



Committee and Date

Transformation and Improvement OSC 1 December 2025

Cabinet 3 December 2025

Council 11 December 2025

Item

Public



Shropshire Council Improvement Plan

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Synopsis

Shropshire Council needs to address its serious financial position with urgency. The Improvement Plan sets out how the Council is going to ensure it has stable and sustainable finances, a clear purpose and priorities to work to, and staff who are enabled to excel, including the immediate response to the Financial Emergency.

Executive Summary

2.1 In July 2025 the Local Government Association (LGA) carried out a Corporate Peer Challenge (CPC) at the invitation of the Council. The peer challenge identified 10 recommendations and several additional opportunities for the council to address and recognised the challenging financial position of the council. The recommendations, which were all accepted, included establishing an Improvement Board with an independent chair. In addition, during 2025 the council has received other external feedback including reports from Ofsted and Care Quality Commission (CQC) for Children's Social Care and Adult Social Care, rating these services as Outstanding and Good respectively, and the annual External Auditors letter (reported to the 26 September 2025 Audit and Governance Committee) and the

External Auditors Annual Report (reported to the 27 November 2025 Audit and Governance Committee). Additionally, the Council declared a Financial Emergency at 10 September 2025 Cabinet.

- 2.2 In response to this external feedback and the declaration of the Financial Emergency, the Council has taken immediate action to address the issues raised. This has included an action plan responding to the recommendations from the CPC (reported to Cabinet on the 15 October 2025), setting up the Improvement Board, which had its first meeting on Monday 10 November, appointing an independent chair, and developing the Improvement Plan attached at Appendix 1. The CPC action plan has been incorporated into the Improvement Plan. It is intended that this wider Improvement Plan, as the first part of the Council's Strategic Plan, will be presented to Council in December 2025. The council has received significant support from the Local Government Association to contribute to the improvement journey.
- 2.3 This paper presents the draft Improvement Plan (appendix 1) for consideration, feedback and confirmation before being presented to Council on 11 December. The Plan is not a detailed delivery plan. It is designed to be a single framework and plan for the Council's improvement activity. In doing so it sets out the governance and support arrangements that will ensure that the council delivers the plan, and brings together existing and new activity and actions that will enable strong foundations that will enable the council to deliver its priorities and outcomes for Shropshire communities.
- 2.4 The Plan is structured around three aims which together will support the Council to make best use of the resource it has available to it to better deliver, enable, and influence for Shropshire and its residents by:
- Having clear priorities and purpose
 - Being financially stable and sustainable
 - Supporting and enabling our workforce to excel

Each aim initially has three priority programmes of action (see paragraph 7.2) Some of this action is a continuation of existing work and some activity is new. As a single overarching plan, it makes the links to a range of strategies and plans that contribute to realising the aims, including a new People Plan which will include much of the activity that helps us to be a Council that improves how we support and enable our workforce to deliver. That Plan is also presented to Cabinet (03/12/25) for consideration. There are also key elements of the financial stability activity on that will be presented to Cabinet and Council over the coming months including the Capital Strategy, draft Financial Strategy, Fees and Charges and Treasury Management Strategy.

- 2.5 The Improvement Plan has been developed with a clear eye on the future council. The Council has previously considered how it needs to adopt new ways of working to deliver its priorities while being a financially sustainable organisation. Reports to Council in July 2024 and February 2025 set out thinking on a new operating model. Together with the 'New Direction' report agreed at Council in September 2025, they suggest several key principles that should guide how the Council will operate and improve. The Improvement Plan draws on those to ensure that improvement activity does not simply focus on addressing the immediate issues but has a strong

focus on enabling the council to deliver the outcomes and services it has priorities in the way that it has identified it want to work.

2.6 The Plan has been developed with engagement with staff at all levels and with Members. There have been weekly updates to the Senior Leadership Forum, six briefing sessions during the first week of November for all staff, an online form for staff to share thoughts and feedback, regular development conversations with Leadership Board, introductory meetings with all Group Leaders, weekly updates with the Leader and Deputy Leader, two briefings for the Transformation and Improvement Overview and Scrutiny Committee, and an all member briefing. Throughout these briefings, feedback has been taken, and questions asked and responded to. A key message has been that there will more engagement and involvement of staff in particular, and Members in the implementation of the Plan, the development of the Corporate Plan, and for all strategies and plans that are developed going forward.

2.7 As highlighted in previous reports to 25 September Council and 15 October Cabinet on the CPC and improvement work, the Improvement Plan is part of a suite of organisation wide strategic plans which together form the Shropshire Plan. The suite also includes the Medium Term Financial Strategy (MTFS) which will be agreed at Council in February 2026, the Corporate Plan which has started in its preparation and will be further developed in the new year for agreement at Council in May 2026, and the Shropshire 2050 Partnership Plan, which will set out a more outward focus about the place and how the council will work with others to realise shared outcomes.

Recommendations

T&I OSC are asked to:

- 3.1 Consider the draft Improvement Plan (Appendix 1)
- 3.2 Provide observations and any recommendations through a verbal report by the Chair to Cabinet at their meeting on the 3 December 2025
- 3.3 Identify how and where the committee can and will add value to the delivery of the Improvement Plan

Cabinet are asked to:

- 3.1 Review, comment on, and recommend the draft Improvement Plan (Appendix 1) to Council.
- 3.2 Recommend to Council the governance arrangements set out in the Plan.
- 3.3 Recommend to Council that the capacity and resources to support the delivery of transformation required through this plan will be aligned to the MTFS.

Council are asked to:

- 3.1 Consider and agree the draft Improvement Plan (Appendix 1).
- 3.2 Agree the governance arrangements set out in the Plan.
- 3.3 Agree that the capacity and resources to support the delivery of transformation required through this plan will be aligned to the MTFS.

Report

Risk Assessment and Opportunities Appraisal

- 4.1 The Council needs to improve and demonstrate to residents, partners, and the Government that it is doing so with urgency. It has a serious financial position to address and needs to do this by both pursuing the opportunities to do this and managing and mitigating the risks to achieving them. Failure to do so could result in Government intervention. The Improvement Plan has been developed with a clear view of what authorities that have been subject to intervention have been required to do and sets out how the Council will deliver the improvements it needs to make over the next 12 to 18 months to the end of March 2027.
- 4.2 The following set out the risks to achieving the improvement plan at this current point in time. Additional and amended risks will be identified and managed as they arise as the Plan is implemented. The Council's Strategic risks are also currently being reviewed which includes how they align to the requirements of the Improvement Plan and the Improvement Board.

<i>Risk</i>	<i>Mitigation</i>
Capacity and pace of delivery - Failure to deliver the improvement plan in a timely and effective manner due to capacity constraints	• A comprehensive and robust view of the resourcing requirements to deliver the plan as delivery arrangements are confirmed by responsible lead senior officers, with reprioritisation and allocation taking place. • Clear and consistent leadership setting out the direction, pace, outcomes and expectations of the change required. • Governance and delivery arrangements that remove siloed working • Accountability and responsibility clearly articulated and demonstrated, including through progress and impact reporting
Resourcing the plan - Inability to reallocate and invest in functions to support the delivery of the plan will lead to difficulties in delivering the improvement plan	The delivery approach for the Improvement Plan will set out the strategic framework which improvement activity will be delivered within, bringing together the Financial Stability Plan and the Sustainability Strategy, with the MTFS. A new Corporate Plan is being developed and this will take the priorities of the council, alongside the improvement plan and the financial strategy. Specifying and negotiating with MHCLG the amount and use of Exceptional Financial Support (EFS) to deliver financial stability through the Improvement Plan and financial sustainability in the medium to longer term.
Understanding and perception of change - Inability to maintain stakeholder confidence leading to reduced support for the improvement plan	Clear and timely internal and external communications and engagement that describes the process the Council is going through with open and honest descriptions of current progress while setting out the rationale for change and where the council is aiming to be in the future.

Managing interdependencies across the plan - Failure to manage interdependencies across the improvement plan leading to disruption, duplication or failure in delivering the improvement plan.	• The need for direct communications between Strategic Accountable Officer (SAOs) responsible for the programmes of action has been identified early. • Interdependencies between the programmes have been identified and shared. • Changes in the performance or scope of change programmes will be communicated via the proposed governance structure. • Clear leadership will set out the aims and priorities of the change required. • Strengthened Corporate Programme Management Office (CPMO)
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Financial Implications

- 5.1 Shropshire Council continues to manage unprecedented financial demands and a financial emergency was declared by Cabinet on 10 September 2025. The overall financial position of the Council is set out in the monitoring position presented to Cabinet on a monthly basis. Significant management action has been instigated at all levels of the Council reducing spend to ensure the Council's financial survival. While all reports to Members provide the financial implications of decisions being taken, this may change as officers review the overall financial situation and make decisions aligned to financial survivability. All non-essential spend will be stopped and all essential spend challenged. These actions may involve (this is not exhaustive):
- scaling down initiatives,
 - changing the scope of activities,
 - delaying implementation of agreed plans, or
 - extending delivery timescales.
- 5.2 The initial costs associated with the development of the Improvement Board and the creation of an Improvement Plan have been funded by contributions from LGA or managed within existing resources.
- 5.3 The calculation and confirmation of the resources required to implement the Improvement Plan and what is required to realise financial sustainability into the future is taking place. Delivering the plan will require the council to reprioritise resources to achieve the necessary change and include identifying where investment will be needed. The council has written to the government in relation to requesting Exceptional Financial Support (EFS) for the remainder of 2025/26, and for the coming years, which will enable this. This investment will be essential in enabling the council to develop and implement changes to achieve sustainable models of working and service delivery of achieve the outcomes within the available finances.
- 5.4 The financial implications of the Improvement Plan will be set out as accurately as possible in early December to inform the EFS application to MHCLG. The detailed

position will ultimately be reflected in the Financial Strategy due to be approved by Council in February 2026.

Climate Change Appraisal

- 6.1 Whilst this report and the Improvement Plan do not present options and recommendations that directly impact on climate change, the decisions that need to be taken and the actions that will need to take place to deliver financial sustainability and the priorities and outcomes of the council are likely to have impacts.
- 6.2 Opportunities to decarbonise the provision of services and increase energy efficiency of council assets may require some capital investment but will realise financial benefits e.g. through reducing energy usage, or through the generation of energy on council assets that either bring costs down or can generate income.
- 6.3 Climate change appraisals will need to be undertaken as appropriate for each project and approach that is developed to ensure that opportunities are identified and pursued, and that any 'invest to save' opportunities are investigated and fully evidenced to ensure that these can be taken into account in decision making.

Background

- 7.1 The Improvement Plan sets out how Shropshire Council will improve, ensuring it is a 'best value' authority that that is efficient and cost-effective and delivers, enables and influences for Shropshire and its residents. Delivering the improvement plan will provide assurance to residents, Members, staff, and partners that the council is improving how it operates and performs.
- 7.2 The Improvement Plan is not a detailed delivery plan. It acts as an overarching framework for council improvement activity, which are aligned to three aims. The priorities and initial programmes of action in the plan sit beneath these three aims and provide the basis of improvement for the next 18 months, up to the end of March 2027. Although the aims and programmes are set out in a table (see below), there is no hierarchy or sequencing behind where they are located, as they should be seen as interdependent elements of the Plan. They provide a basis for governance and performance reporting. The programmes vary in size, scale and complexity, and not all have been fully developed.

Aim	Priority activity/project/programme
A council that is financially stable and sustainable (Pounds)	Programme 1: Financial Stability
	Programme 2: Financial Sustainability Strategy
	Programme 3: Strengthening financial management policy & practice
A Council that has clear priorities and purpose (Priorities)	Programme 4: Corporate Plan 2026-30
	Programme 5: Future Council – including: - Enabling partnerships and communities - Place shaping role - Operating principles and ways of working
	Programme 6: Review and realignment of the transformation programme

A council that supports and enables our workforce to excel (People)	Programme 7: People Plan – including:
	- Employee engagement and enrolment - New ways of working – services and support staff
	Programme 8: Getting the basics right (strengthening corporate governance and compliance)
	Programme 9: Digital programme

- 7.3 The Corporate Peer Challenge (CPC) recommended that the council took action to strengthen corporate governance and compliance, which is one of the programmes of action in the improvement plan (Programme 8 in the table above).
- 7.4 The plan also sets out the arrangements by the council to ensure the delivery of the plan to achieve the three aims. This includes the role of the functions that will provide support to the delivery, as well as confirming the senior officer roles and Portfolio Holders who will be accountable and responsible. It also shares the role of the Improvement Board and how it fits with the council's political governance structures (Council, Cabinet, Overview and Scrutiny Committees, and the Audit and Governance Committee).
- 7.5 The aims in the plan will last beyond this timeframe and should form the basis of the council's continuous improvement. The approaches to how they are delivered will need to adjust to changing requirements and the environment the council is operating in.
- 7.6 The Plan needs to have a clear eye on the future way that the council is going to work and what it is prioritising. It needs to frame the improvement that will be made against this to ensure that the changes are sustainable and don't just address the immediate issues. As part of this the operating principles have been set out in the improvement plan, consolidating what has been previously agreed around the future way of working. These are set out below:

Principle	What it means
Agility and Adaptability	We will take an agile and adaptable approach, focussing on what works best, not on a fixed idealistic approach to our role. Some service areas may need to stop, some brought in-house, some delivered in partnership, and some delivered through contract.
Early Intervention and Prevention	We will focus on prevention across all areas of our work. This means resolving issues as early as possible, improving compliance, and reducing the cost of failure. By working with partners and communities, we will make sure people can access the right support at the right time—helping prevent problems before they escalate.
Working with others in Partnership	We will work in genuine partnership at every level to improve services for Shropshire residents. This means enabling and empowering Town and Parish Councils, voluntary groups, and communities to take ownership of local priorities to help where we can no longer deliver key services alone.
Digitally Enabling and Automation	We will make use of new technology and wherever possible and appropriate, will use it to deliver services efficiently and effectively,

	reducing unnecessary bureaucracy and enabling more automation and self-service. Our approach is digital by choice.
Resident and Customer Focus	We will put customers (residents, businesses or communities) first in everything we do so that they receive the right services at the right time and enable a more efficient way of interacting and engaging with our customers and communities.
Data, Insight and Demand Management	We will use data to get a better understanding of current and future demand for services and support and use insight and evidence from stakeholders to inform our decision making.

- 7.7 The plan responds to the improvement needs established through events and external reports and recommendations. These include the council announcing a financial emergency at Cabinet on the 10 September 2025, the report and recommendations of the LGA Corporate Peer Challenge in July 2025 and reported to Council 25 September 2025, recent CQC and Ofsted inspections (rated Good and Outstanding respectively), the External Auditors Letter reported to the Audit and Governance Committee on 26 September 2025 and the Annual Report of the External Auditor (Audit and Governance Committee 27 November 2025), and the Best Value duty and standards for Local Authorities.
- 7.8 Immediate action has been taken to respond to the financial emergency which includes spend control measures and increased monitoring. The draft Medium-term Financial Strategy (MTFS) was presented to Cabinet on the 15 October, and an action plan responding to the recommendations from the LGA Peer Challenge was reported to the same meeting. These actions have been incorporated into the Improvement Plan.
- 7.9 In addition to responding to these different sources of external feedback, the Improvement Plan consolidates the different improvement focused activity of the council into a single plan. This includes programmes and actions to deliver the People Plan, Capital Strategy, Fees and Charges Policy, Capital Strategy, Treasury Management Strategy, and Financial Strategy. Having one improvement plan that brings all relevant improvement actions into a single plan to help ensure consistency, remove duplication, alignment of activity and enable the council to be efficient, economic, and effective. This will be followed by the development of the corporate plan building on these and the New Directions for Shropshire paper presented to council on the 25 September 2025.
- 7.10 The development of the plan has been informed by engagement with staff and the Members. There were six engagement sessions for staff carried out during early November where the three Improvement Plan aims and the then draft priority programme areas were tested and feedback sought. These sessions were a mix of online and face to face sessions attended by staff across different levels. The Leadership Board and the Senior Leaders Forum have been engaged and involved in the Plan development at least weekly. There has also been strong engagement with Members including weekly updates with the Leader and Deputy Leader, discussions with Cabinet, introductory meetings with Group Leaders, an all-Member briefing, and briefings for the Transformation and Improvement Overview and Scrutiny Committee.

7.11 The following table shares the overall structure of the improvement plan and provides brief descriptions of what each section covers.

Section	Purpose
1. Introduction	This section explains the purpose of the Plan and sets out the context for the Council's improvement. It is part of the council's Shropshire Plan strategic plan suite with the Corporate Plan 2026-2030, the Shropshire 2050 Partnership Plan, and the MTFS 2026/27-2030/31. The Improvement Plan sets out how the council will be strengthened. It can be considered to be the first chapter of the strategic plan, setting out the organisational health priorities.
2. Our Future Council	This section summarises how the Council will need to change how it looks, feels and operates so that improvement is focused on the future council – picking up the key principles and ways of working set out in previous reports agreed at Council on the future operating model and more recently the New Direction paper that was presented to Council on the 25 September 2025.
3. Our Improvement Aims and Priorities	This section sets out our overall aims and priorities for improvement, and the outcomes and benefits we are looking to achieve. It provides the structure used to organise our improvement activities.
4. Making sure we deliver	This section provides a summary of the arrangements being developed and strengthened to support and enable the delivery of the Plan, including: • Governance arrangements that provides robust programme management, monitoring and assurance reporting • Capacity and resources to support the delivery of transformation • Communications and engagement to support the development and delivery of the Plan and its programmes of action
Appendix 1: Improvement activity – priority programme summaries	Provides a summary of the key activity and milestones for each of the priority programmes of action
Appendix 2: Risks	Provides a list of the key risks to delivery of the Improvement Plan
Appendix 3: Key Performance Indicators	Lists the Key Performance Indicators (KPIs) and measures we are considering to demonstrate progress towards the overall aims and realisation of the intended benefits and outcomes.
Appendix 4: Mapping improvement activity to external recommendations	Lists key improvement plan aims and programmes against the external improvement focused recommendations the council has received

7.12 Enabling the delivery of the Improvement Plan is a key consideration for the council. This will require some current areas of work to be reduced or paused whilst others are accelerated and introduced. This will mean that resources, both financial and employee, will need to be reprioritised and refocused at as early a stage as possible starting in December 2025, and that agreement from Government for the council to

access funding via Exceptional Financial Support (EFS) will be required. EFS will bridge any current gaps and help close future funding gaps related to the Council being able to deliver the change at pace that is needed to become a financially sustainable organisation able to deliver its responsibilities, priorities and outcomes. There will also be the need and opportunity for staff to be involved and engaged in the implementation of the Plan, helping to develop how the aims are put into action and the Council being stable and sustainable.

Conclusions

- 8.1 The Improvement Plan provides the overarching and coherent framework of the council's improvement work to March 2027, being a single plan that consolidates plans, strategies and actions.
- 8.2 The Improvement Plan aims are designed to be relevant and appropriate into the medium and longer term, beyond the timeframe of the plan, and provide the structure for continuous improvement by the council. This plan is being developed alongside the MTFS and will help the council be financially stable and sustainable and ensure that staff are enabled to move the council forward for Shropshire communities.
- 8.3 Successfully delivering the improvement plan will give the council a strong platform to deliver the priorities and outcomes that have been articulated in the New Direction for Shropshire paper presented to 25 September 2025 Council that and will inform the Corporate Plan 2026-2030 and the Shropshire 2050 Partnership Plan.

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

Q1 Financial Monitoring Report – 17 September Cabinet (check whether P4 report)
CPC Report – 25 September 2025 Council
CPC Action Plan – 15 October 2025 Cabinet
Draft Financial Strategy – 15 October 2025 Cabinet

Local Member: All

Appendices [Please list the titles of Appendices]

Appendix 1 – Draft Shropshire Council Improvement Plan