



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

Date: Tuesday, 29 August 2023

**Committee:
Cabinet**

Date: Wednesday, 6 September 2023

Time: 10.30 am

**Venue: Shrewsbury/Oswestry Room, Shirehall, Abbey Foregate, Shrewsbury,
Shropshire, 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 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 Cabinet

Lezley Picton (Leader)

Cecilia Motley

Ian Nellins

Robert Macey

Gwilym Butler

Dean Carroll

Kirstie Hurst-Knight

Mark Jones

Dan Morris

Chris Schofield

Your Committee Officer is:

Amanda Holyoak Committee Services Supervisor



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AGENDA

1 Apologies for Absence

2 Disclosable 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 (Pages 1 - 6)

To confirm the minutes of the meeting held on 19 July 2023.

4 Public Question Time

To receive any questions from members of the public, notice of which has been given in accordance with Procedure Rule 14. Deadline for notification is not later than 5.00 pm on Thursday 31 August 2023.

5 Member Question Time

To receive any questions from Members of the Council. Deadline for notification is not later than 5.00 pm on Thursday 31 August 2023.

6 Scrutiny Item - Social Housing and Renewing the Housing Strategy (Pages 7 - 32)

To receive a report from the Chair of the Economy and Environment Overview and Scrutiny Committee.

7 Performance Monitoring Report Quarter 1 2023/24 (Pages 33 - 98)

Lead Member - Councillor Robert Macey - Portfolio Holder for Culture and Digital

Report of James Walton, Executive Director of Resources

8 Financial Monitoring Report Quarter 1 2023/24 (Pages 99 - 142)

Lead Member - Councillor Gwilym Butler - Portfolio Holder for Finance and Corporate Resources

Report of James Walton, Executive Director of Resources

9 Treasury Management Update Quarter 1 2023/24 (Pages 143 - 166)

Lead Member - Councillor Gwilym Butler - Portfolio Holder for Finance and Corporate Resources

Report of James Walton, Executive Director of Resources

10 Capital Strategy 2022/23 – 2027/28 Mid-Year Review

Lead Member - Councillor Gwilym Butler - Portfolio Holder for Finance and Corporate Resources

Report of James Walton, Executive Director of Resources

Report to follow

11 Annual Customer Feedback (complaints) Report (Pages 167 - 202)

Lead Member - Councillor Gwilym Butler - Portfolio Holder for Finance and Corporate Resources

Report of James Walton, Executive Director of Resources

12 Cross Border Marches Strategic Partnership Memorandum of Understanding (Pages 203 - 216)

Lead Member - Councillor Lezley Picton - Leader and Portfolio Holder for Policy and Strategy, Improvement and Communications

Report of Mark Barrow, Executive Director of Place

13 Shropshire Destination Management Plan 2023-2025 (Pages 217 - 272)

Lead Member - Councillor Robert Macey - Portfolio Holder for Culture and Digital

Report of Mark Barrow, Executive Director of Place

14 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 public and press be excluded from the meeting during consideration of the following items

15 Exempt Minutes (Pages 273 - 274)

To confirm the exempt minutes of the meeting held on 19 July 2023.

16 Recommendation to Award a Contract for the Integrated Community Equipment Loan Service (ICELS) (Pages 275 - 286)

Lead Member - Councillor Cecilia Motley - Portfolio Holder for Adult Social Care, Public Health and Communities

Exempt report of Tanya Miles, Executive Director of People



Committee and Date

Cabinet

6 September 2023

CABINET

Minutes of the meeting held on 19 July 2023

**In the Council Chamber, Shirehall, Abbey Foregate, Shrewsbury, SY2 6ND
10.30 am - 12.00 pm**

Responsible Officer: Ashley Kendrick

Email: ashley.kendrick@shropshire.gov.uk Tel: 01743 250893

Present

Councillor Lezley Picton (Chairman)

Councillors Cecilia Motley, Ian Nellins, Gwilym Butler, Dean Carroll, Kirstie Hurst-Knight and Robert Macey

15 Apologies for Absence

There were no apologies for absence.

16 Disclosable Interests

Councillor Roger Evans declared an interest in item 10 Recommendation for Pontesbury Neighbourhood Plan to Proceed to Referendum as he was a member of the Neighbourhood Plan Group and would retire to the audience after making a brief statement.

Councillor Cecilia Motley declared an interest item 12 Local Plan Examination in Public – Response to Inspector’s Stage 1 Interim Findings and would leave the room.

17 Minutes

RESOLVED:

That the minutes of the meeting held on 7 June 2023 be confirmed as a correct record.

18 Public Question Time

A public question was received from Dr Alison Caffyn in relation to the recent ruling of the Planning Inspector into the Footbridge Farm intensive poultry unit (IPU) planning appeal at Tasley, Bridgnorth.

The full question and response provided is available from the webpage for the meeting:

[Public Question Response - Cabinet 19.7.23.pdf \(shropshire.gov.uk\)](#)

19 Member Question Time

There were no members’ questions.

20 Scrutiny Items

There were no scrutiny items.

21 Aligning our Customer Services and the Drive to Digital

The Portfolio Holder for Culture and Digital introduced the report which outline the revised opening hours of the Customer Services Centre.

Members were advised that more focus was being placed on outgoing, proactive calls to reach the most vulnerable and ensuring our resources were in the right place. The proposed hours of operation were as a result of a consultation and met the demand during the hours in which the most calls were received, including one late night per week.

It was reiterated that this was not a closure of the Customer Services Centre and that people would still be able to contact the Council by telephone, acknowledging the rurality of the county and broadband connectivity issues. There would be continued improvement to the experience of residents who wish to contact the council and this will be reviewed over the coming months.

RESOLVED:

That Cabinet:-

- Agreed the need to support the Council's drive to digital services by reducing CSC telephone service opening hours whilst still providing a telephone service for those residents unable to transact online.
- Agreed the revised opening times of the Customer Service Centre general calls as 9am to 3pm Monday to Friday, but with a trial period of opening of up to 6pm starting on or after 21st August, on one of those days in order to consider any change in the level of demand for later opening.
- Delegated the implementation of these proposals to the Executive Director of Resources in consultation with the Portfolio Holder for Culture and Digital.

22 Permission to consult on the removal of discretionary areas of School and College transport assistance.

The Portfolio Holder for Children and Education presented the report which sought permission to consult on the removal of all discretionary provision (other than in exceptional circumstances) of home to school transport, this is Nursery and Post 16 SEND and mainstream Post 16 students.

The importance of acknowledging that the purpose of the report was solely to seek permission to go out to consultation was expressed and members were reminded that no decisions had been made. The outcomes of the consultation, together with recommendations, would be brought back to a future Cabinet meeting.

Much partnership work was taking place with organisations such as the County Councils Network and the SEN Strategic Board to look at anomalies between education and transport and to ensure children were able to be educated locally.

The consultation would allow the views of those in need to be considered as well as providing members with an opportunity to put forward alternative proposals.

RESOLVED:

That Cabinet:-

- Authorised the consultation process as set out in section 2 to removal all discretionary areas of home to school travel assistance (other than in exceptional circumstances)
- Expect a future report setting out the outcome and recommendations arising from the consultation process.

23 Proposed Amendment and/or Extension of Shrewsbury Town Centre Public Spaces Protection Order (No.1) 2017

The Portfolio Holder for Growth, Regeneration and Housing introduced the report which sought approval for a renewal from 1 August 2023 of the Shrewsbury Town Centre Public Spaces Protection Order for three years with variations to give extra powers to the Police and to the Council to address specific anti-social behaviours.

Concern was raised that the definition of anti-social behaviour could be misinterpreted as behaviour which was deemed 'outside of the norm', which could affect those with neurodivergences. It was clarified that personnel would be trained and would use their discretion in line with legislation and that this mechanism to combat anti-social behaviour was not aimed at specific individuals.

Members noted that there was an ongoing partnership with the Detached Youth Work team in order to address issues such as anti-social behaviour and alcohol and drug consumption. Members were encouraged to report any such incidents to licencing and the police.

RESOLVED:

That Cabinet:

- Accepted the position as set out in the report and agrees that the Council extends, with variations, the Shrewsbury Town Centre Public Spaces Protection Order (No.1) 2017, as set out in Appendix A ("the Order"), with an effective commencement date of 1 August 2023.
- For the purpose of discharging the Order instructed the Executive Director: Place to publish and cause to be erected notices in accordance with Regulations made under the Anti-Social Behaviour, Crime and Policing Act 2014.

- Delegated authority to the Executive Director: Place to engage with West Mercia Police and to agree a new Memorandum of Understanding to specify enforcement responsibilities and any other requirements under the Order (as extended) and, where necessary, to amend or create any further Memoranda of Understanding at any time during the period that the Order (as extended) is in force.
- Delegated authority to the Executive Director: Place and any other Executive Director holding responsibility for functions relevant to the Order (as extended) to engage with any other organisation, not being part of Shropshire Council, where officers of that organisation have been authorised by Shropshire Council to undertake enforcement responsibilities under the Order (as extended), and to define those enforcement responsibilities and any other requirements within an agreed Memorandum of Understanding and, where necessary, to amend or create any further Memoranda of Understanding at any time during the period that the Order (as extended) is in force.

24 Recommendation for Pontesbury Neighbourhood Plan to Proceed to Referendum

The Leader and Portfolio Holder for Policy and Improvement introduced the report which sought Cabinet approval to proceed to local referendum on the Pontesbury Neighbourhood Development Plan.

After making a brief statement in favour of the proposal, Councillor Roger Evans joined the audience for the remainder of the item after declaring an interest.

Pontesbury Parish Council were thanked for the work that they have carried out in bringing the proposals together.

RESOLVED:

That Cabinet agreed:

- The Pontesbury Neighbourhood Development Plan meets the 'Basic Conditions' and all the other legal requirements as summarised in the Independent Examiner's Report, subject to the modifications proposed in the Schedule of Modifications (Appendix 2);
- The required modifications be agreed, and that the final 'referendum' version of the Pontesbury Neighbourhood Development Plan (June 2023) (Appendix 3) proceed to local referendum;
- The referendum area be that as defined as the designated area to which the Neighbourhood Development Plan relates, i.e. the Pontesbury parish boundary.

25 Ironbridge Gorge World Heritage Site SPD – Adoption

The Leader and Portfolio Holder for Policy and Strategy, Improvement and Communications presented the report which sought Cabinet approval to adopt the Ironbridge Gorge World Heritage Site Supplementary Planning Document, to provide guidance on application of Local Plan policies and form a material consideration in the planning application process.

Members thanked the local planning group and officers for the amount of work which had been carried out. This had been a joint effort from a cross-party team at Shropshire Council and Telford and Wrekin Council.

RESOLVED:

That in accordance with the Town and Country Planning (Local Planning) (England) Regulations (2012) (as amended), Cabinet approved the adoption of the Ironbridge Gorge World Heritage Site Supplementary Planning Document (Appendix 2) to provide guidance on application of Local Plan policies and form a material consideration in the planning application process.

26 Local Plan Examination in Public – Response to Inspectors Stage 1 Interim Findings

After declaring an interest, Councillor Cecilia Motley left the meeting for the duration of the item.

The Portfolio Holder for Culture and Digital presented the report which sought Cabinet approval to submit additional material to the Local Plan Examination as a response to the Inspectors' Interim Findings into the Local Plan.

The additional material had been prepared specifically to respond to the Inspectors' Interim Findings into the Local Plan following the Stage 1 hearing sessions in July 2022 and January 2023. These Interim Findings were included as Appendix 1 to the report, with supplementary material at Appendices 2 – 7.

Members noted the significant amount of work which had been carried out by officers and a cross-party group and congratulated them for their efforts.

RESOLVED:

- That Cabinet approved the response to the Local Plan Inspectors' Interim Findings (Appendix 2), alongside the additional Sustainability Appraisal Report (Appendix 3); the Housing and Employment Topic Paper (Appendix 4); the Green Belt Topic Paper (Appendix 5); the revised Local Development Scheme (LDS) (Appendix 6); and the Updated Schedule of Main Modifications (Appendix 7), and agreed that these documents can be submitted to the Local Plan Examination.
- That Cabinet agreed that if through further discussions with the Inspectors it is considered appropriate to do so, that the additional material provided in Appendices 2-7, alongside any other necessary material, can be consulted on in line with the

Council’s Statement of Community Involvement (SCI), and relevant national regulations.

27 Proposed designation of a Conservation Area for West Felton – Confirmation of designation following formal consultation

The Leader and Portfolio Holder for Policy and Strategy, Improvement and Communications introduced the report which asked Cabinet to consider the proposal to designate West Felton as a conservation area and sought approval to finalise the designation following formal consultation.

RESOLVED:

That Cabinet confirmed the designation of West Felton as a Conservation Area, based on the revised amended area boundary, included in Appendix 1, following formal consultation.

28 Exclusion of Press and Public

RESOLVED:

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

29 Chief Officer Pay Award 2023/24

RESOLVED:

To recommend to Council that recommendation D, as set out in the report, be approved.

Signed (Chairman)

Date:



Cabinet

Item

6 September 2023

Public



Social Housing and Reviewing the Housing Strategy

Report of the Economy and Environment Overview and Scrutiny Committee

Responsible Overview and Scrutiny Officer:

Tom Dodds

email: tom.dodds@shropshire.gov.uk

Tel: 01743 258518

Overview and Scrutiny Chair:

Joyce Barrow

1. Synopsis

To report the recommendations of the Economy and Environment O&S Committee following its review of social housing as an important element of the housing market and housing delivery in Shropshire.

2. Executive Summary

2.1. This is a report of the Economy and Environment Overview and Scrutiny Committee. It sets out key findings, conclusions and recommendations of work that considered housing need and social housing in Shropshire with the objective of informing the future review and update of the Housing Strategy. This work was started by the former Communities Overview Committee.

2.2. Social housing can help people who cannot afford to pay private rent in a place to have access to a suitable home. The Committee's work has considered different socio-economic factors that inform demand for social housing as well as recognising the role that social housing plays in sustainable communities and the economy. This has included recent pressures such as the pandemic, the rising

cost of living, and increasing demand and competition for private rental properties.

- 2.3. Members also identified that the availability of social housing located in or close to a place of work can be beneficial for the environment, reducing the need to travel by car, especially where access to public transport may be limited. The example of an ageing population with the associated demand for domiciliary care was referenced, where carers had to travel into the communities they serve, in part because there were not homes there that they could afford to live in.
- 2.4. The report has previously been considered and adopted by the Economy and Environment Overview and Scrutiny Committee at their meeting on the 20 July 2023, where it was positively commented on by the Portfolio Holder Housing and Assets. The committee's work has been informed by hearing from the chief executives of a number of Private Registered Providers, it has also been developed through constructive working and challenge with the Assistant Director Homes and Communities, the Housing Strategy and Development Manager, and Head of Service Housing, Resettlement and Housing Services Management.
- 2.5. Six recommendations have been made through this work, with the aim that they help to shape and inform the Housing Strategy and help to bring the Strategic Housing function more centrally into the thinking, planning and delivery of other key strategies such as the economic growth strategy and transport plans. This includes greater alignment between the Housing Strategy and Planning Policy teams.
- 2.6. A final seventh recommendation identifies the need to feedback to be provided to the Economy and Environment Overview and Scrutiny Committee at their meeting on the 9 November 2023.

3. Recommendations to Cabinet from Overview and Scrutiny

That Cabinet consider the following recommendations and provide a response in accordance with recommendation 3.7:

- 3.1. Following the implementation of the revised allocations policy and scheme, the Council should ensure that this is adhered to by all registered providers through regular monitoring to guarantee those in the highest need are allocated housing.
- 3.2. The Council should recognise the importance of the strategic housing function and how housing is integral to planning policy, social care and economic development, and therefore the need to strengthen the relationship between these functions.
- 3.3. The Council should promote a place-based approach to housing and economic development, which includes commissioning affordable and supported housing based on evidenced need so as to ensure that housing priorities are delivered in the right place. Thus, responding to the fact that Shropshire is made up of any different communities across a large geographic area with different needs.
- 3.4. Investment in social housing must acknowledge the specific needs of rural settlements, therefore products need to be tailored accordingly. For example,

intergenerational supported housing, which could include staff accommodation, would help to promote a preventative agenda in villages and small towns (e.g., preventing admissions to hospital and care homes, and supporting people with learning disabilities and mental health problems to live independently).

- 3.5. The Council should explore and pursue opportunities to attract funding, such as Community Land Trusts, and lobby for new products specifically to support the rural economy which will not only deliver the preventative agenda, but also balance the housing market and help to ensure that people can continue to afford to live in communities in Shropshire. For example, innovative funding products to fund intergenerational living and for sub-market private rented accommodation for key workers who are not necessarily able to access social housing, as they are not in a high priority reasonable preference category.
- 3.6. The Council should review and implement any new legislation on short-term lets, helping to ensure that the balance is struck between the economic gain to communities and places through increased visitor spend, against the availability of homes to buy and rent where there is local concern.
- 3.7. That feedback is shared with the Economy and Environment Overview and Scrutiny Committee at their meeting on the 9 November 2023. This should confirm which recommendations have been accepted and which have not. An action plan should set out what will be done by when to deliver the accepted recommendations, and where recommendations have not been accepted an explanation should be provided.

Report

4. Financial Implications

- 4.1. Should Cabinet wish to adopt any of these recommendations then appropriate financial advice on the costs involved will be provided.

5. Climate Change Appraisal

- 5.1. **Energy and fuel consumption:**
 - Having suitable housing in communities that is located in closer proximity to places of work, education, health services, and retail and food shops can help to reduce the amount of travel by motor vehicle that is required. This can reduce energy and fuel consumption.
 - Ensuring that homes are energy efficient either as new build or existing properties that are retrofitted with insulation and newer heating solutions will also help to reduce fuel consumption.

6. Background

- 6.1. At the end of 2022, through considering emerging issues and the identification of work programme topics the former Communities Overview Committee identified that a focus on social housing was required.
- 6.2. This followed the work which had been previously undertaken by the committee on the revised allocations policy and scheme, and moreover, it coincided with the refresh of the Housing Strategy as referenced in the Shropshire Plan. Therefore, it was recognised that input into the review and update by overview and scrutiny would provide constructive challenge as well as the perspective of Members and the communities that they represent.
- 6.3. Objective/purpose of the work:
- To review and understand housing need in Shropshire;
 - To understand the different types of social housing, and the wider description of affordable housing and its forms, for example, key worker housing;
 - To identify and consider specific challenges related to the housing market in Shropshire; and
 - To identify key messages and make evidence-based recommendations to inform the review and update of the Housing Strategy.
- 6.4. The work contributing to the report has been undertaken by the Communities Overview Committee and following recent changes to overview and scrutiny committee structures, the Economy and Environment Overview and Scrutiny Committee.
- 6.5. It has focused on understanding housing need in greater detail in the context of the housing market as a whole, and as well as reviewing the data and associated intelligence, the work included hearing from the chief executives of a number of Private Registered Providers (Housing Associations registered with the Regulator for Social Housing) who provide social housing in the Shropshire Council area. In doing so the focus of the work has been refined and informed a workshop session open to all Members where four emerging questions arising from the work of the committee were focussed upon:
- a) We're getting older – how can we help and support people to plan for their future, including the homes that they would like and will need?
 - b) Are rural areas becoming places where only those who can afford to can live? What are the reasons why?
 - c) How can housing be promoted/seen as a driver for economic success of Shropshire overall, and within Shropshire communities and areas of the county?
 - d) How can better Supported Housing options be provided in rural areas? What kind of difference would this make to Shropshire people and communities/how could this help meet the challenges? *Think all ages and different situations and scenarios e.g. care leavers, working age adults, families, older people, intergenerational living

6.6. The key messages from the workshop are set out in section 11 of this report.

7. Learning from discussions with Private Registered Provider (PRP) chief executives

- 7.1. Circa 80% of all social housing in the Shropshire Council area is provided by the main Private Registered Providers, this equates to almost 1,600 dwellings (the remaining 20% is owned by the Council – managed by its Arm's Length Management Organisation, STAR Housing).
- 7.2. Members heard from the chief executives that demand for social housing is being driven by a range of socio-economic factors, and in part by insufficient additional social housing being delivered. They highlighted:
- the impact of developers 'banking' land to develop in future when the market conditions are more financially favourable to them;
 - the importance of the availability of the right land, at the right price, in the right places for Private Registered Providers to viably develop properties; and
 - without the delivery of high numbers of social or affordable housing there is a risk that some households will not be able to access a suitable home.
- 7.3. The chief executives also drew Members' attention to different local planning authority requirements of developers across England and in the region for open market developments. They cited that Shropshire Council sets an affordable housing contribution of between 10% to 20% of dwellings, dependent on the location, whereas other local authorities may require a contribution of up to 40%. The chief executives suggested that on the one hand this policy makes Shropshire more attractive to developers, but on the other results in less affordable housing being delivered on major housing developments.
- 7.4. As an aside, it should be noted that irrespective of a local authority's affordable housing policy, a private developer is able to submit a viability assessment which may result in a reduced affordable housing contribution from the policy figure.

8. Key facts / messages / learning

- 8.1. Members identified that terms like social housing, affordable housing, and key worker housing are quite often used interchangeably, but they are very different in their purpose. For example, the Department of Levelling Up, Housing and Communities (DLUHC) provides a very board definition of affordable housing:

Affordable housing which can be either for rent or sale, is for those whose needs are not met by the market. It includes different tenures, including social rent, affordable rent and shared ownership, amongst others. [Affordable Housing Supply, Department for Levelling Up, Housing and Communities](#)

- 8.2. Similarly, it became clear that the term ‘homelessness’ is used as an overarching term for a number of situations people can be in, whilst it is sometimes assumed to refer just to people who are rough sleeping. However, homelessness includes households (including families with children) who are ‘homeless at home’ (where they have been asked to leave) or in temporary accommodation (including bed and breakfast and refuges). It also includes those who are ‘sofa surfing’ with friends or family, or those who are ‘living on the street’.
- 8.3. Members highlighted that ensuring that these terms are properly understood and communicated can only help to raise awareness of the different types of housing tenure, their purpose and the value that they bring to people, families, communities and the economy.
- 8.4. Appendix I contains a glossary of terms.

9. The Shropshire housing market

- 9.1. Through their work the committee members learned that housing demand and need is subject to a number of variables which range from socio economic issues through to the attractiveness of an area, receiving and reviewing a [comprehensive set of data and information](#).
- 9.2. The data that provides this context was considered in detail by the committee and included key influences such as population change and demographics; health; well-being; deprivation; and the economy. Members also considered data relating to housing supply; housing pressures, including barriers to accessing open market housing; and finally reviewed the role of social housing, especially in meeting the Council’s statutory responsibilities. Members requested additional data, in particular, benchmarking against Shropshire’s CIPFA¹ family group. Additional requested data which is currently available is contained at Appendix II.
- 9.3. Members also identified further data that they believe should be used to inform the Council’s strategic response. These are listed below:
- Correlation of local services closing down in rural areas and increasing demand for affordable housing in urban areas.
 - Empirical evidence to show link between the lack of public transport in rural areas and reduced demand for affordable housing in rural settlements.
 - Air BnB numbers and impact on the availability of private rented housing.
 - Numbers of private landlords leaving the sector and the reasons why.
 - Analysis of families with children whose household incomes prevent them from affording private rents.
 - Numbers of ex-offenders being accepted for rehousing.
- 9.4. Discussions highlighted that this data was not already available and would require specific research and analysis, which would be subject to available resources and capacity.

¹ Chartered Institute of Public Finance and Accountancy

- 9.5. The consideration of the data contributed to the confirmation of the four areas that were the focus of a workshop in June 2023. These are listed above in paragraph 6.5.
- 9.6. Members also raised questions about the challenges that some people can face in accessing affordable housing, including those who might need some more support to maintain their tenancy. The discussions covered a number of different scenarios, but Member recognised how the Council's allocations policy and scheme is required to comply with the Housing Act 1996 and associated statutory guidance and as such it was important that all involved in the allocations process, which is soon to include nominations, must adhere to the confirmed and agreed scheme. This was an important foundation to be reinforced in Shropshire.

10. The implications arising from a changing socio-economic environment

- 10.1. Through their discussion, members reflected on the impact of the pandemic and cost of living in recent years, bringing people who were coping financially previously into or toward the edge of poverty as a result of reduced income, increasing costs and changes to employment opportunities.
- 10.2. Alongside this, there have been changes in private rental markets including reducing stock and increasing demand which in turn has seen increasing rents. This has led people to be priced out of the rental properties they had been occupying, and potentially out of the private rental market altogether in the places where they had been living.
- 10.3. There was awareness that the next possible impact on demand for social housing could come from the increases in interest rates pushing up mortgage rates resulting in repayments that are higher than people can afford as they come off lower rate fixed agreements.
- 10.4. Members heard that people look more to social housing as costs rise and the economy changes, affecting the amount that people can afford to pay in rent.
- 10.5. Members also confirmed that there was no 'one size fits all' housing solution for Shropshire, with the different communities located across a large rural and sparsely populated area. It is important for there to be a robust understanding of the bigger strategic picture for Shropshire as well as specific local needs, perhaps reflecting the learning available from the local Joint Strategic Needs Assessments.

11. Key findings from the workshop session

- 11.1. Members reflected on the fact that access to services is pushing people towards living in urban area, and that the population in rural areas tends to be older in Shropshire with fewer young people and families living there. They highlighted and evidenced from their own experience that access to affordable housing is often a challenge and made a specific point about the impact of access to public transport (or other transport solutions) that goes to the right places e.g., for work, education, or access to services such as GPs or shops, and that run at the right times of the day each day.

- 11.2. Discussions highlighted concerns in relation to the impact of increasing numbers of holiday lets, including the relatively recent growth in online booking sites, which is impacting on the availability of private rental properties, and in turn contributing to demand for affordable and social rented properties.
- 11.3. Members asked what can be done in terms of looking practicably at affordable rent and social rent so that it is more aligned to local incomes rather than market rental values locally. In doing so they reflected that, as set out in the [Tenancy Strategy](#), not only does the Council require all rented housing provided as an affordable housing contribution on open market sites to be capped at the Local Housing Allowance (LHA) in perpetuity, but also all general needs new delivery by the Council is also required to be capped at the LHA² in perpetuity. However, Members felt that more could be done to ensure rents were genuinely affordable for households on low incomes and that the Council should seek to offer social rents where possible.
- 11.4. Members also drew attention to the opportunity of helping to retain more young people in rural areas and how this could link to sustaining communities and retaining the services and facilities in those communities. Lack of housing, combined with other factors including access to employment, services and transport in more rural communities can mean people choose to move to urban areas. This can result in reducing demand for rural community-based services and the eventual closure of schools, shops and pubs. They suggested that there might be scope to look at building small numbers of homes on the edges of villages, to retain younger people in the neighbourhoods, helping them to stay in the places they wanted to live and maintain the community.
- 11.5. Shropshire is an attractive place to visit, and to live in. There has been a long-standing trend of people moving to Shropshire as they progress with their careers or have retired. Members commented on the fact that Shropshire has been a net importer of older people and an exporter of young people who move away from education and work career.
- 11.6. The evidence that the Members had previously considered showed that Shropshire's dependency ratio (the proportion of the population aged 0-16 and 65+ compared to the working age population) is progressing towards 1:1. This is an indicator of the imbalance and could highlight future challenges, e.g., will we have enough working age people in the area to provide the health, social care and support for an aging and elderly population when they need it in the future? Members flagged concerns that if areas of the county do not have a care company locally, and domiciliary carers have to travel there, this means that the cost of care to someone paying for their own care, or funded by the Council, could be higher as a result of the additional travel and non-contact time.
- 11.7. This was a theme that ran through discussions, centring on the need for people to access care when they needed it, and whether carers could be enabled to live in the communities in which they work. Members asked whether there was some targeted support that could or should be in place for specifically defined groups of keyworkers.

² LHA is how much help towards their rent someone would have when renting from a private landlord – it is used to work out housing benefit and the housing element of universal credit

Illustrative scenario developed from the Member conversation

Attractive and predominantly rural places like Shropshire often have a higher older or elderly population. Quite often there are communities that have higher value/cost housing and can also have fewer working age people living there. This could in part be explained by the scale of the difference between income and the affordability of housing is greatest.

In such a place people who are in lower paid work will find accessing housing that they can afford to live in more challenging. The jobs they work in can include those in health and care, which can be lower paid but are essential for the people who need their support.

If they cannot live locally to where they work, they will have to travel. This can mean higher unit costs to those paying for the care (including the Council), more time travelling rather than giving care, and environmental impacts from longer journeys. Time spent travelling further away from home to work may also make being a carer a less attractive career option, especially for younger adults and those with families.

The right housing in the right place has wider benefits than ensuring that someone has a home; it also has the potential to shape and enable the local economy, environment, and the health and wellbeing of those living in the area.

11.8. This raised some questions that Members felt needed to be considered:

- Is there scope to support older or elderly people to understand the options and opportunities that might include considering downsizing or a move to housing that would better meet their future needs?
- What approaches to awareness raising and communication would be most effective including for families and friends? What scenarios would be most impactful and resonant and how could newer technology and approaches help, e.g., using avatars?
- Could this help people to make use of the equity in their home, identify demand for different housing types and tenures in communities to inform development, and help ensure that their existing homes become available for people to live in?
- Have affordable homes been built to replace those that have been purchased through right to buy?
- Is there scope to look at larger properties, where they need to be updated and retrofitted with better insulation and heating, converting into flats? Is there scope for these to have communal gardens and possibly be used for multigenerational living?

11.9. Discussions also covered a range of opportunities and options in terms of support to vulnerable people living in rural areas. Suggestions included:

- promoting and developing opportunities for multigenerational living (including lobbying for changes in grant funding to enable this),
 - developing and enabling the opportunities for a range of flexible supported housing and residential care provision to be developed in rural communities e.g. using a hub and spoke model,
 - going further with the use of aids for day-to-day living including an extension of the handy person scheme,
 - identifying, promoting and introducing even more use of technological development to support people to be as independent as possible and remain in their own home, and
 - considering how care and support services can be commissioned from locally based voluntary and community organisations.
- 11.10. Members did reflect on the challenges in some rural areas of Shropshire where the digital infrastructure will not be at a level that enables access to the internet consistently or at all.
- 11.11. In a linked conversation Members asked whether the reasons why some communities don't want affordable housing is understood. The illustrative scenario they shared was related to a parish with a nursing home in it, but the community did not want affordable housing in their area, which could help to house the staff. Members questioned whether the potential benefits to the local communities were evident and understood and whether there was more the Council could do to demonstrate the opportunity, potential benefits and the need to promote sustainable and integrated communities.
- 11.12. With a more direct view of the contribution of housing to the economy, Members identified that there is a lot of housing development planned, highlighting 29,000 new homes anticipated by 2038. They felt that this could offer opportunities to local companies, people working in the trades, and supply chain businesses. They questioned whether the big national developers should always take building work forward, often seeing the Shropshire pound leaving the area, e.g., by bringing in builders from elsewhere.
- 11.13. In a housing related economic opportunity, Members asked what the Council could do to promote the development of the future skills that are required such as those related to renewable energy like solar energy and battery storage, insulation, and air source heat pumps. They shared the example of a local company having to look to other parts of the country to support the work of retrofitting properties. They asked whether links could be or have been made to local employers, whether the opportunity to close the skills gap was understood, and whether there were plans in place or being developed to address the gaps where they exist.
- 11.14. At a strategic level, Members considered how the relationship between Housing Strategy and Planning Policy could be developed to help ensure that some of the specific considerations that those working in Housing have that should be considered in the development of key local strategy and policy documents such as the Local Plan, the Economic Growth Strategy and key transport policies and strategies such as the Local Transport Plan. Members were also clear that

housing also needs to be a key consideration at an early stage in the development of community-based plans and programmes related to health and social care, as well as being an enabler to the transformation and development of acute health services.

12. Conclusions

- 12.1. It has become very clear through this work that there is no one size fits all solution to social housing and affordable housing more widely for the Shropshire Council area. It has a vast geography with different opportunities and challenges in its many different communities, as well as distinctly different urban and rural places.
- 12.2. A feature of social housing is the allocations process. The process is designed to ensure that people with the greatest housing need are able to access housing, including in the places that they would like to live. Adherence to the process is important to ensure that people with identified housing need get the housing, and sometimes the associated support, that they require in a timely manner.
- 12.3. Housing and access to affordable housing were recognised as part of the solution to the challenges of an aging population, rurality, maximising people's independence, and access to care and support where required. For example, through older people being able to downsize to the right type of property (for example, sufficient two-bedroom properties of the right size in the right area), with domiciliary carers enabled to live in or very close to the community in which they work.
- 12.4. The discussion indicates that affordable housing is not a solution in itself. It needs to be looked at as part of a system-wide approach including:
- economic growth providing access to employment opportunities and wider economic impacts in communities,
 - supporting health and social care needs to be met and demand being managed,
 - harnessing opportunities offered by technology to do this,
 - addressing sustainability and environmental considerations,
 - tackling access to public and community transport, and
 - expanding access to digital infrastructure.
- 12.5. The availability of properties for rent can be impacted by a number of factors, with one that has come through in this work being an increase in the number of holiday lets. With legislation expected, this should be something that is kept in focus, including the impact of any changes being monitored and understood to inform future planning and strategies.
- 12.6. A feature of housing as an economic driver for Shropshire is the opportunity to help retain the Shropshire Pound in Shropshire. Whilst a range of different considerations need to be taken into account in housing developments in Shropshire, and in the choice of developers, it will be important to take

opportunities to ensure that the Shropshire economy has a central focus, and benefits are realised for local people, communities, and businesses.

- 12.7. The contribution of housing and affordable housing to help reduce environmental impact and progress sustainability issues are wide. These can relate to new builds and to the retrofitting of existing stock, as well as reducing travel requirements. This can be achieved by enabling people to live closer to the place they work, go to school, need to shop, or access services such as health services. Delivering improved energy efficiency and a move to renewable and lower carbon energy generation can also contribute to developing the local economy, e.g., with the creation of jobs and the identification and promotion of skills that need to be developed.
- 12.8. This work has also highlighted the need for strong relationships between Housing Strategy and Planning Policy, as well as the other key strategies of the Council. Affordable housing and housing in general must be part of a strategic system approach that needs to be in place for people, families and communities to thrive. Greater working between Housing Strategy and Planning Policy should realise opportunities for alignment and progressing types and tenures of housing that will better meet current and future housing need.

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

[Allocations Policy and Scheme](#)

Local Member: All

Appendices

Appendix I: Glossary of terms

Appendix II: Additional requested data

Appendix I: Glossary of terms

Affordable Housing	Housing for sale or rent, for those whose needs are not met by the market. For the full definition see the National Planning Policy Framework .
Affordable Rent	Rent which is to 80% of local open market gross rent.
Allocation	Selecting a person to be a council tenant or nominating a person to be a housing association tenant.
Arm's Length Management Organisation (ALMO)	Provides housing management services on behalf of a stock holding local authority (as opposed to the stock being managed in-house).
Choice-Based Lettings (CBL)	A process used to advertise available social housing and enabling applicants to express an interest for the properties they would like to be considered for.
Discounted Market Sale	A form of low-cost ownership whereby the home is purchased at discounted price (this is usually 20% to 30%) and must be re-sold with the same discount percentage.
Home Ownership for people with Long term Disabilities (HOLD)	Shared Ownership purchase of a home on the open market for people with a long-term disability who are unable to find a new build home which meets their specific needs.
Housing Register	The list of all those registered with Shropshire Council for social housing.
Housing Revenue Account (HRA)	The Council's landlord account, recording income and expenditure arising from the provision of housing accommodation. It is not a separate fund but a ring-fenced account within the General Fund.
Interim Duty to Accommodate	A local authority has a duty to provide interim (temporary) accommodation if, at any point during enquiries surrounding a homelessness application, there is a reason to believe that an applicant may be: homeless; eligible for assistance, and in priority need. Where an applicant is owed the main duty, this being an offer of settled accommodation, and is currently accommodated in temporary accommodation the local authority has a duty to provide temporary accommodation until such time as the duty is ended,

	either by an offer of settled accommodation or for another specified reason.
Key worker	Someone whose role provides an essential service deemed crucial to the economy and wellbeing of society.
Key worker housing	Housing at sub-market rent or sale specifically for key workers.
Local Housing Allowance	How much help towards their rent someone would have when renting from a private landlord – it is used to work out housing benefit and the housing element of universal credit.
Main Duty	Where a homeless household is found by the local housing authority to be eligible for assistance, homeless but not intentionally so, in priority need and with a local connection they are owed the main duty of an offer of suitable accommodation.
Nomination	When a person is allocated a housing association tenancy in line with the Council's allocation policy and scheme.
Older Persons Shared Ownership (OPSO)	Shared Ownership available to over-55s. Ownership is capped at 75% of the value of the home. Once this cap is reached, no rent is payable on the remaining share.
Prevention Duty	If a homeless household is eligible for assistance and threatened with homelessness within 56 days, the local housing authority is required to work with them to prevent them becoming homeless.
Reasonable Preference	<p>Under the Housing Act 1996 local authorities must ensure that when allocating and nominating to housing accommodation reasonable preference is given to the following groups:</p> <ul style="list-style-type: none"> • people who are homeless within the meaning of Part 7 of the Housing Act 1996 (including those who are intentionally homeless and those not in priority need); • people who are owed a duty by any housing authority under the Housing Act 1996 sections 190(2), 193(2) or 195(2) (or under section 65(2) or 68(2) of the Housing Act 1985) or who are occupying accommodation secured by any such authority under section 192(3); • people occupying insanitary or overcrowded housing or otherwise living in unsatisfactory housing conditions;

	<ul style="list-style-type: none"> • people who need to move on medical or welfare grounds, including grounds relating to a disability; and • people who need to move to a particular locality in the district of the authority, where failure to meet that need would cause hardship (to themselves or to others). <p>Reasonable preference is also used by central government as a definition of a household being in housing need.</p>
Registered Provider (RP)	Housing organisation that is registered with the Regulator of Social Housing. Local authorities who own social housing stock are Local Authority Registered Providers (LARP). Private Registered Providers (PRPs) are usually Housing Associations, however, not all Housing Associations are PRPs.
Regulator of Social Housing (RSH)	Undertakes economic regulation, focusing on governance, financial viability and value for money and sets consumer standards, it may take action if these standards are breached and there is a significant risk of serious detriment to tenants or potential tenants. It is important to note that a new proactive consumer standard regime is to come into effect in April 2024.
Relief Duty	If a homeless household is eligible for assistance and is homeless, regardless of priority need, the local authority is required to take reasonable steps assist the household to obtain accommodation, this duty could last for up to 56 days.
Rent to Buy	Homes let to working households at a lower cost to give them the opportunity to save for a deposit to buy their first home. The rent (including service charge) is set at or below 80% of the market rent for an equivalent home for at least five years to allow a tenant to save for a deposit or purchase sooner via Shared Ownership.
Section 21 Notice	A formal document giving two months' notice on an Assured Shorthold Tenancy to vacate a property (sometimes referred to as a no-fault possession notice).
Section 106 Agreement	Section 106 agreements are used to ensure planning obligations are delivered and adhered to.
Shared Ownership	Where a person buys a proportion of a new home and pays rent on the remaining portion.
Shropshire Towns and Rural (STAR) Housing	Shropshire Council's ALMO, which manages all the Council's own housing under a Management Agreement.

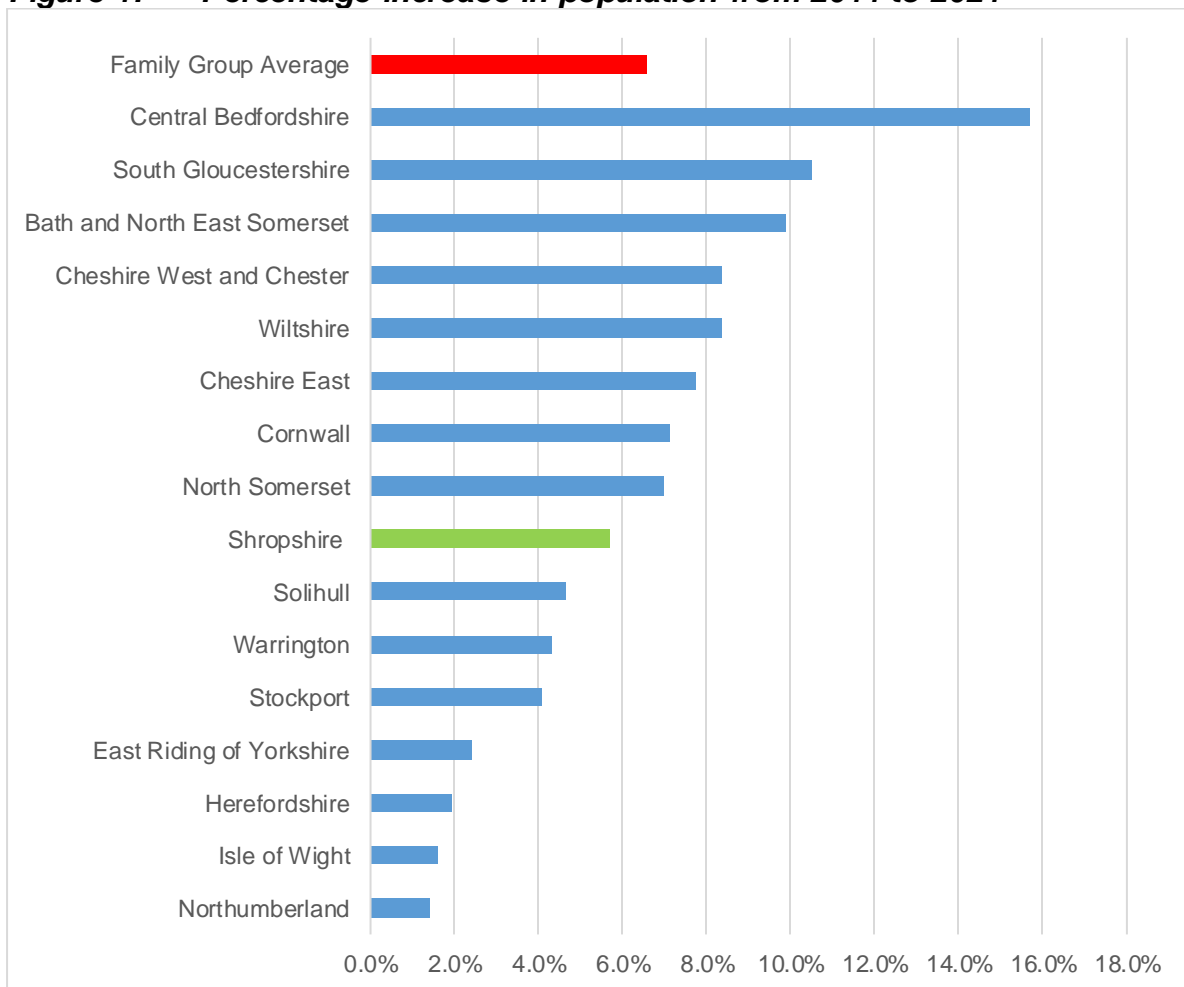
Social Housing	Housing provided by local authorities and housing associations, it can be for rent or shared ownership. Its role is to assist people who cannot afford to rent or buy a home on the open market.
Social Rent	Rent is calculated according to a formula based on property value, number of bedrooms and local earnings.
Spare Room Subsidy	Commonly referred to as the “bedroom tax”, this is a reduction in Housing Benefit or the Housing Cost element of Universal Credit when social housing tenants of working age have one or more spare bedrooms.
Statutorily Homeless	Households who are eligible for assistance, homeless but not intentionally so, in priority need and have a local connection.

Appendix II: Additional requested data

1. Population and demographics

1.1. The population of Shropshire increased by 5.7% to around 323,600 over the period 2011 to 2021, as can be seen in Figure 1 below this increase is less than the CIPFA family average of 6.6%³.

Figure 1: Percentage increase in population from 2011 to 2021

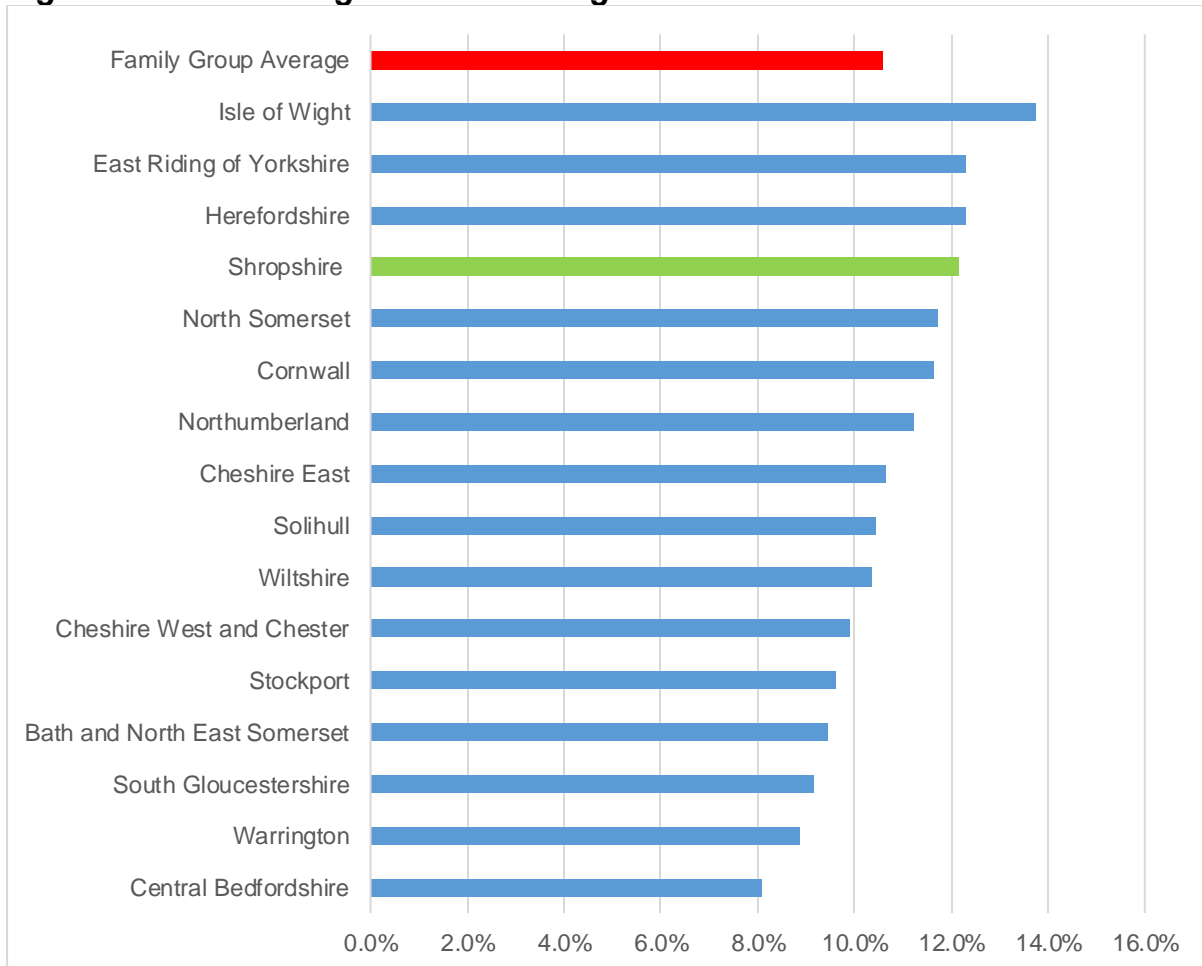


Source: 2021 Census

1.2. The median age of Shropshire’s residents is 48, this compares to the CIPFA family group median age of 44⁴. As can be seen by Figure 2, a high proportion (12.2%) of Shropshire’s residents are aged 75 and over, this is over the CIPFA family average of 10.6%.

³ [Census 2021 \(ons.gov.uk\)](https://ons.gov.uk)

⁴ [Census 2021 \(ons.gov.uk\)](https://ons.gov.uk)

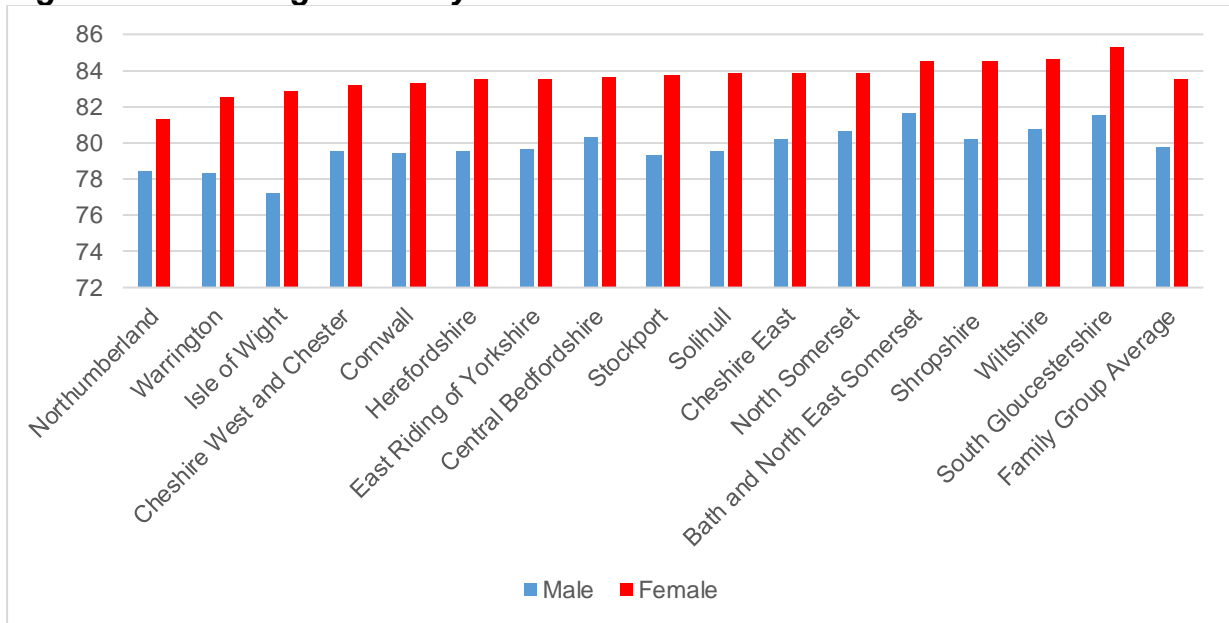
Figure 2: Percentage of residents aged 75 and over in 2021

Source: 2021 Census

2. Health, well-being and deprivation

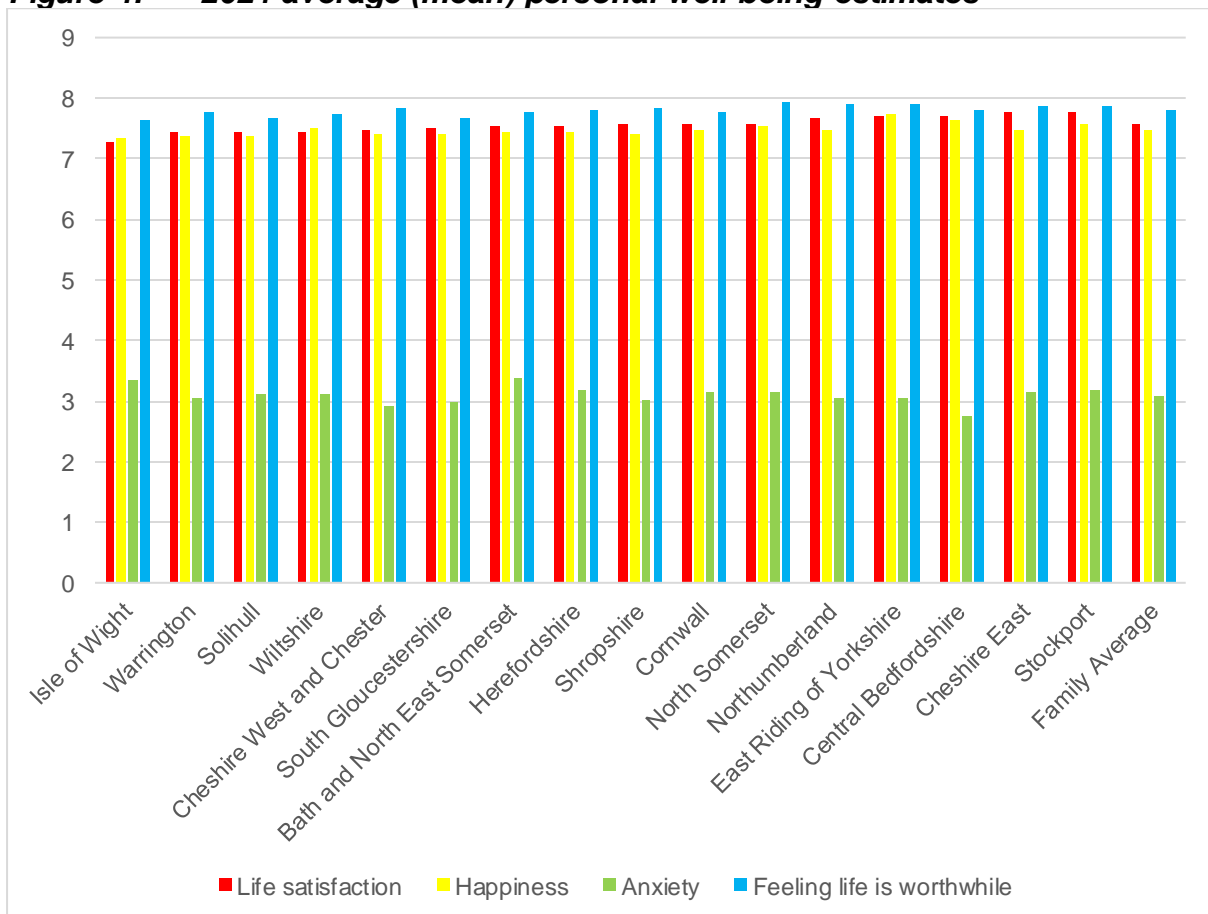
- 2.1. As shown by Figure 3, the average male and female mortality rates in Shropshire, these being 80.2 and 84.5 respectively, are both above the CIPFA family average figures of 79.7 and 83.6.
- 2.2. Personal well-being estimates show that Shropshire residents' feelings are in line with the CIPFA family group average for life satisfaction, above the CIPFA family group average for feeling life is worthwhile, whilst levels of happiness and anxiety are below the CIPFA family average (Figure 4).
- 2.3. The Index of Multiple Deprivation's 'barriers to housing and services deprivation' is mapped at Figure 5, which calculates the physical and financial accessibility of housing and key local services. The indicators fall into two sub-sections: 'geographical barriers', which relate to the physical proximity of local services (road distances to a post office, primary school, general store or supermarket, and GP surgery), and 'wider barriers' which includes issues relating to access to housing such as overcrowding, homelessness and affordability.
- 2.4. The barriers to housing sub-domain (Figure 6) shows that the LSOAs with the highest levels of housing deprivation (overcrowding, homeless and housing affordability) all fall into urban areas.

Figure 3: Average mortality rates in 2021



Source: [Local Authority Health Profiles - OHID \(phe.org.uk\)](https://phe.org.uk)

Figure 4: 2021 average (mean) personal well-being estimates



Source: [Personal well-being estimates by local authority - Office for National Statistics \(ons.gov.uk\)](https://ons.gov.uk)

Figure 5: Index of Multiple Deprivation – Barriers to Housing and Services Deprivation

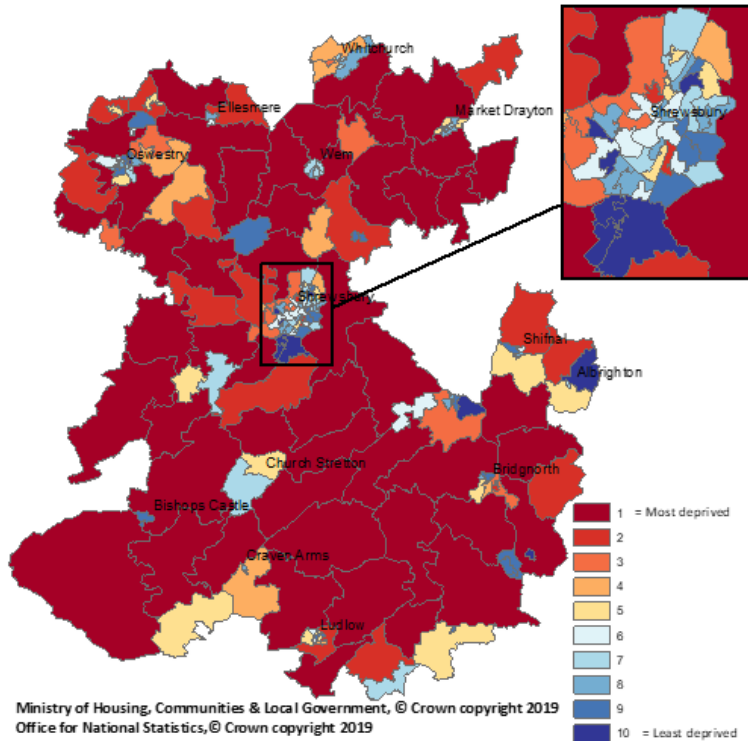
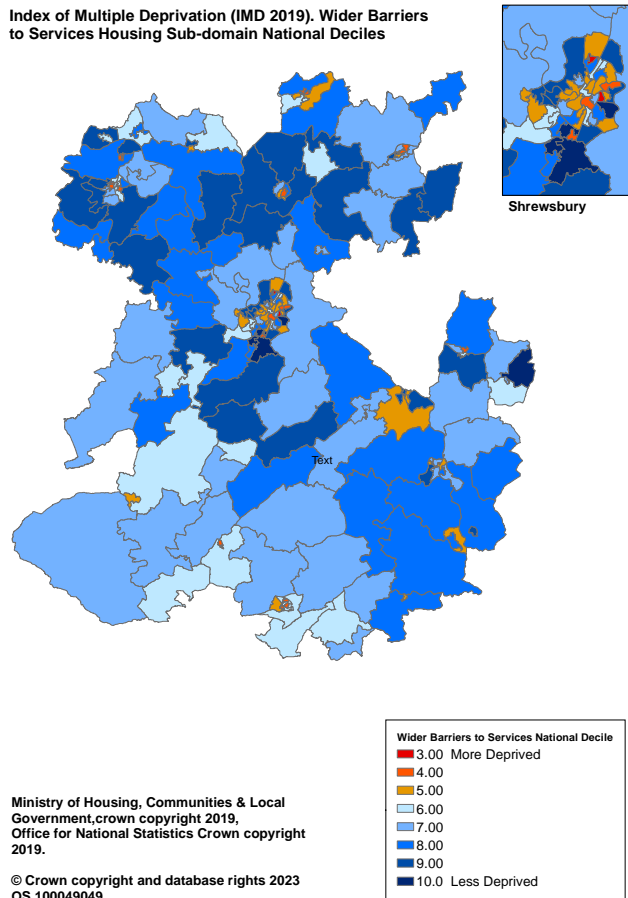


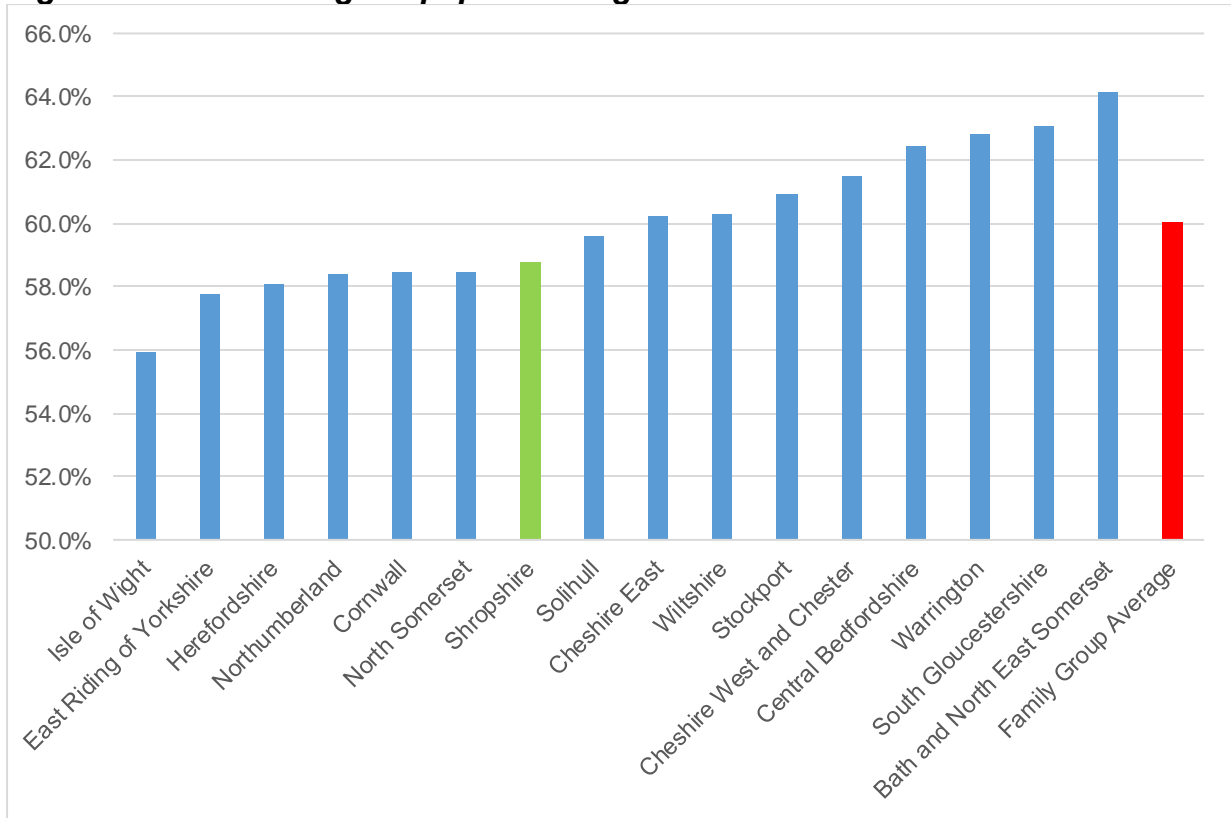
Figure 6: Index of Multiple Deprivation – Barriers to Housing and Services Deprivation: Barriers to housing sub-domain



3. The economy

3.1. Figure 7 shows that 58.8% of the Shropshire population is of traditional working age (16-64), this being slightly below the CIPFA family group average of 60%.

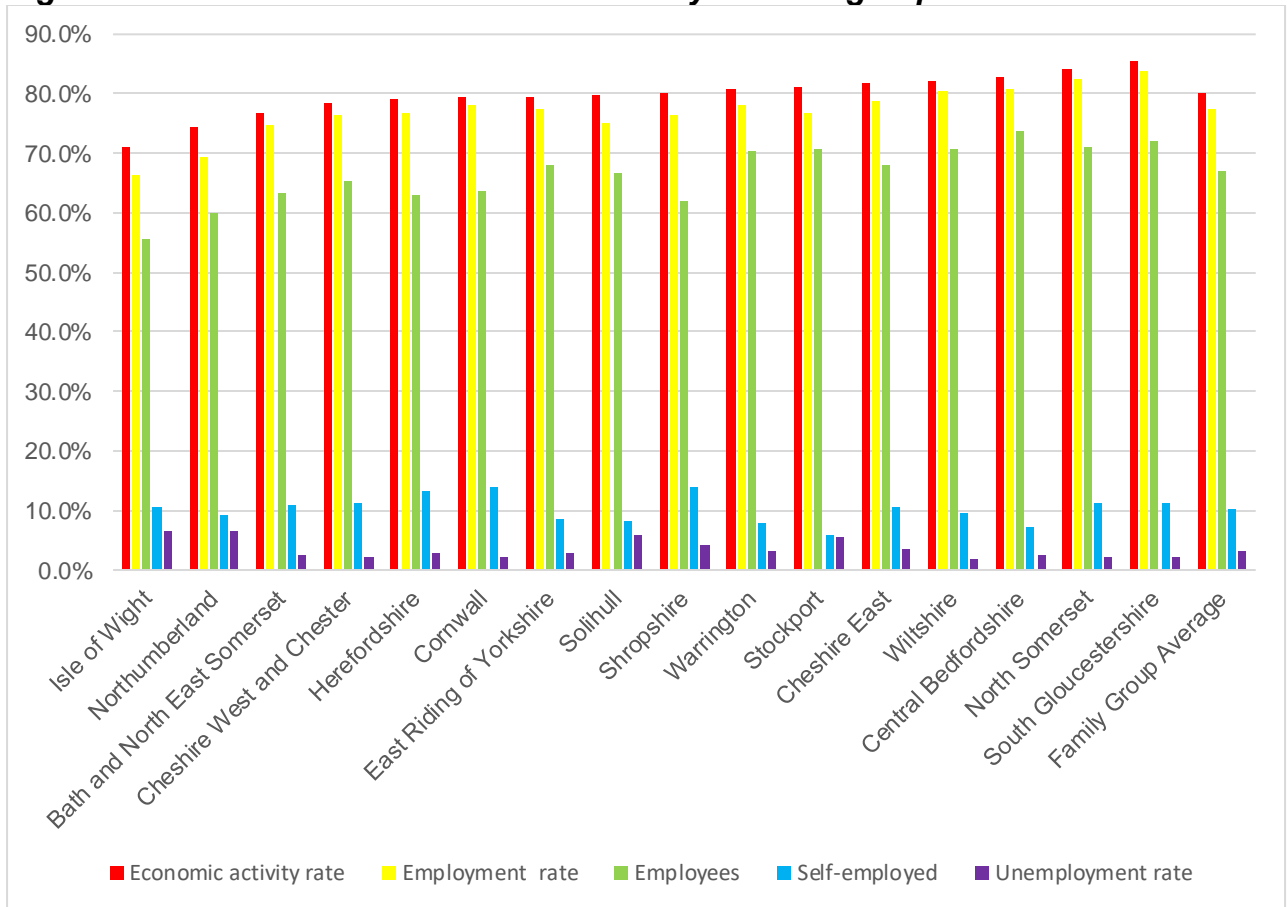
Figure 7: Percentage of population aged 16 to 64 in 2021



Source: Nomis

3.2. Figure 8 shows that in Shropshire 80% of working age people were economically active (working or seeking work) in the year ending September 2022. 76.6% of working age people were employed at this time, with an unemployment rate of 3.5%. This is comparable to the CIPFA family average unemployment rate of 3.3%. Most people in employment are employees, but self-employment is high in Shropshire - 14% of the working age population as compared to the CIPFA family average of 10.3%.

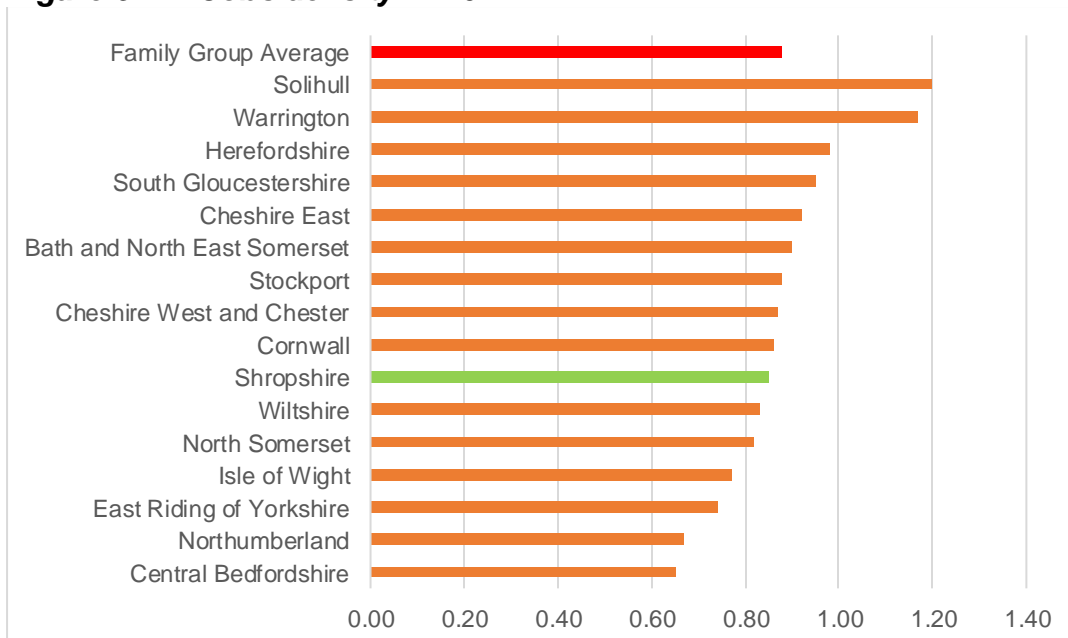
Figure 8: Labour market statistics for the year ending September 2022



Source: ONS annual population survey

3.3. Jobs density is the level of jobs per resident aged 16-64. For example, a job density of 1.0 would mean that there is one job for every resident aged 16-64. With a jobs density of 0.85 Shropshire has fewer jobs than it does resident workers, meaning that more people commute out of the county for work than commute in. As can be seen in Figure 9, this is below the CIPFA family average of 0.88.

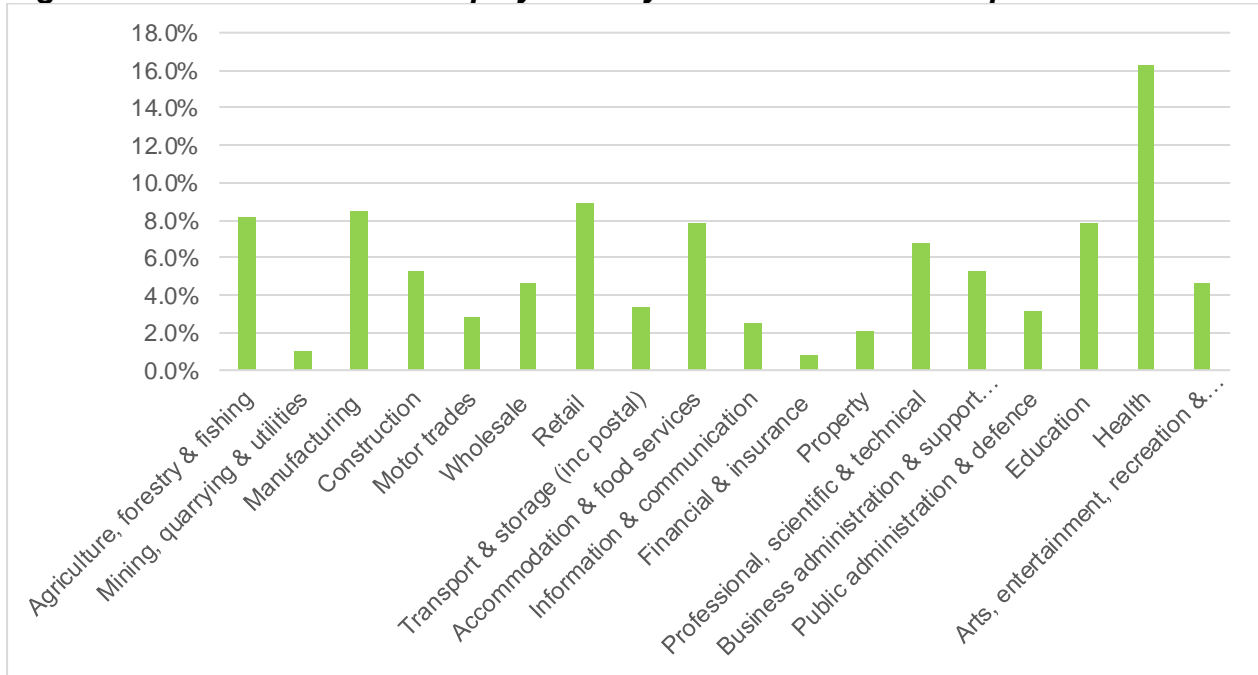
Figure 9: Jobs density in 2021



Source: Nomis

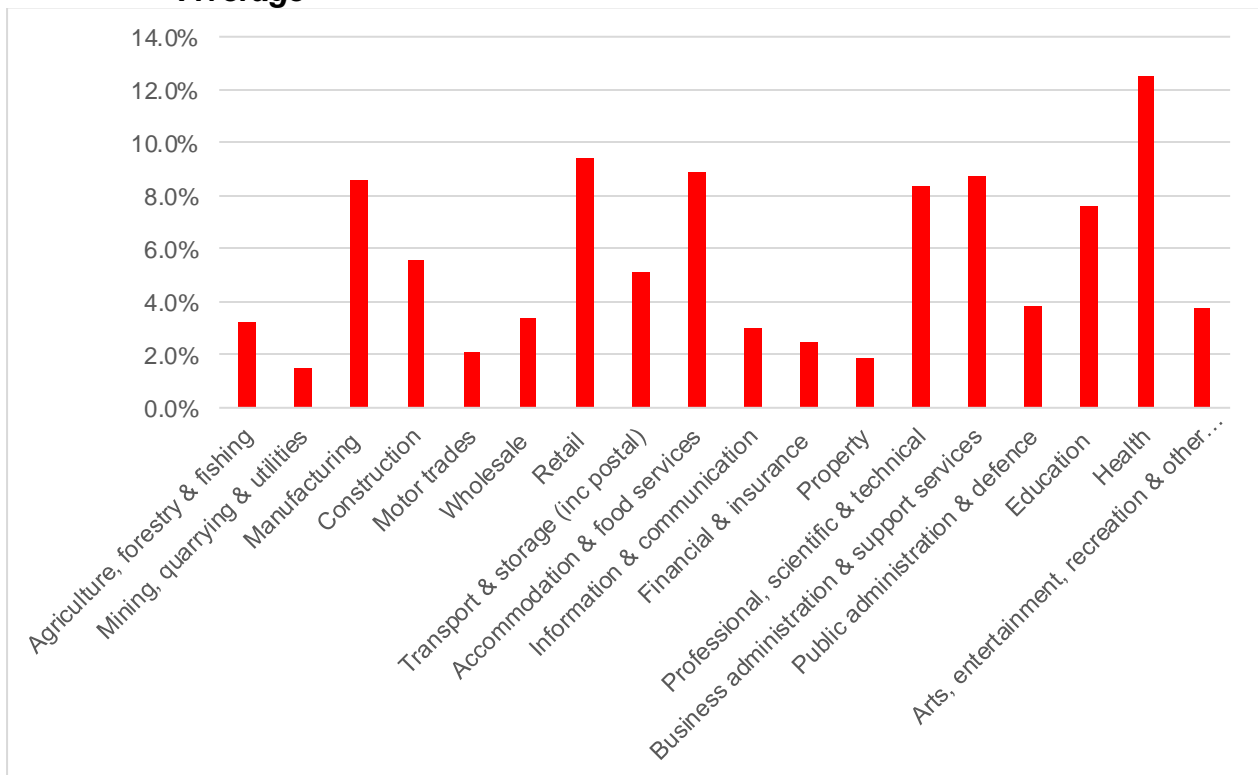
- 3.4. As shown in Figure 10 the six top employment sectors in Shropshire are: health; retail; manufacturing; agriculture; education; accommodation and food services. Together, these account for 57.5% of all employment in Shropshire.
- 3.5. However as can be seen in Figure 11, the six top employment sectors across the CIPFA family group are: health; retail; accommodation; business administration; manufacturing and professional.

Figure 10: Breakdown of Employment by Sector in 2021 - Shropshire



Source: ONS Business Register and Employment Survey 2021

Figure 11: Breakdown of Employment by Sector in 2021 – CIPFA Family Group Average

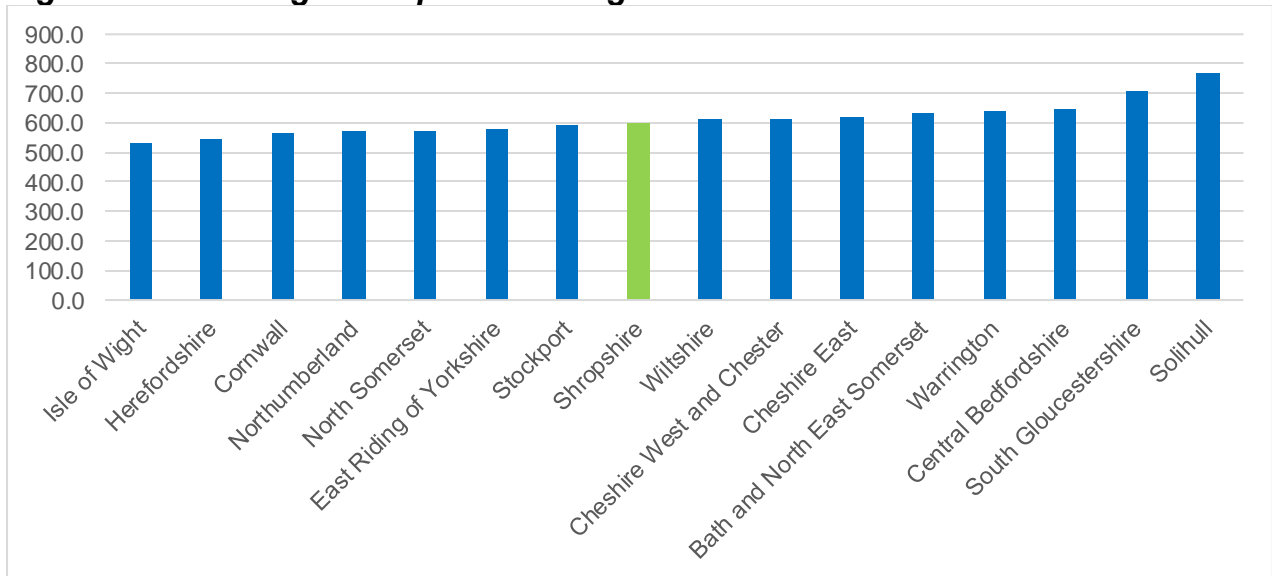


Source: ONS Business Register and Employment Survey 2021

3.6. Gross value added⁵ per capita is below the CIPFA family average (£18,748 compared with £22,187). GVA per hour worked in Shropshire stood at £28.36 in 2020, as compared to the CIPFA family average of £34.22.

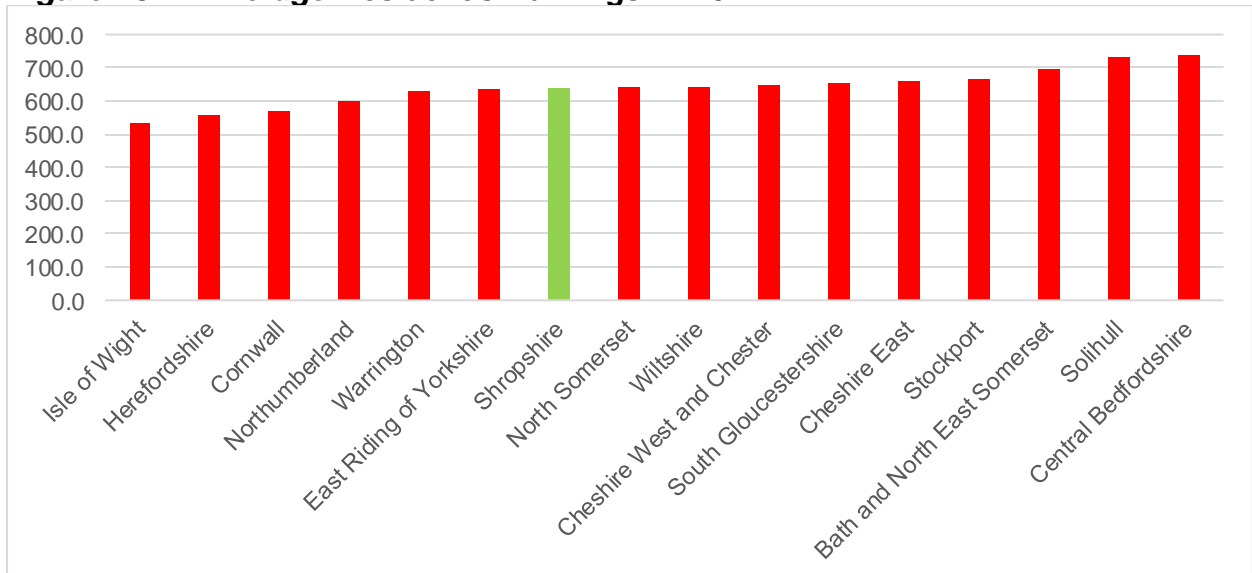
3.7. Figure 12 shows average gross weekly earnings for people who work in the specific local authority, but who do not necessarily live there (workplace earnings). Figure 13 shows average gross weekly earnings for people who live in the specific local authority, but do not necessarily work there (residents' earnings).

Figure 12: Average Workplace Earnings in 2022



Source: ONS Annual Survey of Hours and Earnings, Workplace and Residents

Figure 13: Average Resident's Earnings in 2022



Source: ONS Annual Survey of Hours and Earnings, Workplace and Residents

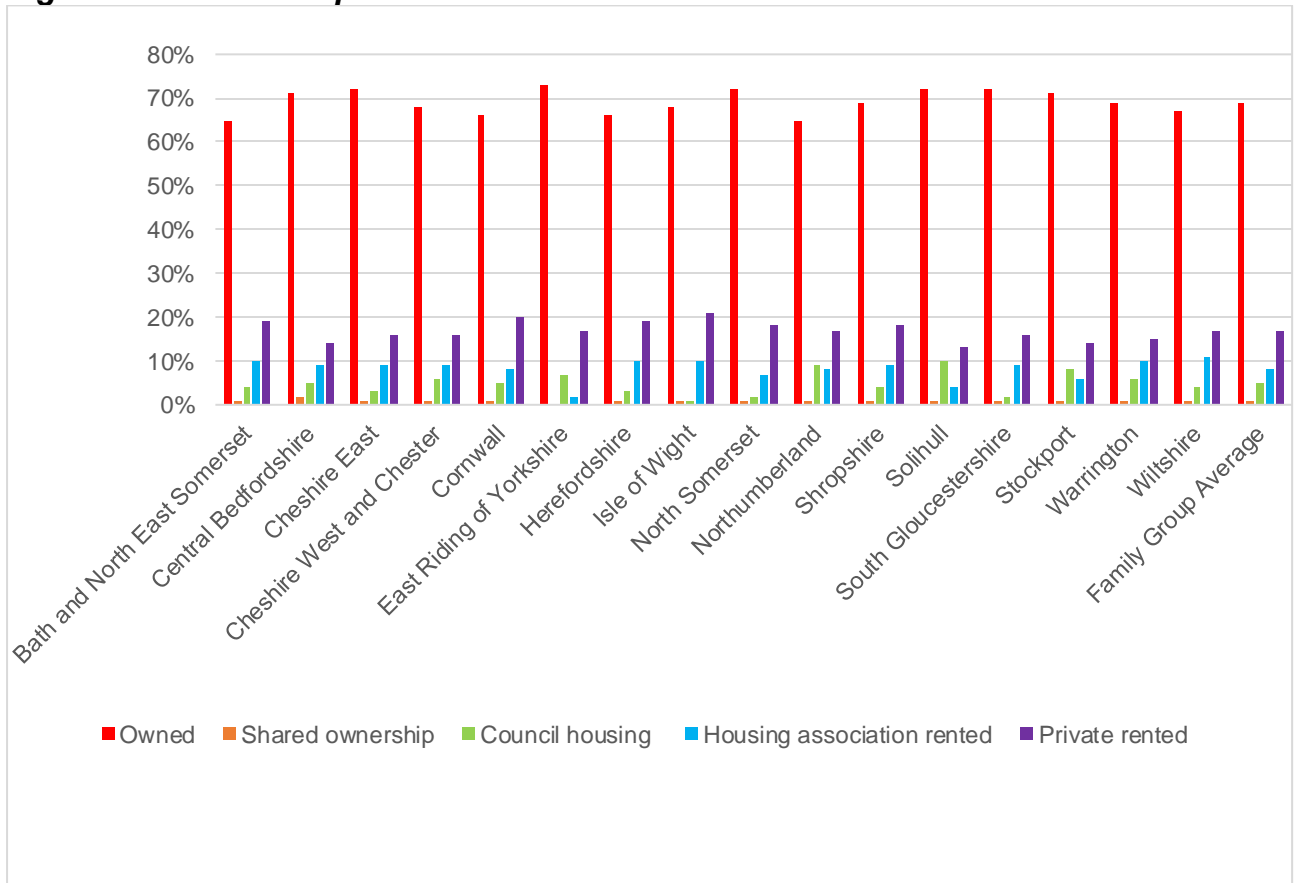
4. Housing supply

4.1. As shown in Figure 14, when compared to CIPFA family group average, Shropshire has the same level of owner occupation (69%), a lower level of Council housing (4%

⁵ GVA (Gross Value Added) is the measure of the value of goods and services produced in an area

as compared to 5%); and higher levels of housing association and private renting (9% and 18%, as compared to 8% and 17% respectively).

Figure 14: Tenure split at 2021



Source: 2021 Census

4.1. Figure 15 shows how the median house price to median income ratio, this being the median house price divided by the median income, in Shropshire this is 8.01. The figure also shows the lower quartile house price to lower quartile income ratio - this is considered entry level for owner-occupation - in Shropshire this is 7.8.

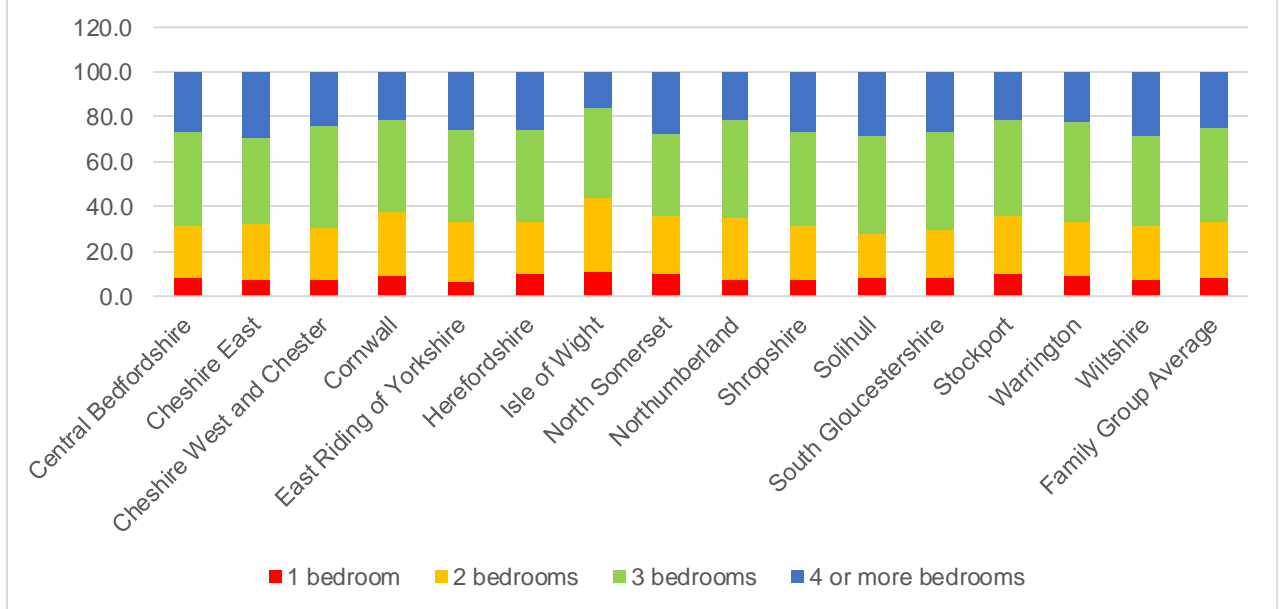
Figure 15: Ratios of house price to earnings at year ending September 2021



Source: [House price to workplace-based earnings ratio - Office for National Statistics \(ons.gov.uk\)](https://ons.gov.uk)

4.2. As compared with the CIPFA family group averages, Shropshire has slightly lower proportions of one- and two-bedroom dwellings and slightly higher proportions of dwellings with three or more dwellings (Figure 16).

Figure 16: Number of bedrooms in dwellings as a percentage of all housing stock



Source: [Number of bedrooms - Office for National Statistics \(ons.gov.uk\)](https://ons.gov.uk)

	Committee and Date Transformation & Improvement Scrutiny 4 th September 2023	Item
	Cabinet 6 th September 2023	Public



Performance Monitoring Report Quarter 1 2023/24

Responsible Officer:	Helen Watkinson		
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Cabinet Member (Portfolio Holder):	Cllr Robert Macey, Culture & Digital		

1. Synopsis

The Shropshire Plan clarifies our vision and priorities, aligning our resources to deliver positive outcomes for our people, businesses and communities. Delivery of our outcomes is measured through the developing Performance Management Framework, demonstrating progress to date.

2. Executive Summary

Overview

The Shropshire Plan (TSP) was created to clarify Shropshire Council's vision, priorities and Strategic Objectives. These objectives reflect the outcomes we aim to achieve within our available financial envelope. We measure the achievement of TSP by monitoring our performance (using Key Performance Indicators (KPIs) to help measure, drive and understand delivery of our Strategic Objectives) and managing our overall financial position (ultimately delivering our outcomes while remaining within our agreed financial envelope).

The current year, 2023/24, is the year we are prioritising financial management with the aim to create a sustainable financial future. Over this year we need to closely monitor our finances and take decisive and corrective action against any deviation from our approved Medium Term Financial Strategy (MTFS). We are seeking to rebase our budgets, in line with the outcomes defined in TSP, to secure a modern, efficient, and sustainable base for the Council finances across the 5 year period of the MTFS. This approach is aligned to the recommendations of the LGA peer review and is comparable with the best approaches seen in local government. We will need to make the adjustments this year but Shropshire residents will reap the rewards for many years to come, through improved financial stability. Against this backdrop we are seeking to maintain our performance and improve it where our financial position allows. Our plans will then expand into the next financial year with a focus on increased efficiency and improved outcomes, redefining the way we deliver our services to optimise delivery of our vision. Beyond that, our emerging intent is to grow our potential, seeking continuous improvement, greater resilience and increased efficiency in all aspects of our work.

Summary

- 2.1 While the focus of the Council in 2023/24 is necessarily directed at the delivery of a balanced budget, this remains only one of The Shropshire Plan outputs we intend to deliver. Our new Performance Management Framework has been reviewed and strengthened to align with our strategic objectives to become an evidence led performance managed council. The Performance Management Framework (PMF) currently identifies 36 Key Performance Indicators of which only four are flagged for consideration as part of this exception report.
- 2.2 Development of our KPIs will continue throughout the year with Portfolio Holders, Executive Directors and Assistant Directors identified for each indicator. Targets, tolerances and benchmarks will be clarified over the coming months, where possible, with regularly updated monitoring information published via the performance webpage at - Performance | Shropshire Council. Online performance reporting will be the main source of performance information enabling greater insight and scrutiny of the Councils performance and delivery of its outcomes as set out in TSP.
- 2.3 Through engagement across all Directorates the PMF has been launched with the focus on using data to inform decisions and actions particularly where performance may not be meeting targets and expectations. As part of the necessary arrangements for delivering TSP, the Council has reviewed and updated its approaches to both performance and financial monitoring. Both areas are now more pro-actively informed by timely activity data and are available to a range of officers to help guide decision making. Interactive dashboards using 'PowerBI' are being developed which will show a summary of KPIs for each Healthy priority through to agreed strategic objectives. It will then be possible to drill down into more detailed information for each KPI including status which is RAG (red, amber, green) rated, trend information and benchmarking where available against England and nearest statistical neighbours.
- 2.4 The Q1 Finance report (elsewhere on this agenda) sets out the financial envelope of the Council and how spending plans and patterns are being managed to deliver a balanced budget.

- 2.5 This Q1 Performance report complements the Finance report but provides a different perspective. We may therefore find that the position on KPIs is favourable, but that the finance position is adverse because the activity levels (the cost drivers) are higher than anticipated.
- 2.6 As part of our new approach feedback on the design and usability of the new report and performance webpage is welcomed. A feedback form will be available for questions and queries, and this will be reviewed with responses provided and published where appropriate alongside the dashboard.

Key indicators and Context

- 2.7 The Q1 performance report and all subsequent performance reports are written as exception reports with the detail being provided in dashboards which should be viewed in conjunction with this report.
- 2.8 The Q1 report is not complete with all the agreed performance indicators due to the time taken to implement the new approach and the focus on getting it right. Work will continue to move towards a complete PMF set of indicators and progress will be reported at Q2. Due to the change of approach, it should be noted that some of the performance indicators are baseline figures from which targets will be established and then performance monitored against this.
- 2.9 It should be noted that the approach being taken by Shropshire Council is progressive and in advance of many other authorities and places us in a strong position to continually improving our approach to managing performance and ultimately delivering our outcomes as set out in TSP.

3. Recommendations

Transformation & Improvement Scrutiny Committee

- 3.1. It is recommended that Members of the Transformation & Improvement Scrutiny Committee:
- 3.1.1. Review and consider performance dashboard information alongside this exception report.
 - 3.1.2. Note progress to date in achieving the outcomes of The Shropshire Plan (TSP) and identify any areas for future consideration by Scrutiny.

Cabinet

- 3.2. It is recommended that Cabinet Members:-
- 3.2.1. Review and consider performance dashboard information alongside this exception report.
 - 3.2.2. Note progress to date in achieving the outcomes of The Shropshire Plan (TSP) and comment as appropriate.

Report

4. Risk Assessment and Opportunities Appraisal

- 4.1. The management of the Council's Performance Management Framework is a key process in ensuring strategic risks are mitigated and the Council can carry out business as intended and planned for within The Shropshire Plan.
- 4.2. The management of key performance indicators is a key process to monitoring progress in the delivery of outcomes as set out in The Shropshire Plan. This provides insight into whether corrective action is required to bring performance back on track.
- 4.3. The performance reports and dashboards provide a high-level lens into the performance of Shropshire Council allowing for further targeted detail analysis to support the mitigation of any risks identified.
- 4.4. Overall, the financial outlook for Shropshire Council is positive, but the levels of risk and challenge are beyond anything previously faced by the Council. In that context, investment of lead officer time in a council-wide leadership programme (Getting Leadership Right) and engagement with an external partner (PwC) are part of the steps taken to rapidly expand capacity and ability to meet the challenges already identified.
- 4.5. The dashboards include instructions for use and a feedback form is available for completion should there be questions or feedback. Members will be shown how to use the dashboards in the T&I Overview Scrutiny committee.
- 4.6. Monitoring with automatic alerting will be in place to support the dashboard so any issues can be resolved immediately.

5. Financial Implications

- 5.1. The performance report provides progress on key activity targets which will have correlation to financial performance.
- 5.2. It should be noted that positive improvement on activity may not necessarily correspond to financial improvement, and this should be drawn out in the narrative of the financial and performance reports.

6. Climate Change Appraisal

- 6.1. The performance report includes KPI's for Healthy Environment with measures for monitoring Shropshire Council's direction of progress on climate change.
- 6.2. The following key performance indicators related to climate change are included:
 - HEn8 Net carbon emissions – tonners of co2 per person
 - HEn9a Increasing the generation of renewable energy by Shropshire Council (Solar)

- 6.3. The Q2 report to be available in November will include the additional key performance indicators:
- HEn9b Increasing the generation of renewable energy by Shropshire Council (Wind)
 - HEn9c Increasing the generation of renewable energy by Shropshire Council (Hydro)
 - HEn9d Increasing the generation of renewable energy by Shropshire Council (Bioenergy)
 - HEn10 Improve energy efficiency of Council buildings – average Energy Performance Certificate (EPC) rating
 - HEn11 % of street lights converted to LED
 - HEn12 % of local biodiversity sites where management has been implemented.
 - HE14 number of electric vehicle charging points installed.

6.4. This will support a positive outcome.

7. Background

7.1. Quarter 1 – as at 14th August 2023 a total of 36 Key Performance Indicators have been added to the Shropshire Plan report. Additional information will be added in the period between writing of this report and its presentation to members.

7.2. Information on each of these indicators can be found via the performance webpage at - [Performance | Shropshire Council](#)

7.3. The online performance report is now the main source of performance information. This report highlights any exceptions or downturns and explains the causal issues and any corrective actions the service is taking.

7.4. In Q1 there are 4 exceptions that have been raised and these are reported in the additional information section below.

8. Additional Information

8.1. % of pupils receiving first choice of schools – secondary

Whilst this indicator remains better than target there has been a reduction in the first-choice rate and is therefore reported as an exception.

The percentage of children receiving allocation their first-choice secondary school for 2023 is 89.7%. This is a reduction on the 2022 rate of 93.7%. The decrease is due to an increased number of applications for the year. The increase in numbers was seen throughout the country. Application numbers for 2024 are expected to normalise, which should see an improved rate next year. Performance is better than the England average.

8.2. Admission of adults to residential and nursing homes for the age group 18 – 64.

Quarter 1 has seen an increase of admissions against profile. The overall number of admissions profiled for the year is small and only a few additional admissions can greatly affect performance against the target. During quarter one, 6 admissions were made, 2 more than profiled. Admissions were all for older adults all aged 50+. 5 admissions were to nursing homes, an indication of complex needs.

8.3. Complaints upheld by the Ombudsman.

During 2022/23 the ombudsman changed its investigation approach which impacted on calculations for the percentage of cases upheld. They are now more selective about the complaints they investigate in detail, prioritising cases where it is in the public interest to investigate. This has resulted in an increase in the upheld rates.

During 2022/23, 61 decisions were made. Of these, 20 detailed investigations were held and 80% of these were upheld. Comparative authorities have an upheld rate of 72%. A full complaints report is due to be presented to Cabinet on 6 September 2023.

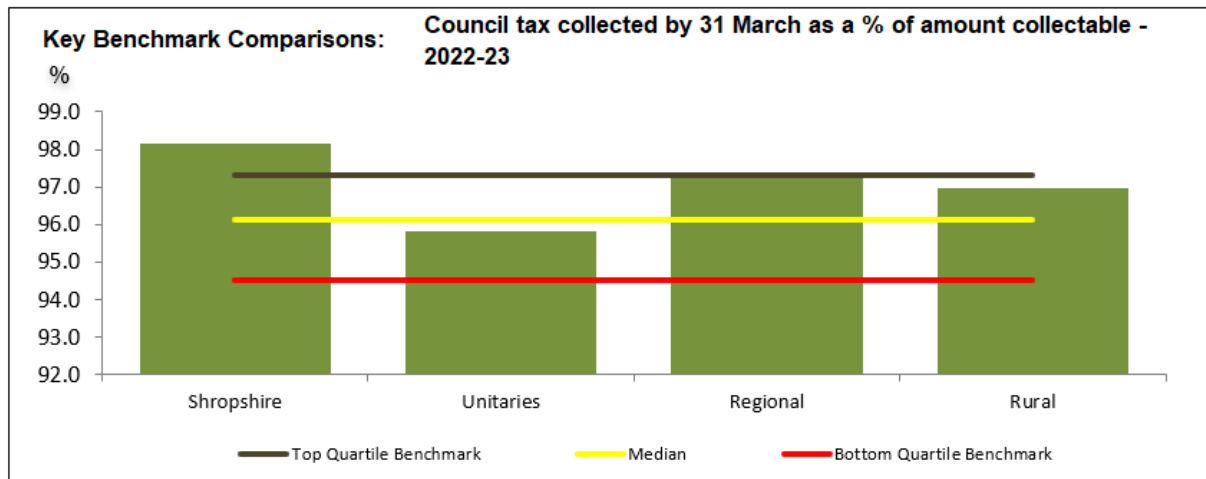
8.4. Budget

- a. The current budget outturn is reported elsewhere on the agenda and a summary is provided here. Revenue spending reductions of £34.3m against the target of £51.4m by year end
- b. Remaining revenue spending reductions to be achieved of £17.1m
- c. Spending pressures in demand-led services of £20.5m

Taking (a), (b), and (c) together results in a 'BAU (Business as Usual)' forecast of £37.6m outside of available budget. Including operational plans being prepared for items (b) and (c) creates a revised calculation of an 'operating' forecast of £5.2m over budget.

9. Conclusions

- 9.1. The development of the new reporting sees a substantive step change in the reporting of performance with more emphasis on target delivery and comparator information.
- 9.2. Positive performance has been achieved with the high rate of first choice of primary school. Council tax collection rates are within the top quartile of all authorities and perform better than those for all comparator groups.



9.3. Exception reporting in section 8 highlights the current challenges with budgetary concerns being the highest priority area.

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

Local Member: All

Appendices -

Online performance report available via [Performance | Shropshire Council](#)

Appendix A – Shropshire Plan KPIs

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SHROPSHIRE PLAN KPI'S

25th August 2023

Executive Summary:

A revised Performance Management Framework is being drawn up for regular reporting (through dashboards and quarterly reporting to Cabinet) that aims to demonstrate progress towards the delivery of The Shropshire Plan (TSP).

TSP was agreed May 2022, launched October 2022 and interested Members put forward their preferences for KPIs. Working with services across the Council a draft suite of indicators have been proposed, as below, reflecting the approved Strategic Objectives in TSP, below each of the four 'Healthy's'.

Discussions with Chair of Transformation and Improvement Oversight and Scrutiny Committee and Portfolio Holder for Culture and Digital have been held is drawing up the below. For ease, the KPIs have been sorted under PFHs.

Targets are being developed with Service Teams. Each indicator is shown as something the Council can only influence or owns outright.

Updated: 25/08/2023

 Member top Indicator Preference

 Other member preferences



Cecilia Motley – Adult Social Care, Public Health and Communities



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No.	Key Performance Indicator	Strategic Objective	Rationale	Frequency	Ambition	Target	Responsible	Accountable	Portfolio Holders	Own / Influence
HP1	Average happiness score	Self-responsibility	People with higher well-being have lower rates of illness, recover more quickly and for longer, and generally have better physical and mental health.	Annual	Increase		Paula Mawson	Rachel Robinson	Cecilia Motley	Influence
HP2	Inequality in life expectancy at birth (male and female)	Tackle Inequalities	To measure inequalities within Shropshire, enabling a focus on the deprivation that exists everywhere at small area level. By highlighting area-based inequalities, it	Annual	Decrease		Paula Mawson	Rachel Robinson	Cecilia Motley	Influence

			sets the context within which Shropshire can assess the other indicators within the framework and set priorities, identifying the drivers of life expectancy, especially in areas where life expectancy is low.						
HP4	Measles, Mumps Rubella for two doses (5-year-old)	Partnerships	Vaccination provides children and adults against diseases which can lead to disability. The WHO has a target of 95% uptake of immunisation to maintain 'herd' immunity.	Annual	Increase	Les Pursglove	Rachel Robinson	Cecilia Motley	Influence
HP5	Uptake of breast cancer screening	Partnerships	Breast cancer screening detects cancers early. Early detection of cancer improves the chances of successful treatment. The historical rates of uptake in Shropshire have been around 80%, achievement of	Annual	Increase	Les Pursglove	Rachel Robinson	Cecilia Motley	Influence

			this rate has been set as an objective in the ICS Health Protection Strategy.							
HP6	C09a- Reception: Prevalence of overweight (including obesity)	Early Intervention	The health consequences of childhood obesity include: increased blood lipids, glucose intolerance, Type 2 diabetes, hypertension, increases in liver enzymes associated with fatty liver, exacerbation of conditions such as asthma and psychological problems such as social isolation, low self-esteem, teasing and bullying.	Annually (or once a term)	Decrease	Paula Mawson	Rachel Robinson	Cecilia Motley	Influence	
HP7	C09b- Year 6: Prevalence of overweight (including obesity)	Early Intervention	Studies tracking child obesity into adulthood have found that the probability of children who are overweight or living with obesity becoming overweight or	Annually (or once a term)	Decrease	Paula Mawson	Rachel Robinson	Cecilia Motley	Influence	

			obese adults increases with age						
HP8	B02a - School Readiness: percentage of children with free school meal status achieving a good level of development at the end of Reception	Tackle inequalities	Key measure of early years development across a wide range of developmental areas. Children from poorer backgrounds are more at risk of poorer development and the evidence shows that differences by social background emerge early in life.	Annual	Increase	Paula Mawson	Rachel Robinson	Cecilia Motley	Influence
HP9	C19d - Deaths from drug misuse	Tackle inequalities	Drug misuse is a significant cause of premature mortality in the UK	Annually (can be quarterly)	Decrease	Paula Mawson	Rachel Robinson	Cecilia Motley	Influence
HP10	Admission episodes for alcohol related conditions	Tackle inequalities	Alcohol-related hospital admissions are used as a way of understanding the impact of alcohol on the health of a population.	Annually (can be quarterly)	Decrease	Paula Mawson	Rachel Robinson	Cecilia Motley	Influence

<p>HP11</p>	<p>C16 The percentage of adults who are overweight and obese</p>	<p>Self-responsibility</p>	<p>Obesity is associated with reduced life expectancy and is a risk factor for a range of chronic diseases, including cardiovascular disease, type 2 diabetes, at least 12 kinds of cancer, liver, and respiratory disease, and can also impact on mental health. The risk and severity of these diseases increases with a higher body mass index (BMI).</p>	<p>Annual</p>	<p>Decrease</p>	<p>Paula Mawson</p>	<p>Rachel Robinson</p>	<p>Cecilia Motley</p>	<p>Influence</p>
<p>HP12</p>	<p>C03c Smoking in early pregnancy</p>	<p>Self-responsibility</p>	<p>Smoking during pregnancy causes premature births, miscarriage and perinatal deaths. It also increases the risk of stillbirth, complications in pregnancy, low birthweight, and of the child developing other conditions in later life.</p>	<p>Annual</p>	<p>Decrease</p>	<p>Paula Mawson</p>	<p>Rachel Robinson</p>	<p>Cecilia Motley</p>	<p>Influence</p>

HP13	<p>Proportion of service users reporting an improvement in wellbeing scores following a social prescribing intervention</p>	<p>Self-responsibility</p>	<p>Social prescribing is part of the NHS Long Term Plan. The NHS has committed that at least 900,000 people will benefit from social prescribing by 2024. Social prescribing is a non-medical programme designed to help people with a wide range of social, emotional or practical needs.</p>	<p>Quarterly</p>	<p>Increase</p>		<p>Paula Mawson</p>	<p>Rachel Robinson</p>	<p>Cecilia Motley</p>	<p>Influence</p>
HP14	<p>Rate of deaths by suicide</p>	<p>Tackle inequalities</p>	<p>Suicide is a significant cause of death in young adults and is seen as an indicator of underlying rates of mental ill-health. Suicide is a major issue for society and a leading cause of years of life lost</p>	<p>Annual</p>	<p>Decrease</p>		<p>Paula Mawson</p>	<p>Rachel Robinson</p>	<p>Cecilia Motley</p>	<p>Influence</p>
HP15	<p>E09b Excess mortality rate in adults with Severe Mental Illness (SMI)</p>	<p>Tackling inequalities</p>	<p>People with a long-standing mental health problem are twice as likely to smoke, with the highest rates</p>	<p>Annual</p>	<p>Decrease</p>		<p>Paula Mawson</p>	<p>Rachel Robinson</p>	<p>Cecilia Motley</p>	<p>Influence</p>

			among people with psychosis or bipolar disorder. Compared with the general patient population, patients with SMI are at substantially higher risk of obesity, asthma, diabetes, chronic obstructive pulmonary disease (COPD) and cardiovascular disease						
HP16	Cost of Living Vulnerability Index ranking	Tackle inequalities	The cost-of-living crisis poses a significant and immediate threat to worsening living standards in the poorest places and further place-based inequalities.	Annual/TB C	Decrease	Paula Mawson	Rachel Robinson	Cecilia Motley	Influence
HP17	Proportion of Shropshire's population living in decile 1 and 2 in a rural setting (Rural index of	Tackle inequalities	Overall, health outcomes are better in rural areas than in urban areas, however indicators can mask small pockets of	Every 4 years	Reduction	Paula Mawson	Rachel Robinson	Cecilia Motley	Influence

	deprivation for health)		significant deprivation and poor health outcomes.						
HP32	The proportion of long-term adult social care users in receipt of community-based services	Self-responsibility	Living in familiar surroundings can improve the quality of life and reduce anxiety. Our aim is to support people to live their best life and remain connected with their communities	Quarterly	Increase	Natalie McFall	Tanya Miles	Cecilia Motley	Own
HP33	Top quartile performer for the rate of admissions to residential and nursing care (18-64 and 65+)	Partnerships	Key measure within the Adult Social Care Outcomes Framework. Aligns with the priority to support people in the community. Rates per 100,000	Quarterly	Maintain	Natalie McFall	Tanya Miles	Cecilia Motley	Own
HP34	The number of people in long term care with digital included in their plan	Early Intervention	Increased use of digital technologies to support people to remain independent and safe in their own homes	Quarterly	Increase	Laura Tyler	Tanya Miles	Cecilia Motley	Own

HP35	<p>Rate of people with Learning Disabilities that live in their own home or with family</p>	<p>Self-responsibility</p>	<p>Supporting people with learning disabilities to live on their own or with family enables people to stay in their communities. It increases self-confidence and independence whilst reducing reliance on others. Measure within the ASCOF framework</p>	<p>Quarterly</p>	<p>Maintain</p>		<p>Natalie McFall</p>	<p>Tanya Miles</p>	<p>Cecilia Motley</p>	<p>Own</p>
HP37	<p>Number of adult mental health presentations at A & E</p>	<p>Partnerships</p>	<p>Mental health impacts on the individual and their family and friends. It can affect education and employment outcomes and place demands on public services. Top Healthy People measure identified at member session</p>	<p>Quarterly?</p>	<p>Reduce</p>		<p>Paula Mawson</p>	<p>Rachel Robinson</p>	<p>Cecilia Motley</p>	<p>Influence</p>



No.	Key Performance Indicator	Strategic Objective	Rationale	Frequency	Ambition	Target	Responsible	Accountable	Portfolio Holders	Own / Influence
HEc11	Paid employment for people with Learning Disabilities	Tackle Inequalities	Supporting people with learning disabilities to live on their own or with family enables people to stay in their communities. It increases self-confidence and independence whilst reducing reliance on others. Measure within the ASCOF framework	Quarterly	Increase		Laura Tyler	Tanya Miles	Cecilia Motley	Influence



No.	Key Performance Indicator	Strategic Objective	Rationale	Frequency	Ambition	Target	Responsible	Accountable	Portfolio Holders	Own / Influence
HO4	Overall satisfaction of people who use services with their care and support (ASC)	Best workforce	Overall indicator of satisfaction from Adult Social Care customers. Ascot 3a is a key performance indicator in the national framework and indicates satisfaction with staff and delivery partners.	Annual	Increase		Natalie McFall	Tanya Miles	Cecilia Motley	Own

Kirstie Hurst Knight – Children and Education



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No.	Key Performance Indicator	Strategic Objective	Rationale	Frequency	Ambition	Target	Responsible	Accountable	Portfolio Holders	Own / Influence
HP18	Timeliness of children visited by Children's Social Care	Early intervention	To measure timeliness of intervention. Delays to visits could increase the risk of harm to the child.	Quarterly	Increase		Sonya Miller	Tanya Miles	Kirstie Hurst Knight	Own
HP19	Stability of placements of looked after children: length of placement	Tackle inequalities	To ensure children who are required to be looked after enjoy a stable and settled homelife to support them to achieve the best possible outcomes.	Quarterly	Increase		Sonya Miller	Tanya Miles	Kirstie Hurst Knight	Own

HP20	Targeted Early Interventions	Early Intervention	Support of the early Help team and timely delivery of targeted interventions can prevent escalation of needs and future crisis. A key element of supporting children and their families to stem future needs	Quarterly	Increase	Sonya Miller	Tanya Miles	Kirstie Hurst Knight	Own
HP21	% of children looked after and living outside of Shropshire (not including Telford and Wrekin)	Tackle Inequalities	Ensuring Shropshire is able to provide a range of appropriate support enabling children to remain in or near their home county.	Quarterly	Reduce	Sonya Miller	Tanya Miles	Kirstie Hurst Knight	Own
HP22	% of care leavers the service remains in touch with	Tackle Inequalities	Remaining in touch with care leavers assists with providing ongoing support and guidance. The service is also able to track key outcome measures for care leavers living in suitable	Quarterly	Increase	Sonya Miller	Tanya Miles	Kirstie Hurst Knight	Own

			accommodation and being in Employment, Education or Training (EET)							
HP23	% of schools rated good or outstanding	Partnerships	Provides a high-level indication of the quality of schools our pupils are attending. The % of outstanding or good schools should be inline or better than the national average	Termly	Increase		David Shaw	Tanya Miles	Kirstie Hurst Knight	Influence
HP24	% of children accessing free early education at 2 and 3yrs	Early Intervention	High take up of early education helps to support the child's educational and social development skills for better long-term outcomes. Secondly, it may facilitate earlier identification of children at potential risk of harm.	Quarterly	Increase		David Shaw	Tanya Miles	Kirstie Hurst Knight	Influence
HP25	% of pupils receiving first choice of	Tackle Inequalities		Annual	Maintain		David Shaw	Tanya Miles	Kirstie Hurst Knight	Own

	schools - primary									
HP26	% of pupils receiving first choice of schools - secondary	Tackle Inequalities		Annual	Maintain		David Shaw	Tanya Miles	Kirstie Hurst Knight	Own
HP27	School attendance rates – secondary school	Self-responsibility	High attendance rates support academic outcomes and provides a safe environment. Reduced attendance may place a child at harm and increase their risks of anti-social behaviour or harm. One of the key performance indicators of learning and Skills	Termly	Increase		David Shaw	Tanya Miles	Kirstie Hurst Knight	Influence
HP28	% of Children on a plan who are in education every day	Self-responsibility	Disadvantaged pupils are more likely to achieve lower attainment levels at school. Provision of the right support to keep children engaged with school can increase the	Termly	Increase		David Shaw	Tanya Miles	Kirstie Hurst Knight	Influence

			chances of positive outcomes. Joint CSC and L&S measure						
HP29	Suspension rates from schools	Self-responsibility	<p>Suspension from school risks a child falling behind in their education and not achieving their potential in further or higher education. There is also an increased risk of anti-social behaviour, harm and youth offending. One of the key performance indicators of learning and Skills</p>	Termly	Reduce	David Shaw	Tanya Miles	Kirstie Hurst Knight	Influence
HP30	Exclusion rates from school (total rate – breakdown in detailed report)	Self-responsibility	<p>Permanent exclusion from school risks a child falling behind in their education and not achieving their potential in further or higher education. There is also an increased risk of anti-social</p>	Termly	Reduce	David Shaw	Tanya Miles	Kirstie Hurst Knight	Influence

			behaviour, harm and youth offending. One of the key performance indicators of learning and Skills						
HP31	% of Educational Health Care Plans (EHCP) issued within 20 weeks	Early Intervention	To improve the % of Educational Health Care Plans issued within the national 20-week target. Delays to issuing plans can impact outcomes for children and families	Quarterly	Increase	David Shaw	Tanya Miles	Kirstie Hurst Knight	Influence



No.	Key Performance Indicator	Strategic Objective	Rationale	Frequency	Ambition	Target	Responsible	Accountable	Portfolio Holders	Own / Influence
HEc13	Young people Not in Employment Education or Training	Skills and employment	Young people not in employment, education or training can lead to poorer life opportunities with potential long-term reliance on public services, poor economic, social and health outcomes	Annual	Reduce		David Shaw	Tanya Miles	Kirstie Hurst Knight	Influence
HEc19	Key stage 2 results in Reading, Writing and Maths to be inline or better than national average	Tackle inequalities	Helping our children to get a good start in their academic career. Falling behind in education standards at an early age will hinder progression to further education and employment opportunities	Annual	Achieve		David Shaw	Tanya Miles	Kirstie Hurst Knight	Influence

HEc20	Attainment 8 inline or better than national average	Skills and employment	Attainment 8 achievements are an indicator of the quality of education received and a culmination of primary and secondary school education.	Annual	Achieve		David Shaw	Tanya Miles	Kirstie Hurst Knight	Influence
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Dan Morris - Highways



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No.	Key Performance Indicator	Strategic Objective	Rationale	Frequency	Ambition	Target	Responsible	Accountable	Portfolio Holders	Own / Influence
HP36	Rate of people Killed or Seriously Injured (KSI) on our roads (rolling 3-year average)	Strong safe and vibrant destination	Rural counties see higher rates of KSI than the national average. KSI Accidents can have personal long-term impacts on health and employment for the individual and families. This may result in substantial ongoing support from the public sector.	Quarterly	Reduce		Tracy Darke	Mark Barrow	Dan Morris	Influence



No.	Key Performance Indicator	Strategic Objective	Rationale	Frequency	Ambition	Target	Responsible	Accountable	Portfolio Holders	Own / Influence
HEn3	% of principal roads requiring maintenance	Connectivity and Infrastructure	Whilst primarily an infrastructure objective the highways network the impact of potholes and poor road surfaces exacerbates pollution and emissions from vehicles.	Every 2 years	Reduce		Andy Wilde	Mark Barrow	Dan Morris	Own
HEn4	% of non-principal roads requiring maintenance	Connectivity and Infrastructure	See above	Every 2 years	Reduce		Andy Wilde	Mark Barrow	Dan Morris	Own
HEn5	% of street scene inspections meeting the required standards of cleanliness a. litter, b. detritus, c. weeds	Safe communities	Unclean streets and surrounds not only look unpleasant they can increase anti-social behaviour and place people and animals at	Quarterly	Increase		Andy Wilde	Mark Barrow	Dan Morris	Own

			risk of harm. Overgrown verges can reduce visibility to pedestrians and drivers. Maintaining good standards of cleanliness contributes to making Shropshire attractive for residents, businesses and visitors							
HE11	% of streetlights converted to LED	Climate Change strategy and actions	Energy efficient street lighting will reduce improve energy efficiency and reduce excessive energy use and associated costs	Annual	Increase		Andy Wilde	Mark Barrow	Dan Morris	Own



No.	Key Performance Indicator	Strategic Objective	Rationale	Frequency	Ambition	Target	Responsible	Accountable	Portfolio Holders	Own / Influence
HO5	Resident satisfaction with Highways and Transport services	Connectivity and Infrastructure	Overall indicator of satisfaction with Highways and Transport across the county. Improved satisfaction is a reflection of good work and communications. Acting on feedback is an indication of good communication.	Annual	Increase		Andy Wilde	Mark Barrow	Dan Morris	Influence

Dean Carroll – Housing and Assets



No.	Key Performance Indicator	Strategic Objective	Rationale	Frequency	Ambition	Target	Responsible	Accountable	Portfolio Holders	Own / Influence
HEc6	% of households in fuel poverty	Tackle Inequalities	A cross cutting indicator where improvements to household disposable income will improve affordability of fuels. The rural challenges of off grid results in higher costs for oil and other fuels. Renewable technologies provide an opportunity to develop new lower cost solutions.	Annual	Reduce		Jane Trethewey	Mark Barrow	Dean Carroll	Influence

HEc16	<p>Developing new homes</p>	<p>Housing</p>	<p>The supply of appropriate housing is required to support people throughout their lives. Enabling families to grow and develop, people with specific needs to remain independent within their communities and key workers to settle in the county. Providing employment and training opportunities in the sector.</p>	<p>Annual</p>	<p>Achieve</p>	<p>Tracy Darke</p>	<p>Mark Barrow</p>	<p>Dean Carroll</p>	<p>Influence</p>
HEc17	<p>Delivery of affordable homes</p>	<p>Housing</p>	<p>The supply of decent affordable housing to buy or rent supports the local economy and is proven to</p>	<p>Quarterly</p>	<p>Achieve</p>	<p>Jane Trethewey</p>	<p>Mark Barrow</p>	<p>Dean Carroll</p>	<p>Influence</p>

			deliver improved labour opportunities, educational outcomes for children, health benefits and reductions in crime.							
HEc18	Reduction in the number of families in temporary accommodation	Housing	Temporary emergency accommodation should be a short-term solution for households with children. Reducing the number of children in temporary accommodation will improve health and educational outcomes	Quarterly	Reduce	Jane Trethewey	Mark Barrow	Dean Carroll	Own	

Ian Nellins – Deputy Leader, Climate Change, Environment and Transport



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No.	Key Performance Indicator	Strategic Objective	Rationale	Frequency	Ambition	Target	Responsible	Accountable	Portfolio Holders	Own or Influence
HEn6	% of household waste sent for re-use, recycling, and composting	Natural Environment	Increasing recycling helps preserve precious natural resources for future generations. It reduces pollution and helps conserve energy	Quarterly	Increase		Tim Smith	Mark Barrow	Ian Nellins	Own
HEn7	Tonnage of household waste recycled	Natural Environment	See above	Quarterly	Increase		Tim Smith	Mark Barrow	Ian Nellins	Own
HEn8	Net carbon emissions – tonnes of co2 per person	Climate Change strategy and actions	Key to the corporate climate change strategy. Reducing CO2 emissions will improve air	Annual	Reduce		Tim Smith	Mark Barrow	Ian Nellins	Influence

			quality and help mitigate the impact of global warming							
HEn9	<p>Increasing the generation of renewable energy by Shropshire Council a. solar, b. wind, c. Hydro d. bioenergy</p>	<p>Climate Change strategy and actions</p>	<p>Generation of renewable energy by different means will improve energy security and reduce the need for fossil fuels. Increased generation will reduce CO2 and may provide additional income or reduce energy costs within Council buildings.</p>	Quarterly	Increase		Tim Smith	Mark Barrow	Ian Nellins	Own
HEn10	<p>Improve energy efficiency of Council buildings – average Energy Performance Certificate (EPC) rating</p>	<p>Climate Change strategy and actions</p>	<p>Energy efficient buildings will reduce heat loss, improve energy efficiency and reduce excessive energy use and</p>	Annual	Increase		Tim Smith	Mark Barrow	Ian Nellins	Own

			associated costs							
HEn12	% of local biodiversity sites where positive conservation management has been implemented	Natural environment	Positive management of biodiverse sites will protect our waters and encourage a support a wide range of plants and animals.	Annual	Increase		Tim Smith	Mark Barrow	Ian Nellins	Influence
HEn14	Number of electric vehicle charging points installed	Climate Change strategy and actions	The sale of new petrol and diesel vehicles is due to end in 2030. The increase in electric vehicles will require investment to develop suitable charging facilities across all communities. As a rural county the ownership of cars and vans is higher than the national average and access to charging	Quarterly	Increase		Tim Smith	Mark Barrow	Ian Nellins	Influence

			points will be required							
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FINAL

Robert Macey – Culture and Digital



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No.	Key Performance Indicator	Strategic Objective	Rationale	Frequency	Ambition	Target	Responsible	Accountable	Portfolio Holders	Own or Influence
HEn1	Visitors to outdoor recreation sites	Natural Environment	Access to outdoor space provides physical and mental health benefits. It can improve self-esteem and improve the quality of life. The outdoor recreation sites of Shropshire Council showcase the natural environment and attract visitors to the county	Quarterly	Increase		Jane Trethewey	Mark Barrow	Robert Macey	Own

<p>% of the rights of way network that is easy to use</p>	<p>Natural Environment</p>	<p>Highway authorities must keep a record of public rights of way and make sure they are open to the public. An accessible network provides walking and leisure opportunities to benefit physical and mental health. Top environmental measure identified by members</p>	<p>Annual</p>	<p>Increase</p>		<p>Jane Trethewey</p>	<p>Mark Barrow</p>	<p>Robert Macey</p>	<p>Influence</p>
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HEn2



No.	Key Performance Indicator	Strategic Objective	Rationale	Frequency	Ambition	Target	Responsible	Accountable	Portfolio Holders	Own / Influence
HO1	Number of compliments	Communicate well	Positive feedback from residents and customers are an indication of the delivery of professional services	Quarterly	Increase		Nigel Newman	James Walton	Robert Macey	Own
HO2	% complaints upheld	Communicate well	An effective complaints process should be used to identify areas for improvement and enable the authority to adapt its processes to deliver excellent services. A high percentage of complaints being upheld indicates areas of	Quarterly	Reduce		Nigel Newman	James Walton	Robert Macey	Own

			potential failure.						
HO3	% of complaints upheld by the ombudsman	Communicate well	This indicator provides assurance about the quality of the internal complaints' procedure. High levels of complaints upheld by the ombudsman may indicate failings with the authorities' decisions on complaints.	Annual	Reduce	Nigel Newman	James Walton	Robert Macey	Own
HO17	Improving the average response times for Freedom of Information requests	Communicate well	Response times are in place for complying to requests made under the freedom of information act. Failure to respond in 20 days may be an indication of poor processes.	Quarterly	Reduce	Tim Collard	James Walton	Robert Macey	Own
HO18	% of staff who have completed the cyber security	Absorb adapt anticipate	Risks from cyber-attack are a daily occurrence	Quarterly	Increase	Ben Jay	James Walton	Robert Macey	Own

	training (on time)		and could put the Council and its customers at risk. Mandatory training is required on an annual basis to help protect the Council and its data assets						
HO19	Number of data breaches reported to the Information Commissioner	Best workforce	A data breach could result in identity theft for employees and customers of the Council. Data breach failures could have financial and legal consequences to the Council	Quarterly	Maintain?	Tim Collard	James Walton	Robert Macey	Own
HO20	Reducing paper storage through digitisation – x m3	Climate Change strategy and actions	Increased use of digitisation will reduce the amount of paper that needs to be manufactured, distributed, purchased and stored. This has both environmental	Quarterly	Reduce	Ben Jay	James Walton	Robert Macey	Own

		and financial benefits for the council.							
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FINAL

Gwilym Butler – Finance and Corporate Resources



No.	Key Performance Indicator	Strategic Objective	Rationale	Frequency	Ambition	Target	Responsible	Accountable	Portfolio Holders	Own or Influence
HO6	Budget outturn vs budget	Align our resources	Delivering a well-managed budget is essential for the financial stability of the Council in delivering services to the communities of Shropshire	Quarterly	Achieve		Ben Jay	James Walton	Gwilym Butler	Own
HO7	% of Council tax collected	Align our resources	Reductions in central government funding places a greater importance on the need to collect Council Tax. High rates of collection will	Quarterly	Maintain		Ben Jay	James Walton	Gwilym Butler	Own

			protect the delivery of essential services.						
HO8	% of new housing benefit claims processed within 14 days of all information being received	Tackle inequalities	Efficient processing of claims shows good working practices. A speedy turn-around time supports vulnerable households in need and supports the local economy	Quarterly	Increase	Ben Jay	James Walton	Gwilym Butler	Own
HO10	Reducing bad debt write off by 10% per year	Align our resources	Reduction of bad debt is part of sound financial management to protect the delivery of vital services to our communities. Good financial practices and decision making indicates a well-trained workforce	Annual	Reduce	Ben Jay	James Walton	Gwilym Butler	Own

HO11	<p>Staff retention rates</p>	<p>Best Workforce</p>	<p>High turnover of staff may be an indication of unhappiness in the workforce including workload, stress, poor terms and conditions. High turnover then places additional strain on remaining staff and budgets.</p>	<p>Quarterly</p>	<p>Increase</p>		<p>Sam Williams</p>	<p>James Walton</p>	<p>Gwilym Butler</p>	<p>Own</p>
HO12	<p>Number of interim and agency staff</p>	<p>Align our resources</p>	<p>The use of interim and agency staff for short-term cover, although often essential, can result in additional costs. It can also result in a lack of consistency for vulnerable customers and difficulties in managing or</p>	<p>Quarterly</p>	<p>Reduce</p>		<p>Sam Williams</p>	<p>James Walton</p>	<p>Gwilym Butler</p>	<p>Own</p>

			developing the team						
HO13	Average number of day lost to sickness absence per year (or % of days lost)	Best Workforce	High sickness rates are a potential indicator of deep-seated issues which may result in the increase of sickness and stress related issues. This in turn causes additional pressure on other staff and budgets.	Quarterly	Reduce	Sam Williams	James Walton	Gwilym Butler	Own
HO14	Number of employees enrolled on the apprenticeship programme	Best workforce	Developing the talent pool within the Council encourages long-term career development. Investment in staff can increase staff morale and retention rates.	Quarterly	Increase	Sam Williams	James Walton	Gwilym Butler	Own

HO15	% of staff who have completed their Personal Development Plans	Best workforce	Shropshire Council is committed to developing its staff and has invested in the Getting Leadership Right programme. All staff should receive an annual personal development plan to identify required outputs, training and development needs. Effective use should cascade the ambitions of the Shropshire Plan to all staff	Quarterly	Increase	Sam Williams	James Walton	Gwilym Butler	Own
HO16	% of staff who rate Shropshire Council as a good employer	Best workforce	A high-level indicator to demonstrate that staff consider their employer to	tbc	Increase	Sam Williams	James Walton	Gwilym Butler	Own

			be good and would recommend employment to others. A low score indicates dissatisfaction could result in high turnover, high sickness rates and a lack of commitment to achieving good outcomes. Top Healthy Organisation measure identified at member session							
HO21	Member attendance at full council	Strong Councillors	Illustrates all party participation	Quarterly	Increase		Tim Collard	James Walton	Gwilym Butler	Influence

Chris Schofield – Planning and Regulatory Services



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No.	Key Performance Indicator	Strategic Objective	Rationale	Frequency	Ambition	Target	Responsible	Accountable	Portfolio Holders	Own / Influence
HEc8	Maintaining the supply of employment land	Connectivity and infrastructure	The supply of suitable employment land is required to respond to inward investment requests. To provide opportunities to develop centres of employment across the county.	Annual	Achieve		Tracy Darke	Mark Barrow	Chris Schofield	

HEc15	<p>Maintaining a % per year housing land supply</p>	<p>Connectivity and infrastructure</p>	<p>Authorities are currently required to identify a suitable supply of development land to meet planned housing requirements. The Levelling Up and Regeneration Bill is currently at committee stage in the House of Lords. If this bill is enacted the need for a 5-year supply may be removed.</p>	<p>Annual</p>	<p>Achieve</p>		<p>Tracy Darke</p>	<p>Mark Barrow</p>	<p>Chris Schofield</p>	<p>Own</p>
HEc22	<p>Percentage of food establishments that are 'broadly compliant'</p>	<p>Safe, strong and vibrant destination</p>	<p>Improved standard of Food Hygiene compliance within Shropshire and stronger economy due to increase customers. Achieve a high rate of 'Broadly Compliant' high/medium-</p>	<p>Quarterly</p>	<p>Maintain</p>	<p>85%</p>	<p>Les Pursglove</p>	<p>Rachel Robinson</p>	<p>Chris Schofield</p>	<p>Influence</p>

			risk food businesses within Shropshire (i.e., a Food Hygiene Rating Score of 5,4 or 3). Also links to Healthy People.							
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FEMNAL



No.	Key Performance Indicator	Strategic Objective	Rationale	Frequency	Ambition	Target	Responsible	Accountable	Portfolio Holders	Own / Influence
HEn15	Number of Environmental Permit inspections completed against statutory target (100%)	Natural environment	Reduce pollution from industrial and commercial operations to protect the environment. Carry out statutory Inspections of permitted industrial and commercial sites that emit pollutants in accordance with a risk-based inspection programme as set out in the statutory guidance.	Annual	Increase	100%	Les Pursglove	Rachel Robinson	Chris Schofield	Own

HEEn16	<p>Achieve target date for completing the Local Nature Recovery Strategy (LNRS)</p>	<p>Natural environment</p>	<p>As required by the Environment Act 2021, work collaboratively with key stakeholders, to develop and implement a Local Nature Recovery Strategy (LNRS). Working Group and Terms of Reference to be established.</p>	<p>Achieve target date</p>	<p>Achieve</p>	<p>Mar-25</p>	<p>Les Pursglove</p>	<p>Rachel Robinson</p>	<p>Chris Schofield</p>	<p>Own</p>
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No.	Key Performance Indicator	Strategic Objective	Rationale	Frequency	Ambition	Target	Responsible	Accountable	Portfolio Holders	Own / Influence
HP3	Percentage of high-risk businesses, subject to a planned inspection, which were inspected to ensure compliance	Early intervention	Carrying out statutory inspections of high/medium-risk food businesses that are subject to planned inspections will ensure compliance with food hygiene and safety. Improved standard of Food Hygiene compliance within Shropshire will lead to a stronger economy due to increase customer attraction and satisfaction.	Annual	Increase		Les Pursglove	Rachel Robinson	Chris Schofield	Influence



No.	Key Performance Indicator	Strategic Objective	Rationale	Frequency	Ambition	Target	Responsible	Accountable	Portfolio Holders	Own or Influence
HO9	% of Community Infrastructure Levy (CIL) committed	Connectivity and infrastructure	Developer contributions offer the opportunity to access funding to enhance facilities and infrastructure for a wide range of local and strategic schemes. Identified by members as a key indicator	Quarterly	Achieve		Ben Jay	James Walton	Chris Schofield	Own

Mark Jones – Growth and Regeneration



No.	Key Performance Indicator	Strategic Objective	Rationale	Frequency	Ambition	Target	Responsible	Accountable	Portfolio Holders	Own / Influence
HEc1	Levels of investment – target £350 million – 2022 – 27	Connectivity and infrastructure	Attracting additional investment will provide opportunities to develop business growth, infrastructure and facilities to enhance the lives of residents, visitors and business. KPI in economic growth strategy	Annual	Achieve		Tracy Darke	Mark Barrow	Mark Jones	Influence

HEc2	Reduce the workplace pay gap with the regional average by 50%	Tackle inequalities	Pay rates in the Shropshire workplace are lower than the regional average. This in part reflects the reliance on lower paid sectors of care, retail, tourism and leisure. Reduction of the pay gap will help retain the talent pool within the county and indicate positive outcomes for the economic growth strategy including the availability of more high paid employment opportunities	Annual	Reduce		Tracy Darke	Mark Barrow	Mark Jones	Influence
HEc3	Resident Pay to remain higher than the	Skills and Employment	Above average resident pay is a good indicator of a skilled	Annual	Achieve		Tracy Darke	Mark Barrow	Mark Jones	Influence

	regional average		workforce who can command a higher wage and are attracted to live in the county, albeit by sometimes working for employers outside of the area. A good indicator for our vision of 'Shropshire living the best life'							
HEc4	Households in receipt of Universal Credit	Skills and Employment	Members top preference for showing state of the local economy. Useful indicator of the local economic climate and difficulties households may be facing. Regular updates available and therefore provides more	Quarterly	Reduce		Tracy Darke	Mark Barrow	Mark Jones	Influence

			timely data than many economic datasets. Difficult to set targets other than to be inline or below national average							
HEc5	Percentage of families where children live in poverty	Tackle Inequalities	Improving household income will help reduce the % of children classed as living in poverty. Living in poverty can lead to long-term health conditions which require on-going support. Additional suggestion at member session	Annual	Reduce		Tracy Darke	Mark Barrow	Mark Jones	Influence

HEc7	<p>Improving productivity by improving the Gross Value Added (GVA) per hour worked (50% by 2027)</p>	<p>Skills and employment</p>	<p>GVA is a key economic indicator and measures the productivity per employee. Rural areas typically have lower levels of productivity. Increased GVA benefits the local economy and its residents.</p>	<p>Annual</p>	<p>Increase</p>	<p>Tracy Darke</p>	<p>Mark Barrow</p>	<p>Mark Jones</p>	<p>Influence</p>
HEc9	<p>Net increase in the number of jobs – baseline 133,000 target 138,000 by Mar 2027</p>	<p>Skills and employment</p>	<p>Key indicator within the economic growth strategy. Jobs growth is required to support population growth. Links to member preference of the% of workforce who are economically active</p>	<p>Annual</p>	<p>Increase</p>	<p>Tracy Darke</p>	<p>Mark Barrow</p>	<p>Mark Jones</p>	<p>Influence</p>

APPENDIX A

HEc10	Increase employment within the high skilled categories	Skills and employment	Developing and attracting high skilled employment roles to the county will help retain talent and improve levels of workplace pay	Annual	Increase	Tracy Darke	Mark Barrow	Mark Jones	Influence
HEc12	Number of apprenticeships in the county	Skills and employment	To develop the Shropshire talent pool and retain skilled workers within the county	Annual	Increase	Tracy Darke	Mark Barrow	Mark Jones	Influence
HEc14	Out of work claimant rates to remain lower than the Region and England	Skills and employment	Claimant rates data are updated monthly and provide a regular and earlier insight to the local economy than many time lagged economic data sets. Links to member top economic measure of households in	Quarterly	Achieve	Tracy Darke	Mark Barrow	Mark Jones	Influence

			receipt of Universal Credit						
HEc21	Reduce the % of workforce with no or low-level qualifications	Skills and employment	A qualified workforce helps to raise the standards for businesses within the county and offers superior life opportunities for the population. A better qualified workforce should also help attract better wages and support the aspirations to close the workplace pay gap.	Annual	Reduce	Tracy Darke	Mark Barrow	Mark Jones	Influence

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	Committee and Date Transformation & Improvement Scrutiny 4 th September 2023	Item
	Cabinet 6 th September 2023	Public
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Financial Monitoring Report Quarter 1 2023/24

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

1. Synopsis

The Shropshire Plan clarifies our vision and priorities, aligning our resources to deliver positive outcomes for our people, businesses and communities. Our objectives are to be delivered within a fixed financial envelope and we are making great progress towards that aim.

2. Executive Summary

Overview

The Shropshire Plan (TSP) was created to clarify Shropshire Council’s vision, priorities and Strategic Objectives. These objectives reflect the outcomes we aim to achieve within our available financial envelope. We measure the achievement of TSP by monitoring our performance (using Key Performance Indicators (KPIs) to help measure, drive and understand delivery of our Strategic Objectives) and managing our overall financial position (ultimately delivering our outcomes while remaining within our agreed financial envelope).

The current year, 2023/24, is the year we are prioritising financial management with the aim to create a sustainable financial future. Over this year we need to closely monitor our finances and take decisive and corrective action against any deviation from our

approved Medium Term Financial Strategy (MTFS). We are seeking to rebase our budgets, in line with the outcomes defined in TSP, to secure a modern, efficient, and sustainable base for the Council finances across the 5 year period of the MTFS. This approach is aligned to the recommendations of the LGA peer review and is comparable with the best approaches seen in local government. We will need to make the adjustments this year but Shropshire residents will reap the rewards for many years to come, through improved financial stability. Against this backdrop we are seeking to maintain our performance and improve it where our financial position allows. Our plans will then expand into the next financial year with a focus on increased efficiency and improved outcomes, redefining the way we deliver our services to optimise delivery of our vision. Beyond that, our emerging intent is to grow our potential, seeking continuous improvement, greater resilience and increased efficiency in all aspects of our work.

Summary

- 2.1 In a challenging year, where other councils have struggled financially, Shropshire Council is robustly managing its finances. Our net budget has grown by £20m compared to last year and we have targeted £51.4m of spending reductions to contain our spending within this financial envelope. Of this target, £11m has been delivered by the end of June 2023 and a further £23m to be delivered by March 2024. Overall, this equates to £34.3m, or 67% of the target, in place within the first quarter of the financial year, with three quarters of the financial year left to deliver the remaining 33%.
- 2.2 In common with every financial year, we expect our models and plans for service delivery to adapt and modify with the changing external environment. Typically, we must manage under and over-spending variations across all of our spend heads and to date we have identified material pressures in demand-led social care services. We are working to create plans to mitigate these pressures to align our spending with available resources, if necessary, extending beyond this financial year.
- 2.3 While the Council's vision and intended outcomes is clear, the scale of the financial challenge in 2023/24 is unprecedented. To maintain focus in the delivery of our outcomes, increased resilience across the organisation is necessary. Undertaking an extensive leadership development programme (GLR) to provide individual resilience, investing in a new corporate resource (the Office of the Chief Executive or OCE) to provide programme management expertise and increased focus, and working with a new Strategic Transformation Partner (PwC) to create capacity and capability for the authority are all designed to improve organisational resilience.
- 2.4 This report estimates the Council's year end position by reviewing and projecting information from the first quarter of the financial year. Whilst information from the period 2 (to the end of May) was used to provide an early oversight of our financial position, this is the first published report for the current financial year and will be followed by reports for the year to 30 September (quarter 2), 31 December (quarter 3), and 31 March (quarter 4, or 'outturn'). Monthly updates will be provided between these times.
- 2.5 As part of the necessary arrangements for delivering TSP, the Council has reviewed and updated its approaches to both performance and financial monitoring. Both areas are now more pro-actively informed by timely activity data and are available to a range of officers to help guide decision making. The 'PowerBI' dashboards provide

current data, showing trends, RAG status and benchmarking where available. These approaches were initially designed in late 2022/23 and have been implemented in Q1 2023/24 for roll out across the year. The work on them is ongoing and iterative, as we identify what works best for colleagues across the Council.

- 2.6 The Q1 Performance report (elsewhere on this agenda) sets out performance across the Council using a range of KPIs. These focus on the key performance metrics needed to enable assessment of the delivery of the agreed outcomes set out in TSP through our priorities and strategic objectives.
- 2.7 This Q1 Finance report complements the performance report but provides a different perspective. Crucially, the finance report and the forecasts it contains reflect the current position on ‘cost drivers’ rather than ‘KPIs’. We may therefore find that the position on KPIs is favourable, but that the finance position is adverse because the activity levels (the cost drivers) are higher than anticipated.

Key Values and Context

- 2.8 The key issues highlighted by this report are:
- a. **Revenue spending reductions of £34.3m:** The MTFs agreed by Full Council (2 March 2023) included £51.4m of planned spending reductions.
 - o To 30 June, £11.4m is confirmed as already fully delivered with £34.3m of spending reductions to be delivered by 31 March 2024.
 - o £34.3m represents 67% of the year-end target and is already equal to the final percentage delivery level achieved in recent years, with three quarters of the year still to go. Delivery of £34.3m is already greater than the last 3 years savings delivery combined.
 - b. **Remaining revenue spending reductions to be achieved of £17.1m:** Further work is needed to deliver the balance of spending reductions to achieve the overall target. Additionally, reductions achieved to date are those which are comparatively easier, so the remaining amounts are likely to be more challenging.
 - c. **Spending pressures in demand-led services of £20.5m:** Despite the good progress on spending constraint already identified (at a and b, above), services in demand led areas are seeing levels of activity between 1.5x and 2x budget estimates. This is particularly acute in adult social care and children’s services, but also notable in Housing (temporary accommodation).
 - d. Taking (a), (b), and (c) together results in a **‘BAU’ forecast of £37.6m outside of available budget**
 - e. Including operational plans being prepared for items (b) and (c) creates a revised calculation of an **‘operating’ forecast of £5.2m over budget.**
 - f. This would result in a charge at year end to the **General Fund Balance leaving a £21.8m carry forward position.**

Table 1: summary position including current BAU and Operating Forecasts.

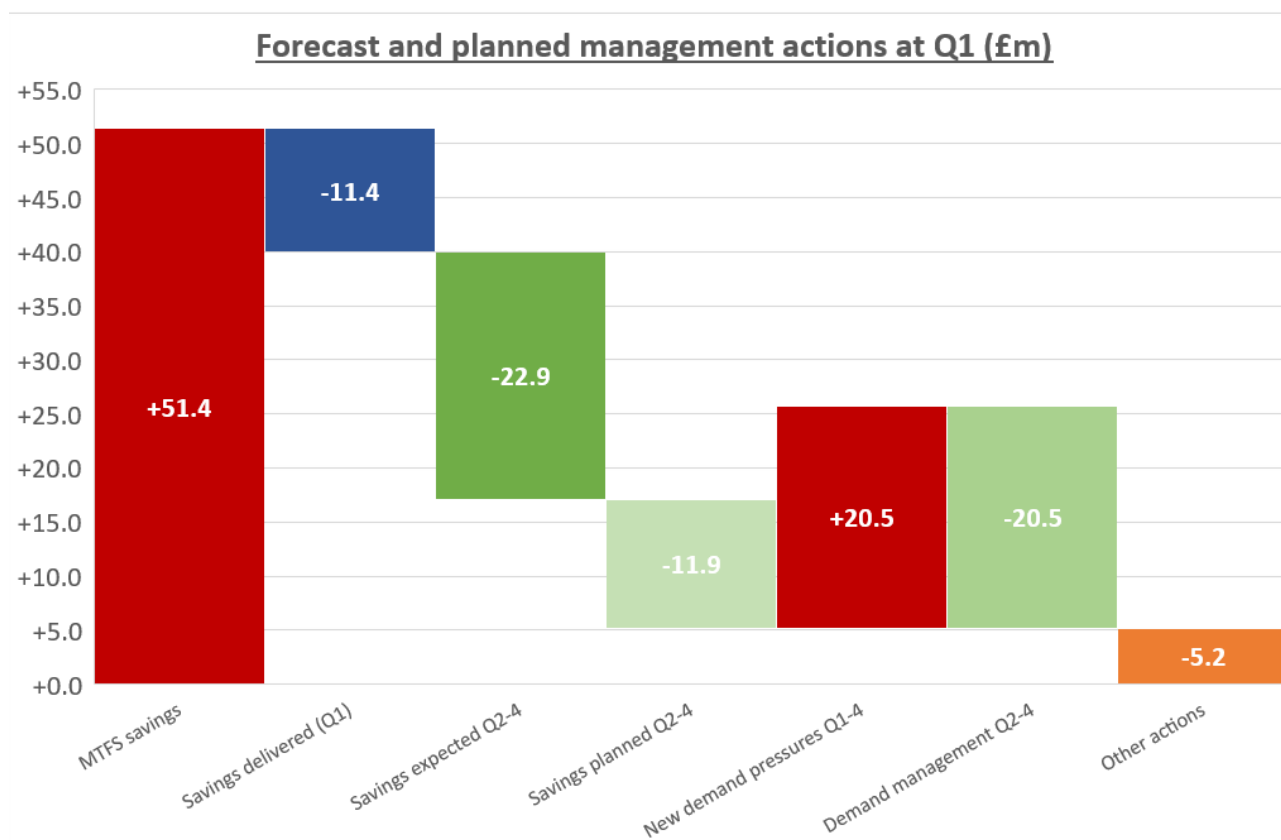
		Ref	£m
Savings	Target: £51.4m; Achieved £11.4m, expected: £22.9m (67%), so £17.1m o/s	(b)	17.1
Other challenges	Social care demand higher than anticipated	(c)	20.5
BAU forecast	Forecast before planned mitigations (‘do nothing’)	(d)	37.6

Further savings (pipeline)	Remaining savings to minimum expected delivery (90% x 51.4 = 46.2; 46.2-34.3 = 11.9)	-	11.9
Demand mitigation	Short term funding while demand-led pressures are addressed (18 months)**	-	20.5
Operating forecast	Forecast after planned mitigations ('planned delivery')	(e)	5.2
Unearmarked reserves	General Fund Balance brought forward		7.1
	Budgeted contribution		19.9
	Planned delivery forecast (unless mitigated)	-	5.2
	Estimated General Fund Balance @ 31 March 2024 <i>(target = £15m-£30m)</i>	(f)	21.8

2.9 To address this position effectively, the following measures have been put into place:

- Review of savings not yet achieved to identify how delivery against the remaining £17.1m can be maximised
- Implementation of demand-management initiatives in social care services to ensure that, wherever possible and safe, early interventions are identified to help prevent children coming into care, and adults entering hospital. Given the extent of the demand-led pressures, it is expected that the situation will not be fully resolved in the current financial year. As such, and where clear long term plans are set out which can demonstrate success, short-term funding will be made available while successful demand management measures are implemented.
- The General Fund balance, as set out in the March MTFs has been increased to £27m. It is intended to preserve this amount to the greatest extent possible in the year, as part of the wider work to repair the Council's balance sheet. Based on the planned forecast set out above, there may remain an unreduced pressure of £5.2m, which could be funded by the general fund balance and leave £21.8m (which is above the lower end of the target range).

Figure 1: chart showing patterns of pressures and mitigations.



2.10 Capital: The projected capital outturn is £140.643m, in line with the current budget with current capital expenditure of £5.053m, (3.6% of the budget at Quarter 1, with 25% of the year elapsed).

- In 2023/24, 2024/25, 2025/26 and 2026/27 capital receipts are currently projected to be lower than those required for the programme. Targets for capital receipts will be reviewed as part of the review of the capital strategy, but priority will need to continue to realise receipts from surplus assets.
- The capital receipts position is further emphasised by the March MTFS plan to fund transformational activities additional to those already identified in the MTFS through the flexible use of capital receipts.

3 Recommendations

Transformation & Improvement Scrutiny Committee

3.1 It is recommended that Transformation & Improvement Scrutiny Committee Members note the position and identify any areas for future consideration by Scrutiny.

Cabinet

3.2 It is recommended that Cabinet Members:

- A. Note that at the end of Quarter 1 (30th June 2023), the expected level of savings delivery is £34.3m, representing more than the sum total of the last 3 years, and a level of delivery equal to that in recent years.
- B. That savings not yet confirmed amount to £17m.
- C. That demand-led services are forecasting significant overspending of £20.5m in the year, which is likely to continue into the coming year.
- D. The result of those points (A-C above) is a current forecast of overspend of £37.590m
- E. That it is assumed for planning purposes that
 - a. 65% of the remaining savings will be delivered (total: £11.9m) and
 - b. short-term funding will be identified to enable sustainable demand management approaches to be implemented in social care services (total: £20.5m), and that necessary plans are prepared to enable this.
- F. The resulting forecast at quarter 1 is therefore a likely overall overspend of £5.2m once key management actions are implemented. This will leave the General Fund balance at £21.8m, within the target range of £15m-£30m.

Report

4 Risk Assessment and Opportunities Appraisal

- 4.1 The management of the Council's Budget is a key process in ensuring strategic risks are mitigated and the Council can carry out 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, including improved internet presence and revised recruitment processes.
- 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 continued focus and action are being put in place to address this.
- 4.5 Overall, the financial outlook is positive, but the levels of risk and challenge set out in the report are beyond anything previously faced by the Council. In that context, investment of lead officer time in a council-wide leadership programme (Getting Leadership Right) and engagement with an external partner (PwC) are part of the steps taken to rapidly expand capacity and ability to meet the challenges already identified.

5 Financial Implications

- 5.1 This report sets out the financial projections for the Council in the 2023/24 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.
- 6.2 Securing a robust and sustainable financial base will help the Council meet the challenges of climate change – this is not separate to our budget management, but integral to it, as set out in the objectives of The Shropshire Plan and our aim to secure a Healthy Environment.

7 Background

- 7.1 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 2023/24 – 2027/28 on March 2023 which outlined the revenue and capital budget for 2023/24.
- 7.4 The approach to the current year was changed in view of the challenges we face, identified in the MTFs agreed by Full Council on 2 March 2023. The approach to the current year was changed to:
- Improve access for budget holders to key activity and financial information
 - Speed up internal reporting from quarterly to monthly, while maintaining quarterly reporting as our standard demonstration of transparency and accountability.
- 7.5 Further work is in hand to share additional detail with all Members, staff, and residents, not least through scrutiny committee review ahead of cabinet discussion. However – there is a recognition by Chief Officers that too much focus on review and scrutiny will hamper the work of staff already engaged in delivery of targets for the current year – so, we are seeking an effective balance of detail and summary information, which is unlikely to satisfy all, but which is a clear progression over previous arrangements, and which responds to current challenges.

8 Projected Revenue Business as Usual Outturn at Q1

- 8.1 At Quarter 1 (April 1 – June 30), the Council is reporting a BAU ('business as usual') forecast overspend of £37.590m. This forecast assumes that all current plans are delivered, and that no further plans are put into place (hence, BAU).

8.2 As set out at paragraph 2.2 above, and table 1, this BAU forecast does not include the expected impact of further actions to secure the current operating forecast of £5.2m over budget – mitigations of £32.4m.

8.3 Table 2 below summarises the position by directorate (see also Appendix 1A and 1B), including latest projections on funding. A breakdown of the projected outturn by portfolio holder is detailed in Appendix 1C.

Table 2: Projected Revenue Outturn

Directorate	Revised Budget (£'000)	Forecast Outturn (£'000)	Under/Overspend (£'000)
Health and Wellbeing	2,509	2,572	63
People	207,319	232,178	24,859
Place	80,984	89,459	8,475
Resources	3,307	6,759	3,452
Strategic Management Board	160	174	14
Service Spending			
Corporate Budgets	(38,365)	(37,638)	727
Total Net Expenditure	255,914	293,504	37,590
Funded By:			
Council Tax	(193,577)	(193,577)	0
Business Rates	(39,424)	(39,424)	0
Top Up Grant	(11,120)	(11,120)	0
Revenue Support Grant	(7,479)	(7,479)	0
Collection Fund (Surplus)/Deficit	(4,314)	(4,314)	0
Total Funding	(255,914)	(255,914)	0
Total	0	37,590	37,590

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

- £17.205m of unachieved savings targets to be delivered as at Quarter 1. Savings have been shown as delivered if there is a clear plan in place, delivery is already under way and there is certainty in delivery over the course of the financial year.
- £10.141m budget pressures against spot purchasing within Adult Social Care due to greater demand and higher cost of placements.
- £6.173m overspend on residential and fostering placement costs within Children's Social Care.

8.5 In order to address the budgetary pressures arising in Social Care, the service is actively pursuing a demand management plan with the intention of reducing ongoing demand. This is being achieved by:

- Childrens services transformation plan aims to reduce numbers of looked after children by stepping them down from 'CLA' to Child in Need or Early Help This will be achieved by
 - Closer working with other public agencies (Health,, Police) to more quickly identify households with emerging acute support needs – for example, where issues of harm relating to mental health, domestic abuse, drug and alcohol impact the safety of children. ,
 - Implementing parenting support across the Councils communities, for existing parents and expectant parents, to ensure that all parents are supported to nurture and protect their children.
 - Seeking earlier indications of family groups that are under pressure and may be entering a crisis; supporting those families to remain together and so avoiding taking children into care.
 - Providing earlier support to children and their families who are encountering difficulties, aiming to avoid any family entering crisis, or alternatively to minimise the extent of that crisis.
 - Promoting foster care as a fulfilling and desirable activity; seeking to recruit new foster carers, and promoting the best outcomes for all children whatever their care setting.
- Adults services are focusing on demand management interventions as follows:
 - We are currently supporting more people than we expected to when budgets were set ahead of the financial year in October. We have seen an increase in complexity of client needs, particularly those requiring nursing care, as well as increasing demand from ongoing pressures in hospital discharge.
 - Work is underway to manage demand and remodel the service through the Reablement Transformation programme, aimed at supporting people to live more independently.
 - Following Cabinet's decision in February 2023, we increased fee rates this year to stabilise the domiciliary care market. The increase was up to 12%, at a cost of £1.040m (included in the forecast overspend).
 - Market rates in the care home market have also been increasing during the year. Work is ongoing with the market to manage the increased costs of care

8.6 The demand management plan should deliver a sustainable budget projection , however it is acknowledged that this may take time to implement and therefore short term funding of these and other pressures may be required whilst plans are put into action.

8.7 More detailed arrangements are being implemented to track benefits realisation from these initiatives and to ensure that appropriate amendments to the MTFS are put in place.

8.8 The forecast in this report includes assumed levels of funding for Adult Social Care as set out in the March MTFS. These are included below.

ASC Funding	£m	
<i>Social Care Grant</i>	- 15.759	9%
<i>Improved Better Care Fund</i>	- 11.863	7%
<i>CHC</i>	- 8.036	5%
<i>BCF</i>	- 7.356	4%
<i>Other Income</i>	- 3.393	2%
<i>Market Sustainability and Improvement Funding</i>	- 3.264	2%
<i>DHSC – Adult Social Care Discharge Fund</i>	- 1.663	1%
<i>Other Health contrib</i>	- 1.564	1%
<i>DLUHC – Homes for Ukraine Scheme</i>	- 0.124	0%
<i>DoH War Pensions Disregard Grant</i>	- 0.117	0%
<i>Care and Support Prisons</i>	- 0.048	0%
<i>Local Reform and Community Voices</i>	- 0.038	0%
<i>ASYE</i>	- 0.011	0%
<i>Client contributions</i>	- 22.381	13%
<i>Council tax excluding SCP</i>	- 76.449	43%
<i>Social care precept</i>	- 24.157	14%
	- 176.224	100%

9 Income

9.1 The revenue budget is funded by £255.9m of 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. 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 2023/24 have been shown as delivery confirmed or delivery to be confirmed and are presented in Appendix 3. These projections show that 66.5% of the 2023/24 savings required have been rated as green.

10.2 Table 3 below summarises the savings that have been delivered as at Period 3, against the profiled delivery. This shows the position as at Period 3 is ahead of the profiled delivery at this point in the financial year.

Table 3: Savings Delivery in 2023/24

2023/24 IN-YEAR SAVINGS POSITION	Delivered Q1 (£)	Delivered Q1 (%)	Full year forecast (£)	Forecast v target (%)	Net Budget Share (%)
Health & Wellbeing	-468,027	71.65%	-527,884	81%	1%
People	-4,900,379	22.84%	-17,363,649	81%	77%
Place	-4,502,844	26.82%	-10,168,120	61%	29%
Resources	-809,618	13.43%	-2,042,912	34%	1%
Corporate	-700,010	10.83%	-4,200,010	65%	-8%
DELIVERED AS AT PERIOD 3	-11,380,977	22.15%	-34,302,575	67%	100%
PROFILED DELIVERY	-11,165,658	21.73%			

11 Reserves

- 11.1 The 2023/24 budget strategy included a contribution of £19.868m to the General Fund balance which would then reach £26.961m, which is a safer level given the current profile of financial risks. This is shown in the table below, and in appendix 5.
- 11.2 It is anticipated that one off resources will be identified to offset pressures in year while longer term sustainable demand management plans are in place. This will include the review and release of earmarked reserves and a review of grant balances received to try to utilise funds to offset one off pressures, primarily in social care. Without the use of these one off funds, and continued action to deliver the savings programme, the General Fund balance will be substantially depleted.
- 11.3 It is imperative that the Council maintains the General Fund Balance as assumed within the Medium term Financial Strategy, otherwise 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 rapid 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.

Table 4: General Fund Balance

General Fund	£'000
Balance as at 1 st April 2023	7,093
Budgeted Contribution in 2023/24	19,868
Budgeted General Fund Balance as at 31st March	26,961

12 Capital

- 12.1. The current capital programme and actual spend is detailed in Table 5 below, including updated projections on financing of the programme. Further detail is provided in Appendix 7.

Table 5: Projected Capital Programme Outturn

Directorate	2023/24 Revised Capital Programme (£'000)	2023/24 Actual Spend (£'000)	2023/24 Actual YTD spend as % of Budgeted YTD Spend	2024/25 Capital Programme (£'000)	2025/26 Capital Programme (£'000)
Health and Wellbeing	-	-	-	-	-
People	17,718	1,002	5.65	16,577	7,399
Place	97,410	3,050	3.13	78,183	35,576
Resources	1,042	1	0.06	-	-
Total General Fund	116,170	4,053	3.49	94,760	42,975
Housing Revenue Account	27,977	1,000	3.57	15,122	13,313
Total Capital Programme	144,147	5,053	3.51	109,882	56,288
Financed By:					
Borrowing	41,810			30,617	12,342
Government Grants	62,684			58,918	30,481
Other Grants	2,274			156	44
Other Contributions	9,958			4,951	2,100
Revenue Contributions to Capital	4,536			-	369
Major Repairs Allowance	8,317			4,828	5,000
Capital Receipts	14,568			10,412	5,952
Total Financing	144,147			109,882	56,288

* Actual financing of the capital programme is determined at year end.

12.2 The financing of the current capital programme assumes a level of capital receipts being realised, as set out in table 5. In the event that the receipts are not available as planned, the council may need to fund capital investment from alternative sources – available grants, developer contributions, or external borrowing, where it is prudent and appropriate to do so. This changeable position is planned for in advance and confirmed at year end. 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 1 (Period 3), the HRA is projecting a minor overspend of £0.422m (2% of gross budget) due to reduced projected dwellings rent. This will be carefully monitored during the remainder of the year and action taken to reduce this, however any residual overspend will be financed through the HRA reserve.

14 Dedicated Schools Grant

14.1 As with previous years, the final Early Years Block DSG allocation for 2022/23 was published on 20th July 2023. The final allocation of £17.139m which takes account of the January 2023 census figures is £0.193m less than the provisional Early Years DSG Block DSG allocation of £17.332m used to calculate the 2022/23 DSG surplus carried forward figure of £2.695m. This means that the revised surplus carried forward now stands at £2.502m. £0.285m of this DSG surplus carried forward relates to the

2021/22 and 2022/23 surpluses carried forward on the Schools Growth Fund. This value is fully earmarked for the Schools Growth Fund in 2023/24.

- 14.2 As at the end of Quarter 1, there is no variance to budget being reported on the Early Years Block DSG. Within the High Needs Block DSG (after deductions) allocation of £32.974m, although no variance to budget is being reported, there continues to be significant growth in expenditure against the Independent Special Schools budget, due to significant growth in EHCP assessments and plans issued. In 2023/24 this budget pressure is offset with forecast underspends in other areas such as Post 16 – Further Education college placements.

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 1 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 2023/24 – 2027/28

[Shropshire Council Outturn report , 2022/23](#)

Financial Rules

Local Member:

All

Appendices [Please list the titles of Appendices]

Appendix 1A – 2023/24 Projected Revenue Outturn by Service

Appendix 1B – 2023/24 Detailed Projected Revenue Outturn by Service

Appendix 1C – 2023/24 Projected Revenue Outturn by Portfolio Holder

Appendix 2 – 2023/24 Income Projections

Appendix 3 – Delivery of 2023/24 Savings Proposals

Appendix 4 – Reconciliation of Monitoring Projections to Savings Delivery

Appendix 5 – Amendments to Original Budget 2023/24

Appendix 6 – Reserves 2023/24

Appendix 7 – Projected Capital Programme Outturn 2023/24 – 2025/26

Appendix 8 – Projected Capital Receipts

Appendix 9 – Financial Management Indicators

APPENDIX 1A

2023/24 PROJECTED REVENUE OUTTURN BY SERVICE

Directorate / Service	Controllable Budget at Q1	Forecast Outturn at Q1	Forecast Outturn Variance at Q1	Reasons for Movement
	£'000	£'000	£'000	
People				
Children's Social Care and Safeguarding	51,371	61,771	10,400	<p>Current activity is materially higher than estimated in the budget due to sibling groups taken into the care system in the winter period. Demand higher than estimated is the key driver for the variances described below.</p> <ul style="list-style-type: none"> • £0.270m GLR Saving shown as unachieved. • £1.376m overspend on staffing across the Social Work Teams, largely relating to Agency Social Workers. This includes £0.388m overspend on Equinox Contract (additional capacity Social Work Team/Court Team 2). There is a credit of £0.867m relating to the capitalisation of posts as a one-off working on transformational projects • £4.497m overspend on External Residential Placements. 50 residential spot/framework placements (excluding DCT) at the end of June but only budget for 30. • -£0.248m underspend on Internal Residential Children's Homes. Large underspend of £0.442m on Ifton House (currently not in use) offsetting the overspends across the other 5 Children's Homes, mostly on staffing (overtime) • £1.676m overspend on Fostering. The majority relates to External Fostering (£0.989m), partly explained by unachieved saving of £0.764m of £1m savings target (which is reported as achieved through overachievement on Stepping Stones Project saving) and partly due to in-year growth forecast of 1.25 new placements per month. • £0.346m overspend on Leaving Care, mostly relating to Leaving Care Accommodation and Allowances • £0.721m overspend on Disabled Children's Team, mostly relating to DCT Prevention and Support payments and DCT Direct Payments • £0.343m overspend on Public Law Outline Support Packages (court ordered legal costs) • £0.353m overspend on Transport related costs across the Social Work teams e.g taxi costs. (doesn't include travel allowances)

Directorate / Service	Controllable Budget at Q1	Forecast Outturn at Q1	Forecast Outturn Variance at Q1	Reasons for Movement
	£'000	£'000	£'000	
Adult Social Care	129,576	141,128	13,152	<p>Purchasing Only+£11.322m: •+£10.141m spot purchasing projected overspend. This pressure is split across base budget, where numbers of service users and cost of placements are higher than anticipated at budget setting, but lower than they were as at 1st April, and savings pressures that we are yet to see materialise in full. Continued achievement of savings in this area will reduce numbers and costs so the two go hand in hand when showing the overall position. We have seen an increase in nursing care, highlighting a complexity in people's needs from the community and through the hospital discharge routes. We have also seen more packages of care commissioned within peoples' homes, but costs have increased. Work is on-going with the market to manage the increased costs of care. Finally, we have seen further pressures due to the continued need to support hospital discharges and short term care provision which has resulted in higher costs.</p> <p>•+£2.864m overspend on new and increased supported living packages. This overspend also includes a targeted £1.000m savings target and is driven by the level of complexity of service users' needs. Work is underway to remodel the service to better meet those needs.</p> <p>•(£2.089m) anticipated over achievement of client contributions to care costs. As per the pressure on expenditure, due to greater number of individuals being supported than budgeted for, we are showing a greater amount of contributions being collected. •+£0.419m forecast overspend in START. This is down to staffing. We have over-recruited within the team and increased wages in order to deal with previously seen high staff-turnover. Although showing as an overspend in this area the impact of not having a fully staffed service is the extra reliance on external providers to deliver care. This is at greater expense and has worse outcomes for the individuals, who often have to access longer-term care when not given the correct support to enable them to go back home. If we continue to see high staff turnover then the expenditure will reduce due to vacancy.</p>
Directorate Management	406	3,108	2,702	<p>£2.589m Target Operating Model - 5% reduction in staffing saving is shown as unachieved.</p> <p>£0.040m GLR Saving shown as unachieved against People Directorate Management and £0.063m Learning and Skills GLR saving shown as unachieved against "Children's Management"</p>
Learning and Skills	22,344	22,525	181	<ul style="list-style-type: none"> • £0.300m overspend forecast against Home to School Transport using last year's outturn as guide against current budget. • -£0.065m capitalisation of post within the Learning and Skills Performance

Directorate / Service	Controllable Budget at Q1	Forecast Outturn at Q1	Forecast Outturn Variance at Q1	Reasons for Movement
	£'000	£'000	£'000	
				and Integration Team • -£0.026m underspend on NEETs Data Tracking team explained by a temporary vacancy management saving and forecast underspend on casuals/overtime
Children's Early Help, Partnerships and Commissioning	3,622	3,647	25	Minor variation to budget at Period 3.
People Total	207,318	232,178	24,860	
Place				
Commercial Services	5,094	5,765	670	£0.530m Climate Change overspend £0.411m relates to a savings target from a previous MTFS that has been transferred from Shire Services, a paper is going to Cabinet/ Council in relation to a climate change/ carbon reduction project to achieve this saving. Further delays on the approved Maesbury Solar Farm project which is expected to deliver £0.125m - delayed until 2024. £0.034m income shortfall within Commercial Services Business Development. £0.111m GLR Saving currently shown as unachieved. Reserves are being used to offset in year pressures within Corporate Landlord, Property and Development.
Homes and Communities	16,872	17,494	622	£0.434m Overspend on Leisure Services, £0.375m Overspend on Housing Service £0.198m GLR Saving currently shown as unachieved. Offset by savings of £0.164m on Business & Consumer Protection, £0.115m on Museums, £0.065m on Registrars & Coroners and £0.034m on Theatre Services plus various service underspends across other areas of Homes and communities.
Economy and Place	5,291	6,297	1,005	AD Economy and Place £0.131m, GLR saving and office alterations; Planning and Economy Services £0.719m, a forecast drop in expected planning application income offset by vacancy and other savings (Major Planning Applications Q1 were 24 in number, whereas previously 29 in 22/23 and 30 in 21/22), and Shopping Centres £0.155m, unachievable saving due to slippage on key milestones within the Shrewsbury Town Centre Redevelopment Programme Capital Project including demolition.
Directorate Management	(604)	770	1,374	Projected overspend of £1.356m relating to undelivered TOM staffing budget turnover and wastage increase by 5% (year end review) savings, work is being done in year to plan for these savings.
Highways and Transport	54,330	59,133	4,803	AD Infrastructure £0.174m, GLR saving; Waste Management £4.153m, which includes the outstanding Waste PFI saving which is yet to be

Directorate / Service	Controllable Budget at Q1	Forecast Outturn at Q1	Forecast Outturn Variance at Q1	Reasons for Movement
	£'000	£'000	£'000	
				achieved. Work to devise delivery plans for this saving is continuing with a focus on quantifying what will be achievable in year. Highways (Operations) £0.218m, mainly Streetworks income lower forecast based on current case numbers and legislative changes to the charging mechanism: and Environment £0.257m, mainly costs to develop parking strategy and high street pedestrianisation.
Place Total	80,984	89,459	8,475	
Resources				
Finance and Technology	3,362	4,653	1,291	Currently there are expected to be unachieved savings targets of £1.200m, of this £1.000m is from a reduction in housing benefit subsidy loss from accommodating people in B&B accommodation to prevent homelessness, currently this saving is undeliverable, however solutions are being investigated as to how this can be moved forwards by housing. Further there are additional unachieved savings targets relating to efficiency reviews and Getting Leadership Right targets. Partly offsetting the undelivered savings are efficiencies across supplies and services, and vacancy management.
Workforce and Improvement	7	79	72	Currently there are expected to be unachieved savings targets of £0.142m, plans to make these savings achievable are currently being investigated, this has been partly offset by savings from vacancy management and anticipated additional income generated within Health and Safety.
Communications and Engagement	861	958	97	Unachieved savings around reducing the opening hours of Customer Service Centre, CCTV partner funding, and Getting Leadership Right targets yet to have delivery confirmed, offset in part by turnover within service area.
Treasury and Pensions	161	161	0	No variation to budget at Period 3.
Directorate Management	(1,906)	16	1,922	Currently there are expected to be unachieved savings targets of £1.927m, plans to make these savings achievable are currently being investigated.
Legal and Governance	822	893	71	Unexpected turnover within Legal Services generating additional vacancy savings, has been offset by the requirement to cover posts via more expensive agency, and locum costs. There are also unachieved savings targets relating to Getting Leadership Right targets, legal disbursement reductions and service redesign.
Resources Total	3,307	6,759	3,452	

Directorate / Service	Controllable Budget at Q1	Forecast Outturn at Q1	Forecast Outturn Variance at Q1	Reasons for Movement
	£'000	£'000	£'000	
Corporate Budgets	(38,365)	(37,639)	726	Assumed £2.050m of Organisation Wide TOM savings are unachieved, and £0.214m unachieved PFI savings, in year pressure from external audit fees of £0.037m offset by combined savings of (£0.120m) against non-distributable costs and corporate subscriptions, (£0.308m) from interest receivable and payable, MRP one off savings of (£0.592m), and (£0.572m) capital receipts set aside saving (one-off) for 23/24.
Health and Wellbeing				
Public Health	388	388	0	No variation to budget at Period 3. This area has forecast a planned draw down from the Public Health Grant reserves in 23/24 of £2.015m. The draw down is in line with planned priorities agreed with PHG regulators for post COVID recovery and is aligned to delivery of the Shropshire Plan including supporting demand management
Regulatory Services	2,121	2,184	63	£0.098m Target Operating Model 5% reduction in staffing saving is shown as unachieved, mitigated by overachievement of vacancy factor savings. Savings plans have been drawn up to bring this back into balance during the remaining 3 quarters.
Health and Wellbeing Total	2,509	2,572	63	
Strategic Management Board				
Chief Executive and PAs	130	144	14	Minor variation to budget at Period 3.
Programme Management	30	30	0	No variation to budget at Period 3.
Strategic Management Board Total	160	174	14	
Council Total	255,914	293,504	37,590	

APPENDIX 1B

DETAIL BY SERVICE AREA

Directorate	Revised Budget	Forecast Outturn	Variance
	£	£	£
People	207,318	232,178	24,860
Place	80,984	89,459	8,475
Health and Wellbeing	2,509	2,572	63
Resources	3,307	6,759	3,452
Strategic Management Board	160	174	14
Corporate Budgets	(38,365)	(37,639)	726
Total	255,914	293,504	37,590

PEOPLE	Full Year			RAGY
	Budget £	Forecast £	Variance £	
Total	207,318,060	232,178,119	24,860,059	R

People Directorate Management	Portfolio Holder Adult Social Care, Public Health and Communities	405,830	3,107,842	2,702,012	R
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The £2.702m forecast overspend relates to unachieved savings targets that have been applied organisation wide. £2.589m relates to the "Target Operating Model - 5% reduction in staffing" savings target, £0.103m relates to the "Target Operating Model - Getting Leadership Right" savings target and there is £0.010m reported as unachieved against the "Vacancy Factor" savings target.

Adult Social Care Business Support and Development	Portfolio Holder Adult Social Care, Public Health and Communities	4,212,950	4,053,601	(159,349)	Y
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(£0.159m) forecast underspend within Adult Social Care Business Support. The breakdown of this is as follows

- +£0.063m overspend relates to GLR unallocated savings currently being worked through.
- +£0.114m overspend relates to yet to be made savings within Joint Training. We are in the process of making alternative plans
- +£0.016m forecast under-achievement of Client Property income. We are expecting this pressure to reduce
- (£0.073m) forecast staffing underspend due to vacancy management
- (£0.279m) short term capital funding to cover the costs of transformational posts

Adult Social Care Management	Portfolio Holder Adult Social Care, Public Health and Communities	1,236,350	851,142	(385,208)	Y
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(£0.385m) forecast underspend within Adult Social Care Management. The breakdown as follows:

- +£0.024m overspend relates to GLR unallocated savings currently being worked through.
- (£0.104m) forecast staffing underspend. All posts are now recruited to so the underspend relates to when the post were vacant in April/May 2023.
- (£0.305m) short term capital funding to cover the costs of transformational posts

Adult Social Care Provider Services	Portfolio Holder Adult Social Care, Public Health and Communities	4,492,200	5,126,320	634,120	R
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Overall Provider Services have a forecast overspend of £0.634m. Broken down as below:

- +£0.048m overspend relates to GLR unallocated savings which is currently being worked through
- +0.067m pressure within Shared Lives. £0.060m relates to un-achievement of rental and Housing Benefit income. This is currently under review. The remaining £0.007m relates to un-achievement of contract reduction savings. This saving will be added to savings elsewhere moving forward so will not show as a pressure in this area.
- +£0.016m overspend on preventative contracts. A group has been set up to review these pressures with the aim to allocating additional funding or reducing contract expenditure to deliver a balanced budget.
- +£0.012m forecast overspend in Internal Day Services which is down to costs of supplies and services increasing.
- +£0.072m overspend on our Internal nursing home, Four Rivers. This is mainly down to having to rely on agency Nursing Staff. We have now recruited permanent posts here which will reduce the on-going pressure. We have also spent more than budget on Hygiene, Catering and Equipment Supplies. Some of the pressures are offset by an over-achievement of income. This pressure has reduced from previous forecast positions.
- +£0.419m forecast overspend in START. This is down to staffing. We have over-recruited within the team and increased wages in order to deal with previously seen high staff-turnover. Although showing as an overspend in this area the impact of not having a fully staffed service is the extra reliance on external providers to deliver care. This is at greater expense and has worse outcomes for the individuals, who often have to access longer-term care when not given the correct support to enable them to go back home. If we continue to see high staff turnover then the expenditure will reduce due to vacancy.

Adult Social Care Operations	Portfolio Holder Adult Social Care, Public Health and Communities	119,634,540	131,097,211	11,462,671	R
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The overall forecast overspend across Social Care Operations is £11.463m. The purchasing only element of this overspend is £11.322m. The remaining pressure is £0.140m. Below is the detail

Purchasing Only +£11.322m:

- +£10.141m spot purchasing projected overspend. This pressure is split across base budget, where numbers of service users and cost of placements are higher than anticipated at budget setting, but lower than they were as at 1st April, and savings pressures that we are yet to see materialise in full. Continued achievement of savings in this area will reduce numbers and costs so the two go hand in hand when showing the overall position. We have seen an increase in nursing care, highlighting a complexity in people's needs from the community and through the hospital discharge routes. We have also seen more packages of care commissioned within people's homes, meaning the waiting lists have reduced but costs have increased. Work is on-going with the market to manage the increased costs of care. Finally, we have seen further pressures due to the continued need to support hospital discharges and short term care provision which has resulted in higher costs.
- +£2.864m overspend on new and increased supported living packages. This overspend also includes a targeted £1.000m savings target and is driven by the level of complexity of service users' needs. Work is underway to remodel the service to better meet those needs.
- (£2.089m) anticipated over achievement of client contributions to care costs. As per the pressure on expenditure, due to greater number of individuals being supported than budgeted for, we are showing a greater amount of contributions being collected.
- £0.406m current pressure due to the forecasted Continuing Healthcare joint funded packages costs. This is an area subject to change and we continue to work with the NHS where packages should have a joint funded element. We are confident this position will improve through-out the year.

Other variations +£0.140m:

- +£0.159m overspend relates to GLR unallocated savings
- +£0.515m forecast overspend within passenger transport services relating to transport recharges. Within this overspend is a yet to be achieved £0.300m savings. This is being looked at to ensure efficient use of resources.
- +£0.044m overspend on void supported living costs, where the lease costs of a property are not covered by tenants' Housing Benefit income due to the property being empty. Work continues to take place to ensure all voids are occupied as soon as possible and this number continues to reduce. This will also be looked at during the supported living remodelling mentioned above.
- (£0.578m) underspend within the staffing budget due to challenges in recruiting to vacant posts.

Children's Social Care and Safeguarding	Portfolio Holder Children and Education	51,370,600	61,770,528	10,399,928	R
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- £0.270m relates to the unachieved "Target Operating Model - Getting Leadership Right" savings target
- £1.376m overspend on staffing due to agency social workers covering staff vacancies, sickness leave and maternity leave (recruitment and retention in children's social work staffing is a nationally recognised issue). This figure includes a £0.388m budget pressure from an additional capacity Social Work Team/Court Team that was brought in temporarily to cope with increased demand. The forecast also includes an assumed £0.867m of posts to be capitalised as working on transformational projects.
- £6.173m overspend on residential and fostering placement costs, with the external residential spot placements forecast budget pressure currently forecast to be £4.055m reflecting 50 external residential spot/framework placements as at the end of June. The

sharp increase in in the number of residential spot/framework placements in 2022/23 means that the number of children in this type of placement far exceeds the budgeted number in 2023/24 although numbers are forecasted to decrease steadily over the remainder of the financial year.

- £1.211m overspend relating to other costs such as transport recharges and taxi costs (£0.353m), legal/barrister fees within the PLO Support Packages budget (£0.343m) and medical assessments, and interpreting fees. These costs have increased in line with the increase in demand.
- £0.721m overspend in the Disabled Children's Team (excluding staffing). £0.327m of this overspend relates to bespoke, short term care packages of prevention and support for disabled children, £0.324m relates to direct payments for disabled children and the remaining £0.070m relates to the commissioning of additional overnight and community short breaks capacity during the year. There has been a significant increase in demand, evidenced by a 300% increase in referrals. As well as an increase in the numbers of children requiring support, there has been an increase in the number of support hours per child, which indicates an increase in complexity.
- £0.346m overspend in the Leaving Care Team (excluding staffing). £0.270m of this overspend relates to accommodation costs for care leavers and allowances paid to care leavers, reflecting an increase in the number of children staying in relatively high cost supported accommodation placements beyond their 18th birthday. The remaining £0.076m relates to discretionary Council Tax relief for care leavers.
- £0.302m overspend in Adoption Services. £0.136m relates to Adoption Allowances, where there has been a significant increase in 2022/23 and 2023/24. £0.181m overspend is forecast against the budget for intra agency adoption placements reflecting the trend across the region of more children being placed with voluntary adoption agencies.

The service is adopting a number of strategies to address the current budget pressures, particularly around residential placements e.g Stepping Stones Project and increasing internal foster care capacity. There is acknowledgement that demand has increased significantly over the last few years so there is emphasis on preventing demand in to the social care system early through family support. This is being progressed through the "Best Start in Life", "Integration" and "Early Help Transformation" projects.

Children's Early Help, Partnerships and Commissioning	Portfolio Holder Children and Education	3,622,020	3,646,846	24,826	G
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Minor variance from budget as at Quarter 1

Learning and Skills	Portfolio Holder Children and Education	22,343,570	22,524,630	181,060	A
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£0.300m of overspend at Q1 relates to the Home to School Transport budget. The overspends mostly relate to a larger number of routes/journeys paid for, particularly in the SEND Transport budget areas. Areas of forecast overspend include SEND Statutory (£0.212m), Secondary Mainstream Transport (£0.140m) and the Child Fleet budget (£0.071m) reflecting an increase in vehicle hire recharges and staffing costs. This trend continues the budget pressures experienced in 2022/23. The service are confident that the changes put in place regarding TMBSS transport will deliver the £0.202m savings target from the start of the 2023/24 academic year.

Partially offsetting this overspend, there is a forecast underspend of £0.065m within Learning & Skills Business Support relating to the use of capital receipts funding against a post on the basis that this post has been identified as working on a transformational project as a one-off in this financial year. The remaining £0.054m forecast underspend relates to temporary vacancy management savings within various teams.

PLACE	Full Year			RAGY
	Budget £	Forecast £	Variance £	
Total	80,984,480	89,459,448	8,474,968	R

Director of Place	Portfolio Holder Housing and Assets	(603,770)	770,409	1,374,179	R
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Projected overspend of £1.356m relating to undelivered TOM staffing budget turnover and wastage increase by 5% (year -end review) savings, work is being done in year to plan for these savings.

Assistant Director Commercial Services	Portfolio Holder Housing and Assets	62,960	177,539	114,579	R
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Projected overspend of £0.111m relating to undelivered Getting Leadership Right savings, work is being done in year to plan for these savings.

Corporate Landlord, Property and Development	Portfolio Holder Housing and Assets	3,253,670	3,193,706	(59,964)	Y
Reserves are being used to offset in year pressures (£0.168m) created from movement of tenants in three operational buildings being Shirehall, Ptarmigan and Mount McKinley. Work is being done in year to fill these vacancies. There is also a current in year pressure at Bishops Castle Business Park (£0.236m) due to low tenancy levels, this is being offset with one off in year savings. Projections are assuming rental income for Guildhall although there is some risk around this being agreed within the timescale required. A further risk to Corporate Landlord is that a large tenant is currently planning a company voluntary arrangement (CVA), projections for rental income are currently being assumed as paid in full for 23/24 however if they obtain the CVA there is a risk amounting to £0.258m for Corporate Landlord.					
Commercial Services Business Development	Portfolio Holder Housing and Assets	101,650	136,091	34,441	G
There is a current projected income shortfall against Business Development schemes due to the Business Development Officer spending significant amounts of time supporting the People directorate to deliver savings in their service areas.					
Climate Change	Deputy Leader and Portfolio Holder Climate Change, Environment and Transport	8,950	539,714	530,764	R
£0.411m relates to a savings target from a previous MTFS that has been transferred from Shire Services. A paper is going to Cabinet/Council in relation to a climate change/ carbon reduction project which will contribute to this saving. Delays in the delivery of the Maesbury Solar Farm project results in a further £0.125m unachieved saving for 23/24. Work is being done to mitigate this.					
Shire Services	Portfolio Holder Housing and Assets	1,667,130	1,717,603	50,473	A
Catering services currently projecting an overspend of £0.048m and Cleaning Services an overspend of £0.003m. (£0.070m) projected staffing restructure part year saving which are projected to be in place from November 2023, £0.010m pressure on rebates offset by the increasing number of Dudley primary school contracts won, current underachievement of management fees £0.041m however 3 new contracts won which will reduce pressure once figures are finalised. Risks around the calculation of holiday pay as can fluctuate based on the number of hours worked by casual staff and mileage spend has been fluctuating in catering due to the work around travelling to sites to secure new contracts (particularly in Dudley).					
Assistant Director Economy & Place	Portfolio Holder Growth and Regeneration	175,730	307,206	131,476	R
Projected overspend of £0.103m relating to undelivered Getting Leadership Right savings, work is being done in year to plan for these savings and cost of office alterations in Darwin Centre.					
Planning Services	Portfolio Holder Planning and Regulatory Services	2,292,710	3,102,210	809,500	R
A reduction in the forecast income for planning applications and land charges (search) income. The number of major Planning Applications submitted in Q1 were 24 which is down from 29 in 22/23 and 30 in 21/22 - this is a trend seen by other Local Authorities.					
Economic Growth	Portfolio Holder Growth and Regeneration	1,435,520	1,375,967	(59,553)	Y
Projected underspend relates to savings on vacancy management.					
Broadband	Portfolio Holder Culture and Digital	189,760	159,048	(30,712)	Y
Staffing savings resulting from a reduction in hours.					
Planning Policy	Portfolio Holder Planning and Regulatory Services	1,038,180	1,038,180	-	Y
No variance from budget at Period 3					
Shrewsbury Shopping Centres (Commercial)	Portfolio Holder Growth and Regeneration	(234,570)	(269,030)	(34,460)	Y
Projected underspend of £0.034m at Period 3 for Shopping Centres (Commercial) mainly due to savings on Rates costs due to ongoing mitigation					

Shrewsbury Shopping Centres (Development)	Portfolio Holder Growth and Regeneration	393,970	582,979	189,009	R
Projected overspend of £0.189m at Period 3 for Shopping Centres Development - this is due to unachievable saving due to slippage on key milestones within the Shrewsbury Town Centre Redevelopment Programme Capital Project including demolition.					
Assistant Director Homes and Communities	Portfolio Holder Housing and Assets	(156,410)	6,230	162,640	R
Projected overspend of £0.198m relating to undelivered Getting Leadership Right savings, work is being done in year to plan for these savings.					
Housing Development and HRA	Portfolio Holder Housing and Assets	109,480	88,911	(20,569)	Y
Minor variance from budget as at Period 3					
Housing Services	Portfolio Holder Housing and Assets	4,299,310	4,674,742	375,432	R
Housing Services have worked hard to reduce the numbers in B&B to under 100, as well as driving down accommodation costs for each placement. Current pressure on B&B and Temporary accommodation is projected to be £0.508m. This work is ongoing alongside a number of temporary accommodation projects in the pipeline. Further to this, costs have been reduced for a range of support services, and a restructure is now planned to deliver staffing efficiencies.					
Bereavement Services	Portfolio Holder Planning and Regulatory Services	(233,800)	(227,137)	6,663	G
Minor variance from budget as at Period 3					
Registrars and Coroners	Portfolio Holder Planning and Regulatory Services	678,540	613,836	(64,704)	Y
There is a projected underspend of £0.065m at Period 3 for Registrars and Coroners. The projected overspend on Shropshire Coroners of £0.044m mainly due to an overspend on services & supplies. Offset against an underspend on Registrars of 0.108m due to increased projected income of £0.279m reduced by some overspends on salaries and service & supplies of £0.171m required to achieve the additional income projected.					
Business and Consumer Protection	Portfolio Holder Planning and Regulatory Services	2,335,690	2,171,536	(164,154)	Y
There is a projected underspend of £0.164m at Period 3 for Business and Consumer Protection, this is due to the current vacancies that are being addressed.					
Head of Culture, Leisure & Tourism	Portfolio Holder Culture and Digital	516,350	517,915	1,565	G
Minor variance from budget as at Period 3					
Culture, Leisure & Tourism Development	Portfolio Holder Culture and Digital	47,550	47,550	-	G
No variance from budget at Period 3					
Shropshire Hills AONB	Portfolio Holder Culture and Digital	82,200	82,200	-	Y
No variance from budget at Period 3					
Outdoor Partnerships	Portfolio Holder Culture and Digital	1,399,010	1,423,661	24,651	G
Minor variance from budget as at Period 3					
Leisure	Portfolio Holder Culture and Digital	2,327,990	2,762,063	434,073	R
The projected overspend in Leisure covers three areas: Inflated running costs of Council managed facilities (£0.157m), increase energy costs of SCLT contract (£0.137m) and income compensation whilst the main pool at The Quarry remains closed, plus other repairs and maintenance issues (£0.166m). CLT Services will address these pressures through delaying recruitment of key staff in the new structure (£0.084m), year one savings from closure of Acton Scott Historic Working Farm (£0.115m), identified reserves (£0.013m), overperformance of income on Theatre Services (£34k) and exploring opportunities to apply grant funding.					
Libraries	Portfolio Holder Culture and Digital	3,657,970	3,672,756	14,786	G

Minor variance from budget as at Period 3					
Museums and Archives	Portfolio Holder Culture and Digital	1,429,550	1,314,744	(114,806)	Y
There is a projected underspend of £0.115m at Period 3 for Museums. This is due to a saving against Acton Scott for the repayment of an I2S not required until next year (£0.154m) offset by reduced projected income for Museum Learning of £0.047m and further variances on staffing £0.008m					
Theatre Services	Portfolio Holder Culture and Digital	379,040	345,359	(33,681)	Y
Combined net income for the Theatre and Old Market Hall slightly better than budget (OMH £0.081m over budget, Theatre Severn £0.115m under budget).					
Assistant Director Highways and Transport	Portfolio Holder Highways and Infrastructure	128,060	302,660	174,600	R
Projected overspend of £0.175m relating to undelivered GLR savings, work is being done in year to plan for these savings					
Environment and Transport	Deputy Leader and Portfolio Holder Climate Change, Environment and Transport	9,055,850	9,313,342	257,492	R
An overspend of £0.217m relates to parking staffing and agency costs attributable to service transformation and the delivery of MTFS savings and continued high street pedestrianisation measures £0.100m with work to reduce this significantly underway offset by in year staffing savings of £0.051m.					
Highways	Portfolio Holder Highways and Infrastructure	11,283,130	11,501,251	218,121	A
Streetworks income lower than forecast due to legislative changes which have significantly limited the council's ability to repeat fine for breaches of permitting conditions £0.339m offset with recharges to capital schemes. Currently on profile to deliver highways service within reduced revenue budget for 2023-24 - this is being achieved by reprofiling the highways maintenance operating model to achieve greater VFM and reduced revenue activities.					
Waste Management	Deputy Leader and Portfolio Holder Climate Change, Environment and Transport	33,863,080	38,016,210	4,153,130	R
Includes £4.125m outstanding Waste PFI saving which is yet to be achieved. Work to devise delivery plans for this saving is continuing with a focus on quantifying what will be achievable in year.					

HEALTH AND WELLBEING	Full Year			RAGY
	Budget £	Forecast £	Variance £	
Total	2,508,720	2,572,185	63,465	A

Regulatory Services	Portfolio Holder Highways and Regulatory Services	2,120,740	2,184,205	63,465	A
£0.098m Target Operating Model 5% reduction in staffing saving is shown as unachieved, mitigated by overachievement of vacancy factor savings.					
Non Ring Fenced Public Health Services	Portfolio Holder Adult Social Care, Public Health and Communities	60,290	60,290	-	G
No variation to budget at Period 3.					
Ring Fenced Public Health Services	Portfolio Holder Adult Social Care, Public Health and Communities	327,690	327,690	-	G
No variation to budget at Period 3.					

RESOURCES		Full Year			RAGY
		Budget £	Forecast £	Variance £	
Total		3,307,250	6,759,287	3,452,037	R
Resources Management Team	Portfolio Holder Finance and Corporate Resources	(1,906,000)	15,892	1,921,892	R
Savings of £1.000m relating to the review of customer contact teams across the Council, Channel shifting to promote more streamlined and cost-efficient responses, are yet to be confirmed, and are currently considered to be undelivered in year, work is in progress to establish potential savings. Additionally, savings totalling £0.943m relating to the target operating model are considered unlikely to be fully delivered in year, work is underway to identified areas of opportunity.					
Policy and Governance	Portfolio Holder Finance and Corporate Resources	2,400	50,355	47,955	G
Structure savings of £0.067m are not expected to be delivered in year, these are partly offset from vacancy management, alternative savings are being investigated.					
Automation and Technology	Portfolio Holder Culture and Digital	211,330	47,902	(163,428)	Y
Savings have been identified across ICT systems and contract budget, alongside savings from vacancy management.					
Finance	Portfolio Holder Finance and Corporate Resources	2,638,700	3,092,695	453,995	R
There are unachieved savings targets relating to the target operating model improved organisation wide performance management of £0.325m, additionally there are savings totalling £0.200m that may not be achievable within the current financial year, however alternative savings are being investigated. Partly offsetting the unachieved savings are one off in years savings from across supplies and service, and from vacancy management.					
Housing Benefits	Portfolio Holder Finance and Corporate Resources	512,130	1,512,130	1,000,000	R
There is currently expected to be unachieved savings of £1.000m from a reduction in housing benefit subsidy loss from accommodating people in B&B accommodation to prevent homelessness, however solutions are being investigated as to how this can be delivered in year.					
Business Improvement: Data, Analysis and Intelligence	Portfolio Holder Culture and Digital	65,670	74,903	9,233	G
Minor variation to budget at Period 3.					
Human Resources and Organisational Development	Portfolio Holder Finance and Corporate Resources	(58,440)	3,835	62,275	A
There are unachieved savings targets relating to the target operating model improved organisation wide performance management of £0.143m, in addition within the Human Resources Advice Team there are budget pressure from lost income for SLAs relating to maintained schools and unachieved income targets to increase external income generation. Income targets have proven challenging to meet due to loss of resources within the team to support transformation. These are partly offset from planned vacancy management savings, and additional income generation from Health & Safety and Occupational Health Teams.					
Risk Management	Portfolio Holder Finance and Corporate Resources	-	-	-	G
No variation to budget at Period 3.					
Scrutiny	Portfolio Holder Finance and Corporate Resources	99,230	94,390	(4,840)	Y
Minor variation to budget at Period 3.					

Commissioning Development and Procurement	Portfolio Holder Finance and Corporate Resources	19,430	(7,755)	(27,185)	Y
One off savings are expected from a combination of vacancy management and additional income from a contract rebate.					
Legal Services	Portfolio Holder Finance and Corporate Resources	(59,830)	24,643	84,473	A
There has been unexpected staff turnover with Legal Services, this has resulted in the need to cover some vacancies via interim resources at increased cost, these costs have been partly offset by managing other vacancies to maximise in-year savings. There are also unachieved savings targets relating to the target operating model improved organisation wide performance management of £0.064m, and spending reductions on legal disbursements £0.028m.					
Democratic Services	Portfolio Holder Finance and Corporate Resources	194,390	176,639	(17,751)	Y
Minor variation to budget at Period 3.					
Elections	Portfolio Holder Finance and Corporate Resources	566,760	555,009	(11,751)	Y
Minor variation to budget at Period 3.					
Pensions	Portfolio Holder Finance and Corporate Resources	160,560	160,560	0	G
No variation to budget at Period 3.					
Communications & Engagement	Leader and Portfolio Holder Policy and Strategy, Improvement and Communications	860,920	958,088	97,168	A
There are unachieved savings targets relating to the target operating model improved organisation wide performance management of £0.048m, delayed implementation in the channel shift review of customer services of £0.112m, and unachieved savings from CCTV provision of £0.075m, these are partly off-set from vacancy management savings from across the service.					

STRATEGIC MANAGEMENT BOARD	Full Year			RAGY
	Budget £	Forecast £	Variance £	
Total	160,050	173,986	13,936	G

Chief Executive & PAs	Leader and Portfolio Holder Policy and Strategy, Improvement and Communications	129,770	143,706	13,936	G
Minor variation to budget at Period 3.					
Programme Management	Leader and Portfolio Holder Policy and Strategy, Improvement and Communications	30,280	30,280	-	G
No variation to budget at Period 3.					

CORPORATE BUDGETS	Full Year			RAGY
	Budget £	Forecast £	Variance £	
Total	(38,364,910)	(37,638,994)	725,916	R

Corporate Budgets	Portfolio Holder Finance and Corporate Resources	(38,364,910)	(37,638,994)	725,916	R
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At period 3 it is assumed that £2.050m of Organisation Wide TOM savings and £0.214m of PFI savings are unachieved, there are also in year pressures from costs related to external audit fees of £0.037m these are partly offset by combined savings of (£0.120m) against non-distributable costs and corporate subscriptions.

The interest receivable and payable budgets are expected to deliver additional income of (0.114m) due to changes in the Bank of England base rate. The current estimates are based on assumptions of the value of investment balances.

The MRP budget is expected to deliver one-off in year savings of (£1.164m). Of this, (£0.592m) is the result of releasing budget held for potential additional MRP costs from new projects. (£0.572m) is as a result of changes in actual borrowing requirements identified during the 2022-23 closedown.

Savings of (£0.195m) 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.

APPENDIX 1C

2022/23 PROJECTED REVENUE OUTTURN BY PORTFOLIO HOLDER

Portfolio Holder	Revised Budget*	Forecast Outturn	Variance
	£'000	£'000	£'000
Portfolio Holder Adult Social Care, Public Health and Communities	130,370	144,624	14,254
Portfolio Holder Children and Education	77,336	87,943	10,606
Deputy Leader and Portfolio Holder Climate Change, Environment and Transport	42,928	47,869	4,941
Portfolio Holder Finance and Corporate Resources	-36,196	-31,961	4,235
Portfolio Holder Housing and Assets	8,734	10,765	2,031
Portfolio Holder Planning and Regulatory Services	8,232	8,883	651
Portfolio Holder Highways and Infrastructure	11,411	11,804	393
Portfolio Holder Growth and Regeneration	1,771	1,997	226
Portfolio Holder Culture and Digital	10,306	10,448	142
Leader and Portfolio Holder Policy and Strategy, Improvement and Communications	1,021	1,132	111
Total	255,914	293,504	37,590

APPENDIX 2

2023/24 INCOME PROJECTIONS

Specific Government Grants

The revenue budget for 2023/24 includes specific Government Grants of £258.988m. 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:

Government Grants		Revised Budget £'000	Forecast Outturn £'000	Variance £'000
People				
	Dedicated Schools Grant	(110,599)	(110,599)	0
	Pupil Premium Grant	(7,186)	(7,186)	0
	Asylum Seekers	(1,995)	(2,926)	(931)
	Improved Better Care Fund	(1,967)	(1,967)	0
	Adult Social Care Discharge Fund	(1,663)	(1,663)	0
	Other Grants**	(6,171)	(2,637)	3,534
	Total People Grants	(129,581)	(126,978)	(2,603)
Place				
	Waste - PFI	(3,186)	(3,186)	0
	Homes for Ukraine	(1,376)	(1,387)	(11)
	Other Grants	(3,732)	(5,820)	(2,088)
	Total Place Grants	(8,294)	(10,393)	(2,099)
Health and Wellbeing				
	Public Health Grant	(13,192)	(13,192)	0
	Other Grants	(216)	(1,340)	(1,124)
	Total Health and Wellbeing Grants	(13,408)	(14,532)	(1,124)
Resources				
	Mandatory Rent Allowances: Subsidy	(38,000)	(38,000)	0
	Rent Rebates: Subsidy	(7,902)	(7,902)	0
	Other Grants	(815)	(801)	14
	Total Resources Grants	(46,717)	(46,703)	14
	Strategic Management Board	0	0	0
Corporate Budgets				
	Social Care Support Grant	(21,547)	(21,547)	0
	Business Rate Retention Scheme – s31 Grants	(21,521)	(21,521)	0
	Improved Better Care Fund	(9,896)	(9,896)	0
	Rural Service Delivery Grant	(7,757)	(7,757)	0
	Market Sustainability and Fair Cost Fund	(3,264)	(3,264)	0
	Core Spending Power Services Grant	(2,066)	(2,066)	0
	New Homes Bonus	(1,748)	(1,748)	0
	Other Grants	(1,523)	(1,523)	0
	Total Corporate Budgets	(69,322)	(69,322)	0
	TOTAL	(267,322)	(267,927)	(605)

Income from Fees and Charges

The forecast income from discretionary sales, fees and charges is showing a projected shortfall, mainly relating to trading income and rental income within Commercial Services.. Further work will be undertaken within these services to generate additional income to offset these projected shortfalls, or expenditure will be reduced accordingly.

Fees and Charges Income	Revised Budget £'000	Forecast Outturn £'000	Variance £'000
People			
Directorate Management	0	0	0
Adult Social Care Management	0	0	0
Adult Social Care Business Support & Development	(1,437)	(1,370)	67
Adult Social Care Provider Services	(207)	(186)	21
Adult Social Care Operations	(39)	(1)	38
Children's Social Care and Safeguarding	0	0	0
Children's Early Help, Partnerships and Commissioning	0	(3)	(3)
Learning and Skills	(1,477)	(1,668)	(191)
People Total	(3,160)	(3,228)	(68)
Place			
Directorate Management	0	0	0
Commercial Services	(10,427)	(9,830)	597
Economy and Place	(3,977)	(3,922)	55
Homes and Communities	(9,689)	(9,994)	(305)
Infrastructure	(9,507)	(9,497)	10
Place Total	(33,600)	(33,243)	357
Health and Wellbeing			
Directorate Management	0	0	0
Public Health - Non Ringfenced	(159)	(125)	34
Public Health - Ringfenced	(1,047)	(1,000)	47
Health and Wellbeing Total	(1,206)	(1,125)	81
Resources			
Directorate Management	0	0	0
Workforce and Improvement	(559)	(410)	149
Finance and Technology	(1,672)	(1,639)	33
Legal and Governance	(116)	(124)	(8)
Communications and Engagement	(170)	(91)	79
Pensions	(21)	(21)	0
Resources Total	(2,538)	(2,285)	253
Strategic Management Board	0	0	0
Corporate Budgets	0	0	0
TOTAL	(40,504)	(39,881)	623

APPENDIX 3

DELIVERY OF 2023/24 SAVINGS PROPOSALS

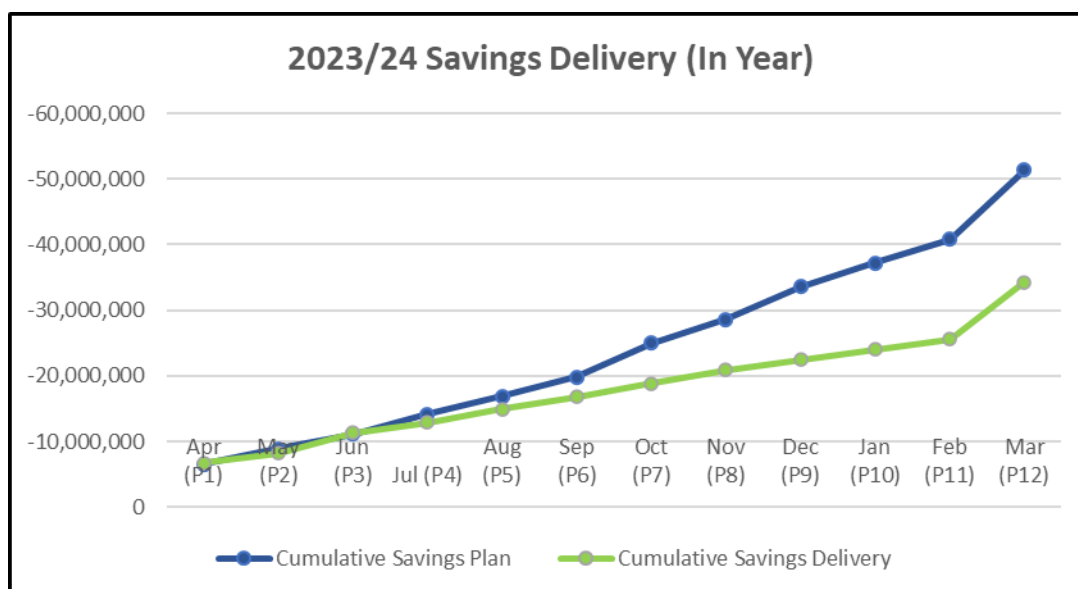
2.1 Summary

The savings projections for 2023/24 are being tracked monthly with savings delivery being mapped against projected delivery during the course of the year.

The table below summarises the position as at 30th June 2023.

Directorate	Delivered	Savings Still to be Delivered	Total (£'000)
	(£'000)	(£'000)	
People	(17,364)	(4,091)	(21,455)
Place	(10,168)	(6,623)	(16,791)
Health and Wellbeing	(515)	(138)	(653)
Resources	(1,938)	(4,089)	(6,027)
Corporate Budgets	(4,200)	(2,264)	(6,464)
Total Savings	(34,185)	(17,205)	(51,390)

The graph below plots the cumulative savings plan and cumulative savings delivery over the Financial Year.



Details of the 5 highest value savings rated red are provided below. These are tracked monthly and reported at every monitoring period against their original delivery profile.

Ref	Directorate	Service Area	Description	2023/24 Saving Value (£'000)	Value Still to be Delivered (£'000)
EFF44	Place	Waste Management	Review PFI contract costs to secure greater efficiency	(4,286)	(4,125)

Transformation & Improvement Scrutiny 4th September 2023; Cabinet 6th September 2023: Financial Monitoring
Report Quarter 1 2023/24

EFF101	People	People Directorate Management	Target Operating Model – staffing budget turnover and wastage increase by 5% (year-end review)	(2,589)	(2,589)
EFF103	Corporate Budgets	Corporate Budgets	Target Operating Model – Transformation partner delivers 4 x end-to-end process reviews yielding £0.5m per project.	(2,000)	(2,000)
EFF101	Place	Place Directorate Management	Target Operating Model – staffing budget turnover and wastage increase by 5% (year-end review)	(1,356)	(1,356)
EFF78	Resources	Communications	Review of customer contact teams across the Council – Channel shifting to promote more streamlined and cost-efficient responses.	(1,112)	(1,112)

APPENDIX 4

RECONCILIATION OF MONITORING PROJECTIONS TO SAVINGS DELIVERY

Directorate / Service	Q1 Forecast	Savings Pressure in 2023/24	Ongoing Pressures Identified	Additional Ongoing Savings Identified	One Off Pressures Identified	One off Savings Identified
	£'000	(£'000)	(£'000)	(£'000)	(£'000)	(£'000)
People						
Directorate Management	2,702	2,718	-	-	-	(16)
Adult Social Care	11,552	794	7,677	-	5,986	(3,160)
Children's Social Care and Safeguarding	10,400	270	5,300	-	7,758	(2,928)
Children's Early Help, Partnerships and Commissioning	25	56	-	-	61	(92)
Learning and Skills	181	-	-	-	300	(119)
People Total	24,860	4,092	12,977	-	14,106	(6,315)
Place						
Directorate Management	1,374	1,364	-	-	10	-
Commercial Services	669	111	-	-	1,026	(468)
Economy and Place	1,005	306	-	-	838	(139)
Homes and Communities	622	542	720	-	568	(1,208)
Highways and Transport	4,802	4,299	339	-	285	(121)
Place Total	8,472	6,622	1,059	-	2,727	(1,936)
Health and Wellbeing						
Public Health	-	-	-	-	3,377	(3,377)
Regulatory Services	63	138	-	-	84	(158)
Health and Wellbeing Total	63	138	-	-	3,461	(3,495)
Resources						
Directorate Management	1,922	1,924	-	-	-	(2)
Workforce and Improvement	71	143	5	-	26	(103)
Finance and Technology	1,291	1,625	-	-	110	(444)
Legal and Governance	74	162	-	-	294	(382)

Pensions	-	-	-	-	-	-
Communications and Engagement	97	235	-	-	234	(372)
Resources Total	3,455	4,089	5	-	664	(1,303)
Strategic Management Board						
Chief Executive and PAs	14	-	-	-	14	-
Programme Management	-	-	-	-	-	-
Strategic Management Board Total	14	-	-	-	14	-
Corporate Budgets	726	2,264	-	-	55	(1,593)
TOTAL	37,590	17,205	14,041	-	21,026	(14,682)

APPENDIX 5

AMENDMENTS TO ORIGINAL BUDGET 2023/24

£'000	Total	People	Place	Health & Wellbeing	Resources	Strategic Management Board	Corporate
Original Budget as Agreed by Council	255,914	215,106	78,460	2,707	4,577	55	(44,991)
Structure Changes:							
<u>Quarter 1</u>							
Housing Services	0	(85)	85				
Virements:							
<u>Quarter 1</u>							
Reallocation of Organisation wide savings to service areas	0	(3,312)	(1,952)	(199)	(1,269)	105	6,627
Corporate Landlord Recharges	0	(20)	20				
Quarter 1 Revised Budget	255,914	211,689	76,613	2,508	3,308	160	(38,364)

APPENDIX 6

RESERVES 2023/24

General Fund

The General Fund reserve at 31st March 2023 stood at £7.093m, significantly below its optimum desired balance.

The 2023/24 budget strategy included a contribution of £19.868m to the General Fund balance which would then reach £26.961m, which is a safer level given the current profile of financial risks.

It is anticipated that one off resources will be identified to offset pressures in year while longer term sustainable demand management plans are in place. This will include the review and release of earmarked reserves and a review of grant balances received to try to utilise funds to offset the one off pressures within Social Care. Without the use of these one off funds, and continued action to deliver the savings programme, the General Fund would be totally depleted.

It is essential that the Council maintains the General Fund Balance as assumed within the Medium term Financial Strategy, otherwise 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 rapid 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.

General Fund	£'000
Balance as at 1 st April	7,093
Budgeted Contribution	19,868
Budgeted Balance before impact of in-year monitoring position	26,961

Earmarked Reserves

The Council held balances of £42.092m (excluding School Balances) in Earmarked Reserves as at 1st April 2023. There are a number of transactions 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. It is also anticipated that the remaining balance of £33m will be reviewed with a view to releasing funds to offset known pressures arising (primarily in Social Care) if demand management plans can not be realised within the year.

Earmarked Reserves	1st April 2023 £'000	Forecast Net Contribution to/from Reserve £'000	31st March 2024 £'000
Sums set aside for major schemes, such as capital developments, or to fund major reorganisations	14,747	(2,441)	12,306
Insurance reserves	3,636	(495)	3,141
Reserves of trading and business units	0	0	0
Reserves retained for service departmental use	21,583	(5,625)	15,959
Reserves held for schools	2,126	(204)	1,921
Total	42,092	(8,765)	33,327

APPENDIX 7

PROJECTED CAPITAL PROGRAMME OUTTURN 2023/24 – 2025/26

The capital budget for 2023/24 is continuously being monitored and changed to reflect the nature of capital projects which can be profiled for delivery over several years. In Quarter 1 there has been a net budget increase of £29.478m for 2023/24, compared to the reported at 2022/23 outturn position. The tables below summarise the overall movement, between that already approved and changes for Quarter 1.

Directorate	Initial Budget 2023/24 £	Budget Virements Quarter 1 £	Revised Budget (Current Period - 1) £	Virements Current Period £	Revised Budget as at Current Period £	Outturn Projection £	Outturn Projection Variance £	2024/25 Revised Budget £	2025/26 Revised Budget £
General Fund									
Health & Wellbeing	0	0	0	0	0	0	0	0	0
People	16,190,011	1,527,860	17,717,871	4,533,718	17,717,871	17,717,871	0	16,577,384	7,399,000
Place	77,053,801	20,356,204	97,410,005	2,380,060	97,410,005	97,410,005	0	78,182,812	35,575,736
Resources	1,000,000	42,361	1,042,361	0	1,042,361	1,042,361	0	0	0
Total General Fund	94,243,812	21,926,425	116,170,237	6,913,778	116,170,237	116,170,237	0	94,760,196	42,974,736
Housing Revenue Account	20,475,256	7,501,251	27,976,507	3,108,459	27,976,507	27,976,507	0	15,121,612	13,312,819
Total Approved Budget	114,719,068	29,427,676	144,146,744	10,022,237	144,146,744	144,146,744	0	109,881,808	56,287,555

Portfolio Holder	Initial Budget 2023/24 £	Budget Virements (Current Period - 1) £	Revised Budget (Current Period - 1) £	Virements Current Period £	Revised Budget as at Current Period £	Outturn Projection £	Outturn Projection Variance £	2024/25 Revised Budget £	2025/26 Revised Budget £
General Fund									
Adult Social Care, Public Health and Communities	6,854,000	101,338	6,955,338	4,040,433	6,955,338	6,955,338	0	5,349,000	4,149,000
Growth, Regeneration and Housing	7,532,088	2,473,971	10,006,059	10,050	10,006,059	10,006,059	0	6,617,520	4,291,793
Deputy Leader, Climate Change, Environment and Transport	0	0	0	0	0	0	0	325,000	0
Children and Education	13,785,011	83,743	13,868,754	3,008,791	13,868,754	13,868,754	0	11,228,384	3,250,000
Finance and Corporate Resources	0	0	0	0	0	0	0	0	0
Housing and Assets	33,727,519	20,088,951	53,816,470	3,527,331	53,816,470	53,816,470	0	27,904,731	15,013,819
Culture and Digital	8,654,657	1,230,605	9,885,262	118,475	9,885,262	9,885,262	0	7,225,173	2,170,943
Highways and Infrastructure	23,690,537	-2,052,183	21,638,354	-3,791,302	21,638,354	21,638,354	0	36,110,388	14,099,181
Leader, Policy and Strategy, Improvement and Communications	0	0	0	0	0	0	0	0	0
Planning and Regulatory Services									
Total General Fund	94,243,812	21,926,425	116,170,237	6,913,778	116,170,237	116,170,237	0	94,760,196	42,974,736
Housing Revenue Account									
Housing and Assets (HRA)	20,475,256	7,501,251	27,976,507	3,108,459	27,976,507	27,976,507	0	15,121,612	13,312,819
Total Approved Budget	114,719,068	29,427,676	144,146,744	10,022,237	144,146,744	144,146,744	0	109,881,808	56,287,555

	Initial Budget 2023/24 £	Budget Virements (Current Period - 1) £	Revised Budget (Current Period - 1) £	Virements Current Period £	Revised Budget as at Current Period £	Outturn Projection £	Outturn Projection Variance £	2024/25 Revised Budget £	2025/26 Revised Budget £
General Fund									
Health & Wellbeing	0	0	0	0	0	0	0	0	0
People	16,190,011	1,527,860	17,717,871	4,533,718	17,717,871	17,717,871	0	12,428,384	3,250,000
Unallocated School Capital	9,744,008	-3,941,209	5,802,799	-2,049,792	5,802,799	5,802,799	0	8,228,384	3,250,000
Non Maintained Schools Capital	2,504,877	-1,997,227	507,650	2,747,528	507,650	507,650	0	2,000,000	0
Adult Social Care Operations Capital	2,405,000	1,444,117	3,849,117	1,524,927	3,849,117	3,849,117	0	1,200,000	0
Primary School Capital	1,501,246	4,883,323	6,384,569	2,067,690	6,384,569	6,384,569	0	1,000,000	0
Secondary School Capital	21,800	706,391	728,191	236,567	728,191	728,191	0	0	0
Special Schools Capital	13,080	39,340	52,420	6,798	52,420	52,420	0	0	0
Adult Social Care Contracts & Provider Capital	0	0	0	0	0	0	0	0	0
Children's Residential Care Capital	0	393,125	393,125	0	393,125	393,125	0	0	0
Place Capital - Commercial Services	12,703,304	5,530,389	18,233,693	418,872	18,233,693	18,233,693	0	12,783,119	1,701,000
Corporate Landlord Capital	12,703,304	5,530,389	18,233,693	418,872	18,233,693	18,233,693	0	12,783,119	1,701,000
Place Capital - Economic Growth	11,081,047	3,669,490	14,750,537	10,050	14,750,537	14,750,537	0	8,190,676	4,371,738
Economic Growth Capital	7,296,019	2,176,364	9,472,383	0	9,472,383	9,472,383	0	6,496,020	4,251,293
Broadband Capital	3,000,000	785,519	3,785,519	0	3,785,519	3,785,519	0	1,573,156	79,945
Planning Policy Capital	548,959	410,000	958,959	0	958,959	958,959	0	0	0
Development Management Capital	236,069	297,607	533,676	10,050	533,676	533,676	0	121,500	40,500
Place Capital - Homes & Communities	4,654,657	402,725	5,057,382	118,475	5,057,382	5,057,382	0	5,652,017	2,090,998
Leisure Capital	4,454,657	231,332	4,685,989	0	4,685,989	4,685,989	0	5,357,237	2,067,303
Outdoor Partnerships Capital	200,000	75,818	275,818	0	275,818	275,818	0	200,000	0
Libraries Capital	0	118,475	118,475	118,475	118,475	118,475	0	94,780	23,695
Visitor Economy Capital	0	-22,900	-22,900	0	-22,900	-22,900	0	0	0

	Initial Budget 2023/24 £	Budget Virements (Current Period - 1) £	Revised Budget (Current Period - 1) £	Virements Current Period £	Revised Budget as at Current Period £	Outturn Projection £	Outturn Projection Variance £	2024/25 Revised Budget £	2025/26 Revised Budget £
Place Capital - Infrastructure	44,165,793	5,449,068	49,614,861	-682,843	49,614,861	49,614,861	0	51,557,000	27,412,000
Highways Capital	44,165,793	5,449,068	49,614,861	-682,843	49,614,861	49,614,861	0	51,232,000	27,412,000
Waste Capital	0	0	0	0	0	0	0	325,000	0
Place Capital - Housing Services	4,449,000	5,304,532	9,753,532	2,515,506	9,753,532	9,753,532	0	4,149,000	4,149,000
Housing Services	4,449,000	5,304,532	9,753,532	2,515,506	9,753,532	9,753,532	0	4,149,000	4,149,000
Resources	1,000,000	42,361	1,042,361	0	1,042,361	1,042,361	0	0	0
ICT Digital Transformation - Unallocated Capital	1,000,000	41,785	1,041,785	-576	1,041,785	1,041,785	0	0	0
ICT Digital Transformation - CRM Capital	0	576	576	576	576	576	0	0	0
Total General Fund	94,243,812	21,926,425	116,170,237	6,913,778	116,170,237	116,170,237	0	94,760,196	42,974,736
Housing Revenue Account	20,475,256	7,501,251	27,976,507	3,108,459	27,976,507	27,976,507	0	15,121,612	13,312,819
HRA Dwellings Capital	20,475,256	7,501,251	27,976,507	3,108,459	27,976,507	27,976,507	0	15,121,612	13,312,819
Total Approved Budget	114,719,068	29,427,676	144,146,744	10,022,237	144,146,744	144,146,744	0	109,881,808	56,287,555

APPENDIX 8

PROJECTED CAPITAL RECEIPTS

Capital receipts are a source of capital funding, often preferred to other sources which are focused on specific objectives (e.g. grants, match funding, developer contributions), or which bear a cost (e.g. external borrowing).

In recent years, performance securing capital asset sales in recent years has been strong, with a balance brought into the 2023/24 of £17.5m (see [Shropshire Council Outturn report, 2022/23](#), para 15.3). However, the current financial challenge places a clear emphasis on realising asset sales (to boost reserves and support capital investment) at the same time as rationalising the overall property base of the Council – they are two sides of the same coin.

The current capital programme assumes use of £12m of capital receipts in the current year, although this could be replaced by borrowing to help improve the balance sheet position. Where additional capital receipts can be realised, these will help support investment and improve the financial sustainability of the council.

Assets currently being considered for disposal total £50.181m.

Further to the significant pressure on the realisation of capital receipts to finance the already approved capital programme, in the 2023/24 financial year there is the intention to utilise the statutory flexible use of capital receipts to finance transformation projects and so deliver revenue budget savings. At present the capital receipt projections included the provision to utilise £2.974m to fund revenue budget savings already identified in the Medium-Term Financial Strategy (MTFS).

APPENDIX 9

FINANCIAL MANAGEMENT INDICATORS

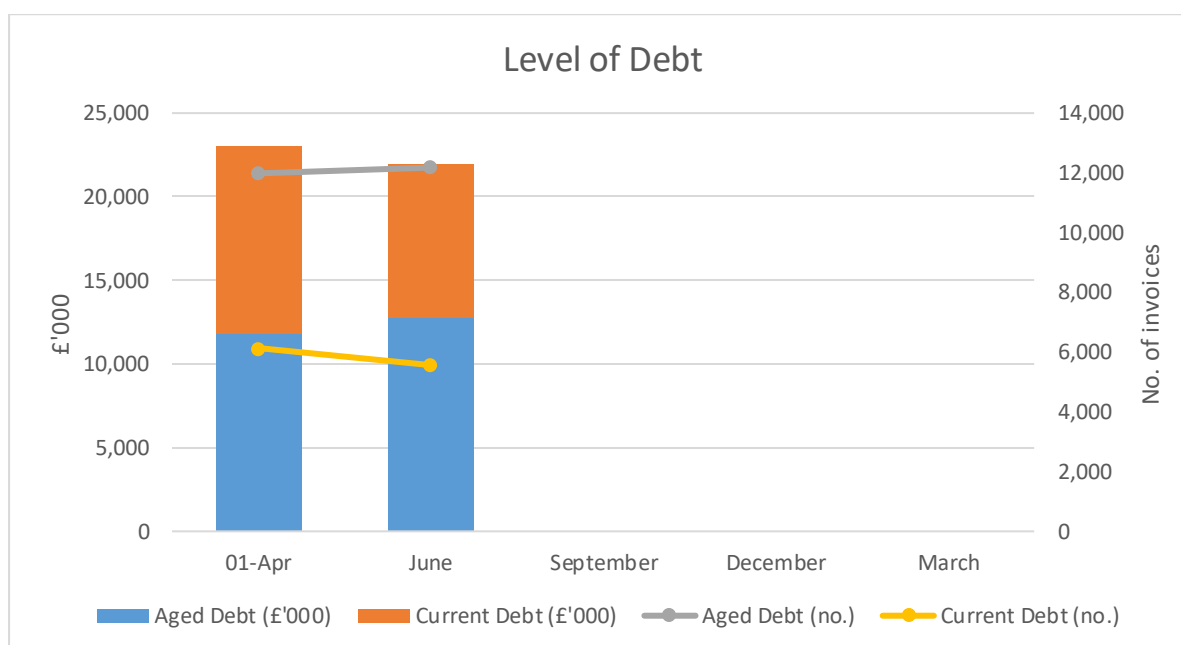
The two financial indicators detailed below will be tracked during the course of the financial year to provide assurance on the Council's financial management processes.

Payment of Invoices

April – June 2023	% of Invoices	No. of invoices
Paid within 30 days	77	15,821
Invoices not paid within 30 days	23	4,823
Total	100	20,644

Aged debt

As at 30 th June 2023	Value (£'000)	No. of invoices
Aged Debt	12,725	12,177
Current Debt	9,214	5,564
Total	21,939	17,741



The payment of invoices indicator demonstrates that the Council is paying 75% of invoices to suppliers within 30 days. This indicator has decreased from 2022/23. Ideally, invoices should be raised for payments due to the council within 30 days, and purchase orders for all new supplies should be raised ahead of delivery. Statistics on late submission of invoices and production of retrospective orders are produced for senior managers.

The value of aged debt has increased marginally but the number of invoices that this relates to has reduced since the start of the financial year. This does remain significantly high and the effects of cost of living are impacting on the level of debt held. Focussed action is being taken across the authority to improve debt recovery.



Committee and Date

Cabinet
6th September 2023

Item

Public



Treasury Management Update Quarter 1 2023/24

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

1. Synopsis

The Council currently holds £69m in investments and £286m of borrowing. This report shows the return on those investments over quarter 1, the economic outlook for the next 3 years and confirms activities align with the Council approved Treasury Management Strategy.

2. Executive Summary

- 2.1 The report outlines the treasury management activities of the Council in the first quarter of 2023/24. It highlights the economic environment in which treasury management decisions have been made and the interest rate forecasts of the Council's Treasury Advisor, Link Asset Services. It also updates Members on the internal treasury team's performance.
- 2.2 During Quarter 1 the internal treasury team achieved a return of 3.99% on the Council's cash balances, outperforming the benchmark by 0.35%. This amounts to additional income of £68,900 during the quarter which is included within the Council's outturn position in the Financial Monitoring Report. Further details on this are provided in paragraph 10.4 of the report. The Monetary Policy Committee

(MPC) increased the Bank Rate to 4.50% in May 2023, and again in June 2023 to 5.00%. The Bank Rate is expected to increase again later this year and then peak with decreases anticipated in the 2024/25 financial year. The latest forecasts as at 26th June are included in the table below.

- 2.3 An overview of the general economic position is included as Appendix A, and with further detail in Appendix D. Decisions on Council investment activity are influenced by this wider context.
- 2.4 The economic outlook indicates the expectation of further increases in the bank rate in the coming months, but with those rates then reducing from March 2024
- 2.5 The council had £69.2m invested in the period, as set out in appendix A. This reflects a gradual reduction in the overall investment balance over previous periods. In the last financial year internal borrowing was around £135m, meaning that borrowing which otherwise would have been external could be funded internally saving significant costs. As cash balances continue their planned reduction, the Council will at the appropriate point revert to the need to secure external borrowing.
- 2.6 Taking the likely need to borrow in the next 6-12 months and current expectations of future Bank Rates, the Council will time borrowing decisions in a way which secures the best value while still ensuring sufficient cashflow liquidity to manage day-to-day operations.
- 2.7 The arrangements with Cornovii Developments Limited (CDL), and the policy agreed with the Housing Supervisory Board to enable work in the private rented sector, is expected to be funded through external borrowing. This will use the ability of the council to borrow and the position of CDL in relation to non-social housing to improve access to good quality rental opportunities for local people.
- 2.8 Under the CIPFA Treasury Management Code, it is best practice to provide quarterly Treasury Management updates. This report demonstrates compliance with that best practice.

3. Recommendations

- 3.1. Members are asked to review the position as set out in the report –
 - 3.1.1. Noting the summary of the wider economic environment and the Council's borrowings and investments set out in Appendix A
 - 3.1.2. Noting the performance within prudential indicators for quarter 1, 2023/24 (Appendix B)
 - 3.1.3. Approving the delegation to the Section 151 Officer to finalise financial arrangements for investment via CDL in the private rental sector.

Report

4. Risk Assessment and Opportunities Appraisal

- 4.1 The assessment and management of risk are key considerations for any Treasury Management approach. Compliance with the CIPFA Code of Practice on Treasury Management, the Council's Treasury Policy Statement and Treasury Management Practices and the Prudential Code for Capital Finance together with the rigorous internal controls will enable the Council to manage the risk associated with Treasury Management activities and the potential for financial loss.
- 4.2 The Council's Audit Committee is the committee responsible for ensuring effective consideration of the Council's Treasury Management Strategy and policies.
- 4.3 The recommendations contained in this report are compatible with the provisions of the Human Rights Act 1998.
- 4.4 There are no direct environmental, equalities or climate change consequences arising from this report.

5. Financial Implications

- 5.1 The Council makes assumptions about the levels of borrowing and investment income over the financial year. Reduced borrowing as a result of capital receipt generation or delays in delivery of the capital programme will both have a positive impact of the council's cash position. Similarly, higher than benchmarked returns on available cash will also help the Council's financial position. For monitoring purposes, assumptions are made early in year about borrowing and returns based on the strategies agreed by Council in the preceding February. Performance outside of these assumptions results in increased or reduced income for the Council.
- 5.2 The Quarter 1 performance is above benchmark and has delivered additional income of £68,900 which is reflected in the Financial Monitoring Report Quarter 1 2023/24.
- 5.3 As at 30 June 2023 the Council held £69 million in investments as detailed in Appendix A and borrowing of £286 million at fixed interest rates. The ability to secure fixed rates helps to manage the uncertainty and risk of changes to interest rates.

6. Climate Change Appraisal

- 6.1. The Council's Financial Strategy includes proposals to deliver a reduced carbon footprint for the Council therefore the Treasury Team is working with the Council in order to achieve this. There are no direct climate change impacts arising from this report. Shropshire Council's investment portfolio has no level 1, 2 or 3 emissions. It comprises of straightforward cash deposits with financial institutions and other Local Authorities.

7. Background

- 7.1. The Council defines its treasury management activities as “the management of the authority’s borrowing, investments and cash flows, its banking, money market and capital market transactions, the effective control of the risks associated with those activities, and the pursuit of optimum performance consistent with those risks”. The report informs Members of the treasury activities of the Council between 1 April 2023 and 30 June 2023.
- 7.2. The council had £69.2m invested in the first quarter period, as set out in Appendix A. This is a reduction in the overall investment balance over previous periods, and reflects the gradual application of reserves in line with budget plans across recent years (for example – cash balances were increased by the way government funded COVID costs, providing the funding ‘up front’ to Councils, on the expectation that funds would be applied and balances carried forward slowly reduced.) During the period of comparatively high cash balances, the council has benefited from the ability to fund borrowing internally (‘internal borrowing’) rather than needing to secure external borrowing (via PWLB).
- 7.3. Cornovii Developments Limited (CDL), in line with the policy agreed by the Housing Supervisory Board (HSB), is expecting to undertake actions within the private rented sector. This will use the ability of the council to borrow funds and the position of CDL in relation to non-social housing to improve access to good quality rental opportunities for local people. The value is estimated to be within the region of £5m to £8m, as approved by HSB. To enable appropriate borrowing to be undertaken this will need to be delegated to the Section 151 Officer to finalise financial arrangements based upon suitable loan rates. Current calculations indicate rates are needed to be below 5.5% to make the proposal viable.

8. Economic Background

- 8.1. An overview of the general economic position is included as Appendix A, and with further detail in Appendix D. Decisions on Council investment activity are influenced by this wider context. This highlights:
- contraction in outputs as evidenced by reductions in the Purchasing Managers Indices (PMI),
 - a tight labour market seen in wage settlements, some easing in unemployment data, and some growth in employment.
 - continued high inflation rates seen in Consumer Price Indices (CPI) influencing Bank of England decisions on increases to the Bank Rate, with associated economic risks (e.g. to household spending capacity, increased borrowing costs, and higher service input costs) as well as benefits (e.g. higher returns on investments such as gilts and invested balances)
- 8.2. For wider context and consideration of the global financial outlook, an economic and borrowing update for the first quarter of 2023/24 is attached in Appendix D.

9. Economic Forecast

- 9.1. The Council receives its treasury advice from Link Asset Services. Their latest interest rate forecasts to 30 June 2026 are shown below. Bank Rate was increased in May 2023 to 4.50%, and again in June 2023 to 5.00%. The Bank Rate is expected to increase again later this year and then peak with decreases anticipated in the 2024/25 financial year. This will impact on future investment returns and the consequent benchmark.

Link Group Interest Rate View	26.06.23													
	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25	Mar-26	Jun-26	
BANK RATE	5.00	5.50	5.50	5.50	5.25	4.75	4.25	3.75	3.25	2.75	2.75	2.50	2.50	
3 month ave earnings	5.30	5.60	5.50	5.30	5.00	4.50	4.00	3.50	3.00	2.70	2.60	2.50	2.50	
6 month ave earnings	5.80	5.90	5.70	5.50	5.10	4.60	4.00	3.50	3.00	2.70	2.60	2.60	2.60	
12 month ave earnings	6.30	6.20	6.00	5.70	5.30	4.80	4.10	3.60	3.10	2.80	2.70	2.70	2.70	
5 yr PWLB	5.50	5.60	5.30	5.10	4.80	4.50	4.20	3.90	3.60	3.40	3.30	3.30	3.20	
10 yr PWLB	5.10	5.20	5.00	4.90	4.70	4.40	4.20	3.90	3.70	3.50	3.50	3.50	3.40	
25 yr PWLB	5.30	5.40	5.20	5.10	4.90	4.70	4.50	4.20	4.00	3.90	3.80	3.80	3.70	
50 yr PWLB	5.00	5.10	5.00	4.90	4.70	4.50	4.30	4.00	3.80	3.60	3.60	3.50	3.50	

10. Treasury Management Strategy

- 10.1. The Treasury Management Strategy (TMS) for 2023/24 was approved by Full Council on 2 March 2023. The Council's Annual Investment Strategy, which is incorporated in the TMS, outlines the Council's investment priorities as the security and liquidity of its capital.
- 10.2. The Council aims to achieve the optimum return on investments commensurate with the proper levels of security and liquidity. In the current economic climate, it is considered appropriate to:
- Keep investments short term (up to 1 year),
 - Only invest with highly credit rated financial institutions using Link's suggested creditworthiness approach, including sovereign credit rating and Credit Default Swap (CDS) overlay information provided by Link.
 - The Treasury Team continue to take a prudent approach keeping investments short term and with the most highly credit rated organisations.
- 10.3 In the first quarter of 2023/24 the internal treasury team outperformed its benchmark by 0.35%. The investment return was 3.99% compared to the benchmark of 3.64%. This amounts to additional income of £68,900 during the quarter which is included in the Council's outturn position in the Financial Monitoring Report.
- 10.4 From April 2022 the Treasury team are benchmarked against the 3 Month Sterling Overnight Index Average (SONIA). We have now moved into a rising interest rate environment and therefore the benchmark rate has also increased sharply on the back of this. It should be noted that within the current investment portfolio, there are still several longer-term legacy investments fixed at much lower rates when the Bank Rate was at 1.25%, still to renew. These investments were placed when market rates were much lower. These will mature over the coming months and be replaced at much higher rates therefore the return of the investment portfolio will

increase significantly, and the performance compared to benchmark will become more favourable.

- 10.5 A full list of investments held as at 30 June 2023, compared to Link's counterparty list, and changes to Fitch, Moody's and Standard & Poor's credit ratings are shown within Link's Monthly Investment Analysis Review at Appendix A. None of the approved limits within the Annual Investment Strategy were breached during the first quarter of 2023/24. Officers continue to monitor the credit ratings of institutions on a daily basis. Delegated authority has been put in place to make any amendments to the approved lending list.
- 10.6 Due to the MPC's decision to increase Bank Rate to 4.5% in May 2023 and further to 5% on 22nd June 2023, investment and borrowing rates have increased on the back of this. The average level of funds available for investment purposes in the first quarter of 2023/24 was £78.4 million.

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

Council, 2 March 2023 – Treasury Strategy 2023/24

Local Member:

N/A

Appendices [Please list the titles of Appendices]

- A. Shropshire Council Monthly Investment Analysis Review as at 30 June 2023 (provided by Link Group)
- B. Prudential Indicators for Quarter 1 2023/24
- C. Prudential Borrowing Schedule
- D. Economic Background and Borrowing Update



Shropshire Council

Monthly Investment Analysis Review

June 2023

Monthly Economic Summary

General Economy

The UK Manufacturing Purchasing Managers' Index (PMI) dropped to 46.2 in June, down from 47.1 in May and below market expectations of 46.8. The report indicated a further contraction in output levels, accompanied by a sharp decline in new orders, which was attributed to subdued underlying demand and the impact of customer destocking. The UK Services PMI, meanwhile, fell to 53.7 in June from 55.2 in May but, by remaining above 50, extended the growth trend for British service providers for the fifth straight month. Companies reported a solid upturn in new orders, underscoring the British economy's resilience to higher borrowing costs from the Bank of England (BoE) and higher living costs. Reflecting the relative strength of the service sector, the Composite PMI (which incorporates both manufacturing and service industries) reached 52.8, although this was lower than April's 54.0 outturn. The UK Construction PMI (which is released one month behind) rose to 51.6 in May, above both April's reading and market expectations of 51.1. Although indicative of only modest growth, the latest PMI pointed to the strongest upturn in total construction activity since February, driven by faster rises in commercial building and civil engineering activity.

The UK economy expanded 0.2% m/m in April, in line with expectations and rebounding from a 0.3% drop in March, when heavy rain and strikes weighed on consumer spending. On the trade front, the UK's deficit narrowed to £1.52 billion in April, the smallest gap since last October, as exports increased 1.3% and imports fell 0.6% to a 16-month low. Within exports, goods sales to non-EU countries surged 7.3%, primarily driven by a sharp increase in the export of machinery and transport equipment.

The continued tightness of the labour market was evidenced by the 250,000 rise in employment in the three months to April. As a result, the unemployment rate in the UK eased to 3.8% during the same period, below both the previous period's 3.9% rate and market expectations of 4.0%. Against this backdrop, average weekly earnings (including bonuses) rose by 6.5% y/y in the three months to April, exceeding market forecasts and following an upwardly revised 6.1% rise in the three months to March. Meanwhile, regular pay which excludes bonus payments, rose 7.2%, registering its steepest rise since June 2021, after a 6.8% gain in the previous period and above forecasts of 6.9%.

Whilst the annual consumer price inflation rate in the UK remained at 8.7% in May, it exceeded both market expectations of 8.4% and the BoE's forecast of 8.3%. Moreover, the core inflation rate, which excludes food and energy, rose to 7.1% from 6.8%, registering its highest outturn since March 1992. With "the risks around inflation...skewed significantly to the upside", the BoE raised Bank Rate by 0.5% to 5.0% during its June meeting, marking the 13th consecutive hike. In so doing, the Bank surprised market expectations for a smaller 0.25% rate rise – and also noted that "if there were to be evidence of more persistent pressures, then further tightening in monetary policy would be required".

Retail sales in the UK rose by 0.3% m/m in May, following a 0.5% increase in April. The improvement in retail sales was mirrored in the GfK Consumer Confidence indicator, which rose to -24 in June from -27 in May, improving for the fifth straight month.

Public sector net borrowing (excluding banks) reached £20.0 billion in May, £10.7 billion more than in May 2022 and above both the consensus forecast of £19.5 billion and the Office for Budget Responsibility forecast of £18.3 billion. As a result, borrowing in the fiscal year to date reached £2.1 billion more than forecast. The higher than expected outturn reflected recent rises in RPI inflation (to which payments on index linked Gilts are tied), higher staff costs and the government's energy price subsidies.

The US economy unexpectedly added 339,000 jobs in May, the most in four months, and well above market forecasts of 190,000. Despite this gain, an increase in the number of people looking for work led to the unemployment rate rising from 3.4% in April to 3.7%. The Fed's preferred measure of inflation, the personal consumption expenditure price index, rose 3.8% y/y in May compared to a downwardly revised 4.3% rise in April, registering its lowest reading since April 2021. Against this backdrop, the Fed judged it appropriate to leave the fed funds rate steady at 5%-5.25% during its June meeting, to allow policymakers more time to "assess additional information and its implications for monetary policy". However, Fed Chair Powell also noted that inflation risks remain to the upside and that any rate cuts were "a couple of years out".

The Eurozone economy unexpectedly shrank 0.1% q/q during the first three months of 2023, compared to early estimates of a modest 0.1% rise. Figures for the final quarter of 2022 were also revised to show a 0.1% fall, instead of a flat reading, which means the Eurozone has now entered a small technical recession. According to the flash (i.e. preliminary) estimate, the consumer price inflation rate in the Eurozone fell to 5.5% y/y in June, down from 6.1% in May and slightly below market expectations of 5.6%. Given that the rate remains well above the European Central Bank's (ECB) target of 2% however, it was no surprise to see the ECB raise interest rates by another 0.25% during their June meeting, bringing the rate on their main refinancing operations to 4% and the rate on the deposit facility to a 22-year high of 3.5%. ECB President Lagarde also stated that the ECB had more ground to cover and would likely continue raising rates in July.

Housing

The Nationwide House Price Index in the UK rose by 0.1% m/m in June following the same sized fall in May, to leave house prices 3.5% lower than a year ago. By contrast, the Halifax reported that prices were stagnant in May and 1% lower year on year.

Currency

The decision from the US Federal Reserve not to raise interest rates saw Sterling gain against the Dollar during the month, but the currency was little changed against the Euro.

June	Start	End	High	Low
GBP/USD	\$1.2520	\$1.2714	\$1.2812	\$1.2408
GBP/EUR	€1.1667	€1.1653	€1.1726	€1.1570

Forecast

Both Link and Capital Economics revised their Bank Rate forecasts in the wake of the stronger than expected UK inflation data, raising the forecast peak in Bank Rate to at least 5.25%.

Bank Rate	Now	Sep-23	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25	Mar-26	Jun-26
Link Group	5.00%	5.50%	5.50%	5.50%	5.25%	4.75%	4.25%	3.75%	3.25%	2.75%	2.75%	2.50%	2.50%
Capital Economics	5.00%	5.25%	5.25%	5.25%	5.25%	4.75%	4.50%	4.00%	3.50%	3.25%	-	-	-

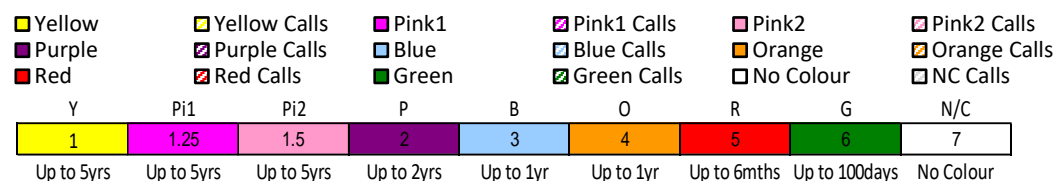
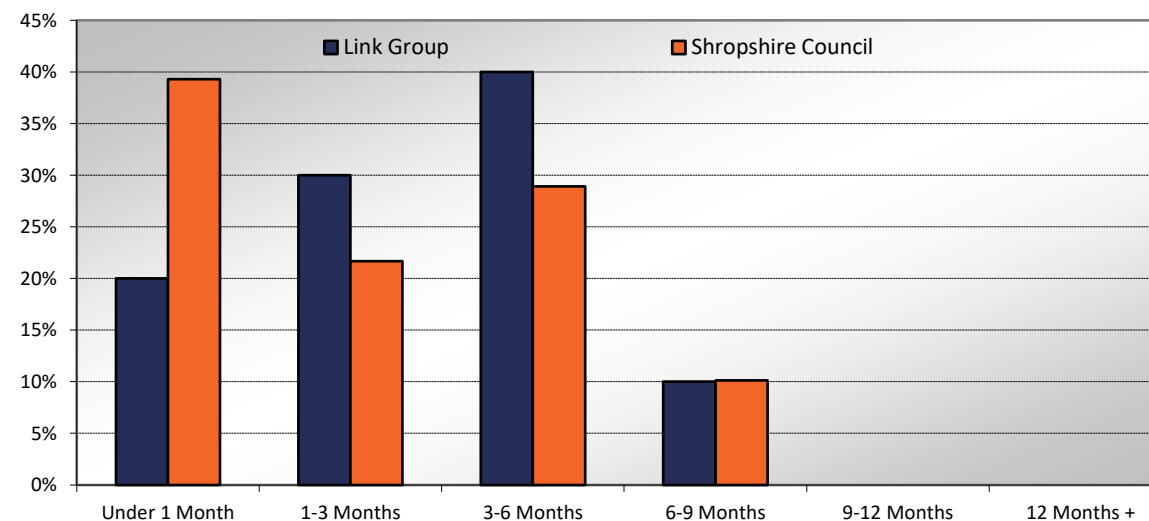
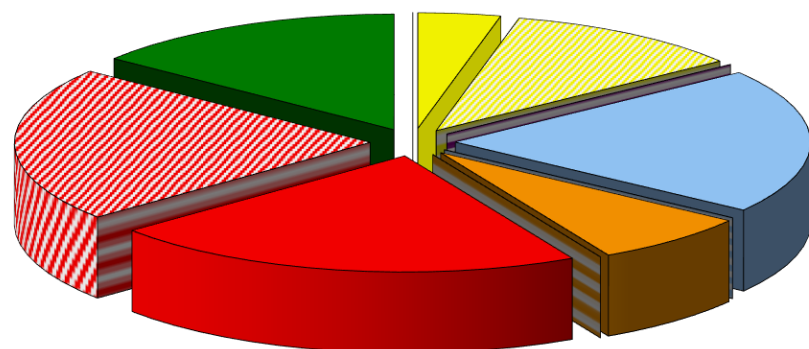
Shropshire Council

Current Investment List

Borrower	Principal (£)	Interest Rate	Start Date	Maturity Date	Lowest LT / Fund Rating	Historic Risk of Default
MMF Aberdeen Standard Investments	7,600,000	4.43%		MMF	AAAm	
Goldman Sachs International Bank	5,000,000	4.30%	03/01/2023	03/07/2023	A+	0.000%
HSBC UK Bank Plc (RFB)	5,000,000	3.58%	03/01/2023	03/07/2023	A+	0.000%
Barclays Bank Plc (NRFB)	4,000,000	4.23%	05/04/2023	04/07/2023	A+	0.000%
DMO	2,600,000	4.88%	30/06/2023	05/07/2023	AA-	0.000%
Barclays Bank Plc (NRFB)	3,000,000	4.14%	31/01/2023	31/07/2023	A+	0.004%
Barclays Bank Plc (NRFB)	3,000,000	4.12%	06/02/2023	04/08/2023	A+	0.004%
National Westminster Bank Plc (RFB)	5,000,000	3.05%	23/08/2022	18/08/2023	A+	0.006%
National Westminster Bank Plc (RFB)	2,000,000	3.80%	20/09/2022	15/09/2023	A+	0.010%
Goldman Sachs International Bank	5,000,000	4.76%	03/04/2023	29/09/2023	A+	0.011%
Santander UK PLC	15,000,000	4.54%		Call95	A	0.012%
Lloyds Bank Plc (RFB)	5,000,000	4.43%	05/04/2023	04/10/2023	A+	0.012%
National Westminster Bank Plc (RFB)	5,000,000	4.45%	25/01/2023	24/01/2024	A+	0.026%
National Westminster Bank Plc (RFB)	2,000,000	4.50%	01/02/2023	31/01/2024	A+	0.027%
Total Investments	£69,200,000	4.27%				0.009%

Note: An historic risk of default is only provided if a counterparty has a counterparty credit rating and is not provided for an MMF or USDBF, for which the rating agencies provide a fund rating. The portfolio's historic risk of default therefore measures the historic risk of default attached only to those investments for which a counterparty has a counterparty credit rating and also does not include investments which are not rated.

Portfolio Composition by Link Group's Suggested Lending Criteria



Portfolios weighted average risk number = **4.08**

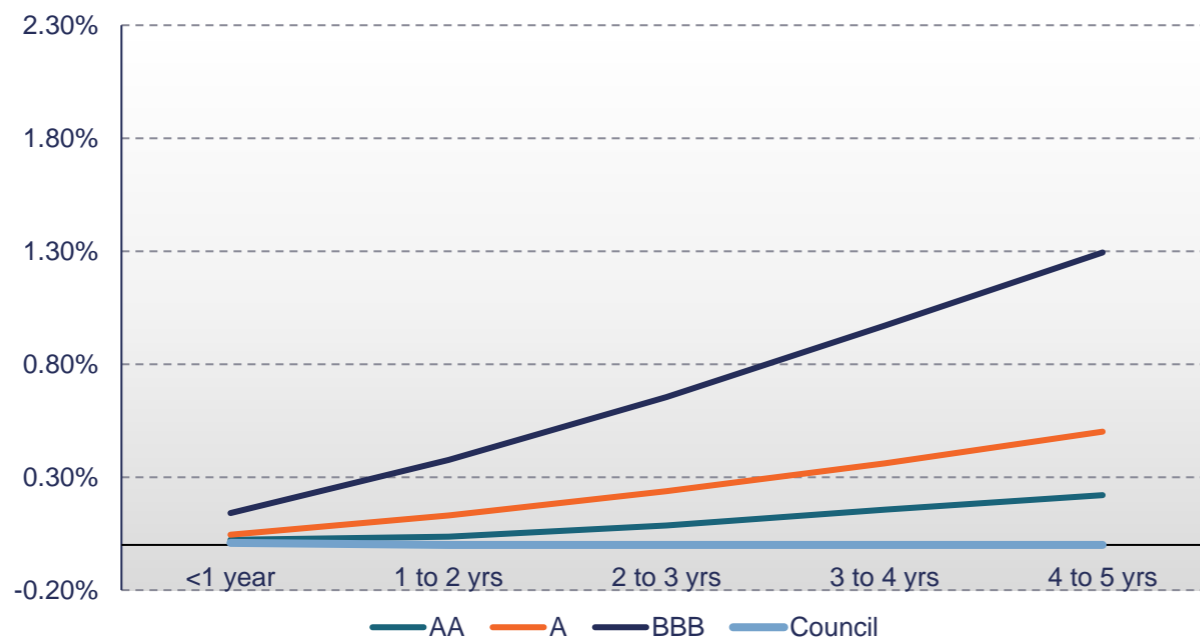
WARoR = Weighted Average Rate of Return
WAM = Weighted Average Time to Maturity

	% of Portfolio	Amount	% of Colour in Calls	Amount of Colour in Calls	% of Call in Portfolio	WARoR	WAM	WAM at Execution	Excluding Calls/MMFs/USDBFs	
									WAM	WAM at Execution
Yellow	14.74%	£10,200,000	74.51%	£7,600,000	10.98%	4.54%	1	1	5	5
Pink1	0.00%	£0	0.00%	£0	0.00%	0.00%	0	0	0	0
Pink2	0.00%	£0	0.00%	£0	0.00%	0.00%	0	0	0	0
Purple	0.00%	£0	0.00%	£0	0.00%	0.00%	0	0	0	0
Blue	20.23%	£14,000,000	0.00%	£0	0.00%	3.86%	134	362	134	362
Orange	7.23%	£5,000,000	0.00%	£0	0.00%	3.58%	3	181	3	181
Red	43.35%	£30,000,000	50.00%	£15,000,000	21.68%	4.52%	79	138	63	181
Green	14.45%	£10,000,000	0.00%	£0	0.00%	4.17%	21	144	21	144
No Colour	0.00%	£0	0.00%	£0	0.00%	0.00%	0	0	0	0
Total	100.00%	£69,200,000	32.66%	£22,600,000	32.66%	4.27%	65	167	66	218

Shropshire Council

Investment Risk and Rating Exposure

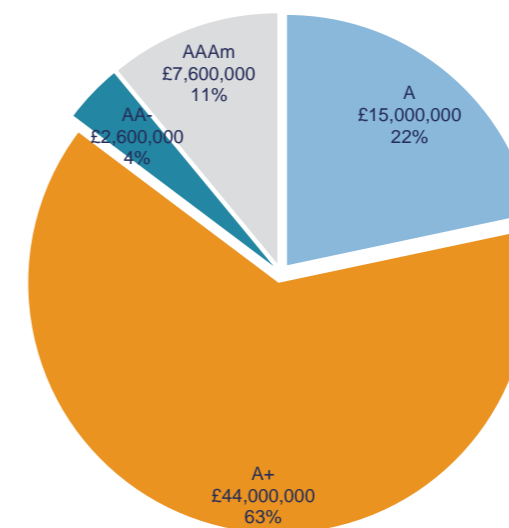
Investment Risk Vs. Rating Categories



Historic Risk of Default

Rating/Years	<1 year	1 to 2 yrs	2 to 3 yrs	3 to 4 yrs	4 to 5 yrs
AA	0.02%	0.04%	0.09%	0.16%	0.22%
A	0.05%	0.13%	0.24%	0.36%	0.50%
BBB	0.14%	0.38%	0.65%	0.97%	1.29%
Council	0.01%	0.00%	0.00%	0.00%	0.00%

Rating Exposure



Historic Risk of Default

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

Chart Relative Risk

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

Rating Exposures

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

Note: An historic risk of default is only provided if a counterparty has a counterparty credit rating and is not provided for an MMF or USDBF, for which the rating agencies provide a fund rating. The portfolio's historic risk of default therefore measures the historic risk of default attached only to those investments for which a counterparty has a counterparty credit rating and also does not include investments which are not rated.

Shropshire Council

Monthly Credit Rating Changes MOODY'S

Date	Update Number	Institution	Country	Rating Action
02/06/2023	1974	Macquarie Bank Ltd.	Australia	The Long Term Rating was upgraded to 'A1' from 'A2' and the Outlook on the Long Term Rating was changed to Stable from Positive.
09/06/2023	1975	KBC Bank N.V.	Belgium	The Long Term Rating was upgraded to 'Aa3' from 'A1' and the Outlook on the Long Term Rating was changed to Stable from Positive.
09/06/2023	1976	Yorkshire Building Society	United Kingdom	The Outlook on the Long Term Rating was changed to Positive from Stable.

Shropshire Council

Monthly Credit Rating Changes FITCH

Date	Update Number	Institution	Country	Rating Action
12/06/2023	1977	UBS AG	Switzerland	The Long Term Rating was Downgraded to 'A+' from 'AA-' Additionally, Fitch downgraded the Short Term Rating to 'F1' from 'F1+', and downgraded the Viability Rating to 'a' from 'a+'. At the same time, Fitch removed the Long Term, Short Term and Viability Ratings from Negative Watch and placed the Long Term Rating on Stable Outlook.
16/06/2023	1978	Clydesdale Bank	United Kingdom	The Outlook on the Long Term Rating was changed to Positive from Stable.
20/06/2023	1979	Bank of Montreal	Canada	The Outlook on the Long Term Rating was changed to Stable from Negative.

Shropshire Council

Monthly Credit Rating Changes S&P

Date	Update Number	Institution	Country	Rating Action

Whilst Link Group makes every effort to ensure that all the information it provides is accurate and complete, it does not guarantee the correctness or the due receipt of such information and will not be held responsible for any errors therein or omissions arising there from. All information supplied by Link Group should only be used as a factor to assist in the making of a business decision and should not be used as a sole basis for any decision. The Client should not regard the advice or information as a substitute for the exercise by the Client of its own judgement.

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APPENDIX B – PRUDENTIAL INDICATORS FOR QUARTER 1

Prudential Indicator	2023/24 Indicator £m	Quarter 1 – Actual £m	Quarter 2 – Actual £m	Quarter 3 – Actual £m	Quarter 4 – Actual £m
Non HRA Capital Financing Requirement (CFR)	462	336			
HRA CFR	105	105			
Gross borrowing	445	286			
Investments	140	69			
Net borrowing	305	217			
Authorised limit for external debt	546	286			
Operational boundary for external debt	475	286			
Limit of fixed interest rates (borrowing)	534	286			
Limit of variable interest rates (borrowing)	267	0			
Internal Team Principal sums invested > 364 days	70	0			
Maturity structure of borrowing limits	%	%	%	%	%
Under 12 months	15	0			
12 months to 2 years	15	0			
2 years to 5 years	45	0			
5 years to 10 years	75	23			
10 years to 20 years	100	28			
20 years to 30 years	100	25			
30 years to 40 years	100	12			
40 years to 50 years	100	2			
50 years and above	100	10			

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Economic Background and Borrowing Update

Economic Background

The economy has weathered the drag from higher inflation better than was widely expected. The 0.2% month on month rise in real GDP in April will further raise hopes that the economy will escape a recession this year. Some of the strength in April was due to fewer strikes by train workers and teachers in that month. Moreover, some of the falls in activity in other areas in April were probably temporary too.

The recent resilience of the economy has been due to a confluence of factors including the continued rebound in activity after the pandemic, households spending some of their pandemic savings, and the tight labour market and government handouts both supporting household incomes. That said, as government support fades, real household incomes are unlikely to grow rapidly. Furthermore, higher interest rates will mean GDP is likely to contract later this year. Our central assumption is that inflation will drop to the 2.0% target only if the Bank triggers a recession by raising rates from 5.00% now to at least 5.5% and keeps rates there until at least mid-2024.

The labour market became tighter over the quarter and wage growth reaccelerated. Labour demand was stronger than the consensus had expected. The three-month change in employment rose from +182,000 in March to +250,000 in April. Meanwhile, labour supply continued to recover as the size of the labour force grew by 303,000 in the three months to April. That was supported by a further 140,000 decline in inactivity as people returned to work from retirement and caring responsibilities (while inactivity due to long-term sick continued to rise). But it was not enough to offset the big rise in employment, which meant the unemployment rate fell from 3.9% to 3.8%

The tighter labour market supported wage growth in April, although the 9.7% rise in the National Living Wage on 1st April (compared to the 6.6% increase in April last year) probably had a lot to do with it too. UK wage growth remains much faster than in the US and the Euro-zone. In addition, regular private sector wage growth increased to 7.6%, which left it well above the Bank's forecast for it to fall below 7.0%. Overall, the loosening in the labour market appears to have stalled in April and regular private sector wage growth was well above the Bank's forecast.

CPI inflation stayed at 8.7% in May and, perhaps more worryingly, core CPI inflation rose again, from 6.8% to a new 31-year high of 7.1%. The rise in core inflation means it is accelerating in the UK while it is slowing in the US and the Euro-zone (both fell to 5.3%). A further decline in fuel inflation, from -8.9% to -13.1%, and the second fall in food inflation in as many months, from 19.3% to 18.7%, explained why overall CPI inflation didn't rise. And the scheduled fall in the average annual utility price on 1st July means overall CPI inflation will probably ease in the coming months. But the problem is that the recent surge in core inflation and the

reacceleration in wage growth shows that domestic inflationary pressures are still strengthening.

This suggests the Bank may have more work to do than the Fed or ECB. Indeed, the Bank of England sounded somewhat hawkish in the June meeting. This came through most in the Monetary Policy Committee's decision to step up the pace of hiking from the 25bps at the previous two meetings.

That said, the Bank has not committed to raising rates again or suggested that 50bps rises are now the norm. What it did say was that "the scale of the recent upside surprises in official estimates of wage growth and services CPI inflation suggested a 0.5 percentage point increase in interest rates was required at this particular meeting". Moreover, the Committee did not strengthen its forward guidance that any further rate hikes would be conditional on the data. However, it looks highly probable, given the on-going strength of inflation and employment data, that the Bank will need to raise rates to at least 5.5% and to keep rates at their peak until the mid-point of 2024. We still think it is only a matter of time before the rise in rates weakens the economy sufficiently to push it into recession. That is why instead of rising to between 6.00%-6.25%, as is currently priced in by markets, we think rates are more likely to peak between 5.50-6.00%. Our forecast is also for rates to be cut in the second half of 2024, and we expect rates to then fall further than markets are pricing in.

In early April, investors turned more optimistic about global GDP growth, pushing up UK equity prices. But this period of optimism appears to have been short-lived. The FTSE 100 has fallen by 4.8% since 21st April, from around 7,914 to 7,553, reversing part of the 7.9% rise since 17th March. Despite the recent resilience of economic activity, expectations for equity earnings have become a bit more downbeat. Nonetheless, further down the track, more rate cuts than markets anticipate should help the FTSE 100 rally.

A summary overview of the future path of Bank Rate

Our central forecast for interest rates was previously updated on 25th May and reflected a view that the Monetary Policy Committee (MPC) would be keen to further demonstrate its anti-inflation credentials by delivering a succession of rate increases. This has happened to a degree, especially as it moved to a more aggressive 0.5% hike in June but, with inflation remaining elevated, we anticipate that Bank Rate will need to increase to at least 5.5%, if not higher, to sufficiently slow the UK economy and loosen the labour market.

Moreover, we also still anticipate the Bank of England will be keen to loosen monetary policy when the worst of the inflationary pressures are behind us – but timing on this will remain one of fine judgment: cut too soon, and inflationary pressures may well build up further; cut too late and any downturn or recession may be prolonged. Our current judgment is that rates will have to increase and stay at their peak until the second quarter of 2024 as a minimum.

On the positive side, consumers are still estimated to be sitting on excess savings left over from the pandemic, which could cushion some of the impact of the above challenges and may be the reason why the economy is performing somewhat better at this stage of the economic cycle than may have been expected. However, most of those excess savings are held by more affluent people whereas lower income families already spend nearly all their income on essentials such as food, energy and rent/mortgage payments.

Borrowing

It is a statutory duty for the Council to determine and keep under review the “Affordable Borrowing Limits”. The Council’s approved Treasury and Prudential Indicators (affordability limits) are included in the approved Treasury Management Strategy. A list of the approved limits is shown in Appendix B. The Prudential Indicators were not breached during the first quarter of 2023/24 and have not been previously breached. The schedule at Appendix C details the Prudential Borrowing approved and utilised to date.

No new external borrowing was undertaken in the first quarter of 2023/24.

The Council has not undertaken any new borrowing for a number of years, and has been utilising cash balances to internally “borrow” for prudential borrowing schemes. This has enabled the Council to benefit from increased interest costs compared to the returns that could be generated on the cash balances. This approach has been effective during a period where the Council has held significant cash balances.

PWLB rates increased over the first quarter, which is to be expected as the Base Rate has also increased over this period. The table below shows the high/low/average PWLB rates for the first quarter.

	1 Year	5 Year	10 Year	25 Year	50 Year
Low	4.65%	4.14%	4.20%	4.58%	4.27%
Date	06/04/2023	06/04/2023	06/04/2023	06/04/2023	05/04/2023
High	6.24%	5.71%	5.28%	5.44%	5.23%
Date	28/06/2023	28/06/2023	20/06/2023	30/05/2023	30/05/2023
Average	5.32%	4.87%	4.78%	5.09%	4.82%
Spread	1.59%	1.57%	1.08%	0.86%	0.96%

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Committee and Date

Cabinet

6th September 2023

Item

Public



Annual Customer Feedback (complaints)

Responsible Officer:	Nigel Newman		
email:	nigel.newman@shropshire.gov.uk	Tel:	01743 253970
Cabinet Member (Portfolio Holder):	Cllr Robert Macey, Culture & Digital		

1. Synopsis

The report summarises customer feedback covering compliments, comments and complaints. In 2022/23, 2,702 cases of feedback were received, with complaints stabilising and average time to respond to complaints and the number of highways complaints reducing.

2. Executive Summary

This report gives an overview of formal customer feedback to the Council in 2022/23, covering complaints, compliments and comments as well as MP enquiries and Local Government and Social Care Ombudsman investigations. In total, the council received 2,702 cases of formal feedback, including 1,796 complaint cases resulting in 1,187 complaint investigations, 470 comments and 436 compliments.

- 2.1. While the long-term trend is of increasing numbers of complaints received, up by 36% since 2016/17, year on year the volume of customer feedback has stabilised, showing a very slight year-to-year reduction for 2022/23.
- 2.2. A key benchmark in measuring how the council handles complaints is the average time taken to respond to a complaint. The council sets its corporate standard of responding to complaints within 30 working days for Stage 1 complaints. This had increased significantly in the previous year to 32 days, but this year's data shows that focus on this area has seen the average response time reduce to 26 days, below the target response time for Stage 1 complaints. However, several long-

term outstanding complaints, usually linked to highly complex issues, in some service areas continues to be a concern and one closely monitored within internal customer feedback performance reporting.

- 2.3. The number of complaints progressing beyond Stage 1 through either the council's own processes or to the Local Government and Social Care Ombudsman (LGSCO) remains small at 5% of total complaints and fell slightly year on year to 95.
- 2.4. In total 61 complaints were referred by complainants to the LGSCO in 2022/23. Of these, 20 (33%) were investigated and of those 16 were upheld by the Ombudsman.
- 2.5. The number of formal inquiries from the four MPs covering the Shropshire Council area, increased by 47% between 2021/22 to 2022/23 to 647.

3. Recommendations

- 3.1. Members are asked to consider the recommendations and actions in the Annual Customer Feedback Report designed to support and improve robust customer feedback performance.

Report

4. Risk Assessment and Opportunities Appraisal

- 4.1. Effective monitoring and follow-up of complaints provides the opportunity to manage risks and identify any trends and common issues being raised through customer feedback and make improvements.
- 4.2. The complaints process also plays an important part in capturing residents' opinion of Shropshire Council services, where there may be shortcomings and how these can be rectified. Having an effective and open comment, complaint and feedback process is an important part in one of the key objectives of The Shropshire Plan, creating a Healthy Organisation

5. Financial Implications

- 5.1. This report presents information to support decision making and does not itself carry any direct financial implications. However, systems that help prevent complaints escalating, particularly to Stage 2 or LGSCO complaints, will result in a reduction in the staff time required to deal with complaints. Accountable officers and senior managers may use the information to inform actions or interventions for improving service performance and the prioritisation and use of resources.

6. Climate Change Appraisal

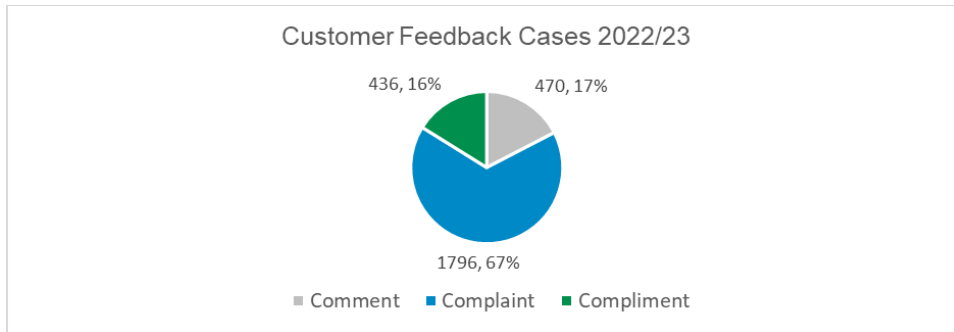
- 6.1. There are no direct effects on the council's climate change agenda.

7. Background

7.1. The Customer Feedback Annual Report is prepared by the Council's Feedback and Insight Team who handle the corporate and statutory processes for recording and responding to formal comments, compliments and complaints (Legal and Governance lead complaints beyond stage 1). For complaints this covers issues dealt with using the council's own complaint processes, as well as those requiring investigation by the Local Government and Social Care Ombudsman (LGSCO). Processes for adult and children's social care complaints are statutory and are set nationally.

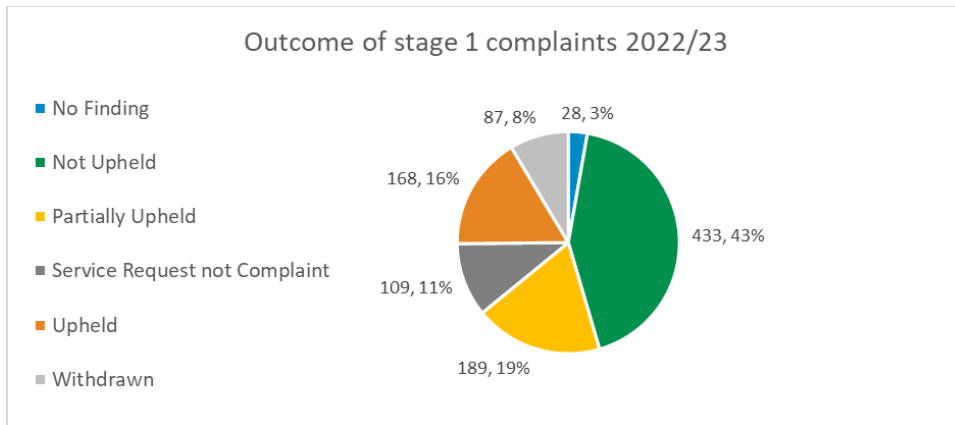
8. Additional Information

8.1. Shropshire Council received 2,702 cases of formal feedback in 2022/23, down 1% on the previous year. The breakdown of the feedback by type is as follows:



- 8.2. This shows a further stabilisation of activity levels following the disruption created during the pandemic and a return to patterns seen pre-pandemic.
- 8.3. Of the 1,796 complaint cases received, this resulted in 1,187 complaint investigations, almost identical to the previous year. Not every complaint received requires investigation as some may be resolved early without the need for a full investigation, for example because the complaint is withdrawn or is recorded as a request for a service. Indeed, 29% of initial complaints were resolved this way.
- 8.4. Effective Stage 1 complaints handling reduces the number of complaints escalating to Stage 2. Most complaints continued to be addressed and closed at Stage 1 of the complaints procedure. However, in 2022/23 95 cases progressed beyond Stage 1, either to Stage Two or going the Local Government and Social Care Ombudsman (LGSCO), slightly down on the previous year.
- 8.5. Considering complaints by service area, the Place Directorate, which has most of the Council's public facing services (such as Highways and Transport, Waste and Leisure), received 53% of the Council's complaints. Resources and cross-council issues received 16% of complaints followed by Adult Services 23% and Children's Services on 6%. The two most complained about services are, unsurprisingly, those with high levels of public visibility and contact - Highways and Transport and Waste. There has been a marked reduction in the volume of complaints about Highways and Transport, which now account for 19% of all complaints (down from 27% the previous year), while Waste complaints accounted for 14% up by 3%. The reduction in Highways and Transport complaints has coincided with renewed focus on improving the Council's roads and several changes in that service area.

- 8.6 The average number of days to close a formal complaint fell during the year by six days to 26 days and is now below the target for response. This has reversed the previous year's direction. This is however still nearly double the 14-day average in 2018/19. Considerable work was completed during the year to work with services to address the issue of the rising average days to close figure, which had last year exceeded the council's target response time. The average figure however continues to be impacted by significant numbers of complex and long-running cases exceeding timescales. This may be due to reduced officer capacity within a service or the result of cases that are difficult to resolve or require significant time to resolve.
- 8.7 In 2022/23 at the end of Stage 1, 43% of complaints were not upheld, 16% were upheld, 19% were partly upheld (often where a complaint might have multiple points within it) and 19% were withdrawn or were a service request rather than a complaint. 3% of complaints had no finding and this figure has halved following a focus to reduce this figure as less organisational learning or improvement is likely to emerge from a no finding outcome.



- 8.9 In July 2023, the Council received its annual feedback report from the LGSCO, which covers complaints escalated beyond Shropshire Council's processes for independent investigation. The LGSCO, while recognising the pressure on services has raised concerns about the council's timeliness in responding to LGSCO enquiries and has requested a further meeting to discuss this with the council.
- 8.10 LGSCO enquiries range from straightforward requests for more information about a complaint to detailed investigations which require extensive research and collation of considerable volumes of information. Generally, the council is given 28 days by the Ombudsman to respond to an investigation, whether the issue is current or an historical complaint with no immediate implications. Unfortunately, it is not always possible to comply with these timescales given that service areas need to deal with these Ombudsman's enquiries on top of day-to-day responsibilities to the public and local communities. When additional time is needed, the council will seek an extension, although this can still prove challenging for many similar reasons behind the increase in average complaint response times, including complexity of the issues, the volume of documentation involved and key staff sickness.

- 8.11 During the year the LGSCO considered or decided 61 cases. Of these 41 were referred back for resolution, while 20 were decided by the LGSCO of which 16 cases were upheld. This at 80% is above the LGSCO's upheld rate for similar authorities of 72%. The LGSCO reported that the council had 100% compliance implementing its recommendations where these had been made.
- 8.12 The report also shows the number of MP enquiries the Council receives from the four MPs representing Shropshire. The latest figures show that the number of MP enquiries has risen significantly with the volume now 47% higher than the previous year, with the North Shropshire constituency accounting for almost two-thirds of issues raised.

9 Conclusions

- 9.1 The recommendations in the Annual Report highlight areas of focus designed to improve customer feedback handling and performance. Key areas of focus arising from the 2022/23 annual report are detailed below.
- 9.2 Improving customers' experience to reduce the proportion of contacts turning into formal complaints. Two thirds of investigated complaints in 2022/23 were due to service standards. This could for example include a focus on improving customer communications, robust assessment of enquiries to direct the right cases to the right processes without delay or meeting expected response timescales and using information channels to manage customer expectations. The Council's Better Customer Experience transformation programme will help to focus on this and seek to resolve some recurrent issues such as improving customer communications.
- 9.3 A continued focus on reducing the impact of customers who are persistent and vexatious. This follows changes to the council's Unreasonably Persistent and Vexatious Customers Procedure made in the last year to support swifter application of the policy where appropriate. While small in number, these customers can take up a disproportionately amount of staff time and have been growing in numbers.
- 9.4 More work to further reduce the average 'days to close' must remain a key focus within complaints handling. Highlighting days to close performance will remain a focus of performance reporting and concerns will be reported through management structures.
- 9.5 More steps are taken so that Senior Managers ensure their staff understand the importance and value of the complaints processes and effective complaint handling to help prevent failure demand through inadequate complaint responses. This must remain a focus for managers and team leaders so that processes and best practice are communicated through regular directorate or service meetings. A separate review process will look at any further steps to help improve this.

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

Local Member: *All Members*

Appendices

Appendix 1 Annual Customer Feedback and Insight Report 2022/23

Appendix 2 Local Government and Social Care Ombudsman Annual Review Letter 2022/23

Customer Feedback Annual Report

Shropshire Council

2022/23

Feedback and Insight Team, Shropshire Council
June 2023



1. Introduction

Shropshire Council's annual customer feedback report presents an overview of the formal feedback received, and responded to, by Shropshire Council between 1 April 2022 and 31 March 2023.

The report includes performance data for complaints, compliments and comments. The annual customer feedback report is made available to members of the public, councillors and council staff. The report complements the quarterly reporting and regular service-based monitoring reporting that takes place within the Council during the year. This more regular reporting is used to gain an understanding of customer experiences and the identification of any patterns in feedback. It supports the work that takes place to identify learning and actions designed to prevent further complaints and generate improvement.

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

This report provides a council-wide view of formal customer feedback. Annual reports are also prepared for Adult Services and Children's Services allowing for a more detailed consideration of feedback for those service areas. Those reports are also published on Shropshire Council's website and are used to support key performance and inspection processes.

Complaint

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

Compliment

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

Comment

Feedback about a service could be:

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

2. The Complaints Process

Feedback Received

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

Telephone: 0345 678 9000

Email: customer.feedback@shropshire.gov.uk

Website: <https://www.shropshire.gov.uk/feedback/>

Online: Log into the My Shropshire portal



Acknowledgment

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



STAGE 1

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



STAGE 2 - Review

The complaint will be reviewed by a more senior manager, commissioner, or in most cases, the Complaints Monitoring Officer. They will review the Stage 1 complaint and decide if there is more the service can do to address the concerns raised. If the reviewing officer believes the service has done all they can reasonably do, the customer will be written to and advised of this. They will also be given information about the Local Government and Social Care Ombudsman.



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

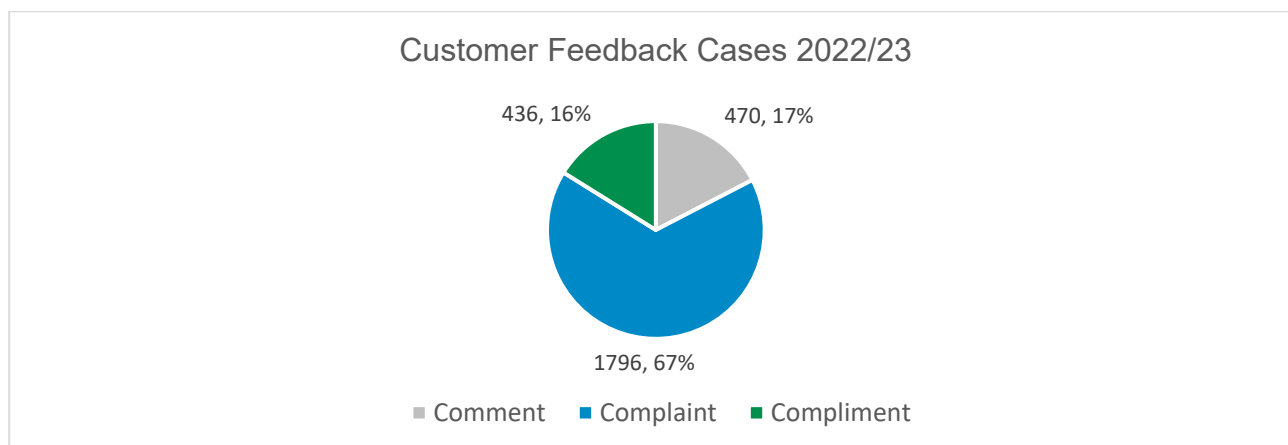
The Feedback and Insight Team coordinates the complaints process, recording and allocating complaints for investigation, monitoring response dates and overseeing performance. We cannot promise to get the result complainants want, but we do make sure that complaints are dealt with in line with the complaints procedures. We aim to keep customers informed of what is happening and the progress being made.

3. Customer Feedback 2022/23

Within the year 2022/23 Shropshire Council received and recorded 2,702 cases of formal feedback. There were:

- 1,796 initial complaint cases
- 470 comments
- 436 compliments

In addition, there were also 646 MP enquiries recorded between 1 April 2022 and 31 March 2023. MP enquiries are covered separately later in the report. MP enquiries often relate to complaints and inclusion in the figures for feedback would result in some double counting and the over reporting of concerns raised by individuals.

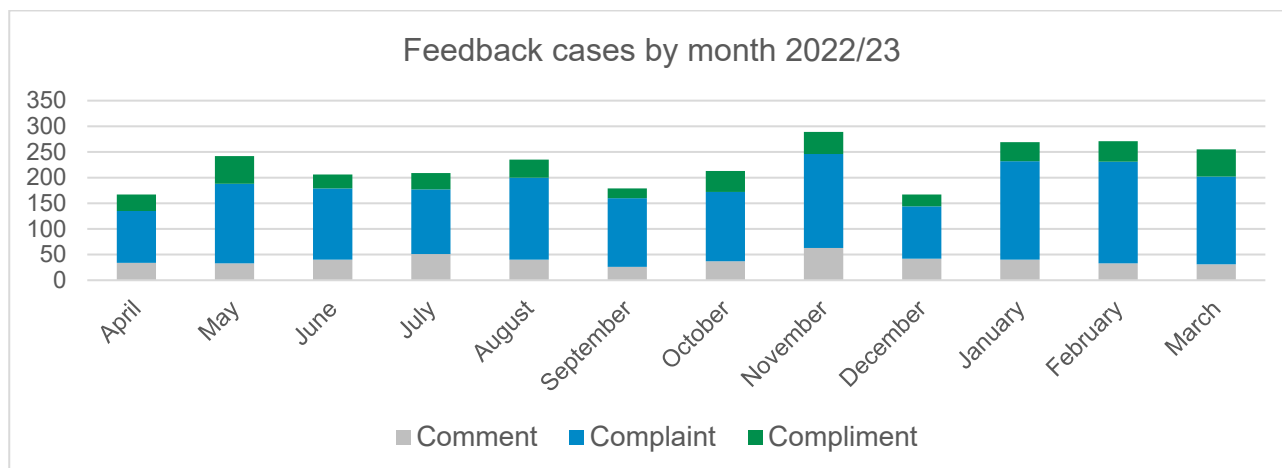


Comments and other enquiries formed 17% of all feedback cases and 16% of all customer feedback cases were compliments. The 1,796 complaint cases formed 67% of all formal feedback and resulted in 1,187 complaint investigations.

The 1,187 complaint investigations were handled under the different statutory and corporate complaints processes. There were:

- 1,007 Corporate complaints
- 150 Adult Services statutory complaints (including provider complaints and multi-agency complaints)
- 30 Children’s Services statutory complaints

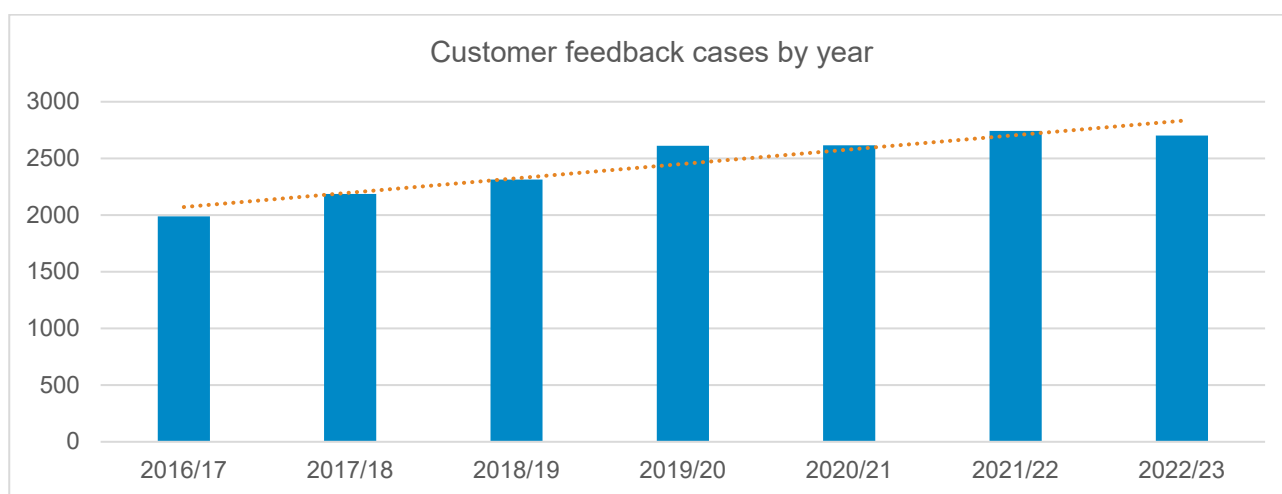
Feedback levels can vary over the year with slight fluctuations influenced by changes in weather conditions (e.g. heavy rain or snow and ice can lead to place-based complaints) or other factors. Overall, 2022/23 didn’t see any dramatic increases or fluctuations due to weather conditions.



Over the year, the monthly average was 225 customer feedback cases (similar to the previous year). Customer feedback cases were relatively steady across the year with slight decreases in April and December. November (289), February (271) and January (269) saw the greatest number of feedback cases. Looking across the years, September is often a busy month but in 2022/23 it did not result in the same high levels of feedback. There were 167 customer feedback cases in December, and this is commonly the month with the fewest cases (April had the same low numbers in 2022/23 and this may have been influenced by the Easter holiday period).

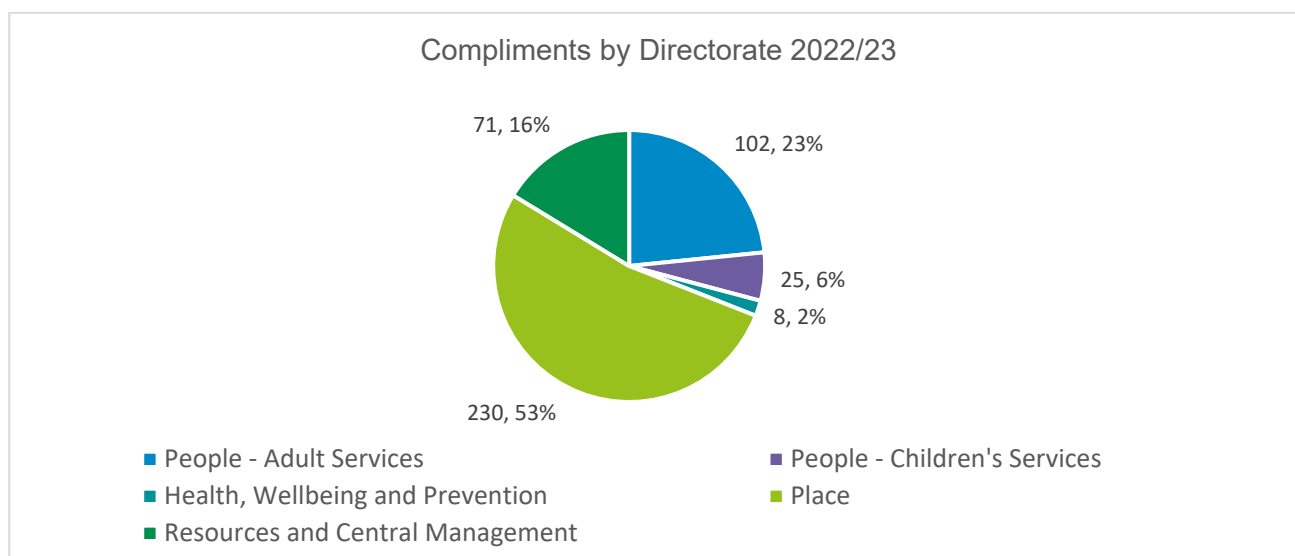
Performance data is considered by quarter. In 2022/23 quarter 4 (January to the end of March) and quarter 3 (October to the end of December) saw higher case numbers (732 on average) compared to the first half of the year (619 on average). If the pattern continues it is possible that numbers will increase again during quarter 1 2023/24.

Overall customer feedback case volumes have increased over recent years. There has been a 36% increase in customer feedback since 2016/17 and the chart below shows the upward trend line for customer feedback. Despite this, numbers in 2021/22 and 2022/23 are very similar so it may be possible that the upward trend is levelling off.



Work takes place to monitor the proportion of complaints within annual customer feedback totals. There is some fluctuation annually, but overall, the total has remained relatively similar over the last 3 years.

A closer look at compliments shows that the Place directorate received the largest number of compliments (230 compliments, 53%) followed by People Adult Services (102, 23%).

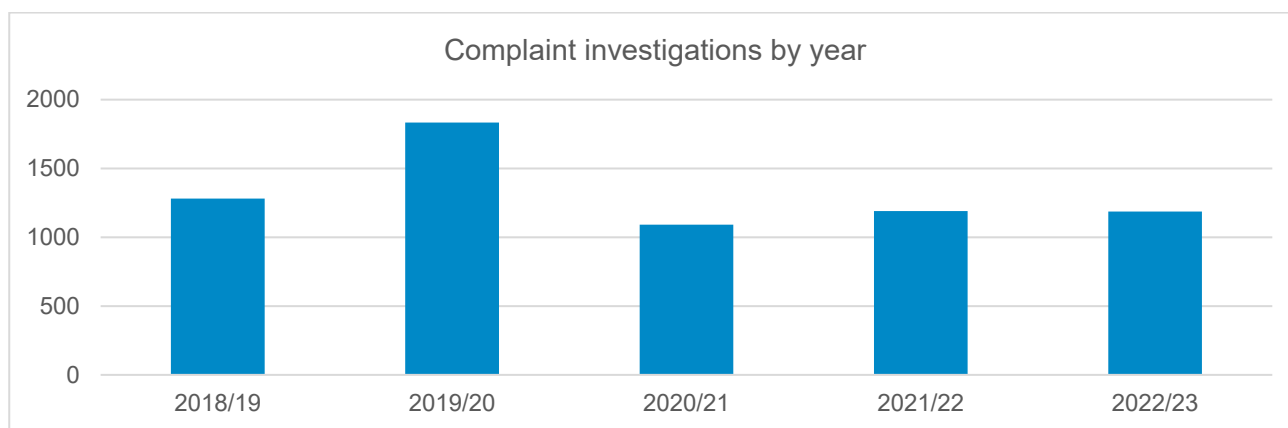


Although Shropshire Council has brought Adult Services and Children's Services together into the People Directorate, for this report the data is presented separately due to the different complaint procedures for statutory cases and the need to provide some comparison year on year. There are ongoing changes that need to be made to accurately reflect changing Council structures (particularly at team level). Work has taken place through the year and will need to continue.

Complaints (and some comments) are explored at greater depth than other types of feedback and may result in investigations. There may be multiple investigations for each complaint case, or a complaint case may be closed before it reaches investigation stage (for example it may be outside of the council's jurisdiction or the complainant may decide to withdraw their complaint because they have received a response/service). A complaint may refer to the services provided by more than one council department, in which case there will be more than one investigation. Investigations are led by officers (usually team or service managers) with a detailed knowledge of the service area. In 2022/23 there were 1,796 complaints cases and 1,187 complaints investigations.

Complaint investigations do not always result in a complete investigation and outcome. Once a complaint case is explored in more detail, it is possible that a different course of action is required (e.g. an insurance claim or appeals process), or once the complaint is more fully understood it may be concluded that the complainant is merely asking for a simple remedial action to resolve a concern rather than wishing to proceed through a formal complaint investigation (a request for a service). Of the 1,796 complaints cases, 526 had an early closure reason allocated to indicate that the complaint did not result in a full investigation. Reasons for early closure may be that the complainant did not want to provide contact details or details to allow an investigation to proceed, the issue may not have been concerning a council or commissioned service, or a more appropriate process may have been available (such as an appeal). Of the 526, 244 cases (46%) had to be early closed because the complainant chose not to provide contact details (anonymous complaints cannot be investigated). Complaint outcomes are explored in more detail later in the report and this is picked up within the report recommendations.

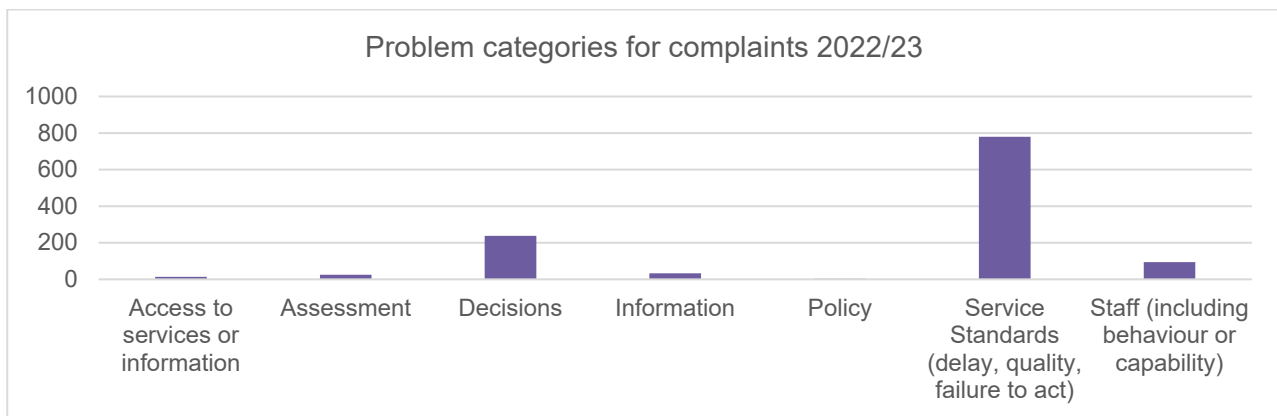
The following paragraphs are based on complaints investigations against which more detailed information is captured. The performance measures Shropshire Council uses to monitor complaints are largely based on complaints investigations.



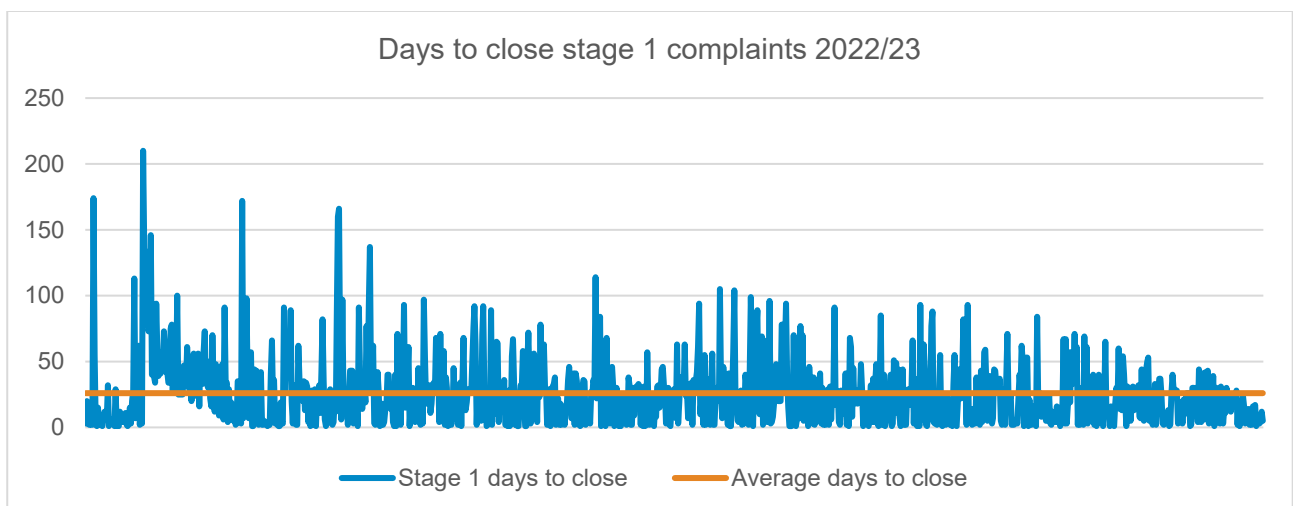
The chart above illustrates that in 2019/20 there were a large number of complaint investigations, out of line with other annual totals. Closer investigation found that too many requests for services were being wrongly categorised as complaints (for example, people saying their bin had been missed were not making a formal complaint but were really requesting a service i.e. a bin collection). Within the last few years considerable effort has been made to assess and 'triage' feedback prior to implementing the complaints process (where the process of incoming feedback makes that possible e.g. it is not possible through the portal online customer recording). This has avoided certain issues becoming complaints when they are a request for a service or can be remedied quickly, such as a request to cut back foliage or replace a street light. Complaints should

be made when there are concerns about the quality of service or other action taken by the council and not before services have had the opportunity to respond or have not been previously aware of an issue. An effective complaints process requires support across the organisation to manage incoming issues and enquiries effectively.

The complaint investigation data collected highlights the reasons for complaints. ‘Service standards’ was the main category under which complaints were made in 2022/23. Within ‘service standards’ there are a number of sub-categories and analysis highlights that ‘service standards – failure to provide a service/take action’, ‘service standards – communication (failure/poor)’ and ‘service standards – inappropriate/incorrect action’ were the dominant sub-categories. ‘Decisions’ was the second main category under which complaints were recorded. Complaints under the category decisions are usually made because someone is dissatisfied with a decision made. Complaints related to decisions seem to have been growing over the last year, across multiple departments.

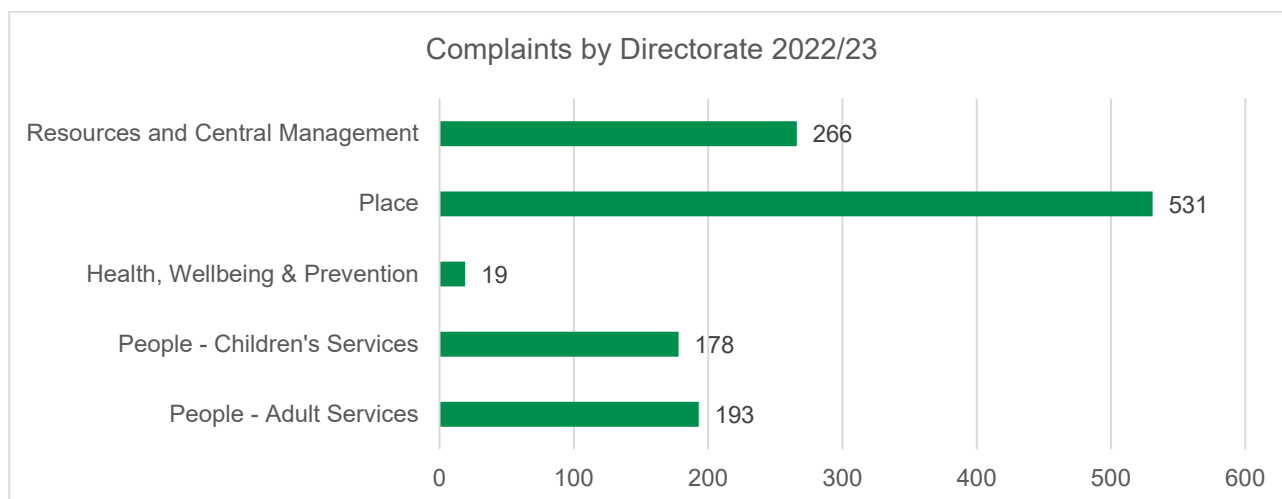


During 2022/23 Shropshire Council took an average of 26 working days to respond to stage 1 complaints (against the 30 working day timescale). This has been the dominant performance issue through the year and resulted in improvement compared to the 2021/22 average. Quarterly performance reporting has been focusing on the average time taken to respond to stage 1 complaints. The average in 2021/22 was 32 working days (a noticeable increase on the 14 working days average in 2018/19). The trend has been for longer response times over the last few years and focus was required to achieve the 2022/23 improvement. The Council has 60 working days in total to respond to corporate complaints, 30 working days for each stage (stage 1 and stage 2). Days to close is a key measure within ongoing performance monitoring. Feedback and Insight Team officers report increasing complexity within complaints cases and this, alongside service pressures, appears to be contributing to longer-running cases. Too many long running cases negatively impact average performance.



Some types of service are more likely to result in complaints than others and the chart below highlights complaints by directorate. Shropshire Council's Place Directorate handles the largest proportion of complaints compared to other directorates within Shropshire Council (45% of all complaints) followed by Resources (22%) and Adult Services (16%). The proportions are very similar to 2021/22.

Complaints relating to Adult Services form 16% of all complaints and complaints relating to Children's Services 15%. Data for Adult Services and Children's services is explored in more detail throughout the year and within the annual reports for these services.



Taking a closer look at the breakdown of complaints by service highlights that Highways and Transport received 19% of all Shropshire Council's complaints in 2022/23 (a significant decrease from the 27% in 2021/22). Waste services accounted for 14% of all the complaints. These are services used by all residents.

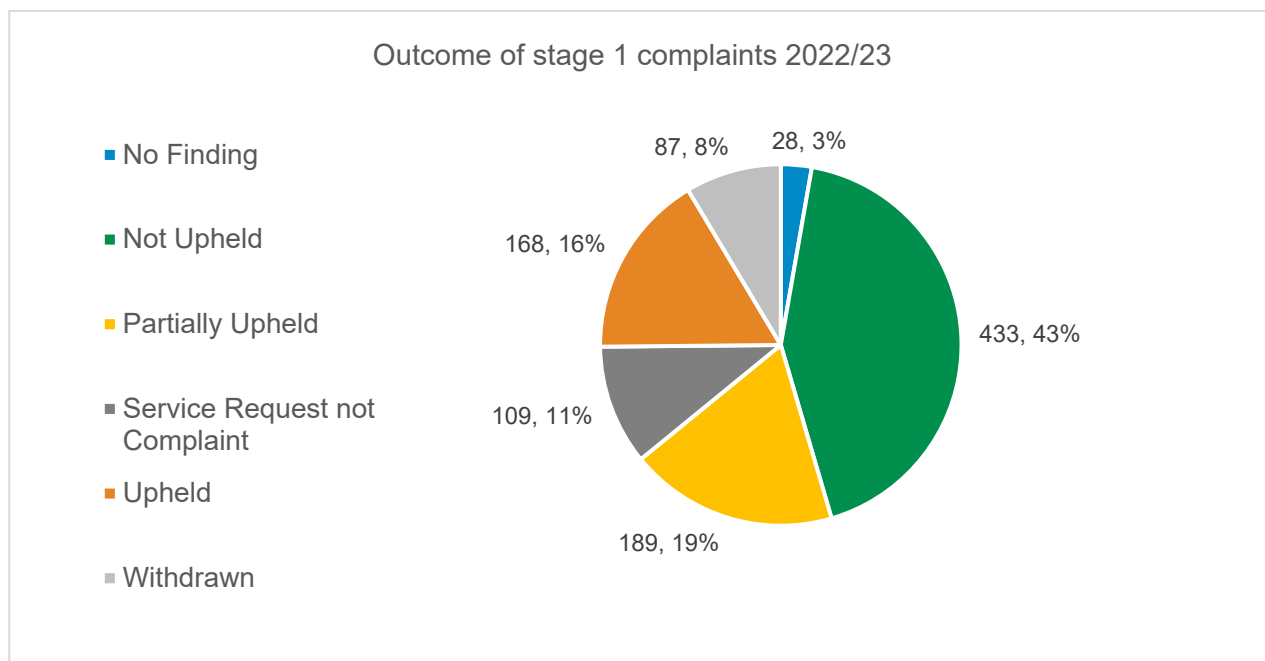
Revenues and Benefits received more complaints than usual in 2022/23 (8% of all complaints compared to 4.8% in 2021/22). It is very likely that this increase is not due to changes in service standards but has been influenced by increased demand related to the cost of living crisis and the response.

The Resources directorate includes a smaller number of customer-facing services (many providing services to other council departments). A significant proportion of the complaints allocated to Resources are not related to its own services but to those of other departments. An example of this is that the finance department may deal with a complaint relating to the financial arrangements in a different service or, for example a complaint may be made to progress an insurance claim. Legal services will be allocated complaints at the second stage of the corporate complaint process so the complaints allocated to Legal Services are not about the services provided by Legal Services.

Considering detailed data by service it is worth noting that some service areas with slightly higher volumes of complaints reflect the national picture across other local authorities. Children's social work case management, Housing and SEND (Special Educational Needs and Disabilities) complaints are among some of the service themes highlighted by the Local Government and Social Care Ombudsman as areas of service nationally where there are growing demands and pressures leading to complaints. Some of the reasons for this are linked to national economic and social changes and cost of living pressures. Numbers of complaints for these services in Shropshire are not particularly high but do reflect the national data and challenges highlighted and as a result will remain an area of focus (see recommendations).

When considering complaints performance, the outcome is very important. The data for 2022/23 shows that:

- At the end of the 12-month period 2022/23, there were 1014 closed stage 1 complaints.
- Of the closed stage 1 complaints 16% were upheld (168 complaints), 19% were partially upheld and 43% were not upheld.
- Considering the complaints that were upheld, 14% were with Highways and Transport (a significant improvement compared to 2021/22 at 32%) and 18% were with Waste Management. Note that these were relatively small numbers.
- Although only relatively low numbers, there were also a higher proportion of cases upheld within Adult Services Business Support (10%). The cases managed by Adult Services Business Support include complaints about residential and domiciliary care (commissioning) and financial assessments and contributions.
- A theme within upheld complaints tends to be customer care. Customer care can relate to a lack of communication or information leaving the customer to feel as though their concerns are being neglected. Work by the Feedback and Insight Team is undertaken to keep complainants informed of any delays and progress, but often more detailed and specialist knowledge is requested from service areas.
- 3% of stage 1 complaints investigations resulted in no finding. A complaints investigator may find that not enough evidence or information is available to draw a conclusion, or they may be unable to obtain enough information from the complainant to fully complete the investigation. Occasionally it may be a sign of failure to investigate. The proportion of 'no finding' outcomes has reduced for 2022/23 following a focus within performance reporting.

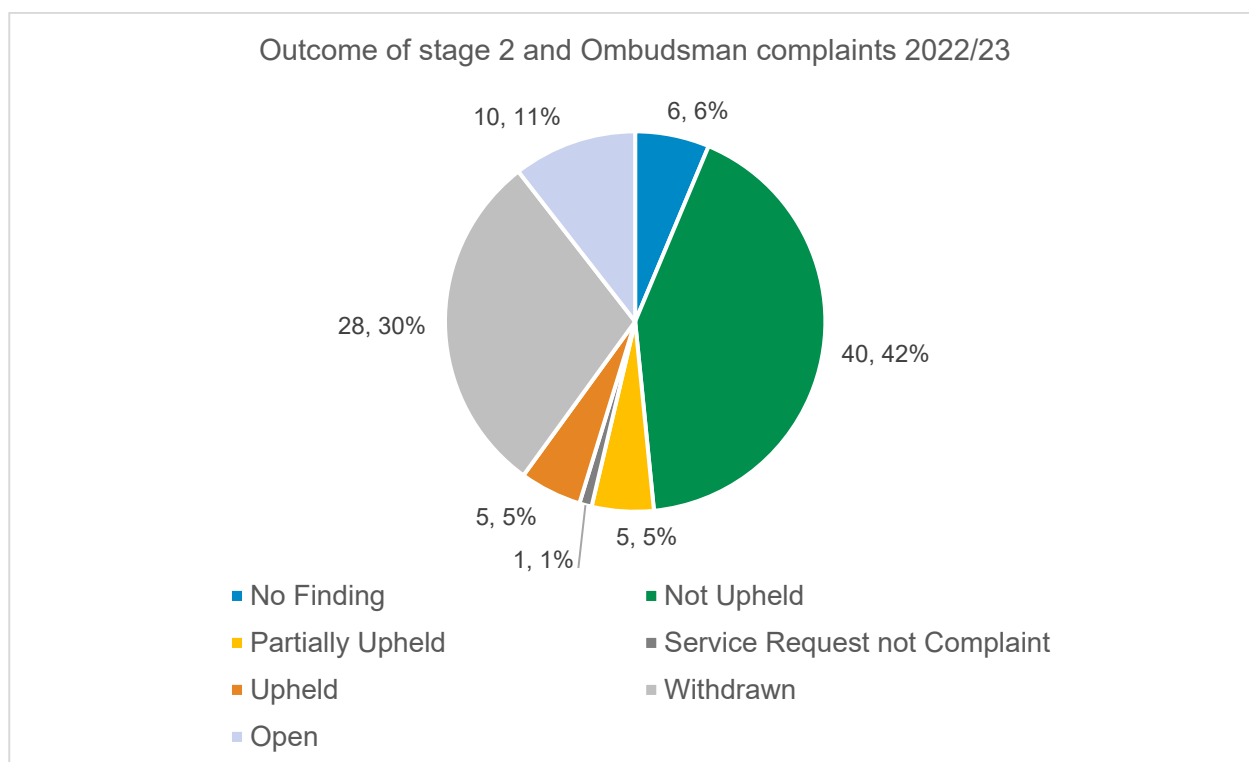


4. Progression of Complaints

Effective stage 1 complaint handling can reduce the number of stage 2 complaints. It is important to understand how many complaints progress beyond stage 1 and this is a measure included within regular performance reporting. During 2021/22 only a small proportion of all the complaints Shropshire Council received progressed beyond stage 1. The number of cases progressing beyond stage 1 in 2022/23 is very similar to the previous year (95 this year and 99 in 2021/22) but the numbers of investigations progressing beyond stage 1 has approximately doubled in the last 4 years.

In total, 95 complaint investigations were at stage 2 or with the Local Government Ombudsman (LGO) in 2022/23. Occasionally some complaints may progress prematurely to the Ombudsman without a stage 2 investigation and these will be referred back where appropriate. The table below shows the number of complaints investigations beyond stage 1 and the chart below highlights the outcome of those complaints (10 remained open).

Stage 2	Ombudsman	Total investigations beyond stage 1
50	45	95



The Shropshire annual report from the Local Government and Social Care Ombudsman highlighted that 60 complaints were received by the Ombudsman for Shropshire Council in 2022/23 and 61 cases were considered/decided (20 of those with an outcome). This total will include complaints received by Shropshire Council in previous financial years, so the data is not comparable with local data covered in this report (looking at cases received within the financial year).

Of the 61 cases decided, 4 were not upheld, 16 were upheld and the remainder resulted in other actions such as referring back for local resolution, offering advice, or closure after initial enquiries. The LGO reports Shropshire Council's upheld rate at 80%. The LGO upheld rate for similar local authorities is reported as 72%. Available data from the Ombudsman is used within a separate,

performance report to track annual performance over the years and for benchmarking with the local authority family group.

Ombudsman Complaints and Enquiries

Category	Number received
Adult Care Services	15
Benefits & Tax	3
Corporate & Other Services	1
Education & Children's Services	12
Environmental Services & Public Protection & Regulation	5
Highways & Transport	10
Housing	3
Planning & Development	11
Grand Total	60

Outcome of Decisions Made

Advice given	Closed after initial enquiries or incomplete	Incomplete/ Invalid	Referred back for local resolution	Detailed Investigations			Grand Total
				Not Upheld	Upheld	Upheld rate (%)	
1	22	3	18	4	16	80	61

Within the Ombudsman's annual complaints letter and report for Shropshire Council 2022/23 the Ombudsman repeated concerns highlighted over the last 2 years concerning the resourcing and application of local authority complaints functions. *"In last year's letter, concerns were highlighted about your Council's timeliness responding to our enquiries. Unfortunately, the issue has persisted during the year with delays."* The Ombudsman suggested a meeting with Shropshire Council to discuss this further and that is planned through the Chief Executive. The annual letter also emphasises a future consultation on a new code (see recommendations):

"I know that complaints offer organisations a rich source of intelligence and insight that has the potential to be transformational. These insights can indicate a problem with a specific area of service delivery or, more broadly, provide a perspective on an organisation's culture and ability to learn. To realise the potential, complaints have to support service improvements, organisations need to have the fundamentals of complaint handling in place. To support you to do so, we have continued our work with the Housing Ombudsman Service to develop a joint complaint handling code that will provide a standard for organisations to work to. We will consult on the code and its implications prior to launch and will be in touch with further details."

Appendix 1 displays the Ombudsman performance measures. Appendix 2 highlights findings and recommendations made by the Ombudsman for upheld cases. All recommendations are monitored and actioned by the Shropshire Council service area responsible for the complaint, and in most cases overseen by the service area's Director.

5. Annual Comparisons 2020/21 to 2022/23

	2020/21	2021/22	2022/23
<p>Number of compliments – return to average</p> <p>In 2020/21 Shropshire Council received 614 compliments. This was an unusually high number and reflected feedback on the actions taken by Shropshire Council to respond to the pandemic. Compliments have now returned to more average numbers. The number of compliments in 2022/23 was similar to the year before 2021/22 and slightly above the 2019/20 figure.</p>	614	454	436
	Performance is in line with expected numbers.		
<p>Complaints investigations – in line with expected number</p> <p>The number of complaint investigations recorded by Shropshire Council totalled 1,187 in 2022/23 and 1,190 in 2021/22. Overall, there has been a clear upward trend shown in the last 5 years of data, but increases have slowed over the last 3 years and may be levelling off. Work has been taking place to triage cases and ensure service requests are not taken forward as complaints prematurely.</p>	1,091	1,190	1,187
	Performance is in line with expected numbers.		
<p>Days to close – Average days to close reduced</p> <p>The average number of working days taken to respond to a stage 1 complaint during 2019/20 was 22 working days. That average increased to 32 working days in 2021/22 but has since dropped again to 26 working days in 2022/23. Performance is better but data shows that too many complaints investigations are exceeding the 30 working days total for stage 1 corporate complaints. Complaints investigators increasingly report concerns about their ability to meet complaint timescales as a result of workload and other pressures.</p>	23 working days	32 working days	26 working days
	Average performance has improved but there are still too many complaints investigations exceeding timescales.		
<p>Outcome at stage 1 – Small increase in upheld cases</p> <p>When considering the proportion of complaints upheld, performance overall is relatively steady and suggests that standards are being maintained. It would be a concern if performance monitoring highlighted too few cases being upheld (it is important that Shropshire Council accepts where things have gone wrong and strives for improvement). The slight increase from 12% in 2020/21 to 16% in 2022/23 will be monitored.</p>	12%	14%	16%
	Performance has remained steady. Close monitoring of upheld and partially upheld complaint numbers has taken place through the year and that suggests performance remains in line with expected values.		
<p>Complaints progressing beyond Stage 1 – Similar</p> <p>In 2019/20 2.7% of cases progressed to stage 2 or the Local Government Ombudsman (47). In 2020/21 82 cases progressed beyond stage 1, in 2021/22 99 (8.3%) and in 2022/23 95 (8.7%). This may indicate growth over time but without significant change in the last year. The Ombudsman upheld rate increased from 42% in 2021/22 to 80% in 2022/23 but it should be noted that the way the Ombudsman works to calculate this rate has changed.</p>	7.5%	8.3%	8.7%
	There is little change in the last year for complaints progressing beyond stage 1. Numbers remain small (95 in 2022/23) but cases can be complex and time consuming.		

6. Example Compliments

Shropshire Council received 436 compliments during 2022/23. Example compliments are included below to illustrate the range of compliments received by different services. Receiving a compliment can make a big difference to a member of staff working hard to provide support for others and deliver services as effectively as possible. Although compliments are not given the same attention as complaints, they are used within the Council to understand where things are working well and to recognise the additional efforts made by individual members of staff.

Compliment received for Waste Services:

"I would like to thank the dustmen who very kindly saw I had not put my plastic, metal and the blue paper bins outside with the black bin and glass bins. I had brought them inside my gate as didn't want them to be scattered by the wind. I am disabled so this was such a kind and thoughtful act. Please do let them know I appreciated this greatly."

Compliment for Planning Services: *"It's been a real pleasure to deal with Z, she is credit to the planning team and the local authority as a whole and I just wanted to make sure that this was formally noted."*

Compliment for Libraries Service: *"The Shropshire Community Directory has been so invaluable to me as a Care Co-ordinator for many years now. Thank you."*

Compliment for Highways Team: *"Yesterday while visiting a friend I met two of the loveliest workers you have. They were driving one of your Shropshire Highways lorries and were working on Long Lane, Cosford...I never did get their names, but I just wanted to write and tell you what a pleasure it was to meet them. They were so courteous and helpful towards me and my friend when we were having a bit of bother. I felt I just had to write and let you know what a pleasure it was to meet them and thank them for their help."*

Compliment for the Hospital Interface Team: *"X was very supportive throughout the process of finding a Care Home Placement and understood the anxiety I felt regarding moving mum out of her home and into a care home environment, she provided the information we required in a timely manner and was always polite and understanding in all our communications. Although this has been a difficult few months X's support has helped us get to a satisfactory conclusion. I have been very impressed with her professionalism and level of empathy and would like to put on record how pleased we have been with the service we received from the council."*

Compliment for the Welfare Support Team: *"I just wanted to thank you so very much for your kind help in offering me a discretionary funds award last month. Thank you also for all the time and kindness members of your team showed me during phone calls. I am so very grateful. "*

Compliment for the Financial Assessments Team (Adult Social Care): *"I wanted to thank you for explaining the charges to us. I think we are fortunate to have had our queries and issues dealt with by yourself, we genuinely appreciate all your help. Thank you."*

Compliment received for School Admissions: *"I must commend you on an extremely straightforward and efficiently run process of school selection and allocation. Although I won't be making use of my child's place next year, I have found the whole experience simple and painless, which considering the size of the task, is no small achievement."*



7. Example Complaints

Shropshire Council received 1,796 complaints during the year 2022/23 and carried out 1,187 investigations. Some example complaints have been included below to highlight the type of feedback Shropshire Council receives. These examples were not all upheld. Some complaints arise from a lack of understanding of the service Shropshire Council can provide. Where necessary wording within complaints has been removed within the examples to ensure anonymity. The next section of this report looks more closely at learning and the actions taken following complaint investigations.

"My car wheel has been damaged as a result of one of your potholes, apart from me having to replace it could have been much worst and caused a serious accident."

"The team that collect the bins and recycling are usually very kind and considerate, but I wasn't too pleased yesterday with how the recycling bins were left, obstructing the path and blocking access for wheelchair users, as well as it looking a mess."

"I have been reporting an issue regarding trees overhanging my house/garden for well over a year, nearly 2 years now and it is becoming unbearable, the trees have completely blocked my garden, and are still continuing to grow into my drain pipes and around the roof of the house. I have zero sun in the summer/day time and in the winter the leaves end up filling the little space I have in my garden, the house was a new build 3 years ago and grass has never been sustainable due to no natural light, and no drainage, any options I have tried to do to 'renovate' the garden get ruined every winter by the leaves and branches falling and the poor drainage dragging everything up from underneath and I have had enough..."

The customer has called in respect of his outstanding complaint which was due for response in March. He is complaining that the complaint procedure is not being followed and that the investigating officer is not taking responsibility for the complaint and response. He has made it clear that the lack of response is holding up his legal team.

"I have been trying to get in touch with the Council office for 3 weeks now without success. Short of driving to the office what am I supposed to do to be able to speak to you? My landline number is [number removed] or mobile is [number removed] I would be grateful for a call please."

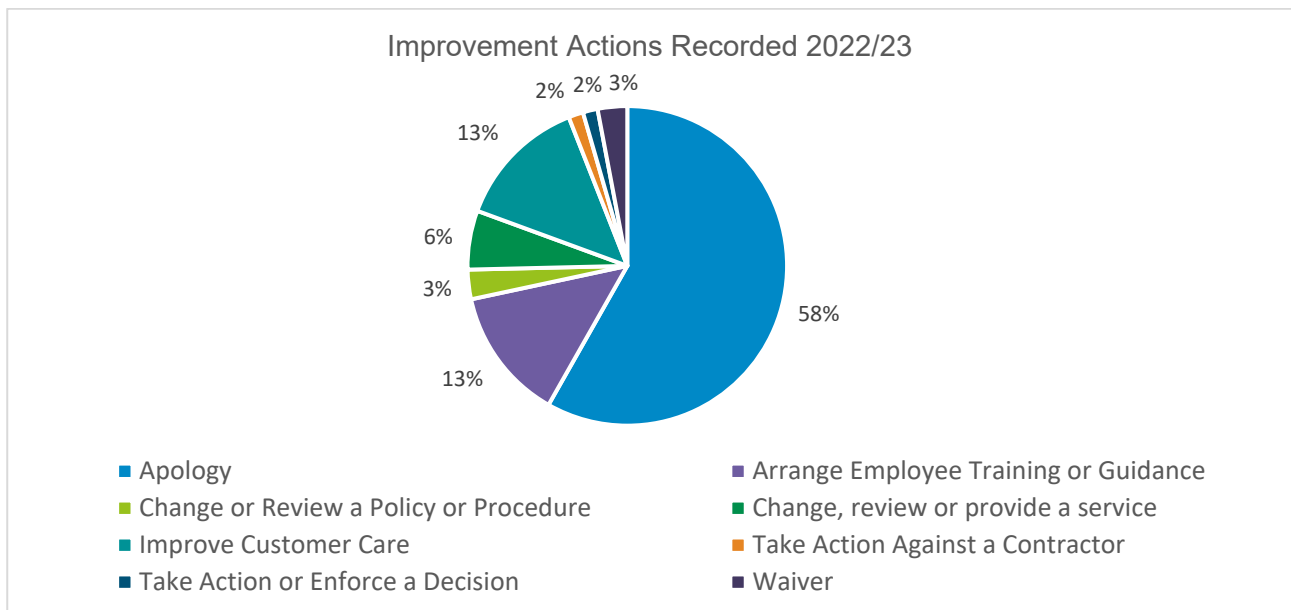
"I wish to complain about a Children's social worker who, in my opinion, has handled a delicate situation in an unnecessary and inappropriate manner. At the time I brought my concerns to this individual's attention but he said he was allowed to do this. When he got to school he was asked the very same thing by the head teacher who also deemed it inappropriate but he carried on regardless."

The complainant (daughter) wishes to complain about the lack of care and urgency in getting night-time care back in place for her Mum, after a long hospital stay. She says: *"I can't express my disappointment, disgust, and dismay at the lack of urgency to find night-time carers for Mum who is currently bed bound in a hospital bed in her living room, being cared for by my 84-year-old dad who is completely exhausted. My sister and I are being called out to help him in the early hours of the morning most nights, whilst trying to hold down full-time jobs and care for our own families."*

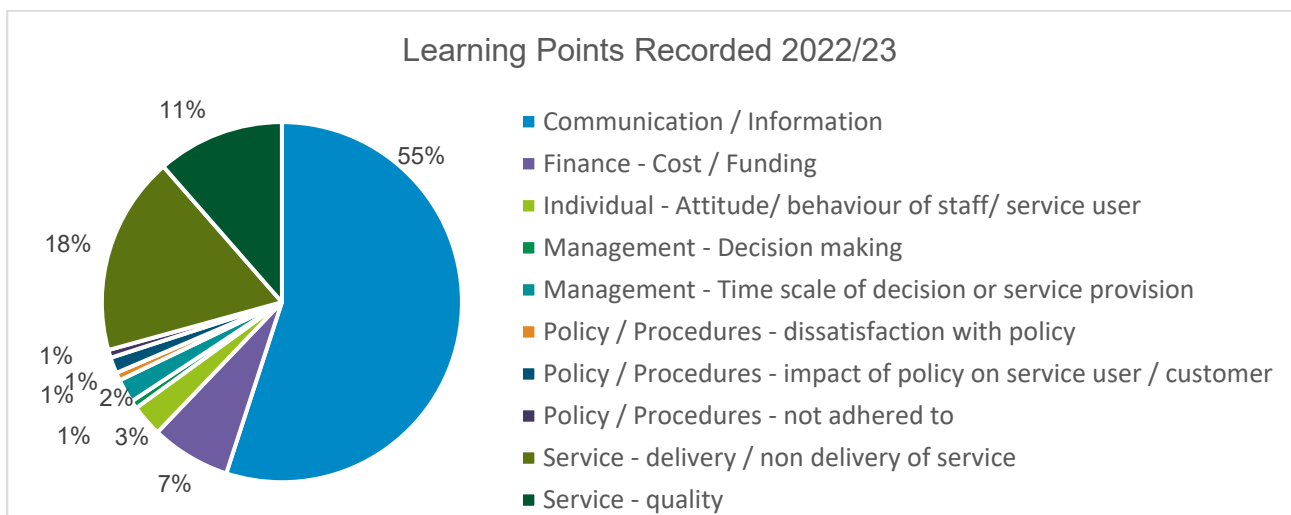


8. Learning and Actions

Shropshire Council recorded learning, action or outcome notes against 758 complaints in 2022/23 (and 140 of those included detailed actions or lessons). Actions and lessons are usually made when complaints are upheld or partly upheld. If only a small proportion of complaint investigations result in a finding of fault there will be fewer remedial actions or learning. However, this recording of learning and actions should be an area for ongoing improvement (currently around 38% of all partly upheld or upheld closed cases). This is referred to in the recommendations in section 13. The charts below highlight the primary action and learning point recorded.



Of the actions that were recorded against complaints closed in 2022/23 58% were to provide an apology. 13% of actions included arranging employee training or guidance and a further 13% were actions related to improving customer care.



55% of learning related to communication or provision of information. Communication is consistently a common and dominant theme within complaints. Complainants often highlight their disappointment that they were not contacted, were not communicated with enough, or information was not shared effectively. More effective communication at an earlier stage can lead to a better understanding of the issues or the processes council staff work to and prevent the development of a formal complaint.

9. Example Learning and Actions

The recording of learning is strongly encouraged following the completion of a complaint investigation. Acknowledging and acting on learning from complaints can avoid any mistakes from being repeated and lead to ongoing improvement. Examples are shown below to highlight the type of learning and actions recorded. This is one element of wider work undertaken to focus on quality, and ensure customers receive a good standard of service. Wording within the examples has been altered slightly for simplicity and to ensure confidentiality.

An apology was made for the way that the call was handled. It appears the advisor did not pass on the information to the Sales Ledger Team, so they were not aware of the case and need to return the call. The issue has now been addressed and learning has been taken from the complaint.

The complaint investigation found that an administrative error had caused more than one letter to be issued. The mistake has now been explained and an apology issued to the complainant.

The complaint investigation identified that paperwork had not been provided in a timely manner. Although individuals and the team had been doing their best to comply with all requirements, staffing levels had not been adequate to keep up with all requests. To address the complaint, a review of needs has been actioned. Assessment of risk will be ongoing with external support also arranged.

The street lighting concerns referred to within the complaint are now being resolved. New lanterns will be fitted within the next week and communication with the manufacturer will be made to report the faults that occurred. An apology has been issued to the complainant.

A site visit has now been undertaken and this included an in-person apology. The delays were caused, in part, due to weather conditions preventing the works from being carried out on the planned date. The work has now been re-scheduled and the customer informed.

An apology has been issued to the complainant regarding the delay in allocating a social worker to meet her daughter's current support needs. Demand has been very high, and this has led to some delays, but a social worker has now been allocated and a reassessment will be organised as soon as possible.

The complaint was caused due to an account name being incorrect. This has been corrected and the complainant telephoned with an explanation and an apology. The complainant has communicated that they are happy with the actions taken to resolve the issue and agree that the case can be closed.

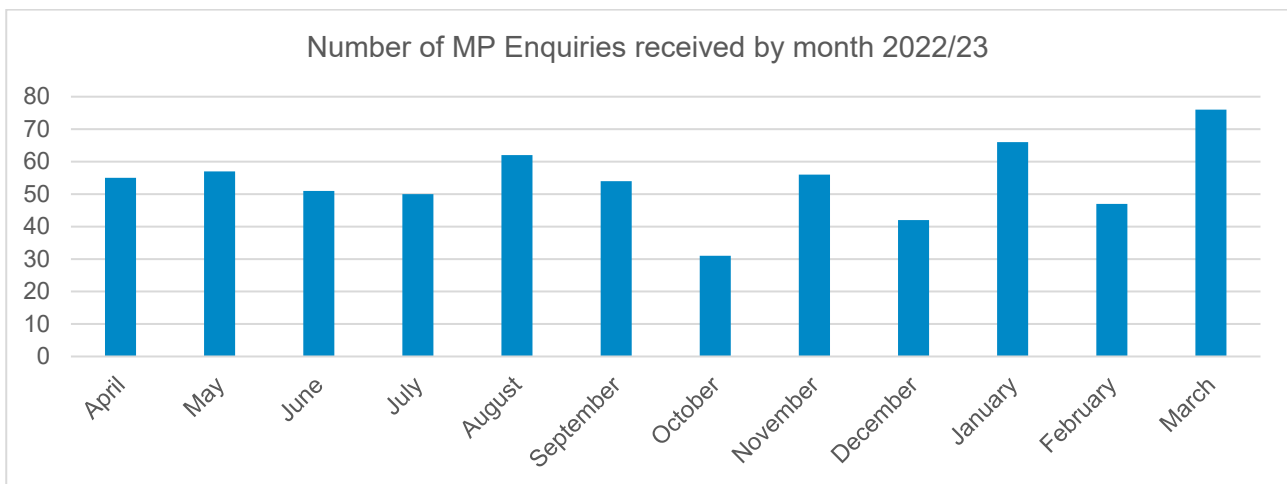
The complaint investigation found that the explanation over different bandings had not been made clear. This had led to confusion and meant that the customer felt that her needs were not being adequately considered. The resulting complaint was resolved through contact with the customer and a much more thorough explanation of the service and how decisions are made.

The Ombudsman requested that a complaint was initially considered by Shropshire Council (sent to the Ombudsman prematurely). The complaint process has been completed, an apology provided, and a small sum of money provided to cover resulting costs.

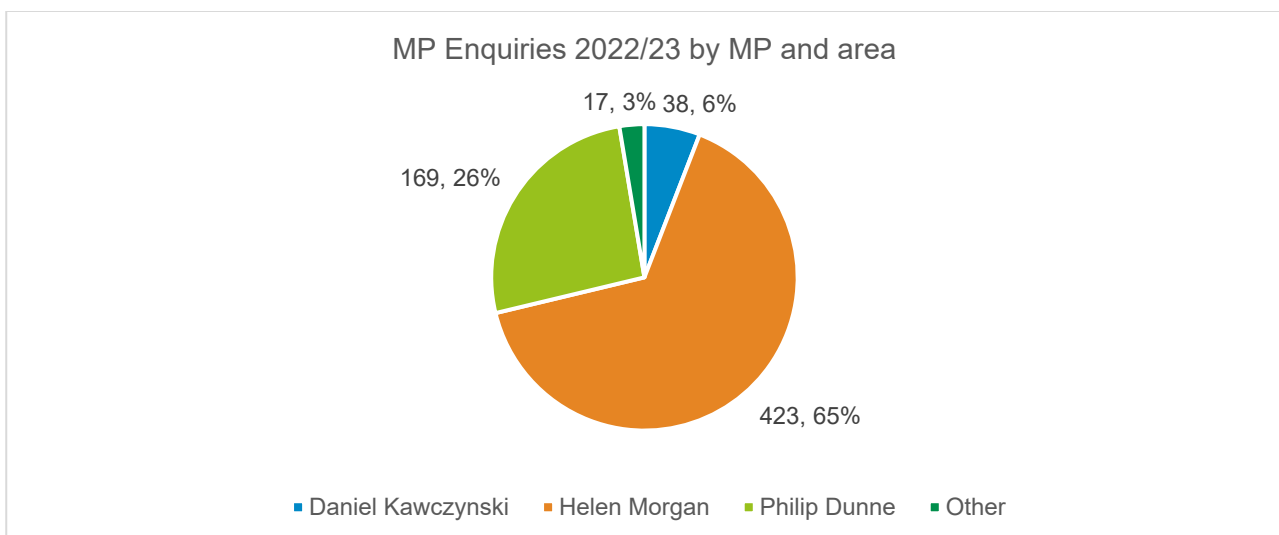
10. MP Enquiries

MP enquiries can be made in addition to a complaint and can duplicate cases received by Shropshire Council. Often a complainant will choose to make their local Elected Member, MP, Shropshire Council and sometimes the Local Government Ombudsman aware of a complaint at an early stage. For this reason, data concerning MP enquiries is considered and reported separately. Wherever possible Shropshire Council's Feedback and Insight Team will work closely with the Directors' support staff and complaint investigators/service managers to coordinate complaint and MP enquiry responses to minimise duplication.

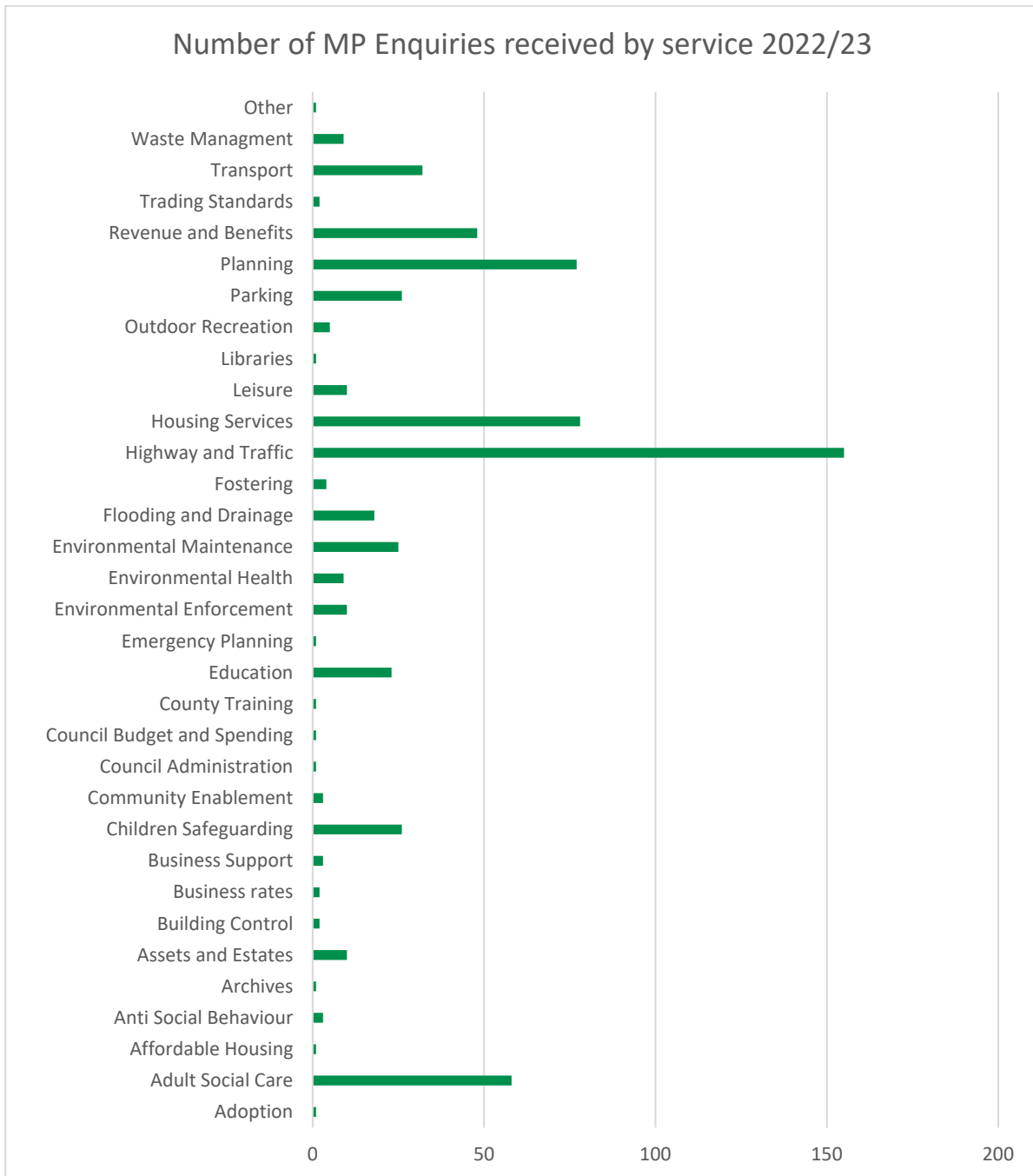
During 2022/23 647 MP Enquiries were received and reported compared to 439 in 2021/22, 397 in 2020/21 and 291 in 2019/20. In 2022/23 there was a 47% increase on the previous year. The pattern suggests an ongoing increase in MP enquiries and some impact of changes in MP and ways of working. In 2022/23 an average of 54 MP enquiries were received a month compared to 37 the year before. In the same way as complaints, there can be seasonal fluctuations caused by seasonal issues such as the impact of winter conditions on the roads or waste collections. In 2022/23 March 2023 saw the greatest number of enquiries.



MP enquiries are received from Shropshire's three MPs, Daniel Kawczynski (Shrewsbury and Atcham), Helen Morgan (North Shropshire) and Philip Dunne (Ludlow constituency, South Shropshire). The chart below highlights that 65% of all MP enquiries received by Shropshire Council relate to the North Shropshire constituency and 26% to the South Shropshire constituency. It should be noted that MPs may work differently, and some may prefer to raise informal enquiries.



A consideration of MP enquiries by service category suggests that there are 2 big clusters of topics. 24% of all MP enquiries cover highway and traffic issues, 12% relate to housing issues, 12% relate to planning issues and 9% to adult social care. These proportions are similar to complaints at stage 1 (housing issues are raised more through the MP enquiry process).



11. Conclusions

The 2022/23 customer feedback data demonstrates sustained volumes of formal customer feedback received by Shropshire Council in the last few years (following a period of growth). There have been some fluctuations year to year but over the last 5 years feedback cases have increased by 17%. Complaints investigation numbers were very similar to the previous year. Complaint investigation numbers have returned to more average levels following significant growth in 2019/20. Work has taken place to ensure complaint figures do not include initial requests for a service (which can be worded as though a complaint). MP Enquiries increased by 47% compared to 2021/22 numbers, but this appears to be more reflective of a change in ways of working with the local authority.

The nature of complaints remains similar with the allocation of cases across service areas showing similar patterns to previous years. One noticeable change has been an increase in complaints relating to decisions. This is not restricted to some services but can be seen across the local authority, suggesting greater levels of customer dissatisfaction over decisions taken. Decisions form the second largest 'problem category' at 20%. Service standards (for example delays, quality, failure to act) is top at 66%.

Although a small proportion of complaints progress to Stage 2 the number of cases progressing beyond stage 1 has continued to increase as a proportion of overall investigations (with actual numbers similar to the previous year). This may be partly due to cases exceeding timescale and increasing in complexity. Overdue cases are more likely to result in complainants keen to progress to the next stage of the process.

Due to focused attention over the last 12 months the average number of working days taken to respond to stage 1 complaints has reduced from 32 working days to 26 working days. This improvement may positively impact complaint progression over coming months. However, it is important that this overall average improvement does not mask the number of complaint investigations exceeding timescales. (270 corporate stage 1 complaint investigations exceeded the timescale provided in 2022/23).

Complaint outcome performance remains similar to the previous year but will continue to be monitored regularly. 16% of stage 1 complaint investigations were upheld, and 19% partially upheld. Reading complaints case summaries highlights that complaints are often generated due to a lack of clear communication, provision of information and delays rather than any fault in process or service quality. Feedback from complaints investigators suggests that pressures remain within service areas and comments within complaint outcome notes frequently feature staffing pressures as a cause of delays or missed communications leading to complaints.

A close analysis of complaints by service area highlights the main themes for services receiving the greatest number of corporate complaints. Please note that these are reported issues and not necessarily upheld complaints:

- Highways & Transport – Highways and Transport complaints performance has improved. In 2021/22 Highways and Transport complaints formed 27% of all complaint investigations, reducing to 19% in 2022/23. It should be noted that few complaints relate to transport and most were generated from concerns about lack of communication following reports of highways issues. 24% of MP enquiries relate to highways and traffic issues, similar to the year before. Service changes are resulting in improved customer feedback performance and the impact of those changes may continue to be seen over future months within quarterly reporting. An issue which must remain in focus are the number of highways complaints exceeding the stage 1 corporate complaint investigation deadline of 30 working days.

- Waste & Recycling – Waste Management complaints have increased from 8% in 2021/22 to 14% of all complaints in 2022/23 (from 104 to 163 investigations). These complaints are handled efficiently by the department and complaints performance is not a concern (none of the stage 1 complaints exceeded the timeframe). Themes include repeated missed collections, mess caused by rubbish not contained by bins, not returning bins or recycling containers to properties after emptying. The service is responsive to feedback and seeks to apply remedies efficiently. In many cases customers make a formal complaint prematurely (using online forms/portal methods). It is important to communicate to customers that it is important to give the council opportunity to address an issue before complaining (e.g. the report of a missed bin is a request for a service, if missed twice or not responded to it may become a complaint). MP Enquiries rarely focus on waste as a theme. There are relatively small numbers of issues considering that waste services are used by all households.
- Planning Services – Although only 5% of complaints relate to Planning Services, they form 9% of the complaints cases exceeding timescales and 21% of all cases progressing beyond stage 1 (stage 2 or the Ombudsman). These cases are usually complex in nature, linked to planning processes, and are not easily remedied. Planning complaints feature significantly in the cases progressing to the Local Government and Social Care Ombudsman. In addition 12% of MP Enquiries relate to Planning Services. For these reasons, Planning Services complaints are recommended as an area of focus for performance monitoring.
- There are some new and emerging service and complaint themes for 2022/23, not previously featured within the annual reports:
 - Housing and homelessness complaints form only 3% of the council’s complaints. These complaints are small in number but they are complex in nature and appear to be a national area of concern for the Local Government and Social Care Ombudsman. Housing needs are closely linked to the current cost of living pressures and as a result should be a focus for the next year. Despite the small numbers, 7% of overdue stage 1 corporate complaints are housing related and housing issues also feature strongly as a theme within MP enquiries (12%).
 - Revenues and Benefits complaints are handled efficiently by the department. Despite being complex in nature they are responded to robustly and few progress beyond stage 1 of the complaints procedure. However, 13% of overdue stage 1 corporate complaints are Revenues and Benefits complaints and the cost of living pressures and responses have impacted this service area. There are no current performance concerns but pressures in this area should be considered within future monitoring and reporting.
 - Children’s social care and special educational needs and disabilities (SEND) complaints are also complex in nature and currently forming an area of focus for the Local Government and Social Care Ombudsman. Shropshire Council appears to perform well in that numbers of complaints are low. However, these complaints are more likely to escalate through the complaints process to stage 2 and beyond. The national focus and increased needs linked to cost of living pressures should mean these complaints are monitored robustly and effective team working across departments remains in place to prioritise these cases as they develop.

Overall, the LGO made 61 decisions relating to Shropshire Council in 2022/23. 16 complaints were upheld and 4 were not upheld (uphold rate 80%). A large proportion were not progressed or were referred back to the Council for local resolution (e.g. premature complaints). Due to the relatively small numbers of cases the upheld rate can fluctuate significantly each year and comparison is difficult, however, performance is not quite as good as the average upheld rate for similar local authorities (72%).

12. Progress Update

Key actions and achievements over the last 12 months are summarised against a brief description of the recommendations made last year. Some of the recommendations require continued ongoing action and longer-term focus.

	Action Last Year	Progress Made
1	In 2021/22 it was recommended that ongoing increases in customer feedback were addressed by work to reduce the proportion of contacts turning into formal complaints.	2022/23 has not seen the same increase in customer feedback and complaints (with the exception of a significant increase in the volume of MP enquiries). Management of cases and processes has been possible as a result of a steady level of demand but there is further work required to improve customer experience to the extent that it will reduce complaint numbers. A review has been undertaken to identify common causes of complaints and known issues and challenges, but council-wide action will be necessary to achieve more widespread results.
2	In the annual letter 2021/22 the Local Government and Social Care Ombudsman highlighted concerns that local authority complaint handling functions are not being well resourced and are not effectively responding to increases in demand. This was included in the annual report recommendations.	It was acknowledged that, in the context of limited resources, the Ombudsman's concern was a difficult issue to address. A wide range of activity has taken place (detailed in the Feedback and Insight Team's Team Plan) to take steps to better understand and respond to the concerns raised. This has included research into customer feedback and complaints practice within other local authorities. Some good practice has been identified and actions planned for 2023/24, but predominantly Shropshire's complaints processes and practice is in line with other local authorities, the difference is staffing levels. Without resources to increase staffing levels a focus must be placed on reducing complaint numbers. As the performance data shows, some organisational complaints improvement has been possible without any increase in levels of resources.
3	In relation to the application of restrictions under the Unreasonably Persistent and Vexatious Customers Procedure, it was recommended that more rapid identification of cases and faster decision making could reduce the time and emotional burden on staff and free up resources to handle other work.	A review and update of the Unreasonably Persistent and Vexatious Customers Procedure has been undertaken and this has been communicated to staff across the organisation. This has resulted in an increase in the use of 'warnings' in response to an increase in reported incidents of challenging customer behaviour. Where warnings have been issued, these have been largely effective and have, in many cases, meant further action (and the application of restrictions) has not been necessary. In addition, a task and finish group led by Adult Social Care for the organisation named 'Managing Threats and Aggression' has been effective at increasing awareness of concerns, promoting reporting processes and support available. Further work is planned to ensure internal communications are ongoing.
4	It was recommended that increased case follow-ups and recording of actions (compliance) against Ombudsman recommendations continue alongside improved recording of learning and actions.	Focused work continues to ensure recommendations are recorded and monitored until completion. The compliance rate for 2022/23 was 100%. There have been some delays for service confirmation of action and there has been limited improvement in the identification of learning and actions at stage 1. Further work will be required to encourage complaint investigators to more clearly, and consistently, identify the learning and actions from complaints. This work is also important for inspection and governance.

	Action Last Year	Progress Made
5	Internal restructuring and changes within Shropshire Council had generated problems accurately reporting customer feedback performance by service, unit and directorate. A system data review of hierarchy structures within the Dynamics system was recommended.	A review was undertaken by the Feedback and Insight Team and changes made to more accurately capture and report team, service level, unit and directorate. Improvement has been achieved and issues have not since been identified within quarterly performance reporting. However, it is recognised that there is still some more work to do because organisational change is ongoing. This work need not form a main recommendation for 2022/23 but further action will be required over the coming year and beyond.
6	In 2021/22 it was recommended that 'days to close' formed the top area of focus within complaints handling.	Average performance has improved with a new 26 working day average for corporate complaints compared to 32 working days in 2021/22. Although this improvement demonstrates some success, there are still too many cases exceeding timescales (270 stage 1 corporate complaints in 2022/23). The impact of delay often means complainants remain dissatisfied and cases are more likely to escalate. As a result, the close monitoring and reporting of overdue complaints will continue with the aim of achieving a reduced number of overdue cases in 2022/23.
7	It was recommended that some additional and frequent complaints reporting continue, where needed, to maintain focus on performance measures and improvement.	The 2022/23 data demonstrates that there have been areas of improved performance over the last 12 months. In particular the impact of fortnightly reports used by the Place Directorate have been effective in reducing the number of overdue complaint responses. Ongoing regular reporting will continue, where needed, and offers an effective way of ensuring complaint due dates are well communicated.
8	The last annual report highlighted concerns about the quality of some complaints responses and recommended an ongoing focus on learning and actions from complaints.	Quality of complaint responses tends to vary significantly, even within departments, but overall there seems to be a link between quality and areas of significant service pressure. Over the last 12 months the Feedback and Insight Team Officers have tried to offer more support and comment on draft responses to try to positively impact quality. This has been partly effective, but it is recommended that further work is required in 2022/23 in the form of additional communication, training and monitoring.
9	It was recommended that responsibility for complaints responses was made clear within team leader and manager induction processes.	Human Resources has supported this recommendation by including reference to complaints within updated job description templates. This helps to clarify responsibilities. In addition, coverage of complaints performance within Directorate management meetings has further helped to communicate expectations.

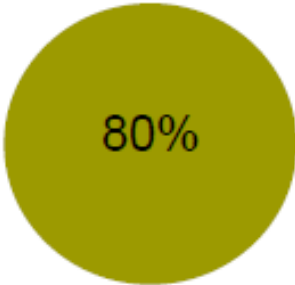
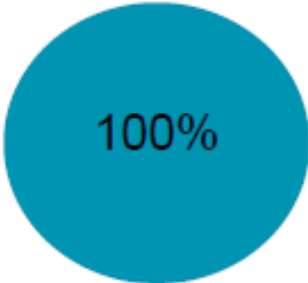
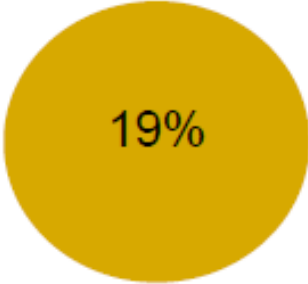
13. Recommendations

The following recommendations for the year ahead are designed to allow for ongoing improvement in the application of Shropshire Council's complaints procedures and in the work undertaken to obtain and respond to customer feedback.

1. There has been a growth in the number of teams raising concerns about customer behaviour and making enquiries related to the persistent or vexatious customers procedure. Ongoing work will be needed over the coming year to communicate expectations to staff and customers concerning acceptable and unacceptable behaviour, and the actions Shropshire Council may take when incidents or ongoing issues are identified.
2. A priority aim must be to improve customer experience to reduce the proportion of contacts turning into formal complaints. Improvement could include a focus on customer communications, robust assessment of enquiries to direct the right cases to the right processes quickly and without delay, a focus on meeting expected response timescales and using information channels to manage customer expectations. It is recommended that issues and evidence is shared with Shropshire Council's transformation project referred to as 'Accelerating channel shift, managing demand better and improving our customer journey' or the 'Best Customer Experience Programme'.
3. Linked to the points above is the concern highlighted within the report that 46% of the complaint cases that were early closed in 2022/23 were closed early because the complainant chose not to provide contact details (anonymous complaints cannot be investigated). It is easier and faster to raise an anonymous complaint online, but anonymous complaints cannot be investigated and result in little benefit to either the complainant or Shropshire Council. The system and IT tools will need to be reviewed as well as communication with customers so they understand how sharing details can result in an investigation, learning and resolution. It is also recommended that this issue is shared with the transformation project on the customer journey (as described above).
4. Although it is important to recognise improvement in the average number of days to close stage 1 complaints, concerns remain that too many cases are exceeding deadlines. Overdue complaints are more likely to escalate and lead to greater costs and time for complaints management and response. It is recommended that this issue is addressed as a priority for 2023/24.
5. It is recommended that the identification and recording of learning and actions should be an area for ongoing improvement. A target will be to increase the proportion of upheld cases with learning and improvement actions identified within complaint responses (and therefore recorded on the council's system). Use of learning and recommendations will be increasingly important to evidence the council's improvement work for internal and external processes.
6. Quality of complaints responses is a growing concern as teams and services across the organisation report conflicting demands and increasing work pressures. This is a difficult issue to address because it does not clearly link to teams or services but to individuals and can be influenced by a range of different circumstances. It is recommended that careful consideration and sensitive approaches will be required over the year to work towards improvement. It is important to note that this is not an isolated issue and some local authorities have gone as far as implementing quality checks on all complaints before issue (that approach is not recommended currently due to the potential financial impact).
7. The Ombudsman has suggested a meeting with Shropshire Council within its annual letter and referred to its intention to publish a joint complaint handling code setting out a standard for authorities to work to. It is recommended Shropshire Council work to ensure a robust understanding of the Ombudsman's expectations and participate in the consultation once it is announced.

Appendix 1 Ombudsman Cases 2022/23

Shropshire Council
For the period ending: 31/03/23

Complaints upheld		
 <p>80%</p>	<p>80% of complaints we investigated were upheld.</p> <p>This compares to an average of 72% in similar organisations.</p>	<p style="text-align: center;">16 upheld decisions</p> <p>Statistics are based on a total of 20 investigations for the period between 1 April 2022 to 31 March 2023</p>
Compliance with Ombudsman recommendations		
 <p>100%</p>	<p>In 100% of cases we were satisfied the organisation had successfully implemented our recommendations.</p> <p>This compares to an average of 99% in similar organisations.</p>	<p>Statistics are based on a total of 11 compliance outcomes for the period between 1 April 2022 to 31 March 2023</p>
<ul style="list-style-type: none"> Failure to comply with our recommendations is rare. An organisation with a compliance rate below 100% should scrutinise those complaints where it failed to comply and identify any learning. 		
Satisfactory remedy provided by the organisation		
 <p>19%</p>	<p>In 19% of upheld cases we found the organisation had provided a satisfactory remedy before the complaint reached the Ombudsman.</p> <p>This compares to an average of 13% in similar organisations.</p>	<p style="text-align: center;">3 satisfactory remedy decisions</p> <p>Statistics are based on a total of 16 upheld decisions for the period between 1 April 2022 to 31 March 2023</p>

Appendix 2 Ombudsman Recommendations 2022/23

This table covers complaints that were **upheld** by the Ombudsman during 2022/23.

Category	Decided date	Ombudsman recommendation	Agreed action	Recommendation achieved date
Planning & Development	16/06/2022	Apology. Financial redress: Avoidable distress/time and trouble. Procedure or policy change/review. Provide information/advice to person affected.	The Council will consider amending its planning enforcement process to include updating complainants on its progress, where it is unable to issue its decision on the complaint within eight weeks. It will inform the Ombudsman of the outcome of its consideration, its reasons for this outcome and any timescale for change.	29/09/2022
Education & Children's Services	03/11/2022	New appeal/review or reconsidered decision, Procedure or policy change/review.	The Council will amend its school transport policies to reflect the relevant statutory guidance on school transport and the safety of walking routes. A route safety assessment will also be completed.	24/03/2023
Adult Care Services	29/09/2022	Apology, Financial redress: Avoidable distress/time and trouble.	Letter of apology and financial remedy issued.	21/10/2022
Adult Care Services	08/11/2022	Apology. Financial redress: Avoidable distress/time and trouble. Provide training and/or guidance.	Remind relevant Council officers of the importance of carrying out the yearly reconciliations and the importance of clear communication. Remind the Agency to provide the monthly breakdown to service users. Letter of apology, new invoice and financial remedy issued.	21/12/2022
Housing	17/10/2022	Apology. Financial redress: Loss of service. Financial redress: Avoidable distress/time and trouble. Provide training and/or guidance. Provide services to person affected.	The Council should provide training or guidance to its housing team to ensure they understand the Council's duties to provide accommodation to homeless people, under the Housing Act 1996. Letter of apology issued along with financial redress.	23/11/2022
Adult Care Services	21/11/2022	No further action organisation already remedied	Not applicable	-
Adult Care Services	01/09/2022	Apology	Apology	07/09/2022
Adult Care Services	27/03/2023	Financial Redress: Quantifiable Loss. Improved BinJ remedy. Provide training and/or guidance. Reassessment. Provide information/advice to person affected. Provide services to person affected.	The Council has agreed to ensure staff are trained in autism in accordance with the guidance to the Autism Act 2009. A range of actions were completed.	19/05/2023

Category	Decided date	Ombudsman recommendation	Agreed action	Recommendation achieved date
Adult Care Services	24/01/2023	Apology. Financial redress: Avoidable distress/time and trouble. Provide training and/or guidance.	The Council will remind staff to ensure a receiving care home confirms it has received sufficient information about a potential resident, and has agreed it can meet their needs, before confirming a placement. The Council will remind staff to ensure that representatives are involved in decisions about future care home placements and that this is noted in the case records, particularly in cases where there is a Lasting Power of Attorney in place for a person who lacks capacity.	02/03/2023
Education & Children's Services	17/02/2023	Apology. Financial redress: Avoidable distress/time and trouble. New appeal/review or reconsidered decision. Provide training and/or guidance, Procedure or policy change/review.	The Council is updating its policy on safe walking routes for home to school transport to ensure it is compliant with statutory guidance and Road Safety GB guidelines and to ensure officers conduct assessments of the whole route, including large roads and road crossings, which to date have wrongly been excluded from its policy. The Council will revisit how it handles school transport appeals to ensure they are conducted fairly and impartially in line with statutory guidance and each case is considered on its own merits.	08/03/2023
Adult Care Services	23/02/2023	No further action organisation already remedied.	Not applicable	-
Education & Children's Services	13/12/2022	Apology, Financial redress: Avoidable distress/time and trouble, New appeal/review or reconsidered decision.	Injustice remedied during LGO consideration.	13/01/2023
Education & Children's Services	27/03/2023	Apology	Apology	27/04/2023
Adult Care Services	27/02/2023	Apology	Apology	21/03/2023
Adult Care Services	14/02/2023	Injustice remedied during organisation's complaint processes.	Not applicable	-
Education & Children's Services	22/03/2023	Financial redress: Avoidable distress/time and trouble. Provide services to person affected. Injustice remedied during LGO consideration.	The Ombudsman progressed the complaint into a new complaint/stage of complaint in May 2023.	-

19 July 2023

By email

Mr Begley
Chief Executive
Shropshire Council

Dear Mr Begley

Annual Review letter 2022-23

I write to you with your annual summary of complaint statistics from the Local Government and Social Care Ombudsman for the year ending 31 March 2023. The information offers valuable insight about your organisation's approach to complaints. As always, I would encourage you to consider it as part of your corporate governance processes. As such, I have sought to share this letter with the Leader of your Council and Chair of the appropriate Scrutiny Committee, to encourage effective ownership and oversight of complaint outcomes, which offer such valuable opportunities to learn and improve.

The end of the reporting year, saw the retirement of Michael King, drawing his tenure as Local Government Ombudsman to a close. I was delighted to be appointed to the role of Interim Ombudsman in April and look forward to working with you and colleagues across the local government sector in the coming months. I will be building on the strong foundations already in place and will continue to focus on promoting improvement through our work.

Complaint statistics

Our statistics focus on three key areas that help to assess your organisation's commitment to putting things right when they go wrong:

Complaints upheld - We uphold complaints when we find fault in an organisation's actions, including where the organisation accepted fault before we investigated. We include the total number of investigations completed to provide important context for the statistic.

Over the past two years, we have reviewed our processes to ensure we do the most we can with the resources we have. One outcome is that we are more selective about the complaints we look at in detail, prioritising where it is in the public interest to investigate. While providing a more sustainable way for us to work, it has meant that changes in uphold rates this year are not solely down to the nature of the cases coming to us. We are less likely to carry out investigations on 'borderline' issues, so we are naturally finding a higher proportion of fault overall.

Our average uphold rate for all investigations has increased this year and you may find that your organisation's uphold rate is higher than previous years. This means that comparing uphold rates with previous years carries a note of caution. Therefore, I recommend comparing this statistic with

that of similar organisations, rather than previous years, to better understand your organisation's performance.

Compliance with recommendations - We recommend ways for organisations to put things right when faults have caused injustice and monitor their compliance with our recommendations. Failure to comply is rare and a compliance rate below 100% is a cause for concern.

Satisfactory remedy provided by the authority - In these cases, the organisation upheld the complaint and we were satisfied with how it offered to put things right. We encourage the early resolution of complaints and credit organisations that accept fault and find appropriate ways to put things right.

Finally, we compare the three key annual statistics for your organisation with similar authorities to provide an average marker of performance. We do this for County Councils, District Councils, Metropolitan Boroughs, Unitary Councils, and London Boroughs.

Your annual data, and a copy of this letter, will be uploaded to our interactive map, [Your council's performance](#), on 26 July 2023. This useful tool places all our data and information about councils in one place. You can find the detail of the decisions we have made about your Council, read the public reports we have issued, and view the service improvements your Council has agreed to make as a result of our investigations, as well as previous annual review letters.

Your organisation's performance

During the year, we [issued a public report](#) about your Council's handling of a homelessness case. Our investigation found the Council did not meet its duties to offer interim and temporary accommodation, leaving the complainant in unsuitable accommodation for a long time.

We recommended the Council apologise to the complainant, offer temporary accommodation under its main housing duty, and make payments for distress and the time the complainant was without suitable accommodation. We also asked the Council to provide training to its staff to ensure they understood their legal duties.

The Council did not initially accept our findings and raised a complaint with us about the process that had been followed and the content of the report after it had been issued. The complaint was not upheld. Despite this, I am pleased the Council went on to comply with our recommendations and I am satisfied with the action taken.

In last year's letter, concerns were highlighted about your Council's timeliness responding to our enquiries. Unfortunately, the issue has persisted during the year with delays recorded on 94% of our investigation enquiries. In addition, more than a quarter of the recommendations your Council agreed to were not completed within the agreed timescales. This is the third time in four years we have needed to raise our concerns with your Council's ability to provide timely compliance with our recommendations. Delay by the Council adds to the frustration experienced by complainants and can cause further avoidable distress and uncertainty. I ask that you contact my office to arrange a meeting with my officers to discuss what steps the Council can take to improve and any support we can offer you to do so.

Supporting complaint and service improvement

I know that complaints offer organisations a rich source of intelligence and insight that has the potential to be transformational. These insights can indicate a problem with a specific area of service delivery or, more broadly, provide a perspective on an organisation's culture and ability to learn. To realise the potential complaints have to support service improvements, organisations need to have the fundamentals of complaint handling in place. To support you to do so, we have continued our work with the Housing Ombudsman Service to develop a joint complaint handling code that will provide a standard for organisations to work to. We will consult on the code and its implications prior to launch and will be in touch with further details.

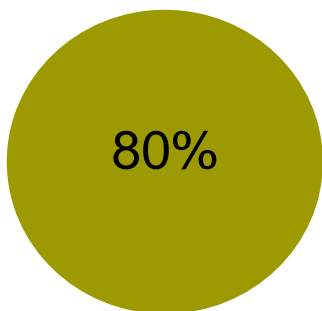
In addition, our successful training programme includes practical interactive workshops that help participants develop their complaint handling skills. We can also offer tailored support and bespoke training to target specific issues your organisation might have identified. We delivered 105 online workshops during the year, reaching more than 1350 people. To find out more visit www.lgo.org.uk/training or get in touch at training@lgo.org.uk.

Yours sincerely,



Paul Najsarek
Interim Local Government and Social Care Ombudsman
Interim Chair, Commission for Local Administration in England

Complaints upheld



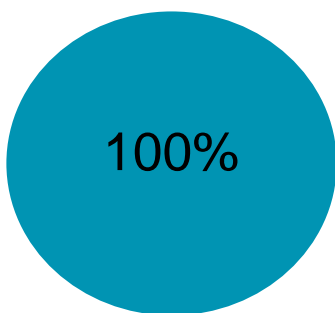
80% of complaints we investigated were upheld.

This compares to an average of **72%** in similar organisations.

16
upheld decisions

Statistics are based on a total of **20** investigations for the period between 1 April 2022 to 31 March 2023

Compliance with Ombudsman recommendations



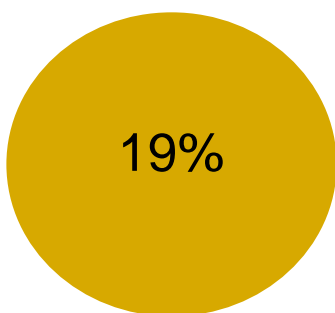
In **100%** of cases we were satisfied the organisation had successfully implemented our recommendations.

This compares to an average of **99%** in similar organisations.

Statistics are based on a total of **11** compliance outcomes for the period between 1 April 2022 to 31 March 2023

- Failure to comply with our recommendations is rare. An organisation with a compliance rate below 100% should scrutinise those complaints where it failed to comply and identify any learning.

Satisfactory remedy provided by the organisation



In **19%** of upheld cases we found the organisation had provided a satisfactory remedy before the complaint reached the Ombudsman.

This compares to an average of **13%** in similar organisations.

3
satisfactory remedy decisions

Statistics are based on a total of **16** upheld decisions for the period between 1 April 2022 to 31 March 2023



Committee and Date

Item

Public



Marches Forward Partnership Memorandum of Understanding

Responsible Officer:	Mark Barrow, Executive Director of Place		
email:	mark.barrow@shropshire.gov.uk	Tel:	01743 258919
Cabinet Member (Portfolio Holder):	Lezley Picton		

1. Synopsis

This report seeks approval for the Council to sign a Memorandum of Understanding (MOU) between Shropshire Council, Herefordshire Council and Monmouthshire and Powys County Council's for collaboration as a Marches Forward Partnership.

2. Executive Summary

- 2.1 The Shropshire Plan's healthy organisation priority recognises the importance of putting the Council's resources in the right place to deliver the organisation's priorities and meet the needs of our residents. This includes maximising external funding opportunities and collaborating with neighbouring authorities to share best practice and support financial resilience of services through joint working initiatives.
- 2.2 Shropshire Council has been working collaboratively with Herefordshire Council and both Monmouthshire and Powys County Councils to develop a common understanding of each other's organisations. The aim has been to establish areas where there is mutual benefit and added value in working together, supporting each other's strategic aims and leveraging combined knowledge, resources and activities.
- 2.3 Geographically, the neighbouring local authorities cover a contiguous area which straddles over 80% of the English and Welsh border. Commuting patterns and access to retail, education, business support and healthcare services all reflect the functional profile of the area.

- 2.4 The local authorities are bound together by common purpose based on a high quality rural environment, but with consequent more expensive access to services, changing service demands from an ageing population and low levels of productivity and employment growth. Given this profile, the local authorities are keen to explore a shared ambition for rural based growth, identifying opportunities for strategic collaboration on agreed projects and initiatives. This approach is aimed at ensuring effective local joint working and provides a basis, using the power of the collective area, to develop investment propositions for Government and partners.
- 2.5 Whilst the local authorities have interacted with one another as neighbouring areas on many levels for a long time, these activities have not previously been fully coordinated. There is now an opportunity and willingness to align respective strategic visions, plans and resources for the maximum benefit on the Marches and cross border area.
- 2.6 This emphasis on greater cross border understanding has intensified for many local authorities over recent years, with a shared focus on partnership working. This is supported by greater flexibility and an emphasis on strategic collaboration from Government, recently illustrated by the Wales and Cornwall Celtic-Heritage Collaboration Agreement.
- 2.7 Covering the gateway between England and Wales, the Marches Forward Partnership could provide opportunity for the border local authorities to coordinate future joint working under a flexible umbrella framework. It is aimed at supporting a shared understanding of 'life on the borders' as a focus for strategic joint working and as a means to unlock additional investment into the area.
- 2.8 The Partnership will focus its collaboration only where it adds the greatest value. All participating councils will maintain independent decision making and local delivery within each local authority area, where this continues to be most appropriate, including involvement in other beneficial partnership arrangements.

3. Recommendations

Cabinet agree to:

- 3.1. The establishment of a Marches Forward Partnership with neighbouring local authorities.
- 3.2. The signing of a Memorandum of Understanding between the local authorities to reflect the spirit of cooperation and joint working between them.
- 3.3. Support the development of the Marches Forward Partnership through representation on a joint local authority Leaders Group.
- 3.4. Delegate to the Chief Executive and Executive Director of Place to proceed with development of a work programme to meet the objectives within the Memorandum of Understanding, in consultation with relevant Portfolio Holders (depending on the service under consideration).

Report

4. Risk Assessment and Opportunities Appraisal

- 4.1. Significant opportunity is provided by the development of the Marches Forward Partnership. The Partnership provides a flexible umbrella framework for joint working which supports local service delivery based around how people and places function rather than being confined within organisational or geographical boundaries. It also enables the Council to harness the unique value of Shropshire's cross border location.
- 4.2. The Partnership is not intended to be a legal entity. There will be no formal governing structure and no elements of the MOU will be legally binding. As a result, there are no currently identified legal risks to the Council since the Partnership will operate on an informal basis, based around joint working on areas of common purpose.
- 4.3. Mapping has been undertaken to understand existing strategic partnership arrangements across the area. As a result, the development of the Partnership and its intended work programme do not pose a risk in terms of duplicating existing arrangements. Instead, the Partnership will only focus on areas of added value, addressing an existing gap in strategic cross border working between England and Wales.
- 4.4. As a flexible arrangement, each local authority within the Partnership has the freedom to either not undertake a particular activity or not participate further in the Partnership at any point in time. The Partnership does not therefore pose a risk in terms of prejudicing or constraining any of the constituent partners or groupings of partners in being involved in alternative partnership arrangements. The MOU does not restrict, in any way, other arrangements that a partner local authority may wish to develop independently.
- 4.5. The risks and opportunities relating to this report are predominately focused on Shropshire Council's role in developing an informal partnership and the associated working arrangements. Whilst this poses resource implications, the proposed management structure for the Partnership is focused on joint resourcing. Each local authority will share skills, data and learning as well as the provision of a portfolio lead for thematic working groups. There are significant opportunities for greater efficiency and effectiveness through joint working initiatives as well as the potential to use the Marches Forward Partnership as a platform to secure wider investment support.

5. Financial Implications

- 5.1. The MOU makes clear that nothing in the agreement involves a commitment of funds from the partner local authorities. Work to date has used existing local authority resources, focused on shared staff time and skills. It has not involved any other financial implications.
- 5.2. The Partnership provides opportunity for continued sharing of staff resources to support development of cross border joint working. Through the development of the Partnership work programme, partners may decide to commission work on particular topics to progress key areas of activity. Future work by the Partnership

may therefore involve an ask for partner investment. However, the Partnership framework provides a basis to prioritise, agree and divide such costs across the collective partners, thereby providing benefit and reducing the financial implications to each individual organisation.

- 5.3. Given the informal working relationship under the strategic collaboration, the MOU does make clear that each local authority will have individual responsibility for relevant Cabinet and Council briefings. This will include ensuring all the necessary financial agreements are in place within each partner local authority for any future key areas of work associated with the Partnership. Political leadership and oversight through a Leaders Group will ensure regular updates on progress and future work programmes.
- 5.4. As a strategic collaboration, the Partnership provides opportunity as a means of unlocking new funding into the area. Using the additional value of the unique cross border location and collective approach, the Partnership provides a platform to attract investment for effective service delivery and critical infrastructure across the area.

6. Climate Change Appraisal

- 6.1 The Partnership provides a significant opportunity for the partner local authorities to support one another on climate and net zero plans and local delivery.
- 6.2 Early scoping work for the Partnership identified key areas of service alignment and priority across the neighbouring authorities. As a grouping with a shared, high quality, rural environment, a key thematic focus has already emerged around nature, energy and climate adaptation. This is reflected in the MOU which highlights opportunity to work together on strategic scale projects to address current and future resilience challenges in relation to climate change and nature recovery. The Partnership could also support rural resilience through work around land management and exploring common local authority aspirations around net zero and renewable energy solutions.

7. Background

- 7.1 The Marches Forward Partnership brings together strategic joint working between Shropshire, Herefordshire, Powys and Monmouthshire local authorities. It covers a population of approximately 737,000 residents and covers an area of approximately 1,140,000 hectares.
- 7.2 For many people, the border between England and Wales is somewhat of an artificial boundary and can limit potential for collaboration. A strategic cross border partnership provides opportunity to support government ambitions around Union Connectivity, improving join up between England and Wales and helping to increase investment and accelerate delivery of key infrastructure projects.
- 7.3 Early scoping work by the neighbouring local authorities has highlighted the potential to innovate and look at creative solutions which are not bound by statutory delivery timescales or regulatory frameworks. The Partnership offers a flexible framework to explore how local services and corporate priorities can be

delivered differently using shared skill sets and an unusual level of freedom. It provides a unique opportunity to focus on the added value of working as a collective whole whilst not seeking to duplicate or impact on individual partner relationships or partnerships explored in the future by constituent partners.

- 7.4 Whilst initially focused on short term opportunities for more efficient and effective service delivery, the Partnership also provides opportunity for constituent partners to seek and gain greater recognition of the need for joint working across borders with respective Governments. As such, it provides a platform to raise the profile of the area and seek greater investment for delivery.
- 7.5 Functionally the area is already united, with significant flows of people between the Mid Wales-English border in all areas including healthcare, education, skill development, jobs and service provision. This cross border movement is attributable to a number of interrelated factors including geographic convenience, specialities in sector and service provision and infrastructure availability.
- 7.6 Cross border partnership working has been a focal point for some time. Shropshire, Telford and Wrekin and Herefordshire already operate as a collective economic geography under the Marches Local Enterprise Partnership and whilst there is not a similar LEP structure for Wales, cross border joint working is a focus of activity between Shropshire, Herefordshire, Powys and Monmouthshire on a local service delivery basis. The Marches has also been progressing conversations, for some time, on the potential for a cross border Growth Deal with Powys. This is based on recognition of the importance of the cross border relationship between Mid Wales and the Marches.
- 7.7 Between Summer 2022 and January 2023, Local Authority Leaders within the Marches discussed, with the Marches LEP, options for securing more freedoms to make decisions at a local level. Such discussions were also driven by consideration of the types of means available in the future to unlock greater investment into the area as an enabler of growth.
- 7.8 At the same time, local authority Leaders across Shropshire, Herefordshire, Powys and Monmouthshire started to explore areas of collective interest and ambitions to bring together both Welsh and English Governments to support, in principle, joint working across borders. It was agreed that joint scoping should take place across the local authorities to understand shared priorities and opportunities that are worthy of further investigation. This was aimed at identifying those key focal points where strategic thinking and joint work at the collective scale provides the most benefit.
- 7.9 Alongside this early scoping work, ongoing conversations are taking place with both Wrexham Council and Telford and Wrekin Council as the two other local authorities with a shared interest in this functional geography. An open invitation has been established for these partners to join the Partnership, as the development work progresses and more information is known and shared on priority areas and joint working opportunities.
- 7.10 From the early scoping work, key areas of shared interest have been identified around nature and climate adaptation, energy, transport and connectivity, housing, digital, economic regeneration, skills and innovation. In June 2023, a draft MOU

was developed to reflect some of the outputs from the early scoping work. This is summarised within the following six objectives:

- **Objective 1: Data, Evidence and Research:** Leveraging joint intelligence and research expertise to improve the quality of life for our rural, cross border communities through sharing information and carrying out research.
- **Objective 2: Nature, Energy and Climate Adaptation:** Working together to identify and collaborate on strategic scale opportunities based around our high quality natural environment, addressing current and future resilience challenges in relation to climate change and nature recovery.
- **Objective 3: Transport and Digital Transformation:** Working together to improve rural connectivity, to level up access to jobs, education and opportunity and bring mutual benefits for our neighbouring areas.
- **Objective 4: Sustainable Communities:** Working together on the development of sustainable communities, creating a social infrastructure offer which realises the growth and sustainability of the rural economy and supports our residents, employers and users of our geography.
- **Objective 5: Food, Rural Development and Visitor Economy:** Working together to identify opportunities for closer collaboration which encourages the economic growth of our rural economy, developing and promoting our unique offer.
- **Objective 6: Government and Strategic Relations:** Working together on strategic communications to raise the regional, national and international profile of our area.

7.11 These objectives now provide a starting point, to be built on through the Marches Forward Partnership.

8. Additional Information

8.1. In supporting the MOU, Shropshire Council is asked to agree that:

- Appropriate support is prioritised to respond and progress work within the MoU, with each partner Local Authority in the Partnership taking individual responsibility for relevant Cabinet and Council briefings, as needed, to update on progress and ensure widespread support for this work.
- the MoU will run for an 18-month term before review;
- the broader activity of the Partnership may evolve and expand during implementation and will be reflected in subsequent reviews;
- nothing in the MoU will be interpreted as a commitment of funds from each local authority; and
- the MoU does not restrict, in any way, other arrangements that a local authority may wish to develop independently.

9. Conclusions

9.1. The Marches Forward Partnership offers opportunity to establish a collaboration framework for neighbouring local authority areas with shared needs and interests. It provides a flexible basis for joint working without the need for formal governing structures and without impacting existing strategic partnerships or individual local authority working arrangements.

- 9.2. It offers the ability to consider where strategic joint working across borders between England and Wales provides the most significant value and can bring together shared resources and skill sets to maximise delivery and opportunity for the area.
- 9.3. Across the partner local authorities, the Marches Forward Partnership is seen as an opportunity to:
- Focus on the shared geography and maximising the potential of the area.
 - Provide the right tools for effective service delivery within each local authority.
 - Understand and work together to attract the right investment, for example for critical infrastructure.
 - Understand and innovate to address the needs of rural communities.
 - Harness the value of shared rural assets.
 - Align policy and investment drivers to obtain the best from cross border political ambitions.
 - Understand future trends and service demands across a functional area.
 - Focus on where collaboration adds the greatest value.
 - Share learning and best practice.

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

Local Member: *All Members*

Appendices [Please list the titles of Appendices]

Draft MOU Marches Forward Partnership- August 2023

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Draft Memorandum of Understanding

For the

Marches Forward Partnership

Between

**Herefordshire Council, Monmouthshire County Council,
Powys County Council and Shropshire Council**

August 2023

Background:

Herefordshire Council, Monmouthshire County Council, Powys County Council, and Shropshire Council have been working collaboratively to develop a common understanding of each other's organisations. The aim has been to establish areas where there is mutual benefit and added value in working together, supporting each other's strategic aims and making the most of combined knowledge, resources and activities.

Geographically, the local authorities cover a contiguous area which straddles over 80% of the English and Welsh border. It is a wonderful area to live, work and visit and we have much to celebrate together. However, commuting patterns and access to retail, education, business support and healthcare services all reflect the functional profile of the area. The neighbouring local authorities are bound together by common purpose based on their rurality with longer and more expensive access to services, changing service demands from an ageing population and low levels of productivity and employment growth.

Whilst the local authorities have interacted as neighbouring areas on many levels for a long time, these activities had not previously been fully coordinated to align respective strategic visions, plans and resources for the maximum impact on the Marches and cross border area.

With an increased emphasis on the importance of place and local authorities in a system leadership role, and with the closure of the Marches LEP planned next year, this MOU formalises the strategic relationship between the Marches and cross border local authorities.

Purpose:

This MOU represents the spirit of co-operation and joint working between the local authorities. It is based on a shared set of principles around working together to raise the regional, national, and international profile of the Marches and cross border area with both Welsh and UK Government, businesses, and other key stakeholders.

The aim is to work together to maximise efficient service delivery, attract investment and positively impact the area and benefit local communities.

The local authorities do not intend this MoU to be legally binding. It is not intended that any formalised governing authority be created by this MoU.

Nothing in this MoU will seek to constrain the individual activities of each local authority or groupings of local authorities within the partnership. It is also not intended to duplicate existing partnership working by the constituent partners.

Objectives:

The MOU is set in the context of the climate emergency, economic uncertainty and drive for inclusive growth to level up communities and support Union Connectivity. It embodies the following agreed set of overarching principles:

- Providing a flexible umbrella framework for joint working
- Focusing on driving the best economic deal for the geography
- Delivering services that respond to how the area functions
- Unlocking additional value through harnessing the unique cross border location
- Developing a joint working approach to innovation
- Shaping and delivering outcomes for the best short, medium and long term future.
- Sharing learning and best practice with partners.

The focus of the collaboration is further defined by the following six objectives:

Objective 1: Data, Evidence and Research: Leveraging joint intelligence and research expertise to improve the quality of life for our rural, cross border communities through sharing information and carrying out research, with a particular focus on:

- Climate Change
- Transport and Connectivity
- Public health and inequalities
- Economic growth
- Data analysis and modelling to inform integrated policy-making and delivery between England and Wales based on a functional geography.

Objective 2: Nature, Energy and Climate Adaptation: Working together to identify and collaborate on strategic scale opportunities based around our high quality natural environment, addressing current and future resilience challenges in relation to climate change and nature recovery, with a particular focus on:

- Supporting rural resilience through bringing together thinking and work around land management
- Developing and unlocking climate and nature based investment opportunities
- Exploring common local authority aspirations around net zero and renewable energy solutions.

Objective 3: Transport and Digital Transformation: Working together to improve rural connectivity, to level up access to jobs, education and opportunity and bring mutual benefits for our neighbouring areas, with a particular focus on:

- Working together to establish a coherent, consistent and integrated bus network.
- Developing simplified cross border travel through integrated ticketing.
- Exploring opportunities with partners to increase frequency and speed of local rail provision.
- Developing cross area SMART collaboration opportunities to support shared social and economic outcomes.

Objective 4: Sustainable Communities: Working together on the development of sustainable communities, creating a social infrastructure offer which realises the growth and sustainability of the rural economy and supports our residents, employers and users of our geography, with a particular focus on:

- Understanding cross border movements to access health provision and the infrastructure needed to support this.
- Working collaboratively to provide cross border leadership for housing, including horizon scanning to identify future risks and opportunities and sharing information and good practice.
- Understanding and articulating the needs of existing and prospective employers to improve the ability for learning, skills and business support provision across borders to meet demands.

Objective 5: Food, Rural Development and Visitor Economy: Working together to identify opportunities for closer collaboration which encourages the economic growth of our rural economy, developing and promoting our unique offer, with a particular focus on:

- Supporting the development of key projects to attract investment, harnessing the power of shared assets, thematic propositions and strategic tourism routes.
- Working together to catalyse the realisation of key economic development sites, with strategic priority being to support market town regeneration.
- Establishing our value in food production supporting UK food sovereignty and agroecological practices, developing an enterprising and entrepreneurial culture which supports the development of sector based strategies and economic clusters.
- Working together to support a coherent cultural and visitor economy offer.

Objective 6: Government and Strategic Relations: Working together on strategic communications to raise the regional, national and international profile of our area, with a particular focus on:

- Joining up conversations with partners to support understanding and to work collaboratively on the promotion of activities and opportunities with key stakeholders.
- Where appropriate and in the interests of the area, agree key messages and a collective shared approach; noting that individual local authority positions will not always be aligned.
- Coordinating responses to jointly inform consultations, strategies and policies developed by others.

Management of MoU activity:

The Partnership will be coordinated through a Leaders Group bringing together the Leaders of each local authority on a quarterly basis.

An annual report will be prepared by the Leaders Group, setting out the progress made by the Marches Forward Partnership over the last year and identifying the priorities for the forthcoming 12 month.

The Leaders Group will be supported by officer groups comprising the Chief Executives and relevant Directors alongside working groups on particular focus areas.

Officer groups will operate on a monthly basis to support the Leaders in driving forward the programme of joint work.

Joint management and delivery structure





The local authorities also agree that:

- LA Leaders will respond to and progress work within this MoU, with each Local Authority taking individual responsibility for relevant Cabinet and Council briefings, as needed, to update on progress and ensure widespread support for this work.
- this MoU will run for an 18 month term before review;
- the broader activity of the Partnership may evolve and expand during implementation and will be reflected in subsequent reviews;
- nothing in this MoU will be interpreted as a commitment of funds from each local authority; and
- this MoU does not restrict, in any way, other arrangements that a local authority may wish to develop independently.

Signed by:

Date:

DRAFT

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Committee and Date:
Cabinet meeting
6th September 2023

Item

Public



Shropshire Destination Management Plan 2023-2025

Responsible Officer:	Mark Barrow		
email:	mark.barrow@shropshire.gov.uk	Tel:	01743 258919
Cabinet Member (Portfolio Holder):	Cllr Robert Macey		

1. Synopsis

The Shropshire Destination Management Plan (DMP) is a blueprint tourism strategy for the next three years (2023 – 2025). Following a public consultation priorities and related actions have been identified to include a new tourism partnership that will help to further transform Shropshire into an important visitor destination.

2. Executive Summary

The draft Shropshire DMP provides key information to communicate how the county intends to manage its visitor economy between 2023 and 2025. Under the leadership of Shropshire Council, the draft plan was created by organisations with a stake in future visitor economy success. It is designed to support a partnership approach across public, voluntary and private sectors.

2.1. The DMP importantly will support delivery of The Shropshire Plan 2022 priorities as follows:

2.2 Healthy Economy

We will develop Shropshire as a vibrant destination that attracts people to want to live in, work, learn and visit. The Shropshire DMP will provide impetus and direction for future growth from tourism, helping the sector to gain credibility and recognition as

an important driver of the county's economy. Increased spend from visitors would mean higher revenue and profit which businesses can reinvest, creating better quality experiences for visitors and more jobs for local people. It will support the development of Shropshire as a vibrant destination where people will want to live, work and visit.

2.3 **Healthy People**

Health and wellbeing are connected to enjoyment of the outdoors, access to green spaces, and opportunities for exercise, as is exposure to stimulating and inspiring cultural places. The DMP's emphasis on providing special experiences, development of Shropshire's offer to visitors, protecting and managing our landscape assets and improving accessibility to outdoor spaces will benefit the resident population as well as visitors helping to support early intervention and prevention in health care.

2.4 **Healthy Environment**

Future tourism strategy will seek to maintain, protect, and enhance our outstanding natural environment, promoting positive behaviours and greater biodiversity and environmental sustainability.

2.5 **Healthy Organisation**

Shropshire Council's Culture, Leisure and Tourism team will work with partners to develop and better communicate what Shropshire has to offer as a high-quality tourism destination and what it is the council directly delivers to residents and visitors alike through its own venues and cultural offer.

2.6 The draft DMP 2023 -2025 aims to use best practice from elsewhere whilst retaining a keen sense of what will be right for Shropshire. It details a proposed visitor economy strategy and a set of priorities agreed by stakeholders. The plan will also form a reference document for future funding and a basis for future bids into government programmes. It can be used by developers and tourism businesses to shape their investment. It will inform, guide, and influence how resources are used and allocated.

2.7 It is proposed that the delivery of the DMP will be through the development of a new Tourism Partnership, which will aim to apply for Local Visitor Economy Partnership status through VisitEngland.

2.8 The plan complements national, regional and neighbouring plans and reviews (such as the national Tourism Recovery Plan, De Bois Review, West Midlands Combined Authority Tourism Strategy, Marches LEP Tourism Strategy and others outlined in section 3 of the draft document). It has been created to work in conjunction with Shropshire Council's wider strategic plans, including the Shropshire Plan 2022-2025, Vibrant Shropshire, Cultural Strategy 2021-31 and the Economic Growth Strategy 2022-2027.

2.9 The DMP also aligns with Core Strategy Policy CS16, which sets out a positive approach to tourism, leisure and recreation development that balances the benefits to the economy with the need to protect the qualities of Shropshire, and MD11 of the SAMDev Adopted Plan, which applies to tourism, leisure and recreation development proposals.

2.10 The consultation on the draft DMP was designed to gather feedback from a wider range of stakeholders, beyond those already involved in its creation, and also to seek

the views of members of the public and others interested in tourism and the local economy. The consultation ran from 6th February to 31st March 2023 (8 weeks).

3. Recommendations

- 3.1. To approve and publish the Destination Management Plan..
- 3.2. To approve the Council facilitating the creation of a new tourism partnership, with clear governance and terms of reference, comprised of private and public stakeholders including Visit Shropshire, the county DMO, to manage delivery of the DMP action plan. Responsibility for this work is delegated to the Director for Place, in consultation with the Portfolio Holder for Digital and Culture.
- 3.3. To approve that Shropshire Council work closely with Telford & Wrekin Council, who are about to commence work on a DMP for their unitary area, and to identify where the obvious points of contact and opportunities for cross-border working will be.

Report

4. Risk Assessment and Opportunities Appraisal

- 4.1. The key risks and mitigations are outlined below:

Risk	Mitigation
Failure to publish a Destination Management Plan (DMP).	DCMS has developed a new approach to Destination Management, which includes gaining agreement for a new Local Visitor Economy Partnership (LVEP) in each key geographical area. To be eligible to become a Local Visitor Economy Partnership, the area must have a DMP. The DMP has now been completed and by publishing this, the area will have started the process to become eligible for a LVEP.
Failure to establish effective tourism partnership capable of delivering the action plan	There is a willingness from all parties to ensure a new partnership is successful, as this will play a key part in the development of a LVEP, to enable the area to become part of the Visit England approach to destination management, and therefore be eligible for funding in the longer term. The development of a new partnership relies on the further development of strong working relationships with key organisations.
Non – engagement of visitor economy stakeholders and Shropshire residents	Stakeholders have already been involved in the development of the DMP and it has been to public consultation. Further engagement will be needed as part of the delivery of the DMP.
Inability to finance development of the eight priorities identified.	With little Council budget available to deliver the DMP, other sources of finance will need to be explored. This will be done through the partnership and could include external grant funding or a levy mechanism.

Reputational risk if funding is not secured to further develop this work.	Gaining Local Visitor Economy Partnership status will be essential to ensure Shropshire is seen by Visit England and DCMS as a viable destination, and to enable funding to be secured if made available through DCMS in the longer term. The reputational risk will therefore be greater if the DMP is not published.
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5. Financial Implications

- 5.1. There are no immediate implications for Shropshire Council funding.
- 5.2. There is broad recognition from the visitor economy sector that Shropshire Council is not in a position to provide core funding for delivery of the DMP. Shropshire Council will need, however, to support grant-funding applications in partnership with key stakeholders.
- 5.3. Support for the development of a new partnership and a partnership approach to DMP delivery will be delivered by existing staff within the Culture, Leisure and Tourism team.
- 5.4. The UKSP fund is an identified grant-funding source relevant to the support of the visitor economy. Visit Shropshire are recognised by VisitEngland as the county Destination Management Organisation (DMO), DMOs take a lead role in managing and developing tourism in an area, providing marketing opportunities, training courses, networking events and industry expertise to help develop the sector. Visit Shropshire is applying for funds to support their work and relevant Shropshire Council departments will support their application as appropriate. In addition, the Culture, Leisure and Tourism team are exploring potential future working arrangements with their counterparts at Telford & Wrekin Council with a view to applying for the new Visit England DMO accreditation scheme which may in time result in central government funding.

6. Climate Change Appraisal

- 6.1. The principles of sustainable tourism are important to all places that aspire to attract and welcome visitors, but they are particularly relevant in a county where the natural landscapes and built heritage are central to the visitor offer. Growth which damages the central product or affects residents' quality of life or costs more than it contributes will erode the visitor offer, undermine the visitor experience and adversely affect those who live, work, invest and run businesses in Shropshire. Sustainable tourism, or 'wise growth' as it is sometimes known, uses a framework known as VERB.
- 6.2. This ensures that development is balanced between the needs of the Visitor, the Environment, Residents and Businesses. Concepts of accessibility and inclusion are inherent in achieving this balance. These principles have influenced the priorities and actions in this plan to a considerable degree and should be integral to any future thinking or plans for visitor economy development and promotion. Supporting businesses to adopt sustainable practices will make them more attractive to visitors with an environmental conscience and burnish Shropshire's credentials as an environmentally responsible destination.

6.3. Energy and fuel consumption- positive effect

The DMP sets out actions to:

- Develop visitor friendly public transport options that connect the county's main visitor attractions (especially car only areas) to its gateways and main visitor centres.
- Develop visitor friendly information and payment methods for the county's bus network.
- Increase the number of EV charging points across the county, particularly outside the main towns.
- Ensure that parking information that offers viable alternatives to the car post arrival is widely available.
- Review Park and Ride provision from the visitor perspective and make changes as needed e.g., frequency, operating hours, information, sites.

6.4. Renewable energy generation- positive effect

The DMP sets out actions to:

- Clarify the most relevant sustainability practises for tourism businesses.
- Clarify sustainability measures that influence consumer choice.
- Create and implement a B2B campaign highlighting the benefits of sustainable business practice.
- Design and deliver an environmental efficiency programme for visitor economy businesses.

6.5. Carbon offsetting or mitigation- potential positive effect

Carbon offsetting or mitigation will be considered alongside the development of these programmes as the DMP is delivered.

6.6. Climate change adaptation- positive effect

Climate change adaptation will need to be considered by outdoor attraction providers as they develop their offer. This can be facilitated by training for relevant businesses and sharing good practice from other areas.

7. Background

7.1. Tourism is an important sector in Shropshire. According to the ONS Business Register & Employment Survey in 2020 there were estimated to be 1340 businesses and 12200 employees in the sector in Shropshire. According to ONS Regional Gross Value Added, the contribution to the GVA of Shropshire was in 2019 estimated to be £282m and the rate of year-on-year increase was estimated to be around 7%.

7.2. When last assessed the total number of trips to Shropshire was 13 million a year, with 9 out of 10 being day trips. The average length of stay for overnight trips was slightly above the national average with the majority being made by UK residents. As a result of the dominance of the day visit market the contribution of visitors to the economy is lower than in other destinations. The average day visitor spends £24.45 compared to an England average of £34.65 and trip spend is £173 versus £187.

7.3. The Shropshire Destination Management Plan (DMP) is the blueprint for how the county intends to manage its visitor economy between 2023 and 2025. Shropshire has not had a whole county plan for some years and the DMP is a fresh start for

Shropshire. It provides impetus and direction for everyone in the county with a stake in the sector. It helps the sector to gain credibility and recognition as an important driver of the county's economy. It articulates visitor economy priorities to be fed into local and regional plans. It draws on best practice from elsewhere but also tries to retain a keen sense of what will be right for Shropshire. It is an important reference document for future funding and a basis for future bids into government programmes. It can be used by developers and tourism businesses to shape their investment and it will inform, guide, and influence how resources are used and allocated. This is intended to be a living document that is periodically reviewed and adjusted to take account of the operating environment (political and financial), the needs and expectations of consumers, businesses and communities, as well as opportunities to develop new products and propositions. The list of priorities and actions is intentionally short so that success can be easily tracked and attributed.

- 7.4. The Shropshire Destination Management plan exists in a national, regional, and local context that is constantly changing. Government initiatives designed to kick in at the beginning of this decade included the Tourism sector deal and the tourism chapter of the Industrial strategy. However, the Covid pandemic set aside these plans.
- 7.5. Replacing them is the Tourism Recovery plan published June 2021 and the De Bois Review into England's DMO (destination management organisation) landscape. The De Bois Review, was welcomed by the sector for its forensic analysis of the sector and its pragmatic approach to future structures and funding. It prioritises aggregation of DMOs, collaboration between DMOs both geographically and thematically, and a much tighter regime of accreditation. Implementation depends on funding from central government.
- 7.6. The opportunity for Shropshire's visitor economy is to present a Local Visitor Economy Partnership (LVEP) application to VisitEngland and to gain accreditation status. This must be done in collaboration with public, voluntary and private sector partners for any chance of success.

8. Additional Information – Consultation and engagement

- 8.1. The development of the DMP involved twenty-four 1-1 interviews, two days of stakeholder workshops, an online industry survey that elicited 121 responses, a stakeholder seminar, a desk review of national, regional and local policies and plans and a comprehensive analysis of county plans covering the economy, outdoor spaces and cultural provision.
- 8.2. A public consultation on the draft DMP ran from 6 February to 31 March 2023 (8 weeks). There were 29 responses which was smaller than anticipated and reflects the extensive collaborative development of the DMP and the opportunity to comment and provide feedback on the draft at an earlier stage. The feedback below focuses on the results of the public consultation.
- 8.2. The majority of respondents (62%) supported the proposed vision for Shropshire's visitor economy contained within the draft DMP and on average 13 of the 29 respondents agreed with the aims and contents of the draft plan with an average of 8 disagreeing. There is fairly widespread agreement that the draft plan clearly sets out the value of the visitor economy in Shropshire.

8.3 The two areas where there is most disagreement are whether the plan sets out clear actions for local areas and whether the plan reflects local needs and challenges

8.4 Plan priorities

- There are eight priorities included in the draft DMP and there were high levels of support for all priorities. The priority supported most was improving digital infrastructure (79%) followed by increasing the appeal of the county for visiting families.
- The priorities supported least were adopting an attract and disperse approach to regional and national marketing and adjusting the ratio between day and staying visitors from 90:10 to 80:20 which is odd as both of these priorities are about increasing income growth, prolonging stays and sharing visitors across the sector/geography.

8.5 Positive feedback

- The feedback on the draft plan is mixed but there appears to be some agreement that the plan is important and necessary.
- There are positive comments on the ambitions and the fact that the plan is a more united approach, engaging partners across sectors for the benefit of the whole county.
- Comments highlight support for future engagement and a particular theme includes engaging with rural businesses and existing key contacts for tourism including Visitor Information Centres, Visit Shropshire and key attractions (NB The latter two examples were involved in the creation of the draft DMP).

8.6 Negative feedback

- Some comments express strong negative emotions towards the plan (*'This is an evil plan, evil plan'*) and others are more constructive in nature (*'Nothing here says who is to take on the various tasks involved'*).
- Comments are varied but there are a few common themes including more information required on implementation of the plan (e.g. resourcing, roles and responsibilities), concerns about impact of visitors on environment, parking, roads etc and need to meet the needs of small businesses (particularly accommodation providers).

8.7 As a result of the feedback, the following changes have been made to the draft DMP:

- Inclusion of active travel and minimising visitor impact on countryside, including the promotion of the Countryside Code.
- More emphasis on accessibility and provision for those with additional needs.
- Increased emphasis on mitigating climate change and nature recovery principles.
- Referencing that the resourcing, roles and responsibilities will be allocated as part of the delivery of the plan.
- Emphasising that the meeting the needs of small businesses, including those in rural areas, will be essential, working in partnership with Visit Shropshire and the Marches Growth Hub.
- Emphasising the wide range of attractions across Shropshire.
- Checked spelling and ensured attraction names etc. are corrected where necessary.

9. Conclusions

- 9.1 Consultation on the draft DMP is broadly supportive of the plan's priorities and ambitions and recognises the need for a plan and a united approach. It also recognised the need to get involved in detailed delivery planning and confirm resource, roles and responsibilities. The DMP has been amended to incorporate key feedback.
- 9.2 Delivery of the DMP will require the establishment of a county-wide strategic tourism partnership, comprising private, voluntary and public stakeholders, to develop the action plan and steer delivery and implementation of key priorities. This is something Shropshire Council can help facilitate but will also require a key role to be played by the Destination Management Organisation.
- 9.3 Participation in the establishment of a Local Visitor Economy Partnership is critical for the future strategic development of Shropshire's visitor economy, for capitalising on funding opportunities and for inclusion in the emerging national tourism landscape under VisitEngland's governance structures. Publishing a DMP for the area is a key requisite for this application.

Local Member:

All

Appendices

Appendix 1- Shropshire DMP 2023-25 Final draft

Appendix 2- Destination Management Plan Consultation Results May 2023

Shropshire Destination Management Plan 2023-2025

Produced April 2022



Developed in partnership by Katrina Kerr, Overwood Consulting,
Melanie Sensicle, Melanie Sensicle Consulting Ltd and Andrea Fox, Culture
and Tourism Manager, Shropshire Council

V6 (updated August 2023)

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Appendices

- A Product strength and gaps
- B Shropshire's visitor segments
- C Developing Shropshire's Destination Management Plan



1. Foreword

Since January 2021, Shropshire Council has facilitated a programme of strategic initiatives to support Shropshire's visitor economy and address long-standing issues with fragmented destination management, limited marketing and low awareness of Shropshire as a quality tourism destination. This programme has underpinned the sector's recovery from the COVID pandemic and funding from central government's Additional Restrictions Grant Fund enabled the work to take place.

A programme of strategic tourism plans has been delivered by Shropshire Council with the support of two tourism industry and destination management consultants. Central to this work has been the development of the Shropshire Destination Management Plan 2023 – 2025 (DMP) which is detailed in this document.

The DMP has been created to work in conjunction with Shropshire Council's wider strategic plans, notably Vibrant Shropshire, Cultural Strategy 2021-31, the Economic Growth Strategy 2022 – 2027. Importantly it will support delivery of the Shropshire Plan 2022 – 2025 priorities as follows:

Healthy Economy - We will develop Shropshire as a vibrant destination for people that attracts people want to live in, work, learn and visit.

The Shropshire DMP will provide impetus and direction for future growth from tourism, helping the sector to gain credibility and recognition as an important driver of the county's economy. Increased spend from visitors means higher revenue and profit which businesses can reinvest, creating better quality experiences for visitors and more jobs for local people.

Healthy People - We will support Shropshire residents to take responsibility for their own health and wellbeing, choosing healthy lifestyles and preventing ill-health, reducing need for long term or hospital care.

Health and wellbeing is connected to enjoyment of the outdoors, access to green spaces, and opportunities for exercise, as is exposure to stimulating and inspiring cultural places. The DMP's emphasis on providing special experiences, development of Shropshire's offer to visitors, protecting and managing our landscape assets and improving accessibility to outdoor spaces will benefit the resident population as well as visitors.

Healthy Environment - We will maintain, protect, and enhance our outstanding natural environment, promoting positive behaviours and greater biodiversity and environmental sustainability.

Delivery of the DMP will embed sustainability principles into tourism development, ensuring that our exceptional natural and built environment assets remain available to visitors for decades to come. Supporting businesses to adopt sustainable practices will make them more attractive to visitors with an environmental conscience and burnish Shropshire's credentials as an environmentally responsible destination.

Healthy Organisation - We will communicate clearly and transparently about what Shropshire Council delivers, signposting to the right places for services and support.

Shropshire Council's Culture, Leisure and Tourism team will play an instrumental role in communicating what Shropshire has to offer as a best-in-class tourism destination and what it is the council directly delivers to residents and visitors alike through its own venues and cultural offer.

Shropshire Council looks forward to supporting the development of an implementation plan for the Destination Management Plan 2023- 2025 and will help to facilitate the delivery of its objectives and core priorities.

2.Introduction

The Shropshire Destination Management Plan (DMP) is the blueprint for how the county intends to manage its visitor economy between 2023 and 2025. Shropshire has not had a whole county plan for some years. Under the leadership of Shropshire Council, a new partnership is emerging comprising people and organisations from across the public and private sectors with a stake in future success. Collectively, this partnership has identified priorities and related actions that will begin to transform Shropshire as a visitor destination.

The plan is a fresh start for Shropshire. It provides impetus and direction for everyone in the county with a stake in the sector. It helps the sector to gain credibility and recognition as an important driver of the county's economy. It articulates visitor economy priorities to be fed into local and regional plans. It draws on best practice from elsewhere but also tries to retain a keen sense of what will be right for Shropshire. It is an important reference document for future funding and a basis for future bids into government programmes. It can be used by developers and tourism businesses to shape their investment and it will inform, guide, and influence how resources are used and allocated.

This is intended to be a living document that is periodically reviewed and adjusted to take account of the operating environment (political and financial), the needs and expectations of consumers, businesses and communities, as well as opportunities to develop new products and propositions. The list of priorities and actions is intentionally short so that success can be easily tracked and attributed. The plan will be reviewed in Autumn 2024.



3.Context

The Shropshire Destination Management plan exists in a national, regional, and local context that is constantly changing. Visit England's ten-year Strategic Framework for Tourism in England expired in 2020 and has not been replaced. Initiatives designed to kick in at the beginning of this decade included the Tourism sector deal and the tourism chapter of the Industrial strategy. However, the Covid pandemic has set aside these plans.

Replacing them is the Tourism Recovery plan published June 2021 and the De Bois Review into England's DMO (destination management organisation) landscape. The Tourism Recovery Plan emphasises the importance of the sector to the UK economy and how catastrophically Covid has affected it. It highlights the need to deliver support and longer-term aspirations for upskilling, especially digitally, and a more extensive data to evaluate health and growth. It also commits to ensuring that every part of the UK is included. The De Bois Review, which has been welcomed by the sector for its forensic analysis of the sector and its pragmatic approach to future structures and funding, prioritises aggregation of DMOs, collaboration between DMOs both geographically and thematically, and a much tighter regime of accreditation. Implementation depends on funding from central government.

Shropshire had its own recovery plan that included a Covid recovery marketing campaign, a review of tourism management arrangements and production of this Destination Management Plan to help all stakeholders focus on what is important and what will be effective.

The overriding objectives of the Shropshire recovery plan are to support the sector to thrive, to promote partnerships between tourism and related sectors, particularly culture and landscape management, to become a credible regional player on tourism initiatives as part of the West Midlands and the Marches LEP area, and to ensure that Shropshire can take advantage of future funding opportunities at the national level. When the next Discover England Fund comes along, Shropshire, which received no funding in the previous round, should be able to participate and benefit.

This is imperative as Shropshire is surrounded by geographies and authorities with tourism strategies that are well developed. For example, in 2019 just before the advent of Covid, the West Midlands Combined Authority launched a £1b Tourism Strategy.



In 2021 Herefordshire Council sponsored a successful Destination Bid for the county which will deliver circa £400k per annum, the bulk of which is earmarked to promote their visitor economy. In 2020 the Welsh Government refreshed its tourism strategy whose centralised approach has delivered both increased awareness and growth across Wales. And of course, in 2019 the Marches LEP funded its own tourism strategy which has informed some aspects of this DMP. It is therefore important to recognise that in future collaboration, the ability to interface with different partners on areas of common interest is essential.



Alongside the visitor economy recovery plan sit a number of county-wide strategies that touch the visitor economy tangentially or are closely interwoven with it¹. This destination management plan picks up common themes running through those strategies and endorses them, giving them a

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- ¹ Vibrant Shropshire; Cultural Strategy 2021-31- <https://shropshire.gov.uk/vibrant-shropshire/>
 - Shropshire Hills Sustainable Tourism Strategy 2018-23- <https://www.shropshirehillsaonb.co.uk/Documents/Shropshire%20Hills%20Sustainable%20Tourism%20Strategy%202018-2023.pdf>
 - Shropshire's Great Outdoors Strategy 2018-28- <https://shropshire.gov.uk/media/9703/sgo-strategy-final-draft.pdf>
 - Shropshire's Economic Growth Strategy 2017-21- <https://shropshire.gov.uk/media/6087/economic-growth-strategy-for-shropshire-2017-2021.pdf>
 - Shropshire's Health and Wellbeing Strategy 2021-25- <https://shropshire.gov.uk/media/20571/health-and-wellbeing-strategy-2021-2025-draft-ev059.pdf>
 - Shropshire's Climate Change Strategy- <https://shropshire.gov.uk/shropshire-climate-action/what-have-we-achieved/policies-strategies-and-guides/climate-strategy-and-action-plan/>
 - Core Strategy Policy- <https://www.shropshire.gov.uk/media/8534/core-strategy.pdf>
 - SAMDev Adopted Plan- <https://www.shropshire.gov.uk/media/8503/samdev-adopted-plan.pdf>

visitor economy perspective and in some instances translates them into specific visitor economy relevant actions.

There is a deliberately close alignment between this plan and three existing strategies: The Vibrant Shropshire Cultural Strategy (2021-31), The Shropshire Hills Sustainable Tourism Strategy (2018-23) and the Shropshire Great Outdoors Strategy (2018-28). All three have influenced the content of this plan to a significant extent and are reflected in its vision, aims, objectives and priorities. The principles of sustainable development and the need to work in partnership are clearly referenced in the DMP and there is agreement on product gaps for future development as well as the need for better data and intelligence and a more coherent and joined up approach to marketing.

The DMP also aligns with Core Strategy Policy CS16; to deliver high quality, sustainable tourism, and cultural and leisure development, which enhances the vital role that these sectors play for the local economy, benefits local communities and visitors, and is sensitive to Shropshire's intrinsic natural and built environment qualities, and MD11 of the SAMDev Adopted Plan, which applies to tourism, leisure and recreation development proposals.

Additionally, the Council's overarching strategic policy approach towards equality, diversity and social inclusion is intrinsically woven into the Council's policy aspirations with regard to economic growth and to the visitor economy. The Council's approach encompasses consideration of ways to maximise positive health and wellbeing impacts for the community and for groupings within the community, whether these are drawn from the nine Protected Characteristic groupings as defined in the Equality Act 2010, or whether there is intersectionality between these groupings e.g. Age and Disability.

For example, health and wellbeing is connected to enjoyment of the outdoors, access to green spaces and opportunities for exercise, thereby contributing towards mental and physical wellbeing across groupings as well as for those at risk of social exclusion. The DMP's emphasis on protecting and managing landscapes assets and improving accessibility to outdoor spaces will benefit the resident population as much as visitors to the area.

It will thus link into the outcomes set out in the updated Economic Growth Strategy (EGS) for the Council, which is anticipated to contribute towards improving on Shropshire's position as one of the healthiest places to live which will positively influence people's mental and physical wellbeing. This is not least through improving prospects of employment and therefore prosperity across age ranges and for people with disabilities and /or with caring responsibilities, alongside upskilling and further education opportunities as well as potential for greater social mobility across our rural economy.

Equality impact screening carried out in the development of the revised Economic Growth Strategy 2022-2027 (EGS) has indicated that positive impacts would be intended for a variety of intersecting Protected Characteristic groupings as defined by the Equality Act 2010 (Age, Disability,

Pregnancy and Maternity, Sex) through future engagement process and through the delivery of specific projects developed within the Action Plan. This would be due to an emphasis within the EGS on developing the County as a better place in which to live, learn, and do business, as well as to access for leisure, environmental and hospitality pursuits and endeavours. Additionally, positive impacts are anticipated to accrue for the tenth grouping of consideration in Shropshire, of Social Inclusion. This is not least due to improvements anticipated for vulnerable individuals and households such as young people leaving care, and veterans and serving members of the armed forces, as well as low-income households, rural households, and people living in fuel poverty.

Furthermore, there is potential for an increase in the positive impact in equality terms from low to positive, for the groupings of Gender Reassignment, Race, Religion and Belief, and Sexual Orientation, if efforts are made to engage with faith communities and LGBT communities and with those undergoing gender reassignment.

There is potential for further positive impacts including stimulation of economic development and investment which will provide jobs and improved workspace. In line with the Public Sector Equality Duty on the Council, as set out in the Equality Act 2010, the Council will need to ensure that contractors engaged in commercial development are likewise able to demonstrate compliance with PSED duties. In so doing, they will also be expected to adhere to guidance with regard to equity of access to economic opportunities.

This plan will also help deliver against the aspirations of Shropshire's Climate Change Strategy, with an emphasis on sustainable tourism, active travel and carbon reduction activities.

The DMP, as an integral policy component of the overall approach of the Council towards economic growth, sees the Council as an enabler in this regard rather than as a direct provider of a service. This will nevertheless find the Council continuing to hold a watching brief, much as happens already with national and regional policy, in order that we may seek to ensure that consideration is maintained, and due regard given to equality impacts for and across groupings as the DMP progresses. The need to work with regional partners to leverage resource which will then lead to positive equality impacts as well as positive economic impacts is a common denominator across strategic documentation. For example, the revised EGS and the DMP both highlight digital connectivity and transport infrastructure as priorities for economic success, with the DMP providing practical sectoral actions.



4. The vision for Shropshire as a visitor destination



The word cloud above represents the aspirations of stakeholders involved in the creation of this plan. Of foremost importance are sustainability and the quality of the welcome². Equally important is a recognition that both physical and digital connectivity across Shropshire for visitors and businesses need addressing. However, this latter is more of a “levelling up” imperative than a visionary one. Also, what is striking is that apart from these attributes there is no clear direction of travel for the future. Yet in our post Covid world what people are looking for is subtly changing and Shropshire has a lot to offer:

- natural tourism – the beauty and unique geology of the Shropshire landscapes cannot be disputed
- tourism around the history of civilizations and ideas – from prehistoric to Romans, a series of world changing and iconic people and places – Darwin and Owen, Ironbridge, and Flax Mill – and a myriad of unusual and fascinating tales to tell – Jack Mytton, Cadfael, the Olympic Games
- a collection of architecturally interesting towns each with distinctive character and in many cases quirky personalities

If we combine these with ambitions of sustainability and welcome, we can create a vision that is motivating, distinctive and true to the place.

Shropshire will be a sustainably managed destination that welcomes the curious and the adventurous to explore its outstandingly beautiful natural landscapes and internationally recognised built heritage in a way that safeguards these precious assets now and for future generations.

It is a place where world-changing ideas were born and are celebrated, and it continues to display a refreshing independence of thought and spirit.

Its market towns and villages are alive with artisan producers, cultural practitioners and hospitality businesses that combine to create a quality environment in which visitors and residents alike are able to rethink, refresh and recharge.

² Welcome is an important aspect of a destination – before it was capital of culture in 2009 Liverpool’s reputation was unfriendly bordering on aggressive, after it was perceived as the most welcoming city in England



With such a vision for the future should come a shared narrative about what sort of place Shropshire is and some clear objectives that will help to deliver it for visitors:

Objective 1:

That by 2025 the public, private and voluntary and community sectors across Shropshire will be working together (One Shropshire) to deliver a coherent, quality visitor and resident experience that a) focuses on those aspects of its visitor offer that differentiates Shropshire from other rural destinations b) addresses both physical and digital connectivity in a sustainable way and have communicated it well to visitors c) is organised in a way that maximises public and private skills and capacities and encourages business engagement and d) helps deliver a more sustainable approach, mitigating climate change and aiding nature recovery.



Objective 2:

That by 2025 GVA growth will be a minimum of 5% per annum and that this will have been achieved by adopting a sustainable model of development (VERB see below on page nine) that includes longer stays, value over volume, addressing seasonality and adopting an attract and disperse model of marketing that showcases the wide range of visitor experiences available to new audiences with a value set that matches that of the county's stakeholders and communities.

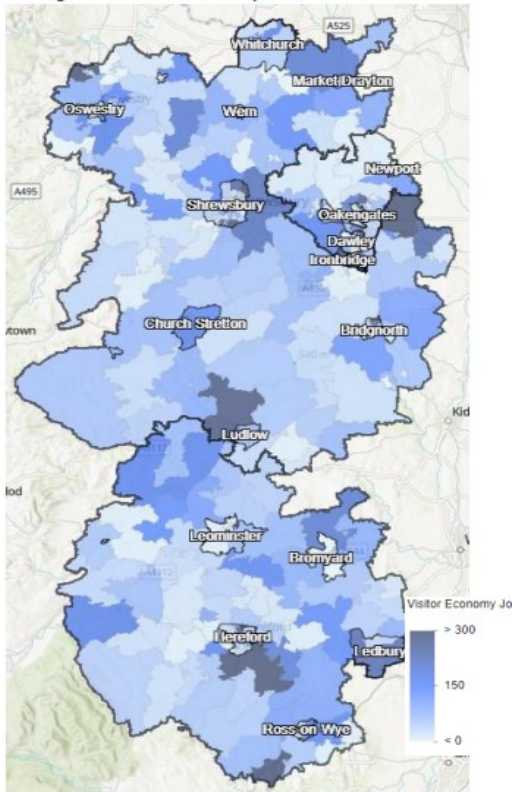
Objective 3

That by 2025, if not earlier, Shropshire will be a destination that can leverage resources and is worthy of consideration for any future tourism funding initiatives because it is well organised, internally joined up and engaged with external partners including adjacent destinations, the WMCA, Visit England, regional airports and transport providers.



5. The value of the visitor economy

Figure 4: Visitor Economy Jobs in the Marches



Source: ONS Business Register & Employment Survey

Tourism is a key economic, social, and cultural asset. Before Covid the UK was the 5th biggest tourism market in the world. The sector is a major contributor to jobs and growth in the UK, indirectly employing 4 million people and making a direct economic contribution of £75 billion a year pre-pandemic.

It is also an important sector in Shropshire. According to the ONS Business Register & Employment Survey in 2020 there were estimated to be 1340 businesses and 12200 employees in the sector in Shropshire. According to ONS Regional Gross Value Added, the contribution to the GVA of Shropshire was in 2019 estimated to be £282m and the rate of year-on-year increase was estimated to be around 7%.

Across the Marches area there are several places in Shropshire where tourism accounts for a significant percentage of jobs – Shrewsbury, Ironbridge, Church Stretton, Ludlow, Bridgnorth and Bishops Castle. During

Covid the Council noticed an increase in universal credit applications in some of these tourism clusters indicating that tourism activities represent vital secondary sources of income to many people.

When last assessed the total number of trips to Shropshire was 13 million a year with 9 out of 10 being day trips. The average length of stay for overnight trips was 3.2 nights slightly above the national average with the majority being made by UK residents.

As a result of the dominance of the day visit market the contribution of visitors to the economy is lower than in other destinations. The average day visitor spends £24.45 compared to an England average of £34.65 and trip spend is £173 versus £187.

6.Principles for managing Shropshire’s visitor economy

Two principles underpin this plan:

Partnership: a visitor economy can only be successful if the public, private and third sectors work both together and with local communities. This is not just because scarce resources demand it but because visitors use a very wide range of services and facilities provided by very many businesses, organisations, and providers and come into contact with very many people who live and work in the area. None can create a good visitor experience on their own. If they do not work together to get the visitor experience right, the result will be a fragmented, inconsistent, and unsatisfactory visit.

Limited resources at the destination level make partnerships at the regional and national level increasingly important. Future government funding initiatives are likely to insist on partnership working. It is also likely that funding will be given to those who present a single point of contact across the widest geography that makes sense to consumers and avoids confusing them. Key partnerships for the county are: The Marches LEP area including Herefordshire, the West Midlands, VisitEngland as the national strategic lead, and VisitBritain, particularly for international opportunities.

Sustainability: the principles of sustainable tourism are important to all places that aspire to attract and welcome visitors, but they are particularly relevant in a county where the natural landscapes and built heritage are central to the visitor offer. Growth which damages the central product or affects residents’ quality of life or costs more than it contributes will erode the visitor offer, undermine the visitor experience and adversely affect those who live, work, invest and run businesses in Shropshire.

Sustainable tourism, or ‘wise growth’ as it is sometimes known, uses a framework known as VERB. This ensures that development is balanced between the needs of the **V**isitor, the **E**nvironment, **R**esidents and **B**usinesses. Concepts of accessibility and inclusion are inherent in achieving this balance.

Climate change mitigation and nature recovery are essential to the development of the visitor economy and need to underpin development of the sector.

These principles have influenced the priorities and actions in this plan to a considerable degree and should be integral to any future thinking or plans for visitor economy development and promotion.

7. Target markets and visitor segments

Covid may well have changed the way visitors choose and evaluate a destination, only time will tell.

There is evidence that destinations that were previously out of favour have been reappraised by visitors who are looking for uncrowded places that offer something different and promote their health and wellbeing. We have also seen big increases in the number of visitors who prioritise “green” travel and who are looking for more authentic experiences especially in areas such as food and drink, crafts and heritage interpretation. On the other hand, people still want good value for money and a sense that wherever they choose to visit there is plenty to do come rain or shine.

By shaping existing and new product around the people who are most likely to buy into the Shropshire offer and informing promotional activity around their motivations and interests, Shropshire stands the best chance of retaining existing visitors and increasing its appeal to those that have not visited before.

Because only anecdotal or geographically limited data exists for Shropshire, priority visitor segments are taken from the well-established Visit England segmentation model.

5. ASPIRATIONAL FAMILY FUN

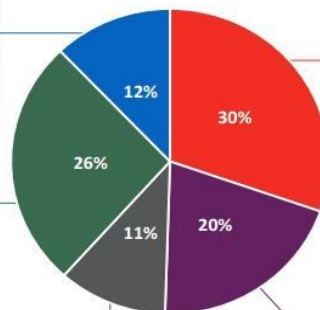
Typically information-hungry, London-based high earners with children at home, they regularly take city breaks where they can indulge in active, family-friendly pursuits, such as sporting events and cultural visits.

4. FREE AND EASY MINI-BREAKERS

More likely than other segments to be ‘young, free and single’. Demographically close to ‘the average Joe’, but they really stand out in their holiday behaviour.

3. FUSS-FREE VALUE SEEKERS

Empty nesters on a budget, they seek good value beach holidays with convenient transport links. Tend to be less digitally active than other segments – less likely to engage in social media or book holiday online.



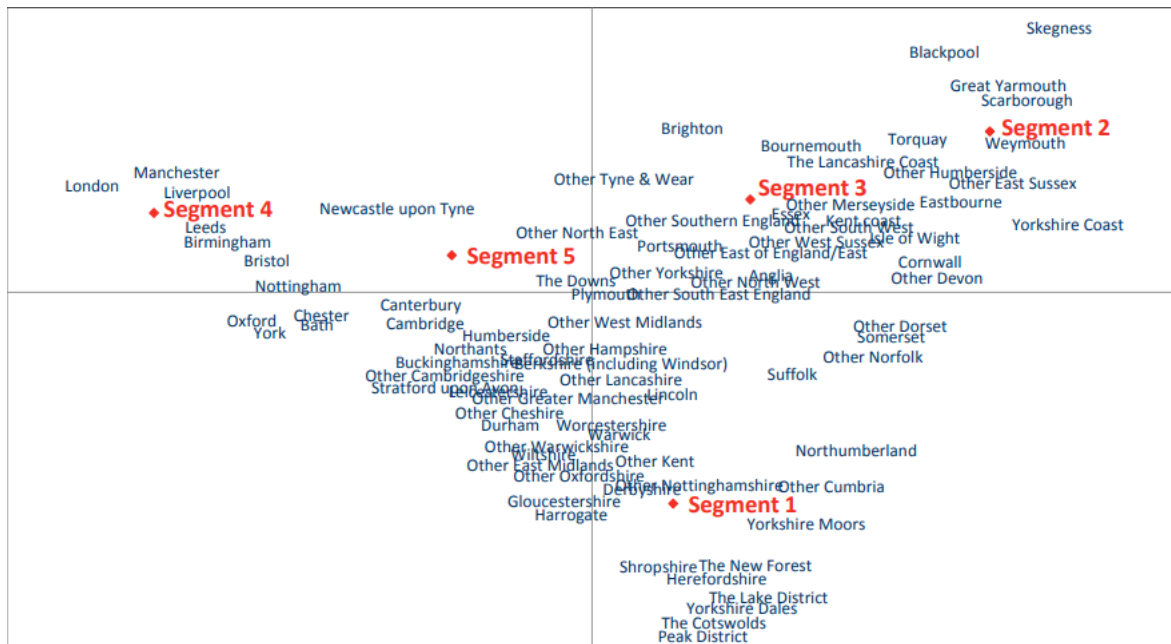
1. COUNTRY-LOVING TRADITIONALISTS

Empty nesters with traditional values, they are likely to have recently taken a countryside break in England. Good quality, secure accommodation is a priority when booking a holiday.

2. FUN IN THE SUN

Typically parents looking for family-orientated summer holidays where beaches play a starring role. Tend to seek cheaper, more ‘social’ alternatives to hotel accommodation, such as caravans or holiday camps.

The chart below makes it clear that Shropshire would have a strong appeal to segment 1 – COUNTRY LOVING TRADITIONALISTS – and virtually zero appeal to segment 2 – FUN IN THE SUN – where a traditional beach experience is axiomatic.



However, it does point to other segments that Shropshire can attract. If Segment 4 – FREE AND EASY MINI-BREAKERS - likes Chester, then there is a good chance they will also like Shrewsbury. By focussing on family outdoor activities Shropshire might even be able to develop a following among Segment 5 – ASPIRATIONAL FAMILY FUN. A clear focus on developing product and experiences for these segments will help Shropshire to broaden its appeal.

In term of markets Shropshire is fortunate in having large population centres within a comfortable travel time for both day and staying visits, with good road and rail links into the county. All studies to date, including the Arkenford segmentation (2012) and the Marches tourism strategy conclude that the areas of greatest potential for Shropshire are local and regional, including the large population centres of Greater Manchester, Merseyside and the Birmingham conurbation as well as Wales. This has been confirmed by stakeholders with the Southeast of England also recognised as a potential source market.

At this point international visitors will be challenging to reach and are not a priority though there is some potential around international business visits to Telford.

8.Priorities 2023-2025

Eight priorities have been identified as important for Shropshire's future success. They are interdependent and success depends on making progress on each priority.

(1) *Develop a strong evidence base to support future decision making*

Shropshire lacks comprehensive and up to date information about the performance of the destination. Consequently, it is difficult to quantify the contribution the visitor economy makes towards economic, social, and environmental health or population health or identify actions that will make a positive difference. The situation is remedied by putting in place a programme of primary research which will establish baselines, provide insight and track trends over time. Agreeing at the outset the performance measures that go beyond economic growth against which success will be measured is critical.

(2) *Improve digital infrastructure for tourism businesses*

Visitors expect to be able to source ideas, inspiration and information from online sources, book a trip in advance and use smart phones for post arrival exploration. Upgrading digital infrastructure, particularly broadband coverage, and supporting the digital capabilities of tourism businesses will help meet these expectations.

(3) *Increase the appeal of the county for visiting families*

A cluster of attractions centred around Ironbridge and Telford draw families to the county but family friendly product that would appeal to aspirational families across the region is underdeveloped. A proactive approach is needed to develop existing and new family-oriented attractions and experiences, including festival and events and activities.

(4) *Adjust the ratio between day and staying visitors from 90:10 to 80:20*

Staying visitors are beneficial to destinations because they have a lower impact on infrastructure and contribute more to the local economy. Shropshire has an exceedingly high number of day compared to staying visitors. Adjusting the balance will be achieved by growing accommodation stock in all segments from budget to premium, branded to independent boutique, and highlighting the offer through itinerary development and packaging.

(5) *Become an exemplar destination for sustainable tourism practice*

Two of the county's main assets are its rural offer, with one third of Shropshire designated an Area of Outstanding Natural Beauty, and its built heritage, with parts of two World Heritage Sites in the county. These assets experience some of the highest visitor numbers putting pressure on the landscape and infrastructure. Embedding sustainability principles into tourism development will ensure central assets remain available to visitors for

decades to come. There also needs to be an emphasis on not adversely impacting the countryside or heritage of the area.

Supporting businesses to adopt sustainable business practices will make them more attractive to visitors with an environment conscience and burnish Shropshire's credentials as an environmentally responsible destination. Accessibility to tourism facilities, products and services is a central part of a responsible and sustainable approach to tourism (UNWTO).

Climate change mitigation and nature recovery will underpin the development of a more sustainable approach.

(6) Adopt an attract and disperse approach to regional and national marketing.

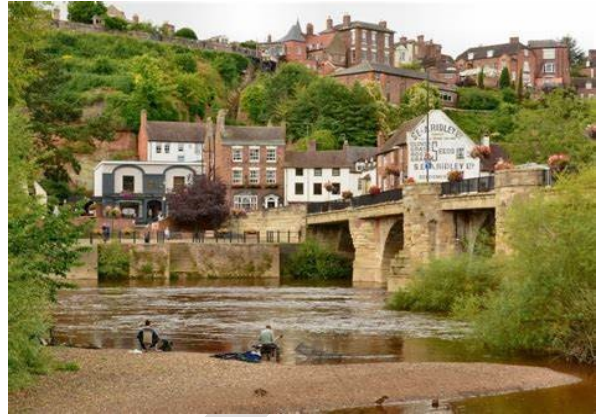
The pattern of visitation across the county is uneven. It is important to ease pressure on over visited areas and ensure the benefits of tourism are felt across the county. Using an "attract and disperse" approach to marketing, pre and post arrival, and by paying attention to the effectiveness of gateways and dispersal points, will help attract more visits, introduce visitors to the full breadth and depth of the offer and help to spread the impact of visitors across the county.

(7) Increase Shropshire's reputation for quality experiences by developing the product.

Ludlow has a national reputation for food and drink built on past success but in recent years the breadth and quality of the offer has declined. The county also has an emerging reputation for soft leisure – walking, cycling, nature watching – based on the Shropshire Hills, the Wrekin and the Borderland. Indoor options should not be forgotten with careful curation of cultural products that have the power to excite visitors and counter seasonality issues associated with countryside destinations.

(8) Build a reputation for delivering high service standards and a warm visitor welcome by investing in people.

Service and welcome can make or break a visit: when they are good, they result in word-of-mouth recommendation and customer loyalty; when they are poor the destination's reputation suffers and disappointed visitors discourage others from trying somewhere new. Shropshire will take a fresh look at welcome, accessibility and service standards and take steps to ensure both meet high customer expectations that are driven by worldwide travel experiences.



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1. Actions 2023-25

The table below sets out the priorities and associated actions to deliver the plan. Resourcing, roles and responsibilities will be agreed through the development of a new partnership, which will jointly deliver the plan.

Priority	Rationale	Actions
1. Develop a robust evidence base to support future decision making	Knowledge helps everyone to plan effectively and deliver a positive outcome. Baselines are needed to set targets while tracking performance over time means that progress can be evaluated, and activity adjusted as circumstances change.	Conduct a county-wide visitor survey
		Agree metrics for how future success will be evaluated
		Establish baselines for each metric and set targets
		Audit product, business base and assets and update lists annually
		Identify existing sources of visitor data and information, bring it together and extract insights that can be shared widely so that all partners share the same level of understanding
		Develop profiles for each target audience and communicate them to all stakeholders
2. Improve digital infrastructure for tourism businesses and visitors	Consumers expect to be able to source information online, book elements of a trip online and use smart devices to navigate destinations post arrival. They want information to be easy to access and simple to use. Shropshire must meet these expectations or visitors may choose to go elsewhere.	Create a map that shows areas with significant visitor product /high visitor numbers but poor digital connectivity (broadband) and lobby for improvements
		Develop and deliver a digital capacity building programme/training for visitor economy businesses

<p>3. Increase the appeal of the county for visiting families</p>	<p>There is a strong cluster of family friendly attractions in northeast Shropshire and Telford and a smattering across the county, but more is needed. Families are a target segment with several source markets close by: Liverpool, Greater Manchester, Birmingham.</p>	<p>Existing attractions to develop their family offer using case studies and examples of best practice.</p>
<p>4. Adjust the ratio between day and staying visitors from 90:10 to 80:20</p>	<p>Staying visitors have a higher value than day visitors, they are also more sustainable in environmental terms. Higher spend means higher revenue and profit which businesses can reinvest, creating better quality experiences for visitors and more jobs for local people.</p>	<p>Identify appropriate sites for new on-brand development, and proactively engage with existing attraction operators looking to expand into new areas.</p> <p>Develop 1- or 2-day on brand events with national pulling power (grow existing or develop new).</p> <p>Commission a study into accommodation provision and identify gaps relevant to target visitor segments.</p> <p>Identify appropriate sites for new development, and proactively engage with potential investors to grow the accommodation stock.</p> <p>Develop and promote inspirational county-wide itineraries based on product strengths.</p> <p>Audit accommodation providers and attractions to identify those that are trade ready.</p> <p>Work with the UK travel trade (tour operators, travel agents) to develop overnight Shropshire packages.</p>

5. Become an exemplar destination for sustainable tourism practice

People are increasingly making decisions based on values such as minimising their impact on the environment and benefiting the communities they visit. For a destination with significant rural assets and world-class built heritage a sustainable approach to planning and development which protects and conserves the assets that draw visitors to the area makes sense. This needs to be underpinned by climate change and nature recovery principles. Accessibility to tourism facilities, products and services is a central element of a responsible and sustainable approach to tourism (UNWTO).

Develop visitor friendly public transport options that connect the county's main visitor attractions (especially car only areas) to its gateways and main visitor centres
Develop visitor friendly information and payment methods for the county's bus network.
Increase the number of EV charging points across the county, particularly outside the main towns.
Ensure that parking information that offers viable alternatives to the car post arrival is widely available.
Review Park and Ride provision from the visitor perspective and make changes as needed e.g., frequency, operating hours, information, sites.
Source or create audit-style data on existing sustainable business practice.
Clarify the most relevant sustainability practises for tourism businesses, which help climate change mitigation and nature recovery, working with partners to deliver training and share good practice.
Clarify sustainability measures that influence consumer choice.

		<p>Create and implement a B2B campaign highlighting the benefits of sustainable business practice.</p>
		<p>Design and deliver an environmental efficiency programme for visitor economy businesses.</p>
		<p>Work with leaders in the field of accessible tourism e.g., Visit England and Tourism for All, to develop a plan to improve accessibility provision.</p>
		<p>Promote the use of accessibility statements across visitor economy businesses.</p>
<p>6. Adopt an attract and disperse approach to regional and national marketing.</p>	<p>Putting hero products/destinations front and centre of marketing campaigns will help Shropshire be seen amongst stiff domestic and international competition. Once the visitor is interested, showcasing the full breadth and depth of the Shropshire’s offer will turn interest into a visit and spread visitor economy benefits across the county. Post arrival mechanisms and good gateways can help deliver an attract and disperse approach.</p>	<p>Develop a strategic marketing group to develop and deliver county-wide regional, and in time national, marketing campaigns.</p>
		<p>Create a digital information plan to bring together, curate and streamline information about the county for visitors from awareness and inspiration through to planning, booking and visiting.</p>
		<p>Create an annual content calendar for use by all stakeholders to coordinate marketing activity county-wide.</p>
		<p>Maintain and regularly replenish a repository of marketing content and assets for use by all stakeholders and businesses.</p>
		<p>Increase the amount of Shropshire content on online tour operator (OTA) platforms.</p>

		Promote the Countryside Code and encourage visitors to respect the countryside and 'leave no trace'.
		Ensure key gateways in the county adopt mechanisms to disperse visitors across the county including through good information provision.
7. Increase Shropshire's reputation for quality experiences by developing the product.	It is important to continually refresh the offer for visitors to meet constantly rising expectations and provide reasons to visit again. New product helps add breadth and depth to the destination offer and widen the destination appeal to new audiences.	Audit infrastructure for walkers and cyclists, identify gaps in provision and develop a plan for development and improvement.
		Develop a programme of activity to develop the food and drink offer of the county including bring Ludlow's food offer back to full strength: including supplier/retailer networking, food-stories and ambassadors, food and drink retailing, local sourcing.
		Select one product area that has potential to become a strong proposition county-wide and matches the interests of priority visitor segments and create a plan to support its development. Choose from: water-based experiences, nature watching, craft, outdoor adrenaline, green experiences.
8. Build a reputation for delivering high service standards and a warm visitor welcome by investing in people.	Shropshire must meet customer expectations of service and welcome to encourage repeat visits, boost its reputation, and generate word of mouth marketing, particularly on social channels.	Create and deliver a Shropshire wide ambassadors scheme based on the Oswestry Borderlands/Welsh initiative
		Scope the feasibility of a Shropshire excellence brand for service standards and develop an associated programme of activity

		Ensure there are training and development opportunities for small businesses, including those in rural areas, working with Visit Shropshire and the Marches Growth Hub.
		Engage and motivate the 18-30 workforce to consider tourism and hospitality as a work and career choice

Appendix A: Product Strengths and Gaps

Almost a quarter of Shropshire is an Area of Outstanding Natural Beauty. There are 3 National Nature Reserves, over 50 Forestry Commission sites, 80kms of canals and waterways and 14 internationally important wetland sites. The rights of way network is the third largest in the country although promoted routes for walking and cycling are concentrated in the south and west of the county.

Shropshire has 17 market towns. The most prominent in terms of tourism are the county town of Shrewsbury, Ludlow known nationally for its food festival and heritage offer, Oswestry to the northwest, Church Stretton, an important hub for the Shropshire Hills, and Bridgnorth near Ironbridge Gorge. The rest are scattered throughout the county.

Heritage is a product strength with 2 World Heritage Sites in or partly in the county. The National Trust has five properties in the county, including Attingham Park and Dudmaston Hall and English Heritage looks after 15 properties including castles, priories, and abbeys. The cultural offer comprises the nationally significant collection of museums managed by the Ironbridge Gorge Museum Trust plus the county Museum and Art Gallery in Shrewsbury, those housed in heritage properties such as Shrewsbury and Ludlow Castles and attached to heritage attractions. Most of the market towns have a heritage centre or local museum.

Food and drink is more independent in nature than in some comparable areas of the country and is particularly notable in Shrewsbury and Ludlow. Retail comprises the commonly found high street names, particularly in Shrewsbury and Telford, alongside a good range of independents in Shrewsbury and market towns of Oswestry and Ludlow, particularly women’s fashion, house and home, crafts and makers and antiques.

For a rural county, the garden product is relatively underdeveloped compared to Herefordshire for example, with around seven gardens of particular note. Most are attached to a historic house. Countryside activities are well represented and include fishing (day tickets available), golf (around 25 courses), equestrian centres and guided hikes in the most popular spots such as the Wrekin and the Shropshire Hills. Family attractions are under-represented compared to other rural counties with a cluster around Telford plus a couple of falconry centres and farm attractions. Ironbridge and the two heritage railways also have clear family appeal. Family activities are represented with a sizeable number of water sports hire companies for canoeing and paddleboarding, several boat trips and a couple of balloon flight companies.

Festivals and events that have a regional or national reputation include the Shropshire Folk Festival and the Ludlow Food Festival. There are many smaller local events arranged around the main school and annual holiday periods such as Oswestry Balloon Carnival, Shrewsbury Food Festival, Market Drayton winter fair or the Clun Green Man Festival.

The accommodation sector reflects a similar picture to that across many rural English Counties with a concentration of hotels, B&Bs and guesthouse accommodation around the county town and the larger market towns including around 12 boutique style properties plus around 12 country house hotels some with spa facilities. The county is underrepresented in the portfolios of the major branded hotels with just a handful present such as Macdonald and Mercure. Telford has a more developed branded hotel offer due its conference market. Budget provision is focused on Shrewsbury and the main visitor hot spots with Travel Lodge and Premier Inn having the largest footprint. There are gaps in provision in some of the visitor hotspots including the Shropshire Hills and few providers of alternative accommodation options such as yurts, tepees, and shepherd's huts.

PRODUCT BREAKDOWN

Accommodation serviced

- ▶ Hotels – 50, of which circa 12 are country house hotels, 7 Premier Inns, 7 Travelodges, 2 Holiday Inns
- ▶ Guesthouses and B&Bs – 100
- ▶ Inns with rooms – 20
- ▶ 4095 bedspaces in total

Accommodation self-catering

- ▶ Campsites and Caravan parks – between 36-50
- ▶ Self-catering (including holiday lets) – circa 235
- ▶ 2050 self-catered bedspaces in total

Activities and sports

- ▶ 2 Balloon flight providers
- ▶ 3 Boat Trip companies
- ▶ 9 water sports hire companies (canoes, paddle board, rafts)
- ▶ Long Mynd Gliding Club
- ▶ Hawkstone Park (Championship)
- ▶ Humphrey Kynaston Way – riding and cycling route
- ▶ Jack Mytton Way – riding and cycling route
- ▶ The Shropshire Way – walking route
- ▶ Lilleshall National Sports Centre
- ▶ Ludlow Racecourse
- ▶ Shrewsbury Town Football Club
- ▶ Telford Snowboard and Ski Centre

Attractions - culture

- ▶ Bishop's Castle Railway Museum
- ▶ Cambrian Heritage Railways & Museum
- ▶ Coleham Pumping Station (SC)
- ▶ Daniels Mill, Bridgnorth
- ▶ Northgate Museum, Bridgnorth
- ▶ Ironbridge Gorge Museums Trust including Coalbrookdale Museum, Darby Houses, Coalport China Museum, Jackfield Tile Museum, Museum of the Gorge, Engineuity, Blists Hill, Broseley Pipeworks, Tar Tunnel, Ironbridge Open Air Museum of Steel Sculpture
- ▶ Ludlow Museum
- ▶ Market Drayton Museum
- ▶ Much Wenlock Museum (SC)
- ▶ Old Market Hall Cinema and Café (SC)

- ▶ Oswestry Town Museum
- ▶ Royal Airforce Museum, Cosford
- ▶ Shrewsbury Flaxmill Maltings Visitor Centre (NE)
- ▶ Shrewsbury Museum & Art Gallery (SC)
- ▶ Soldiers of Shropshire Museum, Shrewsbury Castle
- ▶ The Engine House, Severn Valley Railway
- ▶ The House of Crutches Museum, Bishop's Castle
- ▶ Theatre Severn (SC)

Attractions – family

- ▶ Acton Scott Historic Working Farm (opening 2024)
- ▶ Hoo Zoo and Dinosaur World
- ▶ Exotic Zoo

Attractions – heritage

- ▶ Acton Burnell Castle (EH)
- ▶ Attingham Park (NT)
- ▶ Boscobel House and the Royal Oak (EH)
- ▶ Bridgnorth Cliff Railway
- ▶ British Ironworks Centre
- ▶ Buildwas Abbey (EH)
- ▶ Cantlop Bridge (EH)
- ▶ Clun Castle (EH)
- ▶ Dudmaston Hall (NT)
- ▶ Haughmond Abbey (EH)
- ▶ Ironbridge Gorge (WHS)
- ▶ Langley Chapel (EH)
- ▶ Lilleshall Abbey (EH)
- ▶ Ludlow Castle

- ▶ Mitchell's Fold Stone Circle
- ▶ Morton Corbet Castle (EH)
- ▶ Morville Hall (NT)
- ▶ Old Oswestry Hill Fort (EH)
- ▶ Pontcysyllte Aqueduct and Canal (WHS)
- ▶ Severn Valley Railway
- ▶ Shrewsbury Abbey
- ▶ Shrewsbury Castle (SC)
- ▶ Shrewsbury Cathedral
- ▶ Stokesay Castle (EH)
- ▶ Sunnycroft (NT)
- ▶ Telford Steam Railway
- ▶ Wenlock Priory (EH)
- ▶ Weston Park
- ▶ White Ladies Priory (EH)
- ▶ Whittington Castle
- ▶ Wilderhope Manor (NT)
- ▶ Wroxeter Roman City (EH)

Hospitality

- ▶ 19 AA rosette restaurants, 3 with 3 rosettes
- ▶ 10 Michelin Guide restaurants
- ▶ 16 pubs recommended in the Good Pub Guide
- ▶ 435 restaurants in total
- ▶ 350 cafes and pubs in total

Landscapes, gardens, countryside

- ▶ Abbey Gardens
- ▶ Attingham Park (NT)
- ▶ Bridgnorth Castle and Grounds

- ▶ Carding Mill Valley and the Long Mynd (NT)
- ▶ Fenn's, Whixall and Bettisfield Mosses National Nature Reserve (NE)
- ▶ Hawkstone Park Follies
- ▶ Hodnet Hall Gardens
- ▶ Llangollen Canal
- ▶ Montgomery Canal
- ▶ Offa's Dyke Path National Trail
- ▶ Oteley Gardens
- ▶ Park Hall Farm
- ▶ Stiperstones National Nature Reserve (NE)
- ▶ Severn Valley Country Park (SC)
- ▶ Shropshire Union Canal
- ▶ The Mere at Ellesmere (SC)
- ▶ The Quarry (STC)
- ▶ Walcot Hall and Gardens
- ▶ Wem Moss National Nature Reserve (NE)

Major events and festivals

- ▶ Ludlow Food Festival – September
- ▶ Oswestry Balloon Carnival
- ▶ Shrewsbury Flower Show
- ▶ Shrewsbury Folk Festival
- ▶ Shropshire Kids Fest
- ▶ Shropshire Oktober Fest

Visitor facilities

- ▶ Church Stretton Visitor Information Centre
- ▶ Ironbridge Visitor Information Centre and gift shop
- ▶ Ludlow Visitor Information Centre






- ▶ Much Wenlock Visitor Information Centre
- ▶ Oswestry Tourist Information Centre
- ▶ Shrewsbury Visitor Information Centre

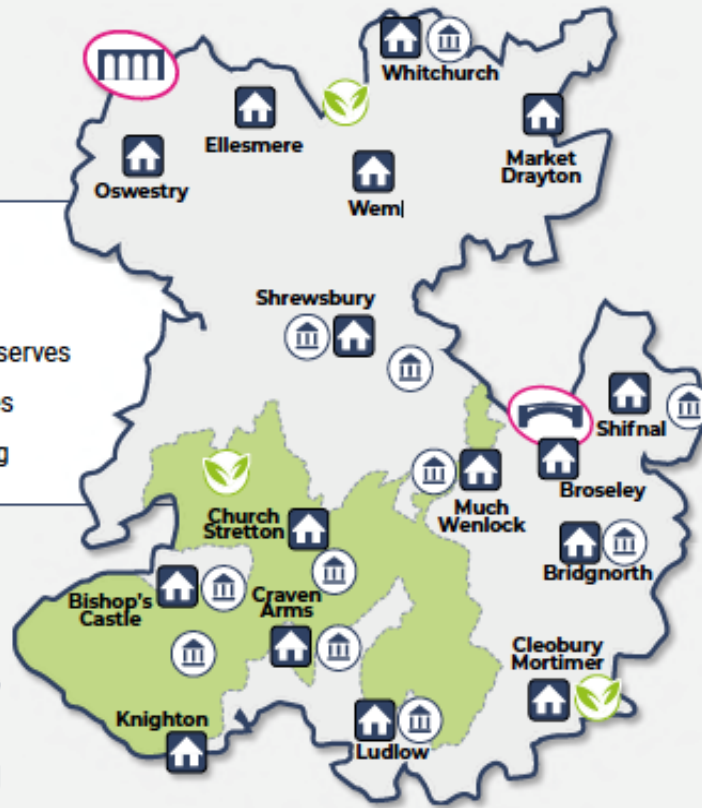
- ▶ Shropshire Hills Discovery Centre

These listings are a snapshot of the product offer in Shropshire. It is not a comprehensive audit and there may be inadvertent omissions. Its purpose is to provide a general overview of the Shropshire offer to visitors.

DRAFT

Shropshire's cultural offer

-  Market Towns
-  Museums
-  National Nature Reserves
-  World Heritage Sites
-  Area of Outstanding Natural Beauty



For a comprehensive and interactive map of Shropshire's Cultural assets please visit:

<https://shropshire.maps.arcgis.com>

#1 Country-loving traditionalists

30%



Typically empty nesters with traditional values, country-loving traditionalists have a moderate household income, but fewer family members to cater for when on holiday. This means that their budget stretches further, and good quality, secure accommodation is a priority when booking a holiday. They are likely to have recently taken a countryside break and keep up to date with UK tourism through websites such as English Heritage and the National Trust.

INCOME AVERAGE

No skew to average income – 51% in the £20K-£45K HH income bracket

LIFESTAGE

Married/living with partner (73%) with no children (81%). Nearly half are aged 55+

LIVE

More likely to live in East/Anglia and South East (29%, Index*: 108)

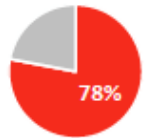


MEDIA



Higher than average consumption of broadsheets (27%) and UK tourism websites (15%)

ENGLAND TOURISM



Visited England in the last 12 months

2.3 holidays a year (typical share of holiday type)

ON THEIR MOST RECENT TRIP...



Typically a countryside break (64%) for two (58%)



59% didn't stay in a hotel, being more likely than other segments to prefer the 'personal touch' of a b&b or rented accommodation

54%

Booked directly through the accommodation provider, not an intermediary



Spent time exploring the countryside (65%) and/or small towns (57%)

TOP PRIORITIES IN CHOOSING A HOLIDAY

IMPORTANCE	% T2B	Index*
Unspoilt countryside	79%	105
Clean and tidy environment	77%	104
Opportunities to eat/drink local food/produce	63%	104

ATTITUDE TOWARDS A HOLIDAY IN ENGLAND

	Index* of mean score**
Offers a wealth of cultural experiences	110
Makes you feel connected to the country's history and heritage	109
Has beautiful countryside	109
Is an ideal place for people like me	109

*Index is a measure of skew the % divided by the average, with 100 being the average.

↑ shows higher than average statistic

#4 Free and easy mini-breakers



Typically more likely than other segments to be young, free and single, free and easy mini-breakers have an average household income; however they are able to indulge in a wealth of activities when on holiday, possibly due to their lack of children. This segment is demographically close to 'the average Joe' (with few skews), but it is in their holiday behaviour that they really stand out from other segments.

INCOME AVERAGE

43% in the £20K-£45K HH income bracket; some high earners (1 in 4 earning £45k+)

LIFESTAGE



Segment most likely to be single (38%), no kids (83%) and aged under 55 (70%)

LIVE

More likely to live in the North (East or West) – 21%, (Index* 113)

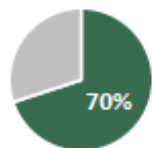


MEDIA



Higher than average consumption of broadsheets (24%) and strong users of social media (66%)

ENGLAND TOURISM



Visited England in L12M

2.1 holidays a year.

Skew towards taking a short break (↑ 66% share of holidays)

ON THEIR MOST RECENT TRIP...



Most likely to be a city break (73%) for two (59%) over 1-3 nights (87%)



71% stayed in a hotel, with B&Bs the only alternative considered (19%)

71%

Chose to book their accommodation online; along with segment #5, the segment most likely to do so



More likely than others to shop (57%), explore the city (55%), visit a museum or gallery (31%) and/or indulge in cultural entertainment (29%)

TOP PRIORITIES IN CHOOSING A HOLIDAY

	% T2B importance	Index*
A destination that is easy to get to by public transport	46%	122
Easy to get around by public transport	50%	120
Availability of festivals, music, sporting and cultural events	39%	111

ATTITUDE TOWARDS A HOLIDAY IN ENGLAND

	Mean score**
Has beautiful countryside	1.39
Has interesting towns and cities	1.31
Is easy to get to	1.26

*Index is a measure of skew the % divided by the average, with 100 being the average.

**Mean score based on +2 strongly agree through -2 strongly disagree


↑ shows higher than average statistic


#5 Aspirational family fun



Typically London-based high earners with children at home, this segment regularly takes city breaks where they can indulge in active, family-friendly pursuits, such as sporting events and cultural visits. They are information hungry: avidly consuming mainstream media (especially newspapers), active on social media, and actively browsing holiday booking websites to evaluate and book their holiday accommodation.

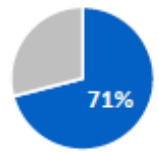
INCOME HIGHER
 Skew much higher incomes.
 - 67% with HH income £35K+ (45% over £45K)

LIFESTAGE
 Tend to be male (57%) and aged under 50 (92%). Segment most likely to have children (62%)

LIVE
 Much more likely to live in LONDON (26%, index*: 174)


MEDIA
 Highest consumption of broadsheets (31%) and free newspapers (18%). Visit UK tourism websites (15%)

ENGLAND TOURISM



Visited England in L12M

↑ 2.7 holidays a year

More likely to take a longer holiday than other segments (↑ 18% share of holiday type)

ON THEIR MOST RECENT TRIP...



Typically a city break (45%) for at least 3 people (55%)



54% stayed in a hotel, with 1 in 5 opting for a b&b instead

34%

Chose the convenience of booking through an aggregator website, the segment most likely to do so



More likely than others to spend time at a theme park (22%), zoo/aquarium (20%) and/or sporting event (12%)

TOP PRIORITIES IN CHOOSING A HOLIDAY

	% T2B importance	Index*
Good nightlife	49%	148↑
Availability of festivals, music, sporting and cultural events	51%	144↑
Good range of water-based/beach activities	50%	131↑

ATTITUDE TOWARDS A HOLIDAY IN ENGLAND

	Index* of mean score**
Offers great entertainment / nightlife	116↑
Makes me feel like I'm doing less harm to the environment	121↑

*Index is a measure of skew the % divided by the average, with 100 being the average.
 ↑ shows higher than average statistic



Appendix C: Developing Shropshire's Destination Management Plan

The work to produce this plan involved twenty four 1-1 interviews, two days of stakeholder workshops, an online industry survey that elicited 121 responses, a stakeholder seminar, a desk review of national, regional and local policies and plans and a comprehensive analysis of county plans covering the economy, outdoor spaces and cultural provision.

People who gave time and actively participated include:

Paula Armstrong, Wellington Town Council

Professor Mark Barrow, Shropshire Council

Mark Bebb, Salop Leisure

Sarah Bird Telford and Wrekin Council

Marianne Blaauboer, Flaxmill Maltings/Visit Shropshire

Charlotte Cain, Telford and Wrekin Council

Dave Crane, Marches Forward CIC

Tracey Darke, Shropshire Council

Kay and Chris Dartnell, Wheely Wonderful Cycling

Cllr Sheila Davis, Church Stretton Town Council

Tish Dockerty, Love Ludlow

Clare Featherstone, Shropshire Council

Sue Finnigan, Shropshire Council

Allan Forest, Pontcysyllte Aqueduct and Canal

Andrea Fox, Shropshire Council

Edward Goddard, Morris Leisure

Paul Gossage Shropshire Council

Marcus Halliwell, National Trust

Martin Haycock, Tour Guide/Visit Shropshire

Beth Heath, Shropshire Festivals/Visit Shropshire

Phil Holden, Shropshire Hills AONB

Mark Hooper, Visit Shropshire

Psyche Hudson, Telford and Wrekin Council

Victoria Ketcher, Ludlow Farm Shop

Nicola Lewis-Smith, Canal and Rivers Trust

Lee Lucks, Oswestry Borderland Tourism/Visit Shropshire

Nigel MacDonald, Shropshire Hills AONB

Tony Morris-Eyton, High Sherriff/Savile's Estate Agent

Cllr Cecilia Motley, Shropshire Council

Adele Nightingale, Oswestry Business Improvement District

Cllr Lezley Picton, Shropshire Council

Matt Potts, Shropshire Council

Nick Ralls, Ironbridge Gorge Museum Trust

Laura Penman, Fishmore Hall

Richard Powell, Park Hall Farm/Visit Shropshire

Seb Slater, Shrewsbury Business Improvement District

Sally Themans, Love Bridgenorth

Jane Trethewey, Shropshire Council

Bob Welch, Church Stretton Town Council

121 people responded to an online survey that asked about how tourism should be managed in Shropshire. Many answers included information that has been used in creating the DMP. The breakdown of respondents by sector is:

Accommodation providers 23%

Attractions 5.7%

Environment/conservation 8.2%

Heritage 7.4%

Local government (County Council/Town Council/Parish Council) 19.8%

Marketing 7.4%

Hospitality 13.2%

Business Improvement District Companies 1.6%

Retail 9.9%

Culture 4.9%

Activity provider/guides 4.1%

Other 19.8%

Responses were countywide.

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Destination Management Plan

Consultation Report

May 2023



1. Background

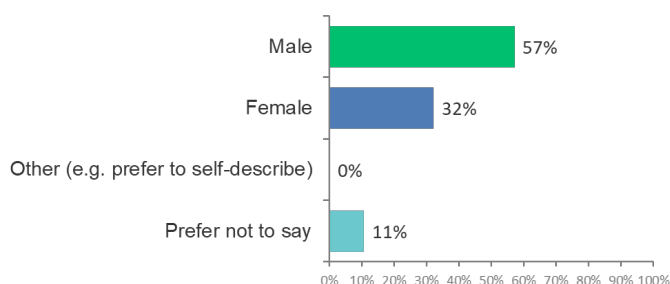
- 1.1 The draft Shropshire Destination Management Plan provides key information to communicate how the county intends to manage its visitor economy between 2023 and 2025. It is designed to support a partnership approach across public and private sectors. The priorities contained in the plan are jointly designed with the aim of transforming Shropshire into an important visitor destination.
- 1.2 The draft Destination Management Plan 2023-2025 (DMP) aims to use best practice from elsewhere whilst retaining a keen sense of what will be right for Shropshire. It details a proposed visitor economy strategy and a set of priorities agreed by stakeholders. The plan will also form a reference document for future funding and a basis for future bids into government programmes. It builds on the local Shropshire Recovery Plan (assessing the impact of the Covid-19 pandemic) and can be used by developers and tourism businesses to shape their investment. It will inform, guide, and influence how resources are used and allocated.
- 1.3 The plan complements national, regional and neighbouring plans and reviews (such as the national Tourism Recovery Plan, De Bois Review, West Midlands Combined Authority Tourism Strategy, Marches LEP Tourism Strategy and others outlined in section 3 of the draft document). The DMP has been created to work in conjunction with Shropshire Council's wider strategic plans, including the Shropshire Plan 2022-2025 and the Economic Growth Strategy 2022-2027.
- 1.4 The consultation on the draft Destination Management Plan was designed to gather feedback from a wider range of stakeholders, beyond those already involved in its creation, and also to seek the views of members of the public and others interested in tourism and the local economy.
- 1.5 The consultation ran from the 6th February to the 31st March 2023 (8 weeks).
- 1.6 To obtain feedback an online survey was used and other response options were provided including email and postal options. Members of the public and stakeholders were also encouraged to get in touch if they needed to request alternative response methods or accessible versions.
- 1.7 The consultation was widely promoted across Shropshire via the Shropshire Council newsroom, local partnership and business networks and Shropshire Council's 'Get Involved' consultations and surveys portal.
- 1.8 This report summarises the feedback received. Key sections include:
 - Demographics
 - Vision and content
 - Priorities
 - Positive feedback
 - Negative feedback
 - Gaps and suggestions
 - Engagement
 - Conclusions
- 1.9 All feedback obtained will be used to finalise the Shropshire Destination Management Plan 2023-2025 prior to final decision and publication.
- 1.9 The final version of the plan will be shared via Shropshire Council's website and support future partnership working as the plan progresses to implementation.

2. Demographics

2.1 There were 29 responses to the consultation on the draft Shropshire Destination Management Plan 2023-2025. The response was smaller than anticipated given the extensive promotion of the opportunity to comment and provide feedback on the draft.

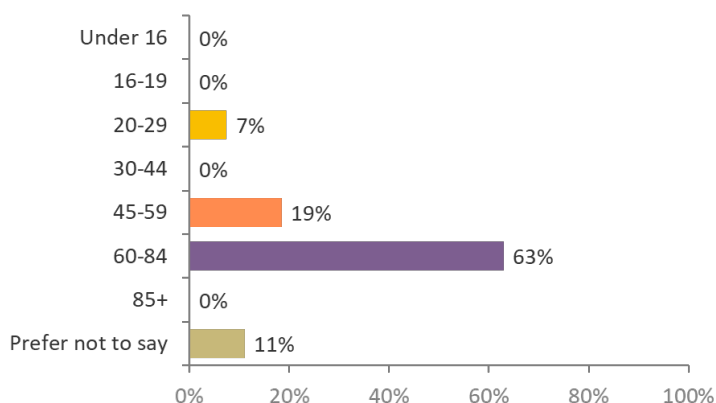
2.2 The 29 respondents were asked about themselves to see if the responses were representative of the wider population. The small response means it is hard to draw too many conclusions but it is nevertheless helpful to understand the respondent profile. The chart below illustrates the gender of respondents. There were more male respondents 57% (16) compared to females 32% (9). This is not typical within surveys in general; usually more women respond.

Gender of survey respondents



2.3 The chart displays the age group of survey respondents and highlights that 63% were aged 60 to 84. This is helpful and may be used to inform future engagement as part of the plan's implementation and review.

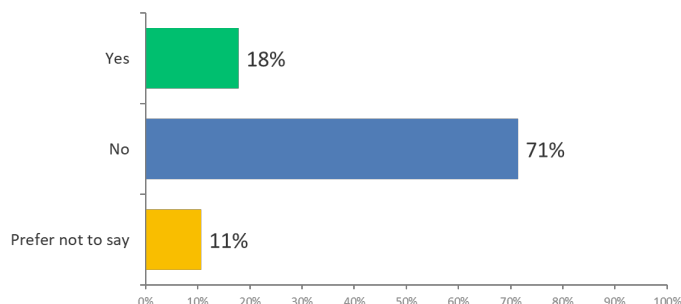
Age of survey respondents



2.4 The location of respondents was considered but there were too few responses to map. **Page 263**

2.5 A standard question considered within any consultation is whether survey respondents have any long-standing illness or disability that limits daily activity. This question is frequently accompanied by a question to measure impact of any new plan/strategy, policy or service change (to consider a diverse range of needs). The feedback obtained can be very valuable and this is considered in more detail later in the report (see section titled 'Engagement'). The results highlight that 18% of the survey respondents (5 of the 29 respondents) do face limits to daily activity.

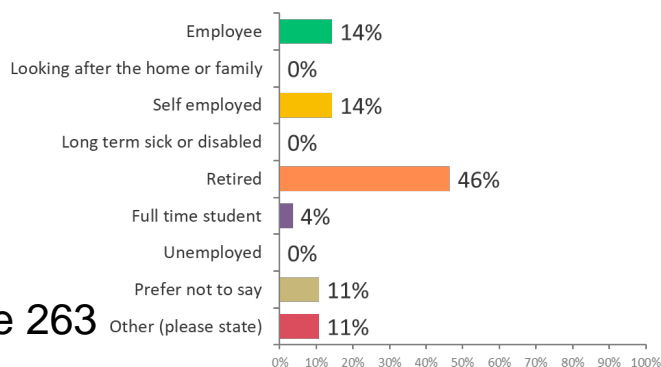
Do you have any long-standing illness or disability that limits your daily activity?



2.6 82% of the respondent sample describe themselves as White (British, Irish Polish, Gypsy or Irish Traveller, Other White) and 14% preferred not to say.

2.7 The survey respondents were asked about their interest in the survey and daily occupation. 26 of the survey respondents (90%) explained they responded to the consultation survey as an individual or member of the public and 3 (10%) on behalf of an organisation. 46% are retired.

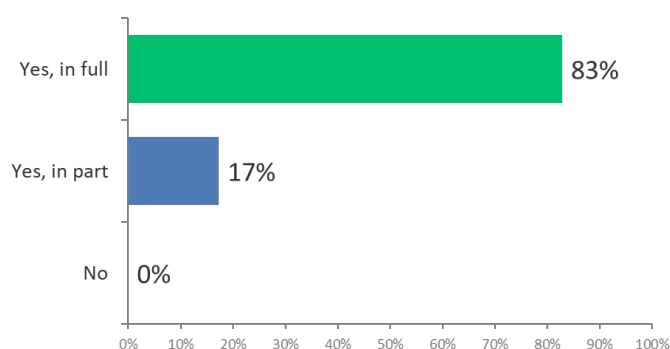
Daily occupation of survey respondents



3. Vision and content

3.1 The consultation included a copy of the draft Shropshire Destination Management Plan 2023-2025 to ensure those engaged were able to make an informed response. Each respondent was asked if they had read the draft plan and all had considered the document either in full or in part as the chart below shows.

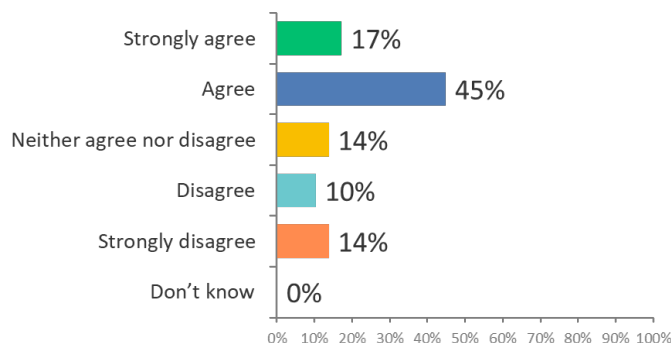
Have you read the draft Shropshire Destination Management Plan 2023-2025?



3.2 The survey asked for views on the vision set out within the plan. The vision is that: *“Shropshire will be a sustainably managed destination that welcomes the curious and the adventurous to explore its outstandingly beautiful natural landscapes and internationally recognised built heritage in a way that safeguards these precious assets now and for future generations. It is a place where world-changing ideas were born and are celebrated, and it continues to display a refreshing independence of thought and spirit. Its market towns and villages are alive with artisan producers, cultural practitioners and hospitality businesses that combine to create a quality environment in which visitors and residents alike are able to rethink, refresh and recharge.”*

The following chart illustrate that the views were quite mixed but with a majority in support of the proposed vision. 62% either agree or strongly agree with the vision, 24% either disagree or strongly disagree and the remainder do not have an opinion or do not know.

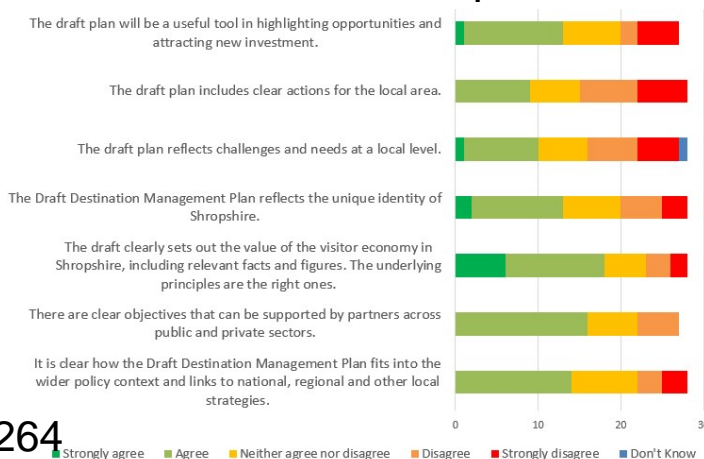
Views on the draft vision



3.3 To test levels of satisfaction respondents were given a number of statements and asked to give their view for each:

- It is clear how the draft Destination Management Plan fits into the wider policy context and links to national, regional and other local strategies.
- There are clear objectives that can be supported by partners across public and private sectors.
- The draft clearly sets out the value of the visitor economy in Shropshire, including relevant facts and figures. (The underlying principles are the right ones).
- The Draft Destination Management Plan reflects the unique identity of Shropshire.
- The draft plan reflects challenges and needs at a local level.
- The draft plan includes clear actions for the local area.
- The draft plan will be a useful tool in highlighting opportunities and attracting new investment.

Views on the draft plan



3.4 On average, 13 of the 29 survey respondents agree with the aims and contents of the draft plan and an average of 8 disagree, although the results vary across the statements. There is fairly widespread agreement that draft plan clearly sets out the value of the visitor economy in Shropshire, including relevant facts and figures. The two areas where there is most disagreement are around whether the plan sets out clear actions for the local area and whether the plan reflects local needs and challenges.

3.5 To understand any concerns or areas of disagreement, the survey respondents were asked to add comments. 17 of the 29 survey respondents added a comment. Example comments are shown in the box below.

Survey responses - All comments

- *“Although you have mentioned disability on page 7 under equality, there is no mention about the specific needs of people with disability and how adaptations / accessibility will be considered, including digital infrastructure”*
- *“It promotes a horrific vision of Shropshire, my native county. It presents as 'vision' a gross commodification of our English heritage and way of life. Reading it made me feel physically sick...”*
- *“The plan strikes me as being too keen on slogans and words rather than a clear recognition of the problems the plan will cause for the Shropshire countryside. Increasing access and tourism will by definition, undermine the key features of the Shropshire countryside - which are that it is thinly populated and has few visitors (although numbers are increasing). It takes courage to say "no" to increased access...”*
- *“Sustainability is the largest in the Word Cloud & it figures strongly in the vision and Priorities but when it comes to actions environmental sustainability got lost! There is no reference to The Council's net zero strategy. The nearest it gets to active travel is when it suggests there should be information for the visitor after they have arrived in their car. This is not a serious approach to sustainability!...”*
- *“Needs a section on access without a car. Public transport needs to reach further.”*
- *“.... the words 'horse riding' and the words 'Active Travel' are not mentioned in the document. It is not credible to make a case for sustainable tourism without incorporating alternatives to car travel. The assertions of 'Healthy Economy' 'Healthy People' 'Healthy Environment' are little more than meaningless green washing without addressing the car-centric approach to Shropshire Tourism.”*

- *“More hot air. Past experience does not inspire confidence in the competence or integrity of our local government. Every vanity project, from cobble streets via Quantum Leap to shopping malls is going to deliver wonders. Aims are rarely translated into results.”*
- *“More scope for unique Traveller type caravans, Yurts and glamping sites.”*
- *“Aspirations and strategies are not costed policies.”*
- *“It's a sloppy piece of work which prompts the thought as to whether it has received sufficient overview by senior management.”*
- *“Sustainability does not sell- the best tourist destinations are branded as historical, unique or exciting! The Shropshire Council is badly run by metropolitan Shrewsbury people who haven't stepped foot in a field in their life (except maybe once for DofE).”*
- *“The draft helps to identify priorities.”*
- *“There are some gaps in the list of the attractions of Shropshire.”*
- *“The county-wide focus underplays the need for better integration and development within the south, north and west of the county.”*
- *“More needs to be done for the South of the county.”*
- *“Please do not forget the opportunity for people to stay in South Shropshire and visit places like Berrington Hall and Croft Castle- although in Herefordshire the opportunity is for South Shropshire to capture some of the spend.”*
- *“Might be suitable for consultants to read their own efforts, but does not appear to be targeted at relevant players.”*

3.6 The example comments shown above illustrate how strongly some of the survey respondents feel about tourism in Shropshire. There are a range of views but some themes include an interest in active travel and travel options, the importance of embedding environmental priorities into the strategy (linking to the Council's net zero ambitions), the importance of considering the whole county and all attractions, some concerns about impact visitors have on the countryside and some more general comments suggesting a lack of confidence in Shropshire Council and its ability to deliver the plan.

3.7 The next section expands on some of the points above and considers views on the plan's priorities.

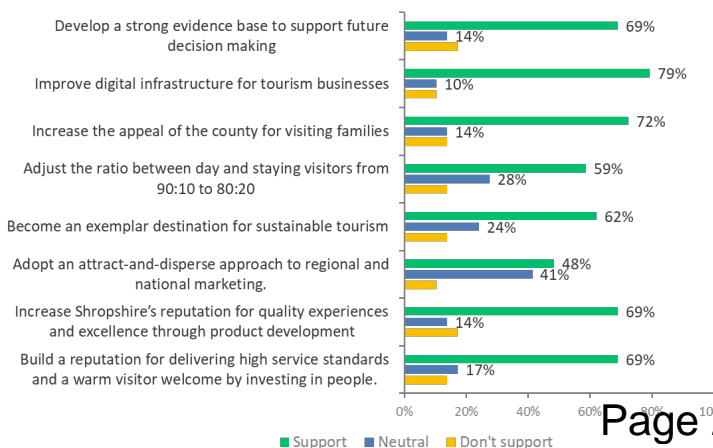
4. Priorities

4.1 There are eight priorities included in the draft Destination Management Plan:

- Develop a strong evidence base to support future decision making.
- Improve digital infrastructure for tourism businesses.
- Increase the appeal of the county for visiting families.
- Adjust the ratio between day and staying visitors from 90:10 to 80:20.
- Become an exemplar destination for sustainable tourism.
- Adopt an attract-and-disperse approach to regional and national marketing.
- Increase Shropshire's reputation for quality experiences and excellence through product development.
- Build a reputation for delivering high service standards and a warm visitor welcome by investing in people.

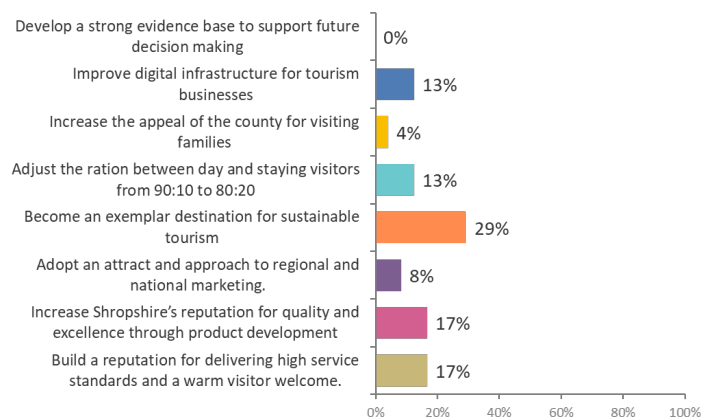
4.2 For each priority the consultation respondents were asked if they support or don't support the priority. There were high levels of support for all the priorities. The priority supported most was improving digital infrastructure with 79% support followed by increasing the appeal of the county for visiting families. The priorities supported least were adopting an attract and disperse approach to regional and national marketing and adjusting the ratio between day and staying visitors from 90:10 to 80:20.

Views on the plan priorities



4.3 To test which priorities are considered most important, survey respondents were asked which priority is most important to them. The chart below shows the response. The most commonly chosen priority (7 respondents) was to become an exemplar destination for sustainable tourism. The next top priorities, chosen by 4 people each were to increase Shropshire's reputation for quality and excellence through product development and to build a reputation for delivering high service standards and a warm visitor welcome. The least popular of the 8 priorities, chosen as top by only one survey respondent was to increase the appeal of the county for visiting families.

Top priority choices



4.4 The next sections of the report look more closely at some of the feedback obtained when survey respondents were asked more open questions and asked to comment. Although small numbers completed the survey the results are very helpful and all comments help to highlight what matters to people. The next section looks more closely at the positive feedback obtained and the elements of the draft Destination Management Plan that people liked most.

5. Positive feedback

5.1 The 29 respondents were asked whether there survey were elements of the draft Destination Management Plan they liked most. 17 of the 29 took the time to add a comment but unfortunately 2 of the comments were that there was nothing positive to feedback and a few of the other comments are not very positive in nature (this is considered in the next section of the report). As many comments as possible have been included in the box below as examples and to illustrate the range of feedback received.

Survey responses - Example comments

- *“Worthy Priorities.”*
- *“It sets out ambition and review process.”*
- *“At least the DMP will exist and shows what must be done.”*
- *“I like the fact that Shropshire are looking at tourism as whole county. It is a stunning place to live and can be a more affordable place to visit than the Lake District.”*
- *“The united approach.”*
- *“The recognition that improving the visitor economy benefits the resident population also.”*
- *“Clear targets- although they ned to be monitored and reported on- how does this happen?”*
- *“It is the start of a coherent County wide plan for Shropshire. Previously different parts of the County have been competing for attention but as Shropshire has such low visitor awareness it is better to promote the county as a whole than try to differentiate between regions. Put Shropshire on the map and hopefully all areas will benefit.”*
- *“The ONE SHROPSHIRE name Shropshire is diverse and we need to differentiate between places which will appeal to different segments.”*
- *“Improve digital infrastructure for tourism businesses.”*
- *“I was glad to see the clear commitment to sustainable growth. Tourism in Shropshire is all about its environment and heritage, two things that must be sustainably managed now and into the future.”*

- *“I like that Shropshire is thinking about a new strategy but the content is very low-tier. The council would benefit from some innovative and original thoughts rather than the unambitious, bland and amateur-ish report created so far. Start again and consider Shropshire as an actual brand to export across the country. Yorkshire has achieved it and now the Yorkshire brand is not just a tourism success but also a product brand success.”*
- *“Not much, I'm afraid, since it proposes more visitors to the Shropshire countryside rather than fewer, which is what is really needed to protect it. Reducing the ratio between staying and day visits from 90:10 to 80:20 is not a meaningful target. It should be 10:90 (only 10% day visits).”*
- *“Omissions (which I recognise you flagged in the document) and straightforward schoolboy errors which point to an absence of oversight, e.g: • “Mitchell’s Ford Stone Circle” - “Fold” surely? • “Land of Lost Content” - closing/closed • “Oteley Gardens” is a housing development in Shrewsbury. Oteley garden is, I believe, part of Oteley Estate, Ellesmere • “Clun Man Festival” might have the key word, Green, missing.”*
- *“Well laid out in terms of printing, but I'm afraid that is about all.”*

5.2 The feedback on the draft is mixed, there appears to be some agreement that the plan is important and necessary. There are some positive comments on the ambitions/priorities and fact that the plan is a more united approach, engaging partners across sectors for the benefit of the whole county. In addition to the positive comments there are some clear concerns mentioned in relation to the impact of tourism on the environment and some suggestion that perhaps the draft Plan could be reconsidered or developed further. The comments included in the next section of the report help to explain views of perceived gaps and suggestions for improvement.

6. Negative feedback

6.1 In the same way that survey respondents were asked to comment on what they liked about the draft Destination Management Plan, they were also asked if there was anything they didn't like or felt needed improvement. There were 20 comments from the 29 who gave feedback through the survey. As many comments as possible have been included in the box below to illustrate the range of views and issues highlighted. Some of the comments express strong negative emotions towards the plan and others are more constructive in nature.

Survey responses - Example comments

- *"This is an evil, evil plan."*
- *"Start again."*
- *"A failure to state how to achieve the stated priorities."*
- *"Nothing here says who is to take on the various tasks involved."*
- *"Develop a robust evidence base to support future decision making can develop alongside the other priorities."*
- *"Appears to be a typical consultant's exercise, meaning an abundance of data, but who is it actually targeted at?"*
- *"Not convinced the time and resources will produce any improvement."*
- *"It seems to be a pointless exercise. Life will go on, in an economy weakened by Brexit. Council funds, such as they are would be better spent on school meals and day care."*
- *"Consideration of the disabled."*
- *"Not enough support or proposed support for smaller accommodation sites and facilities."*
- *"There needs to be a clear policy on things like parking charges in market towns as high charges and lack of space puts off visitors- suggest Morpeth is a good example- abolished charges and prospered."*
- *"Potentially more references to infrastructure, especially in areas such as Ironbridge where visitor numbers can be an issue. Also visitor pressures on more natural sites e.g. Carding Mill Valley and the Long Mynd where footpath erosion and general visitor pressure is an issue."*
- *"The lack of inclusion of a sustainable approach to travel and tourism."*

- *"The danger of targeting increase in 'staying' visitors might mean that 'chain' hotel applications are approved, which do not allow Shropshire to be differentiated in the eye of the visitor."*
- *"There is no mention of how traders, accommodation-providers, event organisers and local councils need to work together at the local level."*
- *"Recognition of the fact that most accommodation businesses are very small and work will be needed to bring them all together - it is easy to focus on large chain/national hotels at the detriment of smaller owner run businesses yet it is these small independent businesses that offer a personalised visitor experience."*
- *"Part of me doesn't want tourists because there will be an increase in traffic on the roads. Places I like to visit as a resident are too busy."*
- *"I can really only comment mostly on items relating to Ludlow... I feel that the emphasis for Ludlow is based on its reputation for food but way before the Michelin starred restaurants arrived and the Ludlow Food Festival Ludlow was famous for not only the Castle and that it had been the Capital of the Marches for over 2 centuries ruling vast tracts of land including much of Wales but also for its wonderful architecture - The Feathers and Broad St. to name just 2 areas....I think to just point Ludlow as a food destination is completely wrong....As previously stated Shropshire has fewer open gardens than many counties so it is foolish to leave out these."*

6.2 The comments are quite varied overall but there are a few common themes including more information relating to implementation (e.g. resourcing, roles and responsibilities), concerns about impact, concerns about meeting the needs of small businesses (particularly small accommodation providers), impact of visitors (e.g. parking, roads and the environment), and some concerns relate to messaging and target audience.

6.3 The next section considers the issues respondents felt are missing or need further consideration.

7. Gaps and suggestions

7.1 The 29 survey respondents were asked if there was anything missing from the draft Destination Management Plan 2023-2025. 19 people provided feedback. Some of the feedback reinforced the points made previously or included very general negative comments rather than any specific concerns or areas to address prior to the final plan being published. The example comments below are those more focused on an issue or subject for attention.

Survey responses - Example comments

- "... the management of visitor pressures. On the natural environment as well as built infrastructure."
- "Potentially more references to infrastructure, especially in areas such as Ironbridge where visitor numbers can be an issue. Also visitor pressures on more natural sites e.g. Carding Mill Valley and the Long Mynd where footpath erosion and general visitor pressure is an issue."
- "Part of me doesn't want tourists because there will be an increase in traffic on the roads. Places I like to visit as a resident are too busy."
- "The courage to say "no" to those demanding more access/right to roam to the Shropshire Countryside."
- "Another indication that this document is far from 'sustainable' is exemplified by the stock picture of a narrow boat. These are a health hazard as they rely on burning diesel, coal and gas. How does this fit with the reference to Shropshire Climate Change Strategy?"
- "The lack of inclusion of Sustainable approach to travel and tourism."
- "There needs to be a clear policy on things like parking charges in market towns as high charges and lack of space puts off visitors- suggest Morpeth is a good example- abolished charges and prospered."
- "How to help the increasing number of farmers now diversifying into tourism post-Brexit."
- "An endorsement by the local authorities of the 'Visit Shropshire' organisation placing them at the centre of the work that needs to be done."
- "Invest in and improve what we already have before attempting to develop other opportunities."
- "No mention of Shropshire's Mayflower Children <http://shropshiremayflower.com/> No mention of Much Wenlock's ancient buildings and its Olympian connection."

- "You mention the built heritage briefly, but there is much more to say about this. Visitors are amazed and delighted by the Built Heritage in Shrewsbury, but this is not currently understood as a major visitor attraction. Our Built Heritage must be - CONSERVED - there are too many fine, ancient buildings in Shrewsbury in a poor state e.g. Rowley's House and Old St Chad's; the Lion Hotel is one of the finest historic inns in the country and has been left to decay; St Mary's Church (not mentioned in your report) has some of the finest stained glass in the country and is under threat; Displayed - the listed buildings in Shrewsbury (there are more than in York), including streets and terraces, need to be accessible easily on foot and not spoiled by traffic and traffic signage."
- "Shropshire should look at destinations just outside its traditional borders to see if it can capitalise on tourists who want to stay in the area but need information about activities and places to visit outside the area- Berrington, Croft etc."
- "Missing? An appreciation of who would actually benefit from what has been presented."
- "Tasks involved."
- "Develop a robust evidence base to support future decision making can develop alongside the other priorities."

7.2 There are some quite strong areas of agreement within the comments with the top issue being sustainability and managing the impact of tourism on the natural environment and infrastructure.

7.3 Another commonly mentioned theme within comments was appreciating the wide range of visitor attractions and assets Shropshire already has (different examples are provided within the comments). One other theme within comments was calling for a bit more clarity on implementation and allocation of resources.

7.4 Everyone who responded to the consultation was asked if there were any other points they wished to raise. There were 7 comments and they included suggestions to consider Tourist Information Centres (TICs), to make use of the work carried out by Shropshire Cycle Forum, to measure customer experience and use the skills and experience locally (including private businesses).

8. Engagement

8.1 The draft Destination Management Plan has been developed through engagement but the consultation aimed to gather views on future engagement and a question read 'Shropshire Council will continue to encourage stakeholder engagement in the development and delivery of the Destination Management Plan. Do you have any comments to make about future engagement?' There were 17 comments but not all were a response to the question and some were general negative comments about Shropshire Council. Example comments are included below.

Survey responses - Example comments

- *"Continue to engage with residents and communities."*
- *"This is a good thing as long as it engages with wider organisations as well."*
- *"Get more local and independent businesses involved."*
- *"I would be happy to contribute as a resident in a historic area, if that would be helpful."*
- *"Perhaps involving 'normal Salopians' a little more."*
- *"Consider consulting with destinations which already cater for the disabled."*
- *"Local fora for engagement would encourage local businesses to co-operate and create individual experiences for visitors."*
- *"Consult the countryside and rural businesses."*
- *"Too much focused on councils and non profit entities, it will only have a chance of improvement when actual business providers are engaged."*
- *"Shropshire Council needs to facilitate the development of more collaborative working amongst stakeholders at the local level and upskilling digital marketing across the county."*
- *"Stakeholders should not just be people who demand things - there needs to be a proper recognition of stakeholders who are exposed to the adverse effects of your vision. It is not a fair balance to have Stakeholder A (increased access/right to roam) having the same leverage as Stakeholder B (landowners) when it is only Stakeholder B who is having their property taken from them...."*
- *"I suggest that you contact the Severn Valley Railway - their published timetable for 2023 makes it very unattractive to visit Bridgnorth with a view to taking a day's excursion on the SVR using Bridgnorth as the start point."*

- *"This should be lead by 'Visit Shropshire'."*
- *"We receive no funding for tourism from Shropshire Council and the Visitor Information Centre is only able to operate due to the endeavours of its volunteers....the furniture and display standard are absolutely appalling. A mish mash of cupboards and stands that make Ludlow look very much the poor relation compared to its nearest TICs ...We received 20,000 visitors to the VIC last year and they must have been taken aback that such a popular destination such as Ludlow had such a poor looking visitor information centre. If Shropshire Council really wishes to promote and increase tourism to the county they should cough up some money for a decent display for all the promotional material we hold for the county."*

8.2 The comments highlight support for future engagement and a particular theme includes engaging with rural businesses and existing key contacts for tourism including Tourist Information Centres, Visit Shropshire and key attractions. There are some helpful suggestions within the comments.

8.3 One suggestion includes the importance of meeting the needs of disabled people. Shropshire Council undertakes Equality, Social Inclusion and Health Impact Assessments (ESHIA) for new strategies, plans and service changes. The survey asked for any comments on diversity, equality or social impact that respondents would like the council to consider in the work on the Destination Management Plan. There were 9 responses in total and 4 were negative, including a comment that the Equality Act should be scrapped. The remaining comments are shown below.

Survey responses - Example comments

- *"Access to all groups is important."*
- *"Post-Covid Church Stretton saw an increase in minority ethnic visitors from the West Midlands. As Church Stretton and Shrewsbury are on the Transport for Wales rail-line...."*
- *"A fair representation of local support and input."*
- *"Advice and grant funding for wheel chair and disabled access to venues."*
- *"Consider rural opinions and maybe pull resources from more successful counties...."*

9. Conclusions

- 9.1 The response to the draft Destination Management Plan 2023-25 consultation was small considering the active promotion of the opportunity to comment. 29 people responded and most (26) described themselves as individuals or members of the public. Considering the profile of the survey sample, there were more men aged 60 to 84 than any other group and many respondents described themselves as retired.
- 9.2 The survey results highlighted that all respondents had read the draft either in full or in part and that 62% of respondents either agree or strongly agree with the vision contained within the draft Destination Management Plan.
- 9.3 There is fairly widespread agreement that draft plan clearly sets out the value of the visitor economy in Shropshire, including relevant facts and figures. The two areas where there are more concerns include whether the plan sets out clear actions for the local area and whether the plan reflects local needs and challenges.
- 9.4 In terms of content the survey respondents suggest they would like to see more information concerning active travel and travel options, more work to embed environmental priorities into the strategy (linking to the Council's net zero ambitions), an emphasis on considering the whole county and all attractions, and some coverage of how visitors impact on the countryside. Feedback also included some more general comments suggesting a lack of confidence in Shropshire Council and its ability to deliver the plan.
- 9.5 Eight priorities are set out in the draft plan. The priority supported most is improving digital infrastructure (79% support), followed by increasing the appeal of the county for visiting families. The priorities supported least were adopting an attract and disperse approach to regional and national marketing and adjusting the ratio between day and staying visitors from 90:10 to 80:20.
- 9.6 The feedback on the draft is mixed. The positive feedback includes that the plan is important and necessary. There is support for many of the ambitions/priorities and appreciation that the plan takes a united approach, engaging partners across sectors for the benefit of the whole county.
- 9.7 More negative feedback includes themes that more information is required relating to implementation (e.g. resourcing, roles and responsibilities), concerns about impact, concerns about meeting the needs of small businesses (particularly small accommodation providers), environmental and infrastructure impact of tourism/visitors (e.g. parking, roads and the environment), and some concerns relate to messaging and target audience.
- 9.8 Perceived gaps within the current draft include the need to emphasise sustainability and managing the impact of tourism on the natural environment and infrastructure. Another commonly mentioned theme within comments was appreciating the wide range of visitor attractions and assets Shropshire already has (different examples are provided within the comments). One other theme within comments was calling for a bit more clarity on implementation and allocation of resources (similar to the concerns raised under improvements).
- 9.9 The feedback received highlights support for future engagement, and a particular theme includes engaging with rural businesses as work to deliver the plan progresses.
- 9.10 Although it is disappointing that more people did not engage in the consultation, those who did answered questions comprehensively and took time to add considered feedback. The main issues raised can now be considered in full and used to make changes to the draft document. A final copy of the Destination Management Plan 2023-2025 will then be produced and Shropshire Council decision makers will be asked to consider that next version of the document for publication and implementation.

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