

APPENDIX A

<u>2025/26 Revenue Budget Variations</u>				
Service Area	Budget	Variation 6 Nov 2025 Cabinet	Movement	Total Current Variation
	£	£	£	£
Finance, People & IDT	20,544,975	15,453	176,358	191,811
Policy & Governance	1,282,818	169,940	(153,056)	16,884
Adult Social Care	78,009,522	14,103,420	(186,454)	13,916,966
Housing, Commercial & Customer Services	6,536,849	0	(597,375)	(597,375)
Children's Safeguarding & Family Support	50,176,686	896,944	(251,218)	645,726
Education & Skills	14,258,888	656,412	(333,166)	323,246
Health & Wellbeing	888,598	(17,125)	(98,576)	(115,701)
Neighbourhood & Enforcement Services	32,313,125	(12,679)	(252,756)	(265,435)
Prosperity & Investment	(6,023,804)	686,979	(1,938,212)	(1,251,233)
Council Wide	(30,347,977)	(5,180,283)	(485,054)	(5,665,337)
Total	167,639,680	11,319,061	(4,119,509)	7,199,552

Appendix B

2025/26 Revenue Budget Variations				
Description		Budget	Total Variation	Comments
		£	£	
Finance, People & IDT				
Treasury		15,893,460	240,000	Pressure arising from interest rate reductions not being implemented as initially forecast
IDT	Employees	4,646,778	(89,016)	Temporary vacancies in structure
	Premises	71,000	93,862	Annual charges associated with Data Centre / PFI
	Supplies and Services	3,145,088	237,405	One off overspend re VOIP/WAN contract due to new contract arrangements with Capita and overlaps between contract start and end dates, offset by a £238k favourable variance against Services to Schools
	Income	(10,881,427)	115,065	Reduced income due to schools not requiring services as reflected above, £171k offset by additional income across other IDT services
Finance	Staffing	2,950,396	(149,622)	Temporary vacancies in structure
Revenues	Staffing	2,894,706	(123,530)	Temporary vacancies in structure
Finance, People & IDT	Variations under £50K	1,824,974	(132,353)	
Total Finance, People & IDT		20,544,975	191,811	
Policy & Governance				
Registrars	Income	(931,151)	76,789	Shortfall in fees & charges relating to Birth, Deaths & Marriages and Cemeteries
	Premises	5,030	50,373	Pressure arising from Ground Maintenance charges for cemeteries
Legal Services	Land Charges	(122,322)	85,757	Shortfall of Land Charges income due to reduced demand reflective of current market position.
	Variations under £50k	2,331,261	(196,035)	
Total Policy & Governance		1,282,818	16,884	

2025/26 Revenue Budget Variations

Description		Budget	Total Variation	Comments
		£	£	
Adult Social Care				
All long term care purchasing-Spot & block for all ages and short-term enablement care	Spot & block purchasing	106,412,974	14,603,003	Whilst the long-term care purchasing budget is under significant pressure due to increasing demand and cost of care, the trajectory of growth has slowed in both Period 6 and 7 compared to the rate of growth seen in periods 2-5. The pressures are being mitigated by the ongoing delivery of savings and cost avoidance with a focus on a home first approach and delivering care which maximises prevention and independence. The position continues to be monitored closely as demand has historically been volatile.
Health funding contributions-all ages and care types	Joint Funding	(7,486,218)	1,000,000	The team are continuing to focus on maximising health funding contributions, and there is a dedicated team responsible for progressing and negotiating current and historical funding claims.
Income	Client Contributions	(14,195,690)	(1,463,051)	Based on current expectations of in-year income. The amount projected to be received has increased as the overall projected cost of care has increased (see above).
My Options	Trading Accounts	178,819	301,996	The variance reflects the costs of casual and agency staff and is the latest forecast cost pressure from trading activity
Learning Disability and Mental Health	Staffing & Operational expenditure	2,543,308	464,983	Due to increasing spend on voids, premises costs, agency staff and carers payments as well as a reduction in income relating to Lakewood Court.
Service Wide	Staffing & Operational expenditure	7,130,276	(730,956)	Projected underspend is primarily a result of staffing vacancies. Plus income received from appointee/deputyship client charges has exceeded the budget. Further concentrated work on this area is in progress
	Variations under £50k	(16,573,947)	(259,009)	
Total Adult Social Care		78,009,522	13,916,966	
Housing, Commercial & Customer Services				
Housing Strategy & Regeneration	Income	(424,000)	202,938	Income target shortfall; will be delivered when Housing Schemes become operational; Red Lion development due to complete November 2025.
Communities	HPG Grant	-	(727,399)	
	Solar Farm - New	(250,000)	250,000	Saving target associated with new location.
	Solar Farm current	(597,720)	66,074	Current year pressure has been reduced down to include £55k for the estimated compensation claim.

2025/26 Revenue Budget Variations

Description		Budget	Total Variation	Comments
		£	£	
Customer Services	Housing Subsidy	310,000	(270,141)	(£149k) underspend due to an increased level of recovery of overpayments plus £104k pressure adjustment to reflect impact of bad debt provision relating to the housing benefit overpayments. A net (£224k) underspend from housing benefit expenditure/subsidy variation including B & B spend (£36k) whereby no subsidy can be claimed back and supported accommodation where only 60% subsidy can be claimed.
HCC	Vacancy factor	(211,000)	169,333	Includes projected future vacancy factor saving between October - March. The underspends will materialise within each service area as and when they arise.
	Savings target	(67,940)	67,940	Historical saving target of £132k part delivered. Remaining pressure shared on HCC and NES equally.
Operations	Overall net position	2,928,738	65,349	Pressures associated with a number of Leisure site closures to enable refurbishments along with Schools catering provision pressure, this could improve once stock takes are completed.
	Variations under £50k	4,848,770	(200,469)	
	Reserves	-	(221,000)	Use of one off reserves.
Total Housing, Commercial & Customer Services		6,536,849	(597,375)	
Children's Safeguarding & Family Support				
Children in Care, Leaving Care Team & Speciality Services, Family Solutions	CIC Placements, Post 18 Staying Put & Leaving Care Support	29,910,512	3,285,634	Children in care have increased since the first 3 months of the financial year, with an increase in CIC numbers from 373 in June to 395 in November. 2025/26 costs, including agreed inflation, are expected to be £2.3m (7.7%) higher than 2024/25, as increased placement numbers and inflation outweigh savings from the work with Impower and ongoing work on prevention, early intervention and review of all placement costs.
	Health funding	(6,437,780)	(1,213,718)	Income based on Q1 and Q2 actuals plus detailed projection by child for remainder of year, based on projected placement costs. Ongoing risk of funding being cut by ICB.
	Children with Disabilities	2,086,020	(260,963)	Small reduction in number of children with disabilities requiring support.

2025/26 Revenue Budget Variations				
Description		Budget	Total Variation	Comments
		£	£	
Child Protection & Family Support, Parenting Assessment & Contact Teams Family Safeguarding Service Wide	Unaccompanied Asylum Seeking Children (UASC) - placements	2,099,310	(45,764)	Placement costs relating to UASC
	Unaccompanied Asylum Seeking Children (UASC) - Grant Income	(2,099,310)	45,764	UASC grant
	Operational expenditure	1,065,285	104,613	Non placement related expenditure across Children in Care, Leaving Care Team & Speciality Services, Family Solutions
	Income	(883,520)	(249,165)	Difference between budgeted grant income and actual grant received plus use of specific reserve to offset placement costs
	Operational expenditure	568,270	67,528	
	Operational expenditure	2,111,119	(55,541)	
	Staffing expenditure	20,225,695	88,109	Includes vacancy factor saving of £299,000 and historic pressure of out of hours team, offset by savings from vacancies across service.
	Homelessness	110,500	530,070	Majority of overspend relates to accommodation (housing) costs of NRPF and homelessness
	Income	0	(1,200,000)	Use of one-off reserves
	Staffing expenditure	817,230	44,601	Use of one agency staff to cover sickness
Independent Review	Operational expenditure	122,741	33,962	Overspends in interpreter fees
		480,614	(529,403)	
Variations under £50k				
Total Children's Safeguarding & Family Support		50,176,686	645,726	
Education & Skills				
Specialist Services		928,174	(96,378)	The pressure from the Educational Psychology Service due to demand in statutory assessments has been mitigated through the impact of ITS funding enabling a stronger structure from September that is reducing use of agency. Flexible use of grant funding has also assisted the position. Further work is planned to increase traded income following recruitment into key posts.
Employee Costs		1,121,024	298,427	This policy ceased some years ago however, the local authority remains responsible for any historic pension costs and additional costs are due to inflationary pressures.
Insurance		25,806	50,979	The conversion of maintained schools to academies has led to a reduction in insurance contributions from schools.

2025/26 Revenue Budget Variations

Description		Budget £	Total Variation £	Comments
Arthog		146,713	95,801	Current projections are that the budgeted income at the outdoor education centre and the Skyreach facility are not going to be achieved. An external review has been commissioned in order to identify ways to ensure the financial sustainability of the facilities going forward.
Variations Under £50,000		12,037,171	(25,584)	
Total Education & Skills		14,258,888	323,246	
Health & Wellbeing				
Public Health Grant	Supplies & Services	331,048	(84,000)	Variation against Public Health Spend
Public Health	Underspend/(Overspend)		(16,000)	Ring-fenced Public Health grant transferred to/(from) Public Health reserve
Health & Wellbeing	Variations under £50K	557,550	(15,701)	General Fund
Total Health & Wellbeing		888,598	(115,701)	
Neighbourhood & Enforcement Services				
Enforcement	Car Parking	(466,080)	131,376	Shortfall against budgeted income from parking
	Enforcement Control	(44,130)	63,208	Shortfall against budgeted income from FPN (Fixed Penalty Notices)
Strategic Transport & Highway Network Management	Supplies & Services - Concessionary Travel Income - Subsidised Routes	(588,310)	(130,777)	Projected overachievement against budgeted NRSWA (New Roads & Streetworks Act) income
		(48,975)	(125,000)	Income from Travel Telford Tickets
Waste & Neighbourhood Services	Waste Treatment	13,966,810	(144,969)	Reduction in residual & green waste tonnages
	Variations under £50k	19,493,810	(59,274)	Included all variations under £50k for NES here
Total Neighbourhood & Enforcement Services		32,313,125	(265,435)	
Prosperity & Investment				

2025/26 Revenue Budget Variations				
Description		Budget	Total Variation	Comments
		£	£	
R&I	PIP - Income	(11,928,280)	674,944	Income pressure due to phasing of Growth fund capital spend, there is a benefit in relation to lower borrowing costs. This also includes one off benefits from backdated rent agreements which are now finalised.
	Wellington Market	15,240	260,286	Development at Wellington Market resulting in reduced rents charged to tenants.
	Contribution from reserves	-	(1,499,000)	Release of R&I reserves
Development Planning	Income	(3,360,070)	285,661	Planning application fee pressure.
BiT	Income	(3,689,940)	333,000	Fee pressure due to slippage of capital schemes, outturn in 24/25 was £263k. This is offset with one off vacancy management of (£19k).
	Premises Costs	7,482,297	(1,024,175)	One off underspends due to various developments at Leisure sites and The Place. One off NNDR rebates in addition to underspends on utility costs to be given up as saving in 26/27.
	Variations under £50k	5,456,949	(281,949)	
Total Prosperity & Investment		(6,023,804)	(1,251,233)	
Corporate				
Purchase Rebates	Purchase Rebates	(430,000)	(369,174)	Additional WME Rebate
	Employees	548,950	(65,957)	Part year vacancy relating to Executive Director post
Council Wide			(3,935,380)	Various council wide underspends, including additional BRR Section 31 grant lower than budgeted costs relating to the 25/26 pay award.
Council Wide	Contributions from Reserve		(1,305,000)	
Council Wide	Variations under £50K	(30,466,927)	10,174	
Total Corporate		(30,347,977)	(5,665,337)	
Total		167,639,680	7,199,552	

APPENDIX C

Capital Approvals - by Service Area

New Allocation

Scheme	Service Area	Funding Source	25/26 £	26/27 £	27/28 £	28/29 £	29/30 £
Playing Pitch Investment	Prosperity & Investment	External	999,713.69				
Pride in Your High Street	Prosperity & Investment	Revenue	(25,000.00)				
St Georges Regeneration	Prosperity & Investment	Revenue	100,000.00				
Highways / Footpaths	Neighbourhood & Enforcement Services	External	25,000.00				
			1,099,713.69	0	0	0	0

Treasury Management & Prudential IndicatorsOverall Treasury Portfolio at 31st October 2025 - £m

	Budget	Latest Estimate
Estimated Total External Borrowing (@ 31.03.2026)	502.9	497.9
Investments (@ 31.03.2026)	15.0	15.0
Net Borrowing	487.9	482.9

Capital Expenditure & Commitments - £m

This indicator shows actual capital expenditure for the previous year and planned capital expenditure for 3 years. The table below reflects approvals throughout the year at Full Council, including those proposed in this report

Capital Expenditure/Funding	2025/26	2026/27	2027/28
Grant Funded	49.78	22.71	31.25
Prudential Borrowing	62.99	69.46	52.05
Capital Receipts	6.88	3.57	1.34
Revenue / External	3.29	1.43	-
	122.94	97.17	84.64

Capital Financing Requirement/ Borrowing - £m

The Capital Financing Requirement is the underlying need to borrow money over the long term. If outstanding borrowing is higher than the CFR this would indicate we are borrowing in advance of need.

	Latest Projections			✓Outstanding Borrowing is lower than the underlying need to borrow
	31/03/26	31/03/27	31/03/28	
Loans CFR	625.0	692.6	742.8	
Estimated Outstanding Borrowing	497.9	567.3	619.4	

Authorised Limit and Operational Boundary (Debt)

The Authorised Limit for borrowing is the maximum amount the Council may borrow at any point in the year. The Operational Boundary is the maximum amount that the Council would normally borrow at any time during the year.

	25/26 31/03/2025	26/27 31/03/26	27/28 31/03/26	
Authorised Limit for borrowing - indicator set	665.0	745.0	785.0	✓Outstanding Borrowing (above) is below both the Authorised Limit and the Operational Boundary
Operational Boundary for external debt - indicator set	645.0	725.0	765.0	

Security

The Council considers security, liquidity and yield, in that order, when making investment decisions.

Credit ratings remain an important element of assessing credit risk, but they are not a sole feature in the Council's assessment of counterparty credit risk.

The Council has adopted a voluntary measure of its exposure to credit risk by monitoring the value-weighted credit score of its investment portfolio. This is calculated by applying a score to each investment (AAA=1, AA+=2, etc.) and taking the arithmetic average, weighted by the size of each investment. Unrated investments would be assigned a score based on their perceived risk.

Credit Risk Indicator	Target	Actual - 31/10/25	
Portfolio average credit score	6 or lower (which is equivalent to a credit rating of A or higher)	1.36	✓ The Average credit score for investments is within the target set

Maturity Structure

This indicator highlights the existence of any large concentrations of fixed rate debt needing to be replaced at times of uncertainty over interest rates and is designed to protect against excessive exposures to interest rate changes in any one period, in particular in the course of the next ten years.

Maturity Structure	Lower Limit	Upper Limit	Actual - 31/10/25	Within Limit
Up to 1 year	0%	70%	20%	✓
1 year to 2 years	0%	30%	26%	✓
2 years to 5 years	0%	50%	15%	✓
5 years to 10 years	0%	75%	13%	✓
10 years to 20 years	0%	75%	2%	✓
20 years to 30 years	0%	75%	2%	✓
30 years to 40 years	0%	100%	3%	✓
40 years to 50 years	0%	100%	14%	✓
Over 50 years	0%	100%	5%	✓

Principal sums invested for periods longer than one year

	31/03/26	31/03/27	31/03/28	
Indicator Set	Limit on principal invested longer than 364 days	95%	95%	✓currently 0% invested beyond 1 year

Ratio Affordability Measure

Ratio of finance cost to net revenue stream (%)	25/26	26/27	27/28	
Indicator Set	7.85%	9.74%	9.46%	Financing cost to net revenue stream is very slightly higher than budgeted in 25/26 as interest rates have not reduced in line with budget assumptions and slippage has impacted all years.
Current	8.12%	9.18%	9.56%	