



Ministry of Housing, Communities & Local Government

James Blythe
*Deputy Director, Local Government
Stewardship and Interventions*

**Ministry of Housing, Communities
& Local Government**
2 Marsham Street
London SW1P 4DF

www.gov.uk/mhclg

Tanya Miles
Chief Executive
Shropshire Council

15 July 2026

Best Value Notice issued to Shropshire Council on 15 July 2026

All Best Value Authorities are required to implement arrangements to secure continuous improvement in order to comply with the Best Value Duty. The Department acknowledges the steps you are already taking to address issues in Shropshire Council, including the agreement of an Improvement Plan and working with the Local Government Association. However, Ministers remain concerned as to the Council's capacity to comply with its Best Value Duty under the Local Government Act 1999 and consider that action is necessary to address those concerns transparently and at pace. They have therefore decided to issue Shropshire Council with this Best Value Notice ("Notice").

This Notice is a formal notification that the Department has concerns regarding your Council and requests that the Council engages with the Department to provide assurance of improvement. We expect authorities that have been issued with a Best Value Notice to continue leading their own improvement.

This Notice is issued following:

- Significant concerns about the Council's financial sustainability highlighted in:
 - The significant deterioration of the Council's assessment of its financial position since its receipt of Exceptional Financial Support for 2024-25 in February 2025.
 - The external auditor's annual report 2024/25 published in November 2025, which included a statutory recommendation relating to financial sustainability and identified significant weaknesses in value for money arrangements.
 - The Corporate Peer Challenge (CPC) completed by the Local Government Association in July 2025.
 - CIPFA's assessment (as part of the independent assurance review carried out in May 2026 as a condition of the Council's Exceptional Financial Support agreement) of a historic pattern of weak financial management and internal controls, and previous failures to deliver on savings targets. The review recognises the recent commitment of the Council to improvement but notes significant risks around the Council's budget gap which need to be addressed as a matter of urgency.

- Concerns around leadership capacity, governance, scrutiny and culture identified by the CPC and CIPFA reports.

The Council has engaged constructively with us about the challenges it faces, including during the process for Exceptional Financial Support. However, given the seriousness of the issues identified, and the pace needed to deliver the level of change required, we are setting out its expectations of the Council in providing assurance of progress. The Council should:

- Continue taking urgent steps to improve its financial sustainability, ensuring robust plans are in place and the Council takes all appropriate action to manage financial risk and to support its financial recovery, including delivering against the recommendations made by the May 2026 independent external assurance review, which will be shared formally with you and the Authority shortly, and providing associated updates as requested by the Department;
- Continue to increase senior officer capacity and stability, by making permanent appointments in a robust and timely manner;
- Continue to address external audit findings, including the timely implementation of the statutory recommendation;
- Ensure effective governance and scrutiny processes are in place that enable decisions and improvements to be made at pace, and performance to be accurately monitored; and
- Engage with the Department on at least a quarterly basis to discuss progress against the actions above.

We expect the Council's improvement board to provide regular written updates to Cabinet, to be shared with the Department and published for transparency. These updates will help to inform the Department's engagement with the Council through this notice and should provide assurance regarding progress, risks and delivery. The improvement board should consider all aspects of the Council's improvement journey, including progress against any expectations and requirements set out in other correspondence from the Department, and reflect these within its work.

Whilst your Council may continue to receive and be awarded government funding whilst under this notice, we would emphasise that receipt of funding does not indicate its broader view of the performance of the Council, nor would it indicate any change in the status of this Notice, with individual funding programmes being managed and assured independently by their respective departments.

The Notice will remain in place until the Department confirms otherwise. It will be reviewed after 12 months, at which point we will confirm whether it deems it necessary to continue to seek assurance through such a Notice, in which case it will remain in place. The Notice may also be withdrawn or escalated at any point based on the available evidence.

This Notice is issued outside the statutory powers held by the Secretary of State under the Local Government Act 1999 to inspect or intervene in local authorities

where there is evidence of Best Value failure. However, a failure to demonstrate continuous improvement may be judged to contribute to Best Value failure and the Secretary of State will consider using their statutory powers as appropriate.

It is important to ensure transparency in relation to the challenges faced by local authorities and the Department's engagement on these issues. A copy of this Notice will therefore be published on GOV.UK. We encourage the Council to make a copy of this letter available on the Council's website and to share a copy with Full Council and the Audit Committee. In line with this, the Department will notify the Council's external auditor of this action.

We note that the Council has already engaged the support of the LGA and would encourage you to continue making use of the full range of support they have to offer. A member of the Local Government Stewardship team will be in touch with you to arrange regular engagement on this notice. We look forward to receiving updates on your progress.

Yours sincerely,

James Blythe

Deputy Director, Local Government Stewardship and Interventions