered the need to identify tactical budget savings to address the inflationary budget pressures projected for the 2022/23 financial year following the invasion of Ukraine.

The total tactical budget savings identified was £8.5m and delivery against these savings plans is included in the table above alongside those approved at Council in February 2022.

A breakdown of the savings rated red is provided below.

Ref	Directorate	Service Area	Description	Financial Year Saving Originally Required	2022/23 Saving Value (£'000)	Value Rated Red (£'000)
AS6	People	Adult Social Care Operations	Adult Social Care - Review of double handed care	2022/23	210	192
CW2	People	Adult Social Care Provider Services	Adult Social Care - Increase to fees and charges income	2022/23	6	6

AS12	People	Adult Social Care Operations	Adult Social Care - Review care provider contract arrangements	2022/23	119	119
AS15c	People	Adult Social Care Operations	Adult Social Care - Review pre-placement framework	2022/23	70	70
2A37R	People	Housing Services	Increased Housing income	2020/21	132	114
PS4	Place	Economic Growth	Building Control – Use of Reserve	2022/23	100	55
PS5	Place	Economic Growth	Enhanced income through commercial activity in Natural & Historic Environment teams	2022/23	40	40
P11	Place	Homes and Communities	Review of library provision	2022/23	192	104
CW2	Place	Homes & Communities	Leisure - Increase to fees and charges income	2022/23	22	22
CW2	Place	Homes & Communities	Theatre Services - Increase to fees and charges income	2022/23	197	170
PS12	Place	Infrastructure	Review of parking charges	2022/23	350	350
P33	Place	Corporate Landlord, Property and Development	Raise additional income from new development	2022/23	27	27
P35	Place	Corporate Landlord, Property and Development	Efficiencies within administrative buildings	2022/23	2,000	1,205
P39	Place	Corporate Landlord, Property and Development	Raise income from investment in assets	2021/22	1,672	1,259
P39	Place	Corporate Landlord, Property and Development	Raise income from investment in assets	2022/23	2,000	2,000
H16	Place	Trading Standards and Licensing	Increase parking enforcement functions in line with the parking strategy	2020/21	40	40
RS9	Resources	Human Resources and Organisational Development	Increase Human Resources and Development income generated from commercial activities	2022/23	50	50
Tactical Budget Savings				2022/23	8,480	768
				<b>TOTAL</b>	<b>15,706</b>	<b>6,591</b>



## APPENDIX 4

## RECONCILIATION OF MONITORING PROJECTIONS TO SAVINGS DELIVERY

Directorate / Service	Q3 Forecast	Savings Pressure in 2022/23	Ongoing Pressures Identified	Additional Ongoing Savings Identified	One Off Pressures Identified	One off Savings Identified
	£'000	(£'000)	(£'000)	(£'000)	(£'000)	(£'000)
<b>Corporate Budgets</b>	<b>(6,013)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>192</b>	<b>(6,205)</b>
<b>Health and Wellbeing</b>						
Public Health	(77)	0	0	0	5,575	(5,652)
Regulatory Services	(188)	0	0	0	50	(238)
<b>Health and Wellbeing Total</b>	<b>(265)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>5,625</b>	<b>(5,890)</b>
<b>People</b>						
Directorate Management	73	0	0	0	96	(23)
Adult Social Care	5,149	386	10,784	0	10,678	(16,701)
Housing Services	0	114	0	0	1,173	(1,287)
Children's Social Care and Safeguarding	8,028	0	6,330	0	7,283	(5,586)
Children's Early Help, Partnerships and Commissioning	(251)	0	0	0	34	(285)
Learning and Skills	(10)	0	0	0	336	(346)
<b>People Total</b>	<b>12,988</b>	<b>501</b>	<b>17,114</b>	<b>0</b>	<b>19,600</b>	<b>(24,229)</b>
<b>Place</b>						
Directorate Management	76	0	0	0	76	0
Commercial Services	5,004	4,491	1,907	0	557	(1,951)
Economy and Place	224	95	0	0	130	0
Homes and Communities	455	336	544	0	1,103	(1,530)
Infrastructure	(740)	350	450	0	12	(1,552)
<b>Place Total</b>	<b>5,018</b>	<b>5,272</b>	<b>2,901</b>	<b>0</b>	<b>1,878</b>	<b>(5,033)</b>

<b>Resources</b>						
Directorate Management	5	0	0	0	5	0
Workforce and Improvement	(518)	50	0	0	29	(598)
Finance and Technology	(743)	0	0	0	299	(1,041)
Legal and Governance	(202)	0	0	0	198	(400)
Treasury and Pensions	(6)	0	0	0	0	(6)
Communications and Engagement	(280)	0	0	0	33	(313)
<b>Resources Total</b>	<b>(1,744)</b>	<b>50</b>	<b>0</b>	<b>0</b>	<b>564</b>	<b>(2,358)</b>
<b>Strategic Management Board</b>						
Chief Executive and PAs	(34)	0	0	0	0	(34)
Programme Management	2	0	0	0	2	0
<b>Strategic Management Board Total</b>	<b>(32)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2</b>	<b>(34)</b>
<b>TOTAL</b>	<b>9,950</b>	<b>5,823</b>	<b>20,015</b>	<b>0</b>	<b>27,861</b>	<b>(43,479)</b>

**APPENDIX 5****AMENDMENTS TO ORIGINAL BUDGET 2022/23**

<b>£'000</b>	<b>Total</b>	<b>Corporate</b>	<b>Health &amp; Wellbeing</b>	<b>People</b>	<b>Place</b>	<b>Resources</b>	<b>Strategic Management Board</b>
<b>Original Budget as Agreed by Council</b>	<b>224,616</b>	<b>(54,919)</b>	<b>3,449</b>	<b>198,809</b>	<b>70,934</b>	<b>6,328</b>	<b>15</b>
Quarter 1 Structure Changes	0	0	(1,266)	1	1,292	(28)	0
Quarter 1 Virements	0	521	276	99	(797)	(99)	0
Quarter 2 Virements	0	(284)	(1)	32	217	36	0
<b>Virements:</b>							
<b>Quarter 3</b>							
Distribution of additional salary, employer's NI and pension budgets following the 2022/23 NJC pay award	0	(3,185)	49	1,505	885	730	16
<b>Quarter 3 Revised Budget</b>	<b>224,616</b>	<b>(57,867)</b>	<b>2,508</b>	<b>200,446</b>	<b>72,531</b>	<b>6,967</b>	<b>31</b>

**APPENDIX 6****RESERVES 2022/23****General Fund**

The General Fund reserve at 31st March 2022 stood at £11.522m, significantly below its optimum desired balance.

In 2022/23, a one-off budget contribution to the General Fund is planned of £4.028m. However, based on the current monitoring position, the General Fund balance is currently projected to reduce significantly by year-end, to just £5.600m. This is not considered sustainable and therefore as stated earlier in the report, it is necessary for the Council to identify mitigations to reduce the overspend projected in 2022/23.

Independent advice is that reserves should be 5%-10% of net spending, possibly more if local conditions warrant, therefore the £5.600m remaining is unsustainable.

<b>General Fund</b>	<b>£'000</b>
Balance as at 1 <sup>st</sup> April	11,522
Budgeted Contribution	4,028
<b>Sub-total – Balance before impact of in-year monitoring position</b>	<b>15,550</b>
2022/23 Projected Outturn	(9,950)
<b>Projected General Fund Balance as at 31<sup>st</sup> March</b>	<b>5,600</b>

**Earmarked Reserves**

The Council held balances of £81.447m (excluding School Balances) in Earmarked Reserves as at 1<sup>st</sup> April 2022. The Financial Strategy for 2022/23 assumed a contribution from earmarked reserves to balance the budget and other transactions are planned from earmarked reserves during the course of the year. The current projections for the year end balance in earmarked reserves is detailed in the table below.

<b>Earmarked Reserves</b>	<b>1<sup>st</sup> April 2022 £'000</b>	<b>Forecast Net Contribution to/from Reserve £'000</b>	<b>31<sup>st</sup> March 2023 £'000</b>
Sums set aside for major schemes, such as capital developments, or to fund major reorganisations	25,431	(11,764)	13,667
Insurance reserves	3,754	0	3,754
Reserves of trading and business units	0	0	0
Reserves retained for service departmental use	50,001	(29,714)	20,287
Reserves held for schools	2,261	0	2,261
<b>Total</b>	<b>81,447</b>	<b>(41,478)</b>	<b>39,969</b>

## APPENDIX 7

## PROJECTED CAPITAL PROGRAMME OUTTURN 2022/23 – 2024/25

The capital budget for 2022/23 is continuously being monitored and changed to reflect the nature of capital projects which can be profiled for delivery over several years. In Quarter 2 the capital budget for 2022/23 was subjected to a detailed review of the position of all projects and reprofiling where required into future years and this has continued during Quarter 3. In Quarter 3 there has been a net budget decrease of £5.906m for 2022/23, compared to the position reported at Quarter 2 2022/23. This net budget decrease is as a result of new and additional scheme approvals totalling £9.994m and reprofiling of scheme delivery and expenditure totalling £15.900m. The tables below summarise the overall movement, between that already approved and changes for Quarter 3.

[Shropshire Council - Capital Programme 2022/23 - 2024/25; Capital Programme Summary - Quarter 3 2022/23](#)

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Directorate	Budget history		Current results						Future Programme		
	Revised Budget Q2 2022/23 £	Budget Virements Q3 £	Revised Budget Q3 2022/23 £	Actual Spend £	Spend to Budget Variance £	% Budget Spend	Outturn Projection £	Outturn Projection Variance £	2023/24 Revised Budget £	2024/25 Revised Budget £	2025/26 Revised Budget £
<b>General Fund</b>											
Health & Wellbeing	0	0	0	0	0	0.00%	0	0	0	0	0
People	29,212,722	(3,987,179)	25,225,543	8,394,451	16,831,092	33.28%	25,225,543	0	15,689,011	12,427,384	2,549,000
Place	73,380,751	(1,918,578)	71,462,173	48,452,990	23,009,183	67.80%	71,462,173	0	72,604,801	78,714,876	27,470,041
Resources	485,549	0	485,549	72,384	413,165	14.91%	485,549	0	1,000,000	0	0
<b>Total General Fund</b>	<b>103,079,022</b>	<b>(5,905,757)</b>	<b>97,173,265</b>	<b>56,919,825</b>	<b>40,253,440</b>	<b>58.58%</b>	<b>97,173,265</b>	<b>0</b>	<b>89,293,812</b>	<b>91,142,260</b>	<b>30,019,041</b>
Housing Revenue Account	17,945,870	0	17,945,870	6,609,403	11,336,467	36.83%	17,945,870	0	20,475,256	15,121,612	8,312,819
<b>Total Approved Budget</b>	<b>121,024,892</b>	<b>(5,905,757)</b>	<b>115,119,135</b>	<b>63,529,228</b>	<b>51,589,907</b>	<b>55.19%</b>	<b>115,119,135</b>	<b>0</b>	<b>109,769,068</b>	<b>106,263,872</b>	<b>38,331,860</b>

The actual capital expenditure at Quarter 3 is £63.529m, which represents 55.19% of the revised capital budget at Quarter 3, 75% 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.

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: People 33.28% (budget £25.226m), Place 67.80% (budget £71.462m), Resources 14.91% (budget £0.485m), HRA Major Repairs & New Build Programme 36.83% (budget £17.946m).

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Directorate Service Area	Revised Budget Q2 2022/23 £	Budget Virements Q3 £	Revised Budget Q3 2022/23 £	Actual Spend £	Spend to Budget Variance £	% Budget Spend	Outturn Projection £	Outturn Projection Variance £	2023/24 Revised Budget £	2024/25 Revised Budget £	2025/26 Revised Budget £
<b>General Fund</b>	-	-	-	-	-	-	-	-	-	-	-
<b>Health &amp; Wellbeing</b>	0	0	0	0	0	0.00%	0	0	0	0	0
Public Health Capital	0	0	0	0	0	0.00%	0	0	0	0	0
Regulatory Services Capital	0	0	0	0	0	0.00%	0	0	0	0	0
<b>People</b>	<b>29,212,722</b>	<b>(3,987,179)</b>	<b>25,225,543</b>	<b>8,394,451</b>	<b>16,831,092</b>	<b>33.28%</b>	<b>25,225,543</b>	<b>0</b>	<b>15,689,011</b>	<b>12,427,384</b>	<b>2,549,000</b>
Adult Social Care Contracts & Provider Capital	0	0	0	0	0	0.00%	0	0	0	0	0
Adult Social Care Operations Capital	1,770,411	(200,000)	1,570,411	1,125,392	445,019	71.66%	1,570,411	0	2,405,000	1,200,000	0

Children's Residential Care Capital	1,080,041	0	1,080,041	544,932	535,109	50.45%	1,080,041	0	0	0	0
Housing Services Capital	14,081,848	(300,000)	13,781,848	2,869,614	10,912,234	20.82%	13,781,848	0	849,000	549,000	549,000
Non Maintained Schools Capital	3,725,805	(665,871)	3,059,934	1,058,466	2,001,468	34.59%	3,059,934	0	2,500,000	3,000,000	0
Primary School Capital	7,302,020	(1,559,974)	5,742,046	2,686,367	3,055,679	46.78%	5,742,046	0	1,536,104	1,000,000	0
Secondary School Capital	520,504	(3,055)	517,449	67,594	449,855	13.06%	517,449	0	21,800	0	0
Special Schools Capital	77,800	0	77,800	42,086	35,714	54.10%	77,800	0	13,080	0	0
Unallocated School Capital	654,293	(1,258,279)	-603,986	0	-603,986	0.00%	-603,986	0	8,364,027	6,678,384	2,000,000
<b>Place Capital - Commercial Services</b>	<b>18,798,348</b>	<b>(4,558,346)</b>	<b>14,240,002</b>	<b>10,022,590</b>	<b>4,217,412</b>	<b>70.38%</b>	<b>14,240,002</b>	<b>0</b>	<b>12,703,304</b>	<b>12,783,119</b>	<b>1,701,000</b>
Corporate Landlord Capital	18,798,348	(4,558,346)	14,240,002	10,022,590	4,217,412	70.38%	14,240,002	0	12,703,304	12,783,119	1,701,000
<b>Place Capital - Economic Growth</b>	<b>8,152,471</b>	<b>(1,110,840)</b>	<b>7,041,631</b>	<b>5,360,502</b>	<b>1,681,129</b>	<b>76.13%</b>	<b>7,041,631</b>	<b>0</b>	<b>11,081,047</b>	<b>8,817,520</b>	<b>5,371,738</b>
Broadband Capital	2,275,081	(1,279,945)	995,136	737,538	257,598	74.11%	995,136	0	3,000,000	2,200,000	1,079,945
Development Management Capital	977,324	(392,090)	585,234	180,584	404,650	30.86%	585,234	0	236,069	121,500	40,500
Economic Growth Capital	4,041,066	269,543	4,310,609	3,781,728	528,881	87.73%	4,310,609	0	7,296,019	6,496,020	4,251,293
Planning Policy Capital	859,000	291,652	1,150,652	660,652	490,000	57.42%	1,150,652	0	548,959	0	0
<b>Place Capital - Homes &amp; Communities</b>	<b>66,838</b>	<b>731,691</b>	<b>798,529</b>	<b>207,579</b>	<b>590,950</b>	<b>26.00%</b>	<b>798,529</b>	<b>0</b>	<b>4,654,657</b>	<b>5,557,237</b>	<b>2,067,303</b>
Leisure Capital	56,127	667,586	723,713	190,976	532,737	26.39%	723,713	0	4,454,657	5,357,237	2,067,303
Outdoor Partnerships Capital	10,711	64,105	74,816	16,043	58,773	21.44%	74,816	0	200,000	200,000	0
Visitor Economy Capital	0	0	0	560	-560	0.00%	0	0	0	0	0

<b>Place Capital - Infrastructure</b>	<b>46,363,094</b>	<b>3,018,917</b>	<b>49,382,011</b>	<b>32,862,319</b>	<b>16,519,692</b>	<b>66.55%</b>	<b>49,382,011</b>	<b>0</b>	<b>44,165,793</b>	<b>51,557,000</b>	<b>18,330,000</b>
Environment & Transport Capital	0	0	0	0	0	0.00%	0	0	0	0	0
Highways Capital	43,435,018	3,018,917	46,453,935	30,855,024	15,598,911	66.42%	46,453,935	0	44,165,793	51,232,000	18,330,000
Waste Capital	2,928,076	0	2,928,076	2,007,295	920,781	68.55%	2,928,076	0	0	325,000	0
<b>Resources</b>	<b>485,549</b>	<b>0</b>	<b>485,549</b>	<b>72,384</b>	<b>413,165</b>	<b>14.91%</b>	<b>485,549</b>	<b>0</b>	<b>1,000,000</b>	<b>0</b>	<b>0</b>
ICT Digital Transformation - CRM Capital	25,463	0	25,463	-6,626	32,089	-26.02%	25,463	0	0	0	0
ICT Digital Transformation - ERP Capital	0	0	0	0	0	0.00%	0	0	0	0	0
ICT Digital Transformation - Infrastructure & Architecture Capital	0	0	0	0	0	0.00%	0	0	0	0	0
ICT Digital Transformation - Social Care Capital	60,688	0	60,688	79,010	-18,322	130.19%	60,688	0	0	0	0
ICT Digital Transformation - Unallocated Capital	399,398	0	399,398	0	399,398	0.00%	399,398	0	1,000,000	0	0
<b>Total General Fund</b>	<b>103,079,022</b>	<b>(5,905,757)</b>	<b>97,173,265</b>	<b>56,919,825</b>	<b>40,253,440</b>	<b>58.58%</b>	<b>97,173,265</b>	<b>0</b>	<b>89,293,812</b>	<b>91,142,260</b>	<b>30,019,041</b>
<b>Housing Revenue Account</b>	<b>17,945,870</b>	<b>0</b>	<b>17,945,870</b>	<b>6,609,403</b>	<b>11,336,467</b>	<b>36.83%</b>	<b>17,945,870</b>	<b>0</b>	<b>20,475,256</b>	<b>15,121,612</b>	<b>8,312,819</b>
HRA Dwellings Capital	17,945,870	0	17,945,870	6,609,403	11,336,467	36.83%	17,945,870	0	20,475,256	15,121,612	8,312,819
<b>Total Approved Budget</b>	<b>121,024,892</b>	<b>(5,905,757)</b>	<b>115,119,135</b>	<b>63,529,228</b>	<b>51,589,907</b>	<b>55.19%</b>	<b>115,119,135</b>	<b>0</b>	<b>109,769,068</b>	<b>106,263,872</b>	<b>38,331,860</b>



**APPENDIX 8****PROJECTED CAPITAL RECEIPTS**

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. The table below summarises the current allocated and projected capital receipt position across 2022/23 to 2025/26. 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. Disposals rated marked “Green” are highly likely to be completed by the end of the financial year, those rated “Amber” are achievable but challenging and thus there is a risk of slippage, and those rated “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 any financial year as there may be delays between exchanging contracts and completing.

Detail	2022/23 £	2023/24 £	2024/25 £	2025/26 £
Corporate Resources Allocated in Capital Programme	7,820,881	12,079,762	10,988,707	6,952,293
Capital Receipts used to finance redundancy costs	1,000,000	987,873	-	-
To be allocated from Ring Fenced Receipts	4,881,185	6,721,370	4,000,000	21,170,916
<b>Total Commitments</b>	<b>13,702,066</b>	<b>19,789,005</b>	<b>14,988,707</b>	<b>28,123,209</b>
<b>Capital Receipts in hand/projected:</b>				
Brought Forward in hand	18,273,484	10,412,146	(8,960,858)	(23,949,565)
Generated 2022/23YTD	4,572,461	-	-	-
Projected - 'Green'	1,268,267	416,001	-	495,000
<b>Total in hand/projected</b>	<b>24,114,212</b>	<b>10,828,147</b>	<b>(8,960,858)</b>	<b>(23,454,565)</b>
Shortfall to be financed from Prudential Borrowing / (Surplus) to carry forward	(10,412,146)	8,960,858	23,949,565	51,577,774
Further Assets Being Considered for Disposal	10,087,408	19,530,044	14,847,453	2,000,000

Capital receipts of £18.273m were brought forward from 2021/22 and £4.572m has been generated to date in 2022/23. A further £1.268m is currently projected as ‘Green’ for 2022/23, of which £0.700m relates to the sale of a former school and £0.481m to the sale of HRA properties under the Right to Buy scheme. Based on the current programme and capital receipts in hand and projected as Green, the programme is affordable; there being a projected surplus of £10.087m to be carried forward.

In 2023/24, 2024/25 and 2025/26 there are currently projected cumulative shortfalls of capital receipts of £8.961m, £23.950m and £51.578m respectively, which may need to be financed from Prudential Borrowing if they cannot be addressed by progressing the disposals programmed for future years and will incur future year revenue costs that are not budgeted for in the revenue financial strategy.

Assets currently being considered for disposal total £46.465m which even if realised would not fully resolve the currently projected shortfall in capital receipts peaking at £51.578m in 2025/26, there being an outstanding shortfall of 5.113m. Additionally, a significant proportion (£26.580m) of these disposals are currently RAG rated “Red”, meaning that they are highly unlikely to complete within the relevant financial years.

There is a significant and urgent pressure, therefore, to progress the disposals programmed for 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.

## APPENDIX 9

### FINANCIAL MANAGEMENT INDICATORS

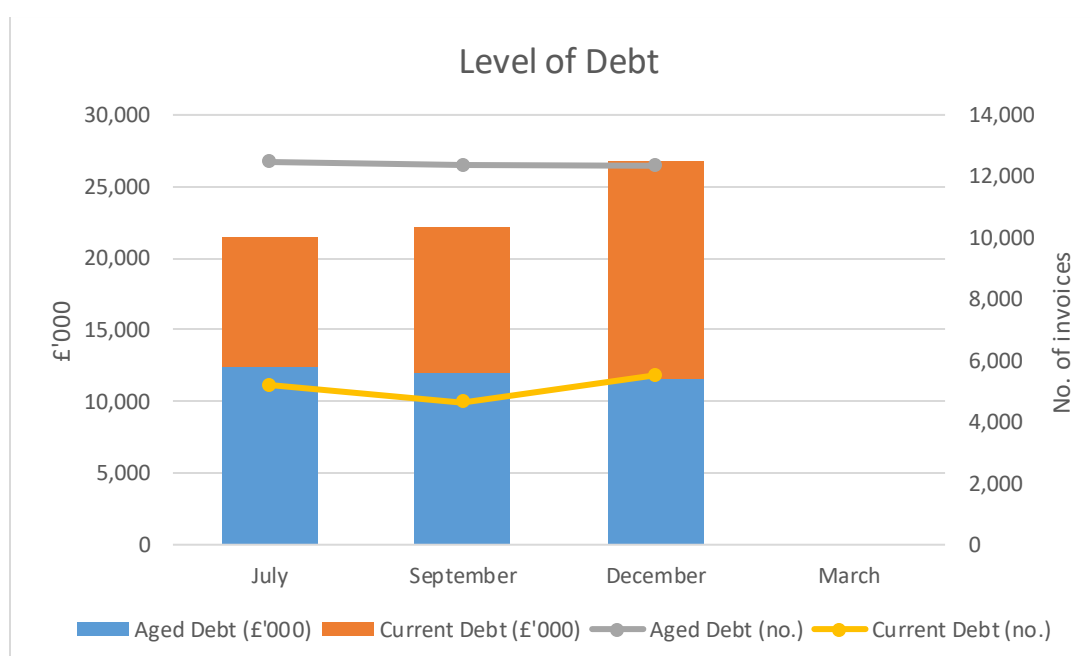
The two financial indicators detailed below will be tracked during the course of the financial year to provide assurance on the Council's financial management processes.

#### Payment of Invoices

April – Dec 2022	% of Invoices	No. of invoices
Paid within 30 days	88.19%	212,875
Invoices not paid within 30 days	11.81%	28,497
<b>Total</b>	<b>100%</b>	<b>241,372</b>

#### Aged debt

As at 31 <sup>st</sup> Dec 2022	Value (£'000)	No. of invoices
Aged Debt	11,616	12,343
Current Debt	15,192	5,521
<b>Total</b>	<b>26,808</b>	<b>17,864</b>



The payment of invoices indicator demonstrates that the Council is promptly paying invoices to suppliers with almost 90% of invoices being paid within 30 days. It should be noted that this indicator has decreased during the course of the year from 93% being processed promptly at Quarter 1. This appears to be as a result of departments not passing invoices straight through for payment, potentially because they have not produced a purchase order at time of requesting the goods. Statistics on late submission of invoices and production of retrospective orders are produced for each Directorate and distributed so that senior managers can raise any issues with relevant departments.

The level of aged debt has reduced marginally but does remain significantly high and the effects of the COVID pandemic and the cost of living are impacting on the level of debt held. Focussed action will be made across the authority to improve recovery of debt in a more timely fashion.

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

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