

Financial Update from Cllr Gwilym Butler – February 2024.

The financial situation of Local Government Nationally as well as in Shropshire will change the ability of what the Council can do over and above its Statutory duties. As we look to the Budget for the next four years in the Mid term Financial strategy which will go to cabinet later this month we look to our Shropshire plan and its priorities along with the consultation we carried out over the past 6 weeks on our financial strategy.

We have had a record number of responses, with over 1,000 people sharing their thoughts on our budget plans and helping us to understand the priorities of our communities. The public are all too aware of the financial challenge facing local councils all over the country and we have been honest about the impact for us in Shropshire.

We have always said that there would be difficult decisions to come, and the feedback we have received will help to inform these.

We have reached a crucial point where our number one priority must now be to become a financially sustainable organisation. Demand pressure has built beyond our expectations and, as the picture for 2024/25 becomes ever more clear, we know that our budget gap is now even greater than £50m.

We must be bold and decisive in our next steps. This includes making decisions that we never wanted to make and we know that this will have a significant impact for our communities.

This will mean some of our services will be considerably reduced and some will stop altogether. We must review every service so that we reduce our spending and manage our demand. This means we will become a smaller organisation with fewer people.

We will prioritise services that support the most vulnerable people in Shropshire and deliver these in the most efficient way we can.

At the moment, we are working through consultation feedback and refining the details of our plans. More details will be published as part of the Cabinet paper agendas on 13 February and significant changes will also require public consultation.

In the meantime, we are continuing our conversations with DLUHC and I have joined forces with other council leaders and MPs to urge Government to address the situation nationally and take action.

For now, we must shift our entire focus to becoming a financially sustainable Council.

To this end I believe in the coming months we may need to open a constructive debate with our Town and Parish Councils because more and more of the nice to have things currently delivered by The Council may have to be withdrawn or devolved down and paid for locally if it is the wish of the local Councils to fund. These decisions will need making quickly .

The larger open debate then in my mind is what are the future roles of the Unitary Council and also the Town and Parish Councils as we embrace technology, modernisation mirrored with acute financial constraints .How do we make and work together to create sustainable communities for the next generation and deliver how they would want it and what they need .