

OVERVIEW AND SCRUTINY BOARD

Date: Tuesday 7th July, 2026
Time: 4.30 pm
Venue: Mandela Room (Municipal Buildings)

AGENDA

1. **Welcome, Fire Evacuation and Recording of Meetings**

In the event the fire alarm sounds for more than 10 seconds attendees will be advised to evacuate the building via the nearest fire exit and assemble at the Bottle of Notes opposite MIMA.

Members of the public have the right to film, record or photograph public meetings. If you intend to do so, please advise the Chair of this intention. You may be asked to stop filming, photographing or recording a meeting if the Chair feels that the activity is disrupting the meeting.

2. **Apologies for Absence**

To receive any apologies for absence.

3. **Declarations of Interest**

Members are asked to declare any interests in the items under consideration and in doing so state:

(1) the type of interest concerned:

- *Disclosable Pecuniary Interest (DPI) or*
- *Non-Pecuniary Interest (including personal or prejudicial interest)*

(2) the nature of the interest concerned.

If any member requires advice on declarations of interests, they are advised to contact the Monitoring Officer in advance of the meeting.

4. **Minutes - Overview and Scrutiny Board - 15 April 2026** 7 - 14
To receive the minutes of the previous meeting.
5. **Executive Forward Work Programme** 15 - 30
To note.
A copy of the Executive Forward Plan will be submitted for OSB's consideration.
- 5.1 Forward Plan Actions Progress
To note.
6. **Scrutiny Chairs Update**
To note.
To receive updates from the Chairs of:
- *Health and Adult Social Care Scrutiny Panel*
 - *Children's Scrutiny Panel*
 - *Place Scrutiny Panel*
7. **Final Report of the Children's Scrutiny Panel - Out of Area Specialist Provision** 31 - 76
For decision.
To receive the Children's Scrutiny Panel's Final Report into Out of Area Specialist Provision.
8. **Revised Terms of Reference - Council Engagement with Faith and Belief Groups** 77 - 78
For decision.
For OSB to consider and agree the revised Terms of Reference.
9. **Service Overview Presentation** 79 - 98
To note.

10. **Overview and Scrutiny Board Work Programme 2026/2027** 99 - 106
- For decision.*
- For OSB to consider and agree its work programme for the 2026/2027 municipal year.*
11. **Corporate Performance Year-End 2025/26** 107 - 150
- To note.*
- The Head of the Chief Executive's Office will be in attendance to present OSB with the Council's performance position at year-end 2025-26.*
12. **2025/26 Revenue & Capital Year End Outturn** 151 - 212
- To note.*
- The Executive Member for Finance will be in attendance to present OSB with the Council's financial position at year-end 2025/26.*
13. **Any other urgent items which in the opinion of the Chair, may be considered.**

Charlotte Benjamin
Corporate Director of Legal and Corporate Services

Town Hall
Middlesbrough
Monday 29 June 2026

MEMBERSHIP

Councillors L Young (Chair), T Mohan (Vice-Chair), D Branson, E Clynch, D Coupe, J Ewan, J Kabuye, L Lewis, J McTigue, I Morrish, J Rush, M Saunders, Z Uddin, G Wilson, J Young, C Cooke - Elected Mayor and N Walker

Assistance in accessing information

The documents referred to on this agenda may be downloaded from the Council's Website: [Committee structure | Middlesbrough Council](#)

Should you have any queries on accessing the Agenda and associated information, such as alternative formats, please contact Scott Bonner/ Tanya Harrison, 01642 729708/ 01642 728411, scott_bonner@middlesbrough.gov.uk/Tanya Harrison

INFORMATION ABOUT MIDDLESBROUGH COMMITTEE MEETINGS

Venue Accessibility

All Committee Rooms are located on the first floor of Municipal Buildings (Town Hall). There is restricted disabled access to the first floor via a lift.

There is no on-site parking at Municipal Buildings. A map of town centre parking is attached below. A full map of town centre parking can be found on the Council's website: [Middlesbrough town centre parking plan - October 2025](#)



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This document was classified as: OFFICIAL

OVERVIEW AND SCRUTINY BOARD

A meeting of the Overview and Scrutiny Board was held on Wednesday 15 April 2026.

PRESENT: Councillors L Young (Chair), J Ewan (Vice-Chair), D Branson, E Clynych, D Coupe, D Jackson (Substitute for M Saunders), J Kabuye, L Lewis, I Morrish, J Platt, Z Uddin, G Wilson and J Young

PRESENT BY INVITATION: Mayor C Cooke and Councillor I Blades (Executive Member for Neighbourhoods)

OFFICERS: C Benjamin, S Bonner, M Brown, E Scollay and M Walker

APOLOGIES FOR ABSENCE: Councillors T Mohan and M Saunders

25/79 **WELCOME AND FIRE EVACUATION PROCEDURE**

The Chair welcomed all those present to the meeting and described the fire evacuation procedure.

25/80 **DECLARATIONS OF INTEREST**

There were no declarations of interest received at this point in the meeting.

25/81 **MINUTES - OVERVIEW AND SCRUTINY BOARD - 18 MARCH 2026**

A Member commented that minute number 25/72 (fourth paragraph) should read "Members queried if any further information was available relating to the Forward Plan item 'Update on the Neighbourhoods model'".

Notwithstanding the changes identified, the minutes of the Overview and Scrutiny Board meeting held on 18 March 2026 were submitted and approved as a correct record.

25/82 **SCRUTINY CHAIRS UPDATE**

The Chair of OSB invited the Chair of the Children's Scrutiny Panel to provide his update. The Board was informed that the Children's Scrutiny Panel was due to meet on Monday 20 April where it would consider its draft final report on Out of Area Specialist Provision and also receive an update on a recent Ofsted focused visit.

There were no questions from the Board.

The Chair invited the Chair of the Adult Social Care and Health Scrutiny Panel to provide his update. The Board was advised the Panel had received further evidence in relation to its review into Violence Against Women and Girls, and a quarterly CQC update from the Corporate Director of Adult Social Care. The Panel had also received the annual report of the Director of Public Health and would consider the annual Quality Accounts of the South Tees Trust at its next meeting.

There were no questions from the Board.

AGREED that the information presented be noted.

25/83 **EXECUTIVE FORWARD WORK PROGRAMME**

The Chair presented the Executive Forward Plan, as detailed in the report, and invited questions.

The Chief Executive drew Members' attention to the Forward Plan entry for 8 April regarding the Council's Performance Management Framework.

Members were advised that report intended to align financial and performance information, which would provide for more effective oversight of the Council's activity.

A Member requested further information relating to the Forward Plan entry, "Commercial Waste Collection and Disposal". The Member queried if the cost of contracting out such services would be less than if the Council carried out those services. It was agreed the service area would be approached for further information on this matter.

A Member queried if, in relation to the Forward Plan Entry "Cost reduction of Garden Waste", if further information could be provided regarding potential reduction in subscriptions for Green Waste.

A Member queried if any local companies were involved in the initiative relating to the Forward Plan entry "Corporate Food Poverty Policy". They also queried what the aim and reach of the policy would be.

ORDERED that:

1. Further information be sought from the relevant service area in relation to Forward Plan entry Commercial Waste Collection and Disposal, specifically around costs of the Council running the service versus the private sector.
2. Further information be sought from the relevant service area in relation to Forward Plan entry Cost reduction of Garden Waste, specifically around potential reduction in green waste subscriptions.
3. Further information be sought from the relevant service area in relation to Forward Plan entry Corporate Food Poverty Policy.

25/84

FORWARD PLAN ACTIONS PROGRESS

Members were advised an update to the query raised at the last meeting of OSB had been circulated via email and that the Executive Member for Neighbourhoods, who was in attendance, would provide further detail on that subject.

AGREED that the information presented be noted.

25/85

FINAL REPORT OF THE OVERVIEW AND SCRUTINY BOARD (SHORT REVIEW) - THE COUNCIL'S APPROACH TO POVERTY

The Chair presented OSB's draft final report following its short review into the Council's approach to poverty.

The Chair outlined the report's rationale and findings and invited questions from Members.

There were no questions from Members on the report.

Members were advised that draft recommendations had been circulated before the meeting and the Chair invited comments from the Board.

The Terms of Reference were:

1. The Council develops a clearer overarching approach to addressing poverty, including consideration of how this is best defined and framed (for example 'poverty' or more broadly 'social inclusion'), and supported by a strategy or a shared corporate ambition.
2. If the Council chose the option of a mission statement, it should improve coordination and alignment across existing policies, strategies, and service areas, to develop a consistent approach to tackling poverty and its wider impacts, such as social exclusion.
3. The Council considers its performance management in regards to how it tackles poverty, including whether it needs to develop clear benchmarks to understand and demonstrate how its efforts to tackle poverty have impact.
4. As part of Recommendation 3, an annual progress report should come to OSB.

15 April 2026

A Member sought clarification on Terms of Reference three. It was clarified that the Council's approach to poverty should be incorporated within the Council's performance regime going forward.

The Chair stated he would like to see any work on the poverty agenda brought back to OSB on an annual basis and for poverty to become part of its annual update schedule. The Chief Executive commented there needed to be a singular use of language around this issue to prevent any confusion.

The Mayor commented that a Key Performance Indicator in future strategies would be around Household Income which was linked to the poverty agenda.

ORDERED that the findings and recommendations of the OSB short review into the Council's approach to Poverty be endorsed and referred to the Executive.

25/86

DRAFT TERMS OF REFERENCE - OSB SHORT REVIEW - WHAT ROLE DO FAITH AND BELIEF GROUPS PLAY IN CIVIC LIFE IN MIDDLESBROUGH

The Chair advised Members that the Board's short review into Faith and Belief in Middlesbrough's Civic Life was due to commence and that draft Terms of Reference had been circulated to Members before the meeting. The draft Terms of Reference were:

1. To understand the role and impact of faith and belief in Middlesbrough's civic life and in supporting residents.
2. To understand how faith and belief groups interact with Council services, partnerships, and community cohesion.
3. To examine how Middlesbrough Council considers religion or belief in decision-making and service delivery, including governance and engagement.
4. To identify strengths, gaps, and risks in current approaches, including issues of inclusion, fairness, safeguarding, and any barriers faced by different faith and belief communities in engaging with the Council.

The Chair commented that the review could contribute to the wider social cohesion agenda and aimed to assess how faith and belief groups could be engaged by the Council more effectively. A Member queried the nature of faith and belief groups in this context. The Chair provided a brief definition of a faith community and belief community.

There were no further questions or comments on the draft Terms of Reference.

ORDERED that the draft Terms of Reference be approved.

25/87

CONTINUOUS IMPROVEMENT PLAN – PROGRESS UPDATE

The Chair invited the Mayor to present the Continuous Improvement Plan update to the Board.

The Mayor stated there was a need to achieve a balance between finance and performance reporting and potential for different officer groups to provide updates to both Executive and OSB to demonstrate how the two disciplines would work together.

The Town Board, referenced in Appendix 1 of the report, would be Member led and would be the first step on a journey to close off recommendations made by the Middlesbrough Independent Improvement Board. The Chief Executive commented that during the Best Value period the Council had lost sight of what good looked like. However, there was now an opportunity to refine complex processes and demonstrate value for money. One mechanism to achieve this was to re-instate service action plans to improve monitoring across the Council. This would help show the health of the organisation more clearly and move towards integrating finance and performance reporting information.

The Chair thanked the Mayor for his update and invited questions from the Board. A Member queried if there was an update on the MDC action plan. The Mayor responded the action in question had been assigned to the Council in order to resolve the hiatus. There was a review being carried out and the Council was working with the TVCA to resolve the matter of asset return to the Council.

15 April 2026

The Member continued by drawing the Mayor's attention to page 81 of the report and queried how many audit days were planned for the year. It was commented a report on this matter would be submitted to Audit Committee in June.

Following a query about Independent Persons sitting on Audit Committee, it was also confirmed this issue would be addressed at the June meeting of Audit committee.

With regard to return of assets from the MDC, a Member asked if the Council had resources to develop those assets. It was confirmed the Council would likely enter into partnerships, where appropriate. It was commented it would likely be June before there was clarity on this matter.

A conversation took place regarding the effectiveness of the MDC during which it was commented there was a cautious approach to the return of assets and there was a need to get those initiatives back on track.

A question was raised regarding the Council's approach to equality and diversity. It was commented there had been investment in the Council's HR services and recognised good work had been carried out in this regard. A further question was raised about how data could be used to monitor continuous learning. It was commented the Council had worked with various partners and stakeholders to refresh the performance indicators it used to monitor the Council's effectiveness in this area. This would be demonstrated over the coming months.

A Member raised a query about the status of the Crown after having attended several Local Plan meetings. It was agreed that when further clarity was available this issue would be brought back to the Board my means of an update.

AGREED that

1. An update on the status of the Crown be brought back to OSB when further information was available.
2. The information presented be noted.

25/88

EXECUTIVE MEMBER UPDATE - THE MAYOR

The Chair invited the Mayor to deliver his update which included the following points:

- The presentation followed a similar format to the Mayor's previous update, namely "Review, Celebrate and Preview."
- Council budget highlights included youth services in every ward, the introduction of a free pest control service and doubling the team of neighbourhood caretakers.
- In terms of youth services, some funding was ending so there was a need to look at new and existing schemes. The Council was working with Middlesbrough Football Club to provide a bus to areas that did not have a hub or obvious community venue.
- Regarding pest control, a report had been submitted and approved by Executive to create a free pest control service, and it was hoped this service would begin in July. The service covered rats, mice, bed bugs and cockroaches.

Following a question, it was clarified that landlords were responsible for pest control in their properties and they would be liable for any costs. It was also clarified that while tenants could report instances of pests to the Council, landlords should have been doing this as a matter of course. It was also clarified the new service would be within the curtilage of a property, as the Council already undertook pest control for land it owned. There was a concern about how pest control applications could harm pets, but it was commented there were different methods of pest control that could be applied.

A Member suggested several options for the placement of youth services. The Mayor responded by saying it was important to understand where the service was needed in the first instance. A discussion took place regarding the lack of youth hubs in some areas of the town. Members were also advised how other schemes and mechanisms were being examined to provide services in areas where there was not an obvious hub.

A Member queried how the proposed initiative for youth services was going to work. Members heard that Middlesbrough had an array of youth activities already in place, but it was not consistent. Therefore, the initiatives aimed to bring a level of consistency.

A Member queried if the framework in place to deliver youth services could be shared with Members so they could then share that with their respective community councils. It was clarified that a full list of activities would be released through initiatives such as the 10x10 scheme. When those activities were known, and a consistent programme was in place, it would be released to all Members. It was recognised that it was often difficult to learn about different youth activities from a single source.

It was clarified that the age ranges of proposed youth activity began at eight years and lasted until teenage years. There was a need to plug gaps in youth provision, and where there was no youth activity, this would be aimed at 10-14 years.

A conversation took place regarding the types of facilities available to young people in the town and how all options were being explored. It was also commented that activities needed to be fully risk assessed, with an example of a BMX track and the potential links with off road bikes being cited as an example.

The Mayor continued with his presentation which included the following points:

- With regards to parks and open spaces, all interviews for additional staff had taken place and it was planned that a phased rollout would take place over several months.
- A full review of parks and open space was underway to ensure a complete view of required equipment was gathered.

It was agreed that the review of parks and open spaces would be shared with all Members when it was completed and that the hours covered by park rangers had not been decided. A conversation took place about security and safety in open spaces during which it was commented that increased footfall, light and clear lines of sight helped to improve safety and security. An example was provided whereby CCTV provision at Pallister Park had not been effective due to overgrown trees. It was clarified that funding bids submitted by Members would still be valid despite these initiatives. A question was raised about improvements to Spencer Beck and other similar becks. It was clarified this work would be undertaken by the new Beck's Team.

The Mayor continued with his presentation which included the following points:

- In terms of the Celebrate section of the presentation, funding had been secured for parks amounting to £270,000.
- Extra funding had also been secured for school food supply and school catering services.
- £115,000 had been secured to help implement the Renter's Right Bill. There was a need to scale up some of the work being carried out on this matter and it was hoped that more people who were renting would come forward if they needed to.
- Middlesbrough had been shortlisted as a City of Culture, which was a positive in of itself. Middlesbrough had a positive image in the arts fraternity, exemplified with Middlesbrough hosting the Arts Council. There was a need for all Members to be on board with this initiative.
- In terms of Pride of Place, the Council had secured three sets of funding. It was in the process of appointing boards to oversee the spending of £40 million of funding that was split across three wards.
- There were plans to improve the area around so-called Wilkinson Lake in centre square, install a modular village for the arrival of the Turner Prize, and improve vegetation management in the town centre. Members were advised the plans for these initiatives would be circulated to them.
- Progress against several projects were stated including the Southlands Centre, Outwood Academy, the Old Town Hall and Nunthorpe Community Centre.
- Members were advised of a timeline of events between 2026 and 2030 which included the 20th anniversary of MIMA and Middlesbrough's Bicentenary. It was confirmed there were plans in place for those events. In terms of Captain Cook celebrations, some initial approaches had been made to the Maritime Association of Australia.
- In terms of the Preview section of the update, there was a need to make Middlesbrough thrive. There was also a need to produce a single coherent message across multiple projects.

15 April 2026

- Several projects were presented to Members as examples of making Middlesbrough thrive which included funding for the local authority multibank which had a yearly investment of £30,000. Other projects included Auto-Enrolment in Free School Meals. Members were advised the Free School Meals initiative applied to academies and maintained schools. The cost of a school meal was confirmed as £2.40 at maintained schools.
- Following a question about what support was in place to help people accessing the Welfare Rights service, it was confirmed support would be provided on both an individual and system basis.
- A further example of initiatives to make Middlesbrough thrive was the Crisis Resilience Fund which was a new iteration of the government's Household Support Fund. The Mayor stated he would welcome scrutiny opinion on this matter.

The Mayor explained that four areas of the town had been identified as having priority to receive additional support and funding, which was detailed in the presentation. This was supported by deprivation statistics which showed those areas were among the most deprived areas in the country. An example was cited where an area between Hartford Street and Chester Street ranked 13 out of 33,755 areas for crime, meaning only 12 areas in the country ranked worse than this.

The Chair queried why Income Deprivation Affecting Children Index (IDACI) was used as a metric and not Free School Meals as the former focused on postcodes whereas Free School Meals focussed on the person. It was clarified the statistics shown were drawn from Local Super Output Area. It was important the Council started to work through these factors. The characteristics shown to Members were apparent in all areas of the town, including Stainton which was within the 30% worst areas for some of its outcomes. This was largely due to a lack of financial investment and Middlesbrough not being able to withstand the worst effects of austerity.

A Member queried if ward Members would be consulted on all of the issues identified in the meeting. This was confirmed and would likely be within a month of the meeting. At this stage in the meeting the Mayor took the opportunity to thank officers for their work in this regard.

A discussion took place during which Members discussed broadband provision and Health Inequalities in Middlesbrough.

A Member queried how long it would take for an area to be improved based on the statistics and initiatives described in the presentation. The Mayor clarified this would take some time, and that the initiatives designed to help those most in need would benefit all in a structured and targeted way.

The Member further queried if the youth offer was being embedded for young people with disabilities and it was confirmed that different providers were being approached to help provide this.

The Chair thanked the Mayor for his presentation and asked the Board to note the information provided.

AGREED that the information presented be noted.

25/89

EXECUTIVE MEMBER UPDATE - NEIGHBOURHOODS

The Chair welcomed the Executive Member for Neighbourhoods and the Head of Neighbourhoods to the meeting and invited the Executive Member to deliver his update.

The Executive Member advised the Board that a copy of his portfolio had been circulated to Members immediately before the meeting.

The Executive Member's update included the following points:

- The Executive Member had been in post since 2025 with many of the functions contained within the portfolio having had existed for some time.

15 April 2026

- This was a busy period for the Neighbourhoods team which had seen the recruitment of several staff following approval of the budget and work with external partners such as Belong in developing a community strategy.

At this point the Executive Member invited the Head of Communities to address Members which included the following points:

- An important part of the Communities area was work around Navigators which played an important role in signposting people to relevant services.
- A range of staff had been recruited to relevant posts.

A Member commented that the Neighbourhoods team worked well and wanted to see this continue. An explanation of the Neighbourhood Caretaker role was provided. While Area Care operatives were multidisciplinary and carried out routine maintenance, Neighbourhood Caretakers were involved, primarily, in project primarily.

A Member queried if a poster on the work of Neighbourhood Navigators had been completed. It was agreed that the Head of Neighbourhoods would follow up on this with the Member outside of the meeting. It was clarified that different areas had different neighbourhood priorities.

A discussion took place about roles in the Neighbourhood's teams and how issues were reported to them via the Councillor Gateway system. It was commented that the Neighbourhood's Model and Customer Model were closely linked, and it was important to understand how those links worked to ensure issues were not missed. The Head of Neighbourhoods commented that the current system was useful in capturing and processing information.

A Member queried the status of new community buildings. It was clarified there was to be four neighbourhood community hubs that would be open for residents, Councillors, officers and partners. The hubs would be based in the North, South, East and West of the town. Members also noted that the North hub, based in Newport, was operational. There was a programme of investing £5 million of upgrades to the hubs. The East hub was based in Norfolk Shops, South hub was based in the Viewley Centre, and the West hub was based in Grove Hill. Several important partners worked out of the hubs.

In terms of refurbishment timescales, the South hub would take 14 weeks starting in May 2026, with East starting in August 2026 and lasting 20 weeks, North starting in October 2026 lasting 26 weeks and West starting in late 2026.

A Member complimented the Neighbourhoods Team but commented that responsiveness of the Councillor Gateway system could be improved.

It was commented there was a disconnect between Members and the workings of the various Neighbourhoods Teams and requested a Member briefing explain this and the work of Neighbourhood Navigators. The Head of Neighbourhoods undertook to deliver a Member's briefing on this subject.

Following a question on the subject, it was confirmed that the Council made use of community payback.

The Chair thanked the Executive Member for Neighbourhoods and the Head of Neighbourhoods for their update.

AGREED that

1. The Head of Neighbourhoods deliver a Member briefing on the role of Neighbourhoods teams.
2. The information presented be noted.

25/90

ANY OTHER URGENT ITEMS WHICH, IN THE OPINION OF THE CHAIR, MAY BE CONSIDERED.

None.

MIDDLESBROUGH COUNCIL

Report of:	Chief Executive – Erik Scollay
Relevant Executive Member:	Not applicable
Submitted to:	Overview and Scrutiny Board
Date:	7 July 2026
Title:	Executive Forward Plan
Report for:	Discussion
Status:	Public
Council Plan priority:	Delivering Best Value
Key decision:	Not applicable
Why:	Not applicable
Subject to call in?	Not applicable
Why:	Not applicable

Proposed decision(s)

It is recommended that the Overview and Scrutiny Board consider and Notes the content of the Executive Forward Work Programme.

Executive summary

OSB has delegated powers to manage the work of Scrutiny and, if appropriate, it can either undertake the work itself or delegate to individual Scrutiny Panels.

One of the main duties of OSB is to hold the Executive to account by considering the forthcoming decisions of the Executive and decide whether value can be added by Scrutiny considering the matter in advance of any decision being made.

This would not negate a Non-Executive Member's ability to call-in a decision after it has been made.

1. Purpose of this report and its contribution to the achievement of the Council Plan ambitions

1.1 To make OSB aware of items on the Executive Forward Work Programme.

Our ambitions	Summary of how this report will support delivery of these ambitions and the underpinning aims
A successful and ambitious town	All aims and ambitions will be contained in individual decisions.
A healthy Place	
Safe and resilient communities	
Delivering best value	

2. Recommendations

2.1 That the Overview and Scrutiny Board

- Consider and note the content of the Executive Forward Work Programme.

3. Rationale for the recommended decision(s)

3.1 OSB has delegated powers to manage the work of Scrutiny and, if appropriate, it can either undertake the work itself or delegate to individual Scrutiny Panels.

3.2 One of the main duties of OSB is to hold the Executive to account by considering the forthcoming decisions of the Executive and decide whether value can be added by Scrutiny considering the matter in advance of any decision being made.

3.3 This would not negate a Non-Executive Member’s ability to call-in a decision after it has been made.

4. Ward Member Engagement if relevant and appropriate

4.1 Not applicable

5. Other potential alternative(s) and why these have not been recommended

5.1 No other options are submitted as part of the report.

6. Impact(s) of the recommended decision(s)

Topic	Impact
Financial (including procurement and Social Value)	Relevant Impact will be detailed in individual decisions.
Legal	
Risk	

Human Rights, Public Sector Equality Duty and Community Cohesion	
Reducing Poverty	
Climate Change / Environmental	
Children and Young People Cared for by the Authority and Care Leavers	
Data Protection	

Actions to be taken to implement the recommended decision(s)

Action	Responsible Officer	Deadline
Implement any decision of the Overview and Scrutiny Board with regard to the Executive Forward Work Plan.	Relevant Officer	As directed by OSB

Appendices

1	Executive Forward Work Plan
2	
3	

Background papers

Body	Report title	Date

Contact: Scott Bonner/ Tanya Harrison
Email: [scott_bonner@middlesbrough.gov.uk/](mailto:scott_bonner@middlesbrough.gov.uk)
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Executive Forward Plan - 1 April 2026 to 31 May 2027

FOR THE PERIOD 29 JUNE 2026 TO 31 MAY 2027

Ref No. / Ward	Subject / Decision	Decision Maker and Decision Due Date	Key / PFP	Likely Exemption	Background documents	Member / Officer Contact
The Mayor						
1026095	Corporate Performance Year-End 2025/26 The purpose of the report was to present an overview of corporate performance at Year-End 2025/26, including progress against Executive actions, delivery of the Council Plan 2024–27, the Strategic Risk Register, programme and project management, and wider compliance measures.	Executive 10 Jun 2026		Public		1) The Mayor <i>Chief Executive</i>
1026163	Digital Strategy 2026-2030	Executive	KEY	Public		1) The Mayor

Page 19

Ref No. / Ward	Subject / Decision	Decision Maker and Decision Due Date	Key / PFP	Likely Exemption	Background documents	Member / Officer Contact
All Wards	The purpose of the report was to seek approval of the Digital Strategy 2026–2030, which set out the Council’s strategic framework for digital, data and technology and established a clear, corporate approach to maintaining secure, resilient and well-governed digital services.	10 Jun 2026	Will incur expenditure or savings above £250,000 and will affect 2 or more wards			<i>Corporate Director of Legal and Corporate Services</i>
1026096	Wholly and Partly Owned Council Companies Policy To set out a governance framework for the oversight of wholly and partly owned Council Companies	Executive 8 Jul 2026		Public		1) The Mayor <i>Chief Executive</i>
1026098	Data Protection Policy and Direct Marketing and Cookies Policy The purpose of this report is to seek formal approval of the Council’s Data Protection Policy and the Direct Marketing and Cookies Policy.	Executive 8 Jul 2026		Public		1) The Mayor <i>Chief Executive</i>
1026694	Making Middlesbrough Thrive	Executive 8 Jul 2026	KEY	Public		1) The Mayor <i>Chief Executive</i>

Ref No. / Ward	Subject / Decision	Decision Maker and Decision Due Date	Key / PFP	Likely Exemption	Background documents	Member / Officer Contact
All Wards	report to set out how the Council will ensure that it systematically responds to evidence of need within its strategic planning functions		Will have a significant impact in two or more wards			
1026097	Risk and Opportunity Management Policy Triennial refresh of the Council's risk and opportunities management policy and its risk appetite	Executive 2 Sep 2026		Public		1) The Mayor <i>Chief Executive</i>
Deputy Mayor and Executive Member - Education and Culture						
Executive Member - Adult Social Care						
1026403 All Wards	Homeless Needs Assessment and Strategy To approve the homeless needs assessment, strategy and proposed commissioning model.	Executive 7 Oct 2026	KEY Will incur expenditure or savings above £250,000 and will affect 2 or more wards	Public		3) Executive Member for Adult Social Care <i>Corporate Director of Adult Social Care & Health</i>
Executive Member - Children's Services						
1025506 All Wards	Special Guardianship Order Policy	Executive 2 Sep 2026	KEY Will incur expenditure or savings above	Public		4) Executive Member for Children's Services, 7) Executive Member for Finance <i>Corporate Director of Finance</i>

Ref No. / Ward	Subject / Decision	Decision Maker and Decision Due Date	Key / PFP	Likely Exemption	Background documents	Member / Officer Contact
	To approve the proposed Special Guardianship Policy		£250,000 and will affect 2 or more wards			
Executive Member - Development						
1025998 All Wards	Scrutiny Response - Barriers to Regeneration REASONS It was a requirement that Executive formally considered the Scrutiny Panel's report and confirmed the service area's response to the accompanying plan.	Executive 10 Jun 2026		Public		5) Executive Member for Development <i>Corporate Director of Regeneration and Housing</i>
1026243 All Wards	Park House Accommodation Executive approval for the business case associated with locating Public Health Services and temporary accommodation	Executive 2 Sep 2026	KEY Will incur expenditure or savings that are above the threshold decided by the Council i.e. Over £150,000	Public		5) Executive Member for Development <i>Corporate Director of Regeneration and Housing</i>
1025817	Commercial Waste Collection and Disposal For Exec to approve the requirement for commercial waste collections and disposal from council	Executive 2 Sep 2026	KEY Will incur expenditure or savings that are above the threshold	Public		5) Executive Member for Development <i>Corporate Director of Regeneration and Housing</i>

Ref No. / Ward	Subject / Decision	Decision Maker and Decision Due Date	Key / PFP	Likely Exemption	Background documents	Member / Officer Contact
	buildings to be contracted out. No ward affected as this is internal buildings		decided by the Council i.e. Over £150,000			
Executive Member for Environment and Sustainability						
I025152 All Wards	Bereavement Services Strategy The purpose of the report was to seek approval of the Bereavement Services Strategy, which set out the Council's long-term framework for delivering compassionate, inclusive and sustainable bereavement services across Middlesbrough.	Executive 10 Jun 2026	KEY Will have a significant impact in two or more wards	Public		6) Executive Member for Environment and Sustainability <i>Corporate Director of Environment, Communities and Culture</i>
I026406 Coulby Newham	Stainton Way Highway improvements To consider the infrastructure improvement proposals at the junctions of Dalby Way and Kings Academy on Stainton Way	Executive 8 Jul 2026	KEY Will incur expenditure or savings that are above the threshold decided by the Council i.e. Over £150,000	Public		6) Executive Member for Environment and Sustainability <i>Corporate Director of Environment, Communities and Culture</i>
I025816	2026-2027 - Price reduction of Garden Waste	Executive 24 Jul 2026	KEY	Public		6) Executive Member for Environment and Sustainability

Ref No. / Ward	Subject / Decision	Decision Maker and Decision Due Date	Key / PFP	Likely Exemption	Background documents	Member / Officer Contact
All Wards	For Exec to review the cost of the Garden Waste subscription to be reduced		Will have a significant impact in two or more wards			<i>Corporate Director of Environment, Communities and Culture</i>
Executive Member - Finance						
1025507 All Wards	Crisis and Resilience Fund 2026/27 The purpose of the report was to seek approval of the Crisis and Resilience Fund (CRF) delivery plan for 2026/27 and to obtain delegated authority to amend the allocation of funding within the plan to ensure it remained responsive to local needs.	Executive 10 Jun 2026	KEY Will incur expenditure or savings above £250,000 and will affect 2 or more wards	Public		7) Executive Member for Finance <i>Corporate Director of Finance</i>
1024705 All Wards	2025/26 Revenue and Capital Year-end Outturn The report a The purpose of the report was to present the Council's final Revenue and Capital Year-End Outturn position for 2025/26, including the overall financial performance, budget virements, updates to the Capital Programme and the	Executive 10 Jun 2026	KEY Will incur expenditure or savings above £250,000 and will affect 2 or more wards	Public		7) Executive Member for Finance <i>Corporate Director of Finance</i>

Ref No. / Ward	Subject / Decision	Decision Maker and Decision Due Date	Key / PFP	Likely Exemption	Background documents	Member / Officer Contact
	<p>impact on reserves and financial resilience. advise the Executive of the Council's year-end financial outturn position for 2025/26</p>					
I026248 All Wards	<p>Medium Term Financial Plan (MTFP) update and 2027/28 Budget Development approach and Timetable Decision</p>	Executive 8 Jul 2026	KEY Will incur expenditure or savings above £250,000 and will affect 2 or more wards	Public		1) The Mayor, 7) Executive Member for Finance <i>Corporate Director of Finance</i>
I026285	<p>Prudential Indicators and Treasury Management Outturn – 2025/26 The report provides important information regarding the regulation and management of the Council's borrowing, investments, and cash-flow for the 2025/26 financial year. It also provides the Prudential Indicators results for the financial year in accordance with the above and the outturn position on the capital programme</p> <p>Both of these are</p>	Executive 8 Jul 2026		Public		7) Executive Member for Finance <i>Corporate Director of Finance</i>

Ref No. / Ward	Subject / Decision	Decision Maker and Decision Due Date	Key / PFP	Likely Exemption	Background documents	Member / Officer Contact
	requirements of the Council's reporting procedures under the CIPFA Treasury Management Code of Practice, and by regulations issued under the Local Government Act 2003.					
1025612 All Wards	Corporate Food Poverty Policy To approve the Corporate Food Poverty policy	Executive 2 Sep 2026	KEY Will have a significant impact in two or more wards	Public		7) Executive Member for Finance <i>Corporate Director of Finance</i>
1026244 All Wards	Quarter One 2026/7 Integrated Performance and Finance Forecast year end Outturn Decision	Executive 2 Sep 2026	KEY Will incur expenditure or savings above £250,000 and will affect 2 or more wards	Public		1) The Mayor, 7) Executive Member for Finance <i>Corporate Director of Finance</i>
1026249 All Wards	2027/28 Budget and Medium Term Financial Plan (MTFP) 2027/28 to 2030/31 Update Decision	Executive 7 Oct 2026	KEY Will incur expenditure or savings above £250,000 and will affect 2 or more wards	Public		1) The Mayor, 7) Executive Member for Finance <i>Corporate Director of Finance</i>
1027030	Welfare Strategy	Executive	KEY	Public		7) Executive Member for Finance

Ref No. / Ward	Subject / Decision	Decision Maker and Decision Due Date	Key / PFP	Likely Exemption	Background documents	Member / Officer Contact
All Wards	To approve the proposed amends to the Welfare Strategy.	7 Oct 2026	Will have a significant impact in two or more wards			<i>Corporate Director of Finance</i>
I026174 All Wards	Procurement Strategy 2027 - 2030 To present the updated Procurement Strategy for 2027 - 2030	Executive 11 Nov 2026		Public		7) Executive Member for Finance <i>Corporate Director of Finance</i>
I026245 All Wards	Quarter Two 2026/7 Integrated Performance and Finance Forecast year end Outturn Decision	Executive 9 Dec 2026	KEY Will incur expenditure or savings above £250,000 and will affect 2 or more wards	Public		1) The Mayor, 7) Executive Member for Finance <i>Corporate Director of Finance</i>
I026264 All Wards	2027/28 Draft Budget and Medium Term Financial Plan (MTFP) 2027/28 to 2030/31 Decision.	Executive 9 Dec 2026	KEY Will incur expenditure or savings above £250,000 and will affect 2 or more wards	Public		1) The Mayor, 7) Executive Member for Finance <i>Corporate Director of Finance</i>
I026246 All Wards	Quarter Three 2026/7 Integrated Performance and Finance Forecast year end Outturn Decision	Executive 3 Feb 2027	KEY Will incur expenditure or savings above £250,000 and will affect 2 or more wards	Public		1) The Mayor, 7) Executive Member for Finance <i>Corporate Director of Finance</i>

Ref No. / Ward	Subject / Decision	Decision Maker and Decision Due Date	Key / PFP	Likely Exemption	Background documents	Member / Officer Contact
I026265 All Wards	2027/28 Budget and Medium Term Financial Plan (MTFP) 2027/28 to 2030/31 Decision.	Executive 3 Feb 2027	KEY Will incur expenditure or savings above £250,000 and will affect 2 or more wards	Public		1) The Mayor, 7) Executive Member for Finance <i>Corporate Director of Finance</i>
I026247 All Wards	Quarter Four 2026/27 Integrated Performance and Finance Year end Outturn Decision	Executive 14 Apr 2027	KEY Will incur expenditure or savings above £250,000 and will affect 2 or more wards	Public		1) The Mayor, 7) Executive Member for Finance <i>Corporate Director of Finance</i>
Executive Member - Neighbourhoods						
I026404 Central	Making Middlesbrough Town Centre Safer for People and Business Increase Town Centre Safety and Perception of Safety through co located approach to nuisance behaviour, retail crime and additional need.	Executive 8 Jul 2026	KEY Will incur expenditure or savings that are above the threshold decided by the Council i.e. Over £150,000	Public		8) Executive Member for Neighbourhoods <i>Corporate Director of Environment, Communities and Culture</i>
I025535 All Wards	Update on implementing the Neighbourhoods Model This report is for information and is intended to provide an update on the	Executive 2 Sep 2026		Public		8) Executive Member for Neighbourhoods <i>Corporate Director of Environment, Communities and Culture</i>

Ref No. / Ward	Subject / Decision	Decision Maker and Decision Due Date	Key / PFP	Likely Exemption	Background documents	Member / Officer Contact
	progress being made on the neighbourhood plans which is part of the neighbourhood model.					
Executive Member - Public Health						
1025662	Director of Public Health Annual Report 2026 The purpose of the report was to set out the Director of Public Health's (DPH) strategic focus on Ill Health Prevention, provide senior leaders and elected members with an overview of the key prevention challenges and opportunities across South Tees, strengthen collective responsibility for prevention across the Council, and promote consistent, system wide collaboration with partners, supporting a shared approach to improving outcomes.	Executive 13 May 2026		Public		9) Executive Member for Public Health <i>Director of Public Health South Tees</i>
1025960 All Wards	Final report of the Adult Social Care and Health Scrutiny Panel: Healthy	Executive 10 Jun 2026	KEY Will have a significant	Public		9) Executive Member for Public Health <i>Director of Public Health South Tees</i>

Ref No. / Ward	Subject / Decision	Decision Maker and Decision Due Date	Key / PFP	Likely Exemption	Background documents	Member / Officer Contact
	<p>Placemaking with a Focus on Childhood Obesity The purpose of the scrutiny report was to present the findings of the Adult Social Care and Health Scrutiny Panel following its review of Healthy Placemaking with a Focus on Childhood Obesity. The Service Action Plan was developed in response to the Panel's recommendations.</p>		<p>impact in two or more wards</p>			

Scrutiny Review

FINAL REPORT OF THE CHILDREN'S
SCRUTINY PANEL

***OUT OF AREA SPECIALIST
PROVISION***

Democratic Services

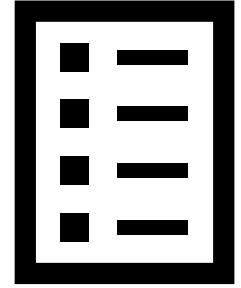


Overview and Scrutiny Board

7 July 2026

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CONTENTS



COMMITTEE INFORMATION.....5

AIMS OF THE REVIEW.....6

TERMS OF REFERENCE7

BACKGROUND INFORMATION.....8

SUMMARY OF EVIDENCE10

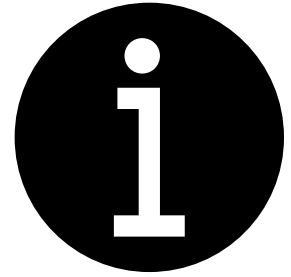
CONCLUSIONS39

RECOMMENDATIONS43

ACKNOWLEDGEMENTS.....44

BACKGROUND PAPERS44

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COMMITTEE INFORMATION

Chair
Cllr L. Young

V Chair
Cllr T.

Overview and Scrutiny Board

Adult Social Care & Health

Chair
Cllr J. Kabuye

V. Chair
Cllr David Coupe

Children's

Chair
Cllr E. Clynch

V. Chair
Cllr Z. Uddin

Place

Chair
Cllr D. Branson

V. Chair
Cllr D. Jackson

Democratic Services Support:

- Overview and Scrutiny Board: Scott Bonner & Joanne Dixon/ Tanya Harrison
- Adult Social Care and Health Scrutiny Committee: Claire Jones and Sue Lightwing
- Children's Scrutiny Committee: Joanne McNally and Joanne Dixon
- Place Scrutiny Committee: Tabitha Frankland and Rachael Johansson

AIMS OF THE REVIEW



1. The aim of the investigation was to understand why the Council uses out of area specialist provision, both in a SEND education and complex needs social care context, and to examine whether reliance on out of area provision can be reduced. Reduced reliance would require an increase local capacity and provision to ensure as many Middlesbrough children as possible are educated and live within the local area boundary, where appropriate to do so, and would also ease the financial impact of using costlier external provision.
2. The scrutiny of this topic fits within the following vision and priorities of the Council Plan:-
 - Priority 2: Helping our residents live longer, healthier lives.
 - Priority 4: Delivering Best Value - Changing how we operate to deliver affordable and cost-effective outcomes for residents and businesses.

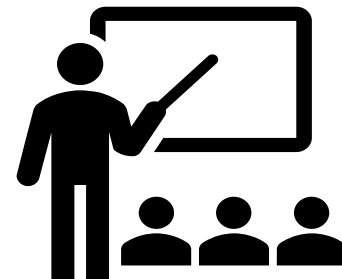
TERMS OF REFERENCE



3. The terms of reference for the review are as follows:

- A. To examine the current position in Middlesbrough regarding the use of Out of Area Specialist Provision, including how and why out of area placements are made:
 - i. In a SEND educational context.
 - ii. In a complex needs, social care context.
- B. To examine how Middlesbrough's use of Out of Area specialist provision compares locally and nationally.
- C. To consider current workforce development strategies and assess their impact on Out of Area specialist provision in both education and social care settings.
- D. To consider best practice and procedures regarding Out of Area specialist provision for both education and complex needs social care elements.

BACKGROUND INFORMATION



4. As part of the review the Children's Scrutiny Panel considered the following background information.
5. The Scrutiny Panel wanted to examine Out of Area Specialist Provision in both an educational context for children with identified Special Educational Needs and/or Disabilities (SEND), and in relation to children known to Social Care with complex needs.
6. Whilst there is no single definition of 'complex needs' this term is generally used to describe children with multiple needs of different types who require support from a range of professionals to meet their needs.

Out of Area Specialist Provision - Education

7. Out of Area Specialist Provision is a residential or education placement that is geographically located outside of the child's home local authority boundary (out of area) and provides education for children and young people with complex/special education needs and disabilities (specialist).

Special Educational Needs and/or Disabilities (SEND) Support

8. SEND support is additional to, or different from, the support generally made for other children of the same age in school. It is provided for pupils who are identified as having a learning difficulty or disability that requires extra, or different, help to that normally provided as part of the school's usual curriculum offer. A pupil with SEND support will not have an EHCP.

Education Health and Care Plans (EHCP)

9. An EHCP may be issued by a Local Authority for a pupil who needs more support than is available through SEN support. There is a statutory assessment process that must be followed which considers the pupil's special educational needs and any relevant health and social care needs. It sets out long term outcomes and specifies provision which will deliver additional support to meet those needs.

Out of Area Specialist Provision - Social Care

10. A child or young person who has been in the care of the local authority for more than 24 hours is known as a 'Looked After Child', or child/children in care.
11. There are various types of care which generally include:-
 - Living with Foster Carers.
 - Living with relatives or friends through kinship foster care (sometimes known as connected persons foster care).
 - Living in a residential children's care home.
 - Living in a residential setting such as a school, secure unit, or semi-independent living accommodation.
 - In some cases, living with parents under a Care Order.
12. Out of area, or external, social care placements are an option available to local authorities to place children in care outside of their home local authority boundary for a variety of reasons including lack of 'in-house' provision that will meet their specific needs, or for safety reasons to protect the child/young person – e.g. threat of harm or violence to themselves or others through crime or exploitation.

Sufficiency Duty

13. Section 22G of the Children's Act 1989, as amended by the Children and Young Persons Act 2008, sets out the general duty of local authorities to take steps to secure, as far as reasonably practicable, accommodation for looked after children that is "within the authority's area" and "meets the needs of those children". In taking steps to do so, local authorities must also have regard to the benefit of having "a number of accommodation providers in their area" (local authority foster carers and residential children's homes registered under Part 2 of the Care Standards Act 2000), and "a range of accommodation in their area capable of meeting different needs".

SUMMARY OF EVIDENCE



14. The Children's Scrutiny Panel gathered the following evidence in relation to each of the review's Terms of Reference.

TERM OF REFERENCE A - To examine the current position in Middlesbrough regarding the use of Out of Area Specialist Provision, including how and why out of area placements are made; i) In a SEND educational context

Out of Area Specialist Provision in Middlesbrough – Education

15. There are two main types of out of area provision that Middlesbrough children can access:-

- Other Local Authority Special Schools – These schools are maintained by the Local Authority in the area where they are located, or are part of the state school system.
- Independent Provision – These establishments are not maintained by the Local Authority or part of the state school system. Some independent specialist provision offers day places for children and young people, and others also provide residential options.

16. Places within the local area boundary are always considered first before arranging out of area provision, however, the commissioning of out of area provision is sometimes necessary for various reasons, including:-

- Gaps in local provision – insufficient provision within the local area, making an out of area placement necessary.
- Individual needs of the child – a placement may be necessary for a child with complex needs or low incidence disabilities which means the local authority is unable to deliver provision from within its own resources.
- Specialism – a provider may offer therapies or specialist expertise which is not available locally.
- The child is in the care of the local authority, lives outside of the Middlesbrough area and is in an education placement close to where they live.

- The child may have moved into Middlesbrough from a neighbouring local authority and for consistency it is appropriate to continue to commission the placement.
- Parental preference – for children with an EHCP, parents can identify an out of area independent specialist provision as their preferred school which the local authority must consider.

Quality Assurance

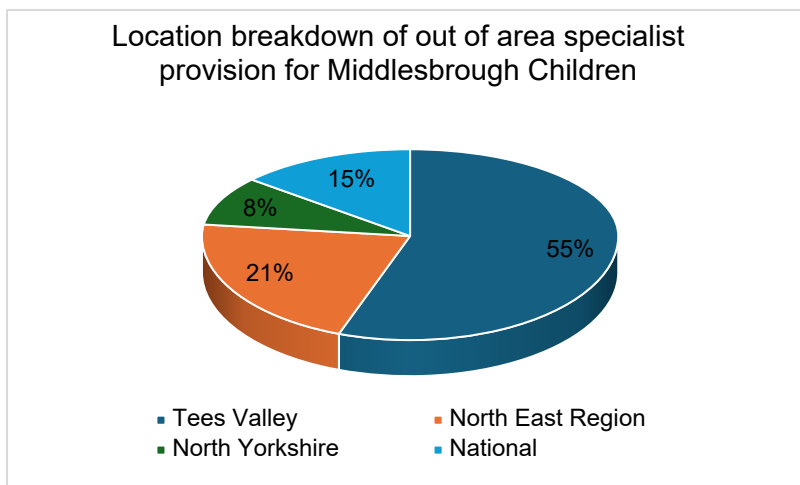
17. There are a number of quality assurance (QA) checks and processes in place for using out of area specialist schools, particularly independent providers.
18. A Section 41 (S41) approved list of independent specialist schools and specialist post-16 institutions is published by the Secretary of State for Education. The providers on the list must meet certain standards.
19. Processes are also in place for commissioning independent specialist provision with contracts in place and individual placement agreements for each child, with schools and care provision being subject to regulatory oversight from Ofsted and the CQC.
20. Staff from the local authority visit children in their settings on a regular basis and there are further QA processes in place for key members of local authority staff to carry out quality visits at the provisions. In 2023, during the SEND Local Area Inspection, the process for out of area placements and assurance was found to be effective.
21. Numbers of Middlesbrough Children with EHCPs and SEND
22. Around 6% of children in Middlesbrough have an EHCP which is above the national average (currently 5.3%). The majority of Middlesbrough children in out of area specialist provision have an Education, Health and Care Plan (EHCP).
23. The number of Middlesbrough children and young people with an EHCP has steadily increased, as can be seen in the table below. There has been an increase from 1,659 in 2022, to 2,040 as of January 2025. Figures for 2026 and 2027 are the numbers of children in Middlesbrough forecasted to require an EHCP.

Year	2022 (A)	2023 (A)	2024 (A)	2025 (A)	2026 (F)	2027 (F)
No. of EHCPs – Actual (A) and Forecast (F)	1,659	1,804	1,881	2,040	2,046	2,147

24. Around 15% of Middlesbrough’s overall education population is recognised as having SEND. This is comparable with the national average.
25. The table below provides a breakdown of Middlesbrough children and young people, by SEND characteristic, who are currently in out of area specialist provision:-

Type of special educational needs	Number of children
Autistic Spectrum Condition	23 (20%)
Social, Emotional and Mental Health Needs	62 (55%)
Moderate Learning Difficulties	1 (1%)
Speech and Language Needs	9 (8%)
Hearing Impairment/ Visual Impairment	1 (1%)
Severe Learning Difficulties	12 (11%)
Profound and Multiple Learning Difficulties	2 (3%)

26. Of the children and young people referred to in the above table, 22% are of primary school age, 71% are of secondary school age and 6% are post-16.
27. A breakdown of the geographical location of the out of area specialist provision in relation to the above children and young people is as follows: 55% - Tees Valley; 21% - North East region; 8% - North Yorkshire; and 15% - National.



Placement Costs

28. The average cost of an out of area local authority specialist provision placement is broadly comparable to the cost of a Middlesbrough special school placement, at around £16,000, and is funded through the High Needs Budget of the Dedicated Schools Grant (see paragraph 131).
29. At the time of writing, there are 53 children receiving education in another local authority special school outside of Middlesbrough. In the 2024/25 financial year, the total budget outturn for other local authority specialist provision was £1.176 million.
30. Many of these children are eligible for transport assistance with the average cost of transport, per pupil, to other local authority schools standing at £4,000 per annum.
31. Independent day placement provision is more costly than maintained or academy school provision and again is funded through the High Needs Budget of the Dedicated Schools Grant. There are currently 60 Middlesbrough children accessing this type of placement.
32. The average placement cost for independent specialist provision, based on current spend for Middlesbrough, is £65,000 – significantly higher than the cost of a special school placement at £16,000. The outturn for the 2024/25 financial year for independent specialist provision was £4.786 million.
33. Whilst significant work has been undertaken to reduce the numbers of children requiring access to independent provision, uplifted fees and costs from independent providers means that the financial impact in reducing reliance is not always fully realised.
34. Again, children accessing independent specialist provision are often eligible for transport assistance, with the average cost per pupil being £30,000 per annum. There are currently 15 children who are transported to independent day placements by the local authority on a daily basis.
35. In Children's Services, as well as financial pressures in Social Care, there is increasing pressure on the High Needs Block of the Dedicated Schools Grant (DSG) partly due to the increase in more complex placements. There has been an 8% increase between 2024 to 2025 in the number of EHCPs and it is forecast that this trend will continue in the future.
36. It should be noted that the number of children with an EHCP is also a key cost driver in relation to home to school transport costs that are met by the General Fund through the Integrated Transport Unit.

Residential Education Placements

37. There are currently 84 (of Middlesbrough's 500 total) children looked after living in private residential children's homes outside of Middlesbrough. Many of these children would be living in Middlesbrough's own children's homes and foster care provision if there was sufficient availability.
38. These 84 children receive their education either at schools local to their residential children's home or on the residential premises. For the most complex children, many of whom also have an EHCP, these can be high-cost specialist placements.
39. Of those 84 children, 15 receive their care and education in a residential specialist education placement and 12 of those have an EHCP.
40. In such circumstances, staff from across Children's Services – including children looked after Social Workers, the Virtual School and the SEND Team – work together, supported by Finance and Commissioning Teams, to make placement decisions collectively and to secure placements.
41. Occasionally, residential education provision may be commissioned for children who are not looked after.

Performance data

42. The use of independent specialist provision was analysed during the 'Delivering Better Value in SEND Programme' in 2022 (see paragraph 130). This area was identified as an area for improvement and potential cost reductions with the deployment of a different strategy.
43. Since 2023, Middlesbrough Council has reduced its use of independent specialist education provision and performs favourably regionally and nationally.
44. Middlesbrough has the lowest use of Independent Special Schools in the Tees Valley (2.9%) and is below national (4.64%) and regional (3.28%) averages.
45. There has been a reduction in reliance on the use of out of area specialist education placements for children with a new EHCP. In Middlesbrough 1.7% of new EHCPs are placed in independent specialist provision which is below the national (2.4%) and regional (1.8%) averages.
46. This has been achieved through developments in local specialist provision to increase sufficiency within the town, alongside strong partnerships with specialist and other education providers who are committed to developing specialist expertise within

Middlesbrough to meet the majority of children's needs locally. For example, working in partnership with Middlesbrough's special provision schools to increase capacity for children with autism/neurodiversity as this has been identified as a growing area of need.

Expanding Specialist Provision in Middlesbrough

47. A new school, Discovery Special Academy Acklam, for children with complex SEND, is now operational and offering education to primary and secondary aged children to help meet increasing demand for special needs facilities within the Middlesbrough and Redcar and Cleveland local authority areas.
48. In addition, a new secondary school for children with special educational needs and disabilities will be built in Middlesbrough. Middlesbrough Council originally secured funding from the Department for Education for a new primary school but amended its proposal to build a secondary school following a review of local need. The free school will be operated by Horizons Specialist Academy Trust and will ease growing demand pressures to provide specialist support for children in Middlesbrough.
49. Horizons currently operate several schools across Teesside, including Hollis Academy in Middlesbrough which is a secondary school for 11-16 year olds with Social, Emotional and Mental Health Difficulties (SEMHD). Hollis Academy currently has 85 students, each with an EHCP.

Next Steps

50. Continuing to reduce reliance on out of area placements will have a positive impact not only on enabling children to remain within their local community, but also financially – both on the High Needs Budget of the Dedicated Schools Grant and transport budget.
51. Whilst it will never be possible to eradicate reliance completely, it should be a target to reach a minimal level of reliance and build on local capacity and specialism to avoid over-reliance on out of area placements.
52. The new SEND and Inclusion Strategy due to be published in the near future will include the work required to ensure this continues.
53. The new SEND and Inclusion Strategy due to be published in the near future will include the work required to ensure this continues.

TERM OF REFERENCE A - To examine the current position in Middlesbrough regarding the use of Out of Area Specialist Provision, including how and why out of area placements are made; ii) In a complex needs Social Care context

Out of Area Provision – Social Care – In Middlesbrough

54. In Middlesbrough, out of area, or external, social care placements are commissioned to accommodate children/young people in the care of the local authority when it is not possible to offer an internal placement match. This can be for various reasons, including:-

- Sufficiency gaps – The Council has its own fostering and residential services, however, there is not capacity to offer placements to all Middlesbrough children.
- Individual needs of the child – The child’s needs cannot always be met by internal provision for many reasons such as complex needs or criminal exploitation.
- Specialism – An external provider may offer therapies or specialist expertise which is not available ‘in-house’.
- Safety – It may be necessary to place the child away from the local area for their own protection.
- Secure – Secure placements are approved by Court and there are specific units that are not delivered by or located in Middlesbrough.

55. The types of placements commissioned by Middlesbrough Council include:-

- Independent fostering placements (IFAs).
- Children’s residential placements.
- Educational residential placements.
- Supported accommodation placements (for age 16 +).
- Mother and baby residential assessment.
- Secure placements.

56. Such placements are either “In Area” – located geographically within Middlesbrough; or “Out of Area” – located geographically outside of Middlesbrough.

Meeting its Sufficiency Duty

57. In terms of meeting its sufficiency duty, when it is not possible to make a placement match from within internal resources, the Council explores the use of independent fostering or residential placements.

58. Sometimes placements for Middlesbrough children cannot be made 'in-house' or within the local authority boundary for specific reasons. For example, children who require specialist therapies or expertise which is usually only available through external providers; or for safety/security reasons where it is in the young person's best interests to be placed away from the local area, making both internal and in-boundary provision unsuitable.
59. In addition, secure placements are authorised by the Courts and accessed through specific units located outside of Middlesbrough - the nearest secure placements are situated in Durham, Northumberland and Scotland – but bed availability is limited.

'In-house' Fostering and Recruitment

60. As of January 2026, Middlesbrough has 71 approved foster carers and 26 connected person foster carers (kinship carers) – a total of 97.
61. The Panel heard that there is a national shortage of foster carers and it is estimated that around 9,000 additional foster carers are required to meet demand.
62. Foster carer recruitment is particularly challenging in Middlesbrough due to changes within the foster carer cohort and a rise in the numbers of older children, more frequently requiring additional support. The goal would be to recruit a significant number of additional foster carers in Middlesbrough to offset the shortfall of those children in independent fostering placements. Work is ongoing to examine the best approach to recruitment initiatives.
63. Launched in late 2023, 'Foster with North East' is a collaborative partnership between the 12 north east local authorities. It is a single north east regional hub offering specialist advice, guidance and support for prospective local authority foster carers throughout their fostering journey – from initial enquiry/curiosity to approval.
64. Foster with North East works in partnership with the local authorities' fostering teams to bring together in-depth knowledge about their individual communities and the needs of children and families and is committed to sharing resources to give foster carers and children looked after the best possible experiences of fostering.

Regional Care Co-operatives

65. As part of the Government's reforms to the children's social care system, the Department for Education (DfE) is working with local government to develop Regional Care Co-operatives (RCCs).

66. The ambition is for RCCs – led by local authorities working with health and youth justice partners - to plan, commission and deliver children’s care placements in fostering, children’s residential and secure homes.

67. Through collaborative working, RCCs intend to:-

- Ensure sufficient placements and support are available to meet the needs of children in care through improved demand forecasting.
- Negotiate with providers to ensure best value and maximum impact for children and that placements are available for children and young people with multiple, complex needs.
- Have greater collaboration with health and justice commissioners to improve services for children in care.
- Reform foster carer recruitment and retention and, where necessary, create new forms of care to meet local need to ensure more children in care can stay in family environments, closer to home.

68. The DfE is providing £3.46 million in programme funding to two pathfinder regions in 2024/25 and 2025/26, and up to £5 million in capital funding to each pathfinder region to develop existing provision or create new regional provision. The two successfully selected pathfinder regions are Greater Manchester and the South East.

69. The Government’s vision is for every local authority to be part of an RCC in the future, operating at scale to deliver homes for children in care to ensure they thrive in safe, nurturing environments.

70. Alignment with RCCs is currently voluntary, however, the Government is keen to drive RCCs forward quickly. To support this, an expression of interest (EOI) will be launched in Spring 2026, backed by more than £10 million, with the expectation to be able to support the establishment of up to six new RCCs.

71. In terms of progress in relation to the two pathfinder RCCs, evaluation has provided valuable learning and indicates high potential for the RCC model. The pathfinders have started to test new approaches and show early signs of how a more co-ordinated, regional model can support better outcomes for children and young people.

72. The pathfinder areas show that the RRC model has helped to build a shared responsibility for securing the right homes for children and is gradually moving away from reactive, competitive commissioning and towards a more proactive and planned approach.

73. A summary of progress in respect of the two pathfinder regions, to date, is set out below:-

- Greater Manchester

“The Greater Manchester Regional Care Co-operative (GM RCC) is already demonstrating the transformative potential of the RCC model, showing how shared purpose, collective accountability and regional scale can reshape children’s social care.

It has launched high impact programmes that move the system from reactive commissioning to a proactive, needs led approach.

Its regional data and demand forecasting platform is strengthening planning and market oversight, and the RCC is creating an increased supply of specialist residential homes solely for Greater Manchester children, with additional health funding providing an enhanced mental health support offer.

The RCC has also secured investment to support the local workforce through collaboration with local colleges and securing access to higher level qualifications for residential registered managers.

By acting as a single regional customer and uniting local authorities, voluntary community and social enterprise partners and providers, the GM RCC is strengthening commercial leverage, reducing reliance on out of area care and helping build the sustainable, ethical market children and young people deserve.”

- South East

“The South-East Regional Care Co-operative has set up as an independent not-for-profit company (Home and Future) with a board working to 17 local authorities.

It has developed a regional data platform which enables timely sufficiency analysis, forecasting and benchmarking of costs. Home and Future has supported the creation of new beds in local authority homes and developed an agreement for local authorities to share placements.

The RCC is transitioning towards managing all the regional commissioning frameworks for residential placements across the region, as well as developing new ones. It has also introduced new needs-led practice tools to inform child centred commissioning.

To improve the residential workforce, the RCC is developing a Workforce Academy which will seek to develop new training pathways. It is working closely with its local authorities in the fostering hub to incorporate fostering into the work of the RCC.”

Independent Fostering

74. Middlesbrough Council, together with the 11 other North East Councils (Darlington, Durham, Gateshead, Hartlepool, Newcastle, North Tyneside, Northumberland, Redcar & Cleveland, South Tyneside, Stockton, and Sunderland), is part of the NEPO603 Tyne-Tees Independent Foster Care Services Commissioning Framework which is used to secure places when the internal fostering service is unable to provide a placement match.
75. Referrals are shared with suppliers to secure suitable placements and weekly rates are fixed as part of the procurement.
76. In instances where Middlesbrough Council is unable to secure a placement via this route, it has a number of 'spot contracts' with Independent Fostering Agencies (IFAs).
77. The total number of active external fostering placements as of 6 January 2026 was 144. This equates to 28% of Middlesbrough's total children looked after.
78. As of 6 January 2026, there were 85.42% Framework placements made by Middlesbrough Council and 14.58% spot placements, which is seen as a positive distribution of placements.

Residential

79. Middlesbrough Council has two block contract arrangements - providing residential care that compliments in-house beds availability - providing a total of 12 beds across four homes.
80. The weekly block contract bed rate is very competitive compared to spot contracts and in 2024/25 a cost avoidance of £792,000 was achieved through placements with the block contracts versus spot contract placements.
81. All of the block contract homes are rated by Ofsted as 'good' or 'outstanding' and high occupancy rates were achieved in 2024/25 as follows:-
 - Caretech – (Provides nine beds across three homes) – 94% occupancy.
 - Invested – (Provides three beds in one home) – 99% occupancy.
82. Feedback gathered from children and young people and professionals living/working in the placement settings is positive, including some of the following comments:-

"I want to thank all the staff for everything they have done for me. I really appreciate it, you have all really helped me ..."

"I like how the adults said they were proud of me when I passed my functional skills maths and English."

"I feel really safe in the home. I don't leave the home without adults and if I do its because I'm doing something with one of them. I really like my room and my flags and sharks. The other kids are quiet and I like that they aren't loud."

"I love the home's food, the laughter we all have with peers and staff and I love my bedroom ... I feel very supported by the staff in the home and how they supported me through my interviews with the Police."

"... Overall there is a high standard in terms of the quality of care provided towards the young people that live there and they really make a difference for young people. I find my team are supported by each other and there is a good leadership structure in place."

"Absolutely excellent in all categories of communication. We work with a lot of care providers and none are anywhere near in terms of service that Invested are."

External Residential Children's Home Placements

83. Middlesbrough currently has a total of 49 children in external registered children's home placements – the average cost of which is £6,628 per placement per week.
84. Of that number, five children are in specialist solo residential children's home placements – at an average cost of £16,731 per week, and one child in a secure residential placement – at a cost of £7,794 per week.
85. 49% of external children's placements are located within the Teesside area. This includes the 12 block contract beds (average cost £4,295 per week) and 12 spot contract external placements within Teesside (four of which are in Middlesbrough) at an average cost of £4,979 per week.
86. The Panel was provided with three case study examples setting out background and challenge, placement team interventions and impact. Significant cost avoidance of between £74,000 and £200,000 was achieved in each case for the current financial year.

Supported Accommodation (16+ with support needs) Sufficiency

87. Middlesbrough Council has its own internal 16+ supported accommodation provision, however, due to the large numbers of young people aged 16 and over with support needs, external market provision has had to be relied on.
88. Officers within the relevant Children's Services and Commissioning Teams work with a range of stakeholders to commission 16+ spot placements. In 2024 a new opportunity arose to work with a provider to commission a block arrangement. It has allowed the

Council to add 18 units and one crisis pad to its capacity, strengthening the Council's sufficiency position.

89. As of 5 January 2026, there were 25 active spot placements, with 7 of those being in the new block provision.
90. As the year progresses, the Service anticipates a welcome shift from high numbers of spot placements to an increase in the block occupancy rates which will deliver efficiencies through avoiding commissioning of higher rate spot placements.
91. The average block weekly unit rate is **£1,340** compared to the current spot placement weekly average unit rate of **£2,321**. This is an average weekly saving, per unit, of **£981**.

18+ Support

92. In 2025, the Council was approached by a provider who had identified a local building for use as 18+ accommodation. The Council has commissioned 27 beds in this provision which will support its sufficiency strategy and provide a pathway for young people moving into independence.
93. This provision will avoid the need for young people to remain in their placement post 18 and 'bed blocking' which has been challenging for Children's Services in the past. It will also ensure that young people in Middlesbrough are supported to move into independence and give them the confidence to take ownership of their own futures.
94. As of January 2026, the provision had been open for approximately four weeks and had 19 active placements.
95. The young people living there are eligible to claim Housing Benefit and the Council is funding staff within the provision to provide support around wellbeing, employment, training and education to support them to transition into independence.

Next Steps

96. A work plan is in place around commissioning and some of the following priority areas have been identified to improve the Council's sufficiency responsibilities:-
- Work with care provider who is looking to open three new homes in Middlesbrough to develop a business case for commissioning approach.
 - Work with one of the block providers who is also looking to open further homes to develop a business case and consider procurement options linked to active contract.

- Continue to monitor submission of certificate of lawfulness and C2 planning applications received and, where the provider has not notified the Council, engage with them to influence the development of the right type of homes to meet sufficiency gaps.
- Continue to work collaboratively as part of the North East Strategic Children's Commissioning Group (SCCG), focusing on Regional Care Co-operative (RCC) development and regional sufficiency work.

TERM OF REFERENCE B - To examine how Middlesbrough's use of Out of Area specialist provision compares locally and nationally

SEND - National Context

97. In June 2025, the Department for Education published data on pupils with Special Educational Needs (SEN) in England for the Academic Year 2024/25. (This is the latest available data).
98. Key headlines from the data include:-
- More than 1.7 million pupils in England have SEN needs. This is an increase of 93,700 (5.6%) pupils since 2024. This includes the number of pupils with an education, health and care plan (EHCP) and the number of pupils with SEN support, both of which continue the trend of increases since 2016.
 - The percentage of pupils with an EHCP has increased to 5.3%, from 4.8% in 2024.
 - The percentage of pupils with SEN support (no EHCP) has increased to 14.2%, from 13.6% in 2024.
 - The most common type of need for those with an EHCP is autistic spectrum disorder and for those with SEN support is speech, language and communication needs.

Increased number of pupils with EHCPs/SEND Support

99. It is noted that, nationally, the number of pupils with an EHCP increased by 11.1% between 2024 and 2025 (483,000 pupils). This has doubled since 2016.
100. The number of pupils with SEND support has increased by 3.7% from 2024 to 2025, and by 29.5% since 2016.
101. It is further noted that, since 2016, the total pupil population increased by 5.5%, meaning there are proportionally more pupils with an EHCP or SEND support.

Out of Area Placements in Middlesbrough - SEND/EHCPs

102. In 2022, as part of the Delivering Better Value Programme, analysis of the use of independent out of area specialist provision was undertaken. It was recognised that this was an area for improvement and one where cost mitigation could be realised by way of a different approach.
103. Since 2023, the use of independent specialist provision has reduced with 60 children and young people accessing such provision, as of September 2025.
104. Middlesbrough has the lowest use of Independent Special Schools in the Tees Valley and performs favourably against regional and national benchmarks.
105. Middlesbrough's average usage of Independent Special schools equates to 2.97%. This is below the National average of 4.64% and regional average of 3.28%.
106. In addition, there is reducing reliance on the use of these placements for children with a new EHCP. In Middlesbrough 1.7% of new EHCPs were placed in independent specialist provision which is also below the National average of 2.4% and Regional average of 1.8%.
107. This reduction is as a result of developing local specialist provision to increase sufficiency within the town, alongside strong partnerships with specialist and other education providers who are committed to developing specialist expertise within Middlesbrough to meet the majority of children's needs at a local level.

Social Care - National Context

108. The most recent Government published information (November 2025) shows that the number of children looked after in England, on 31 March 2025, was 81,770. This has reduced by 2% from 2024.
109. The children looked after rate per 10,000 children aged under 18 years is 67 and has reduced from 69 per 10,000 in 2024.
110. The Government also published information on children looked after who were placed outside of their home local authority boundary. The figures relate to the year ending 31 March 2024 with comparisons to the previous year ending 31 March 2023.
111. Key headlines from the data include:-

- Nationally, **45%** of all children looked after were placed outside of their home local authority boundary. This is a slight increase from 44% the previous year. (A gradual increase from 40% in 2015).
- **69%** of all children looked after who were placed outside their home boundary, were placed less than 20 miles from home. This is a slight decrease from 70% the previous year. (A decrease from 76% in 2015).
- **22%** of all children looked after were placed more than 20 miles from home – a slight increase from 21% the previous year.
- Of children looked after placed outside their home local authority boundary, **52%** were in foster care.
- **13%** of children looked after were placed outside their home local authority boundary, outside of their neighbouring local authorities and more than 20 miles from home.

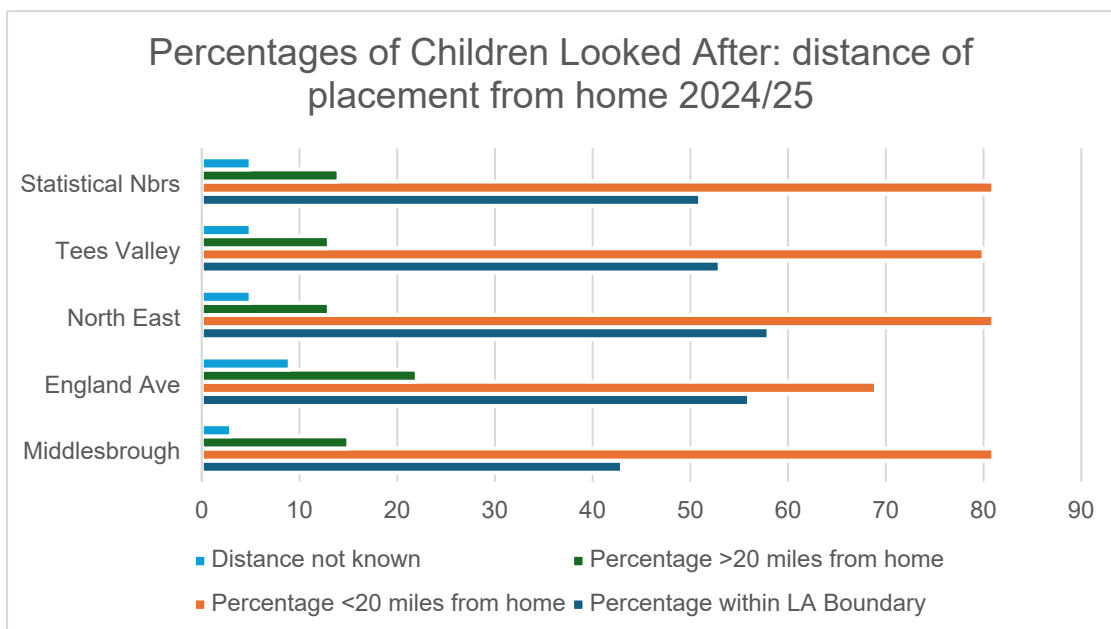
Social Care in Middlesbrough

112. The table below shows the number of children looked after on 31 March in 2023, 2024 and 2025 in England, North East region and in Middlesbrough. It can be seen that numbers in Middlesbrough have decreased, in line with the national and region picture.

			2025	2024	2023
Children looked after on 31 March each year	England	Number of children looked after	81,770	83,530	83,750
		Rate per 10,000 children aged under 18 years	67	69	70
		Population estimate	12,183,016	12,059,476	11,901,267
	North East	Number of children looked after	6,040	6,090	5,970
		Rate per 10,000 children aged under 18 years	111	113	112
		Population estimate	542,710	538,121	531,204
	Middlesbrough	Number of children looked after	493	513	509
		Rate per 10,000 children aged under 18 years	138	146	148
		Population estimate	35,617	35,177	34,384

Out of Area Social Care placements in Middlesbrough

- 113. Comparative data was provided to the Panel in relation to Middlesbrough’s use of out of area placements when compared nationally (England totals), locally – with Tees Valley neighbouring authorities average; North East neighbours totals and statistical neighbours average.
- 114. On a local level, the percentage of Middlesbrough children looked after that are placed more than 20 miles from home is **76**, equating to **15%**. Middlesbrough’s percentage of children in this cohort has remained consistent over the past four years. It is lower than the England average percentage of **22%** and comparable with North East (**13%**), Tees Valley (**13%**) and Statistical Neighbours (**14%**).
- 115. The percentage of children looked after placed within the local authority boundary in Middlesbrough is **43%** (214 children). This is lower than the England average (**56%**) and lower than Statistical Neighbours (**51%**), Tees Valley (**53%**) and North East (**58%**) neighbours.
- 116. In addition, there has been a small increase in the numbers of children whose placement distance from home is not known or recorded (**3%, or 16 children**). In Middlesbrough this figure is below the England average of **9%**; **5%** for both statistical and north east neighbours; and **7%** for the Tees Valley.



Children Looked After with SEND in Middlesbrough

117. In October 2025, information presented to Middlesbrough’s ‘You Matter to Us Corporate Parenting Board’ focused on the proportion of children looked after with SEND. The table below shows that **56%** of the total children looked after cohort have some form of SEND. Of the total cohort, **30%** have a SEND support plan and **26%** have an EHCP.
118. **61%** of the statutory school age (SSA) children looked after population have an identified SEND need, with **34%** having a SEND support plan and **27%** having an EHCP.
119. Of the total children looked after cohort in Middlesbrough, more children have a SEND support plan than an EHCP, however, at post-16 this is reversed with **33%** having an EHCP and **20%** having a SEND support plan.

	Total	Post 16	EYFS	SSA
CLA Cohort	486	84	35	367
All SEND	273 (56%)	45 (53%)	5 (14%)	223 (61%)
Send support	148 (30%)	17 (20%)	5 (14%)	126 (34%)
EHCP	125 (26%)	28 (33%)	0	97 (27%)

120. When compared with national averages, Middlesbrough has fewer looked after children with a diagnosed SEND need.
121. The number of children looked after with an EHCP national average is **54%**. This figure is significantly lower in Middlesbrough at **27%**. **62%** of those EHCPs are in respect of social, emotional and mental health difficulties.
122. The table below shows the proportion of male and female children looked after with SEND, from Reception to Year 11, and whether their education placement is within Middlesbrough or outside of the Middlesbrough boundary.
123. It can be seen that, more children attend school within Middlesbrough (total 56%) than out of area (44%), however, the data shows that in Years 3, 8, 10 and 11 more children attend education settings outside of the Middlesbrough boundary (see table below).

NCY	Total	Male/Female		In Borough/ Out Borough	
		Male (M)	Female (F)	IB	OB
R	2	2	0	2	0
1	7	4	3	4	3
2	2	0	2	2	0
3	4	4	0	1	3
4	3	2	1	2	1
5	2	2	0	1	1
6	6	3	3	4	2
7	8	6	2	6	2
8	4	3	1	1	3
9	15	9	6	12	3
10	20	11	9	8	12
11	26	17	9	12	13
Total	99	63	36	55	43
%		63%	37%	56%	44%

TERM OF REFERENCE C - To consider current workforce development strategies and assess their impact on Out of Area specialist provision in both education and social care settings.

Workforce Development in SEND

124. The Council's SEND Team works with children and young people aged 0-25 and their families, as a single point of contact, to: raise aspirations of those with SEND; administer the EHCP assessment and annual review process; provide additional funding to schools to support pupils with SEN support plans; manage and promote the Local Offer website.
125. The Local Offer website provides a vast range of information in relation to education, health and social care services, leisure activities, money and benefits advice, etc, for children and young people with SEND, their families and carers and professionals.
126. A booklet has also been developed with the Parent/Carer Forum to signpost parents to locally available training, support and development opportunities.
127. In 2018, Middlesbrough introduced its SEND and Disability Strategy (later updated 2021-2024) to support children and young people aged 0-25 with special education needs and/or disabilities. The Strategy is currently being updated.

128. One key, long-term focus of the improvement work for SEND and Inclusion is workforce development, covering all aspects of SEND and Inclusion across education, health and care services along with schools and settings.
129. A workforce development offer was introduced, as one of the priorities identified by the Workforce Development Strategic Group, which includes learning, core learning and developmental learning for internal staff and wider teams across the Council, schools and support to parents and carers.
130. In 2023, Middlesbrough Council received a **£1.045 million** grant from the Department for Education (DfE) for the roll out of the Delivering Better Value in SEND Programme.
131. The Delivering Better Value in SEND Programme was commissioned by the DfE and invited 55 local authority areas in England to participate voluntarily on the basis of facing significant pressures on their High Needs Budget* in the delivery of SEND services in their local area. The programme aims to support local authorities and their partners to improve delivery of SEND services for children and young people whilst working towards financial sustainability. (Further information on the programme can be found here: [Delivering Better Value in SEND Programme](#))
132. *High Needs Funding is provided to local authorities through the high needs block of the dedicated schools grant (DSG), enabling them to meet their statutory duties under the Children and Families Act 2014 and the Education Act 1996. Local authorities must spend that funding in line with the associated [DSG: conditions of grant](#) and [The School and Early Years Finance \(England\) Regulations](#).

High Needs Funding supports:-

- Provision for children and young people with SEND who require additional resources to participate in education and learning, mainly in schools and colleges, from their early years to age 25 (excluding young people aged 19 to 25 who do not have an education, health and care plan (EHCP)).
 - Children up to age 16 in alternative provision (AP) who, because of exclusion, illness, or other reasons, cannot receive their education in mainstream or special schools.
133. As part of the Delivering Better in SEND Programme in Middlesbrough, workforce development was identified as an opportune area of work. There is a focus on staff training and development to improve workforce skills and knowledge to positively impact outcomes for children and young people and to contribute to longer term financial sustainability.

134. As part of the programme, the following actions were identified:-

- Developing a local area graduated response – achieved through training and workshops to build skills and knowledge of staff and external stakeholders.
- Training, mentoring and networking opportunities for school SENCOs (Special Educational Needs/Disabilities Co-ordinators).
- Conferences and learning activities/events across the local area.
- Employing a Family Liaison Officer to support parent partnerships.
- Development of a SENCO handbook.
- Transitions.

Workforce Development – Achievements

Training and mentoring opportunities for school SENDCOs

135. A dedicated, five day SENDCO development programme was delivered between March and July 2024 (with more than 60 staff attending each of the five sessions), delivered by local and national experts, focussing on upskilling staff in the following areas:-

- The SEND graduated response
- SEND leadership
- Multi-agency working
- Transitions
- SEMH (social, emotional and mental health difficulties)

136. In addition, Whole Education* – a network of leaders across Multi-Academy Trusts, local authorities and schools – delivered a bespoke ‘SEND School Improvement Programme’ in which a total of 24 schools in Middlesbrough participated.

137. *‘Whole Education’ works with local authorities to strengthen partnerships with schools, align strategic priorities and deploy resources more effectively, ensuring that SEND provision is consistent and impactful across the locality.

138. Whole Education’s Local Authority SEND School Improvement Programme helps local authorities maximise existing expertise within the local education system and by fostering peer networks and structured collaboration, the programme enables local authorities to nurture leadership potential and share best practice across schools, improving outcomes for children with SEND.

139. The Council's training delivery partner, Tees Valley Education, facilitates the local SEND Network and provides mentoring, training and development opportunities for SENCOs and other key staff across Middlesbrough.

Ordinarily Available Inclusive Provision (OAIP)

140. Middlesbrough's 'Ordinarily Available Inclusive Provision' document (OAIP) sets out, as required by the SEND Code of Practice (2015), a description of the special education provision it expects to be available in the area. It is a guidance document that refers to the support that all Middlesbrough schools, early years, and post 16 settings should be able to provide for children/young people, including those with SEND, from within their own resources.

SEND Ranges Document

141. In Autumn 2025, Middlesbrough Council launched its 'SEND Ranges' document. The document is the Local Area's response to meeting the SEND Code of Practice (2015), Graduated Approach, the DfE SEND Improvement Plan (launched 2 March 2023) and the Government's current Inclusion Agenda (2025) supported by the SEND Change Programme.
142. The document builds on best practice nationally to shape the Graduated Approach in all settings for ages 0-25 and provides a framework for staff and families. It sits alongside other local authority documents 'Ordinarily Available Inclusive Provision', 'SENDCo Handbook' and 'Supporting Transition Year 6-7 in Middlesbrough'.
143. The document was co-produced by a group of seconded SENDCOs, in collaboration with professional partners across Education, Social Care and Health, and in consultation with families and young people.
144. The aim of the document is to provide clarity in relation to identifying the level of need and support children and young people require and to ensure a greater consistency of approach across all settings in Middlesbrough – Early Years, Primary, Secondary, and Post-16.

SEND Learning Hub

145. An online portal has been developed for use by practitioners and families to access bitesize learning at their own pace. This continues to be developed.

SEND and Inclusion Conferences

146. Annual local area conferences highlighting SEND topics of local importance have been held, inviting specialists and speakers to share skills, knowledge and experience. Key partners include Ivison Trust, The Difference and SHiFT - each spotlighting topics such as being the parent of an exploited child; exclusions and national provision; and how to build relationships and work with children to impact their outcomes.

Workforce Development – Local Area Priorities

147. In addition to the ‘Delivering Better Value Programme’, there are a number of key, local area priorities where significant activity has been undertaken:-

Early Years

148. A scoping exercise was undertaken with early years providers and multi-agency colleagues to identify training needs and training already available to identify how to best support providers.
149. The scoping exercise found that a challenge for staff working in early years settings is having the time to attend training. As a result, a restructure of the Cleveland Unit Nursery was undertaken to introduce an assessment approach with opportunities for outreach and training with the specialist team. The Specialist Team delivered 87 hours of outreach in September 2025. A new portage offer for families of children with complex needs was also introduced through a parent-led approach.
150. Supported by the Department for Education (DfE), Middlesbrough continues to work with ‘Dingley’s Promise’* to offer up to 100 free funded training places for early years staff with focus on speech and language development, emotional needs and toilet training to promote school readiness.
151. *Dingley’s Promise is the largest specialist provider of nursery education to children under five with SEND in England. They are also a leading training provider in early years inclusive practice, committed to creating a more inclusive early years sector offering the best start in life for every child.
152. Opportunities for family learning and support are integrated into the offer with, Early Years, family hubs and the Education Alliance Board.

Outreach and Inclusion

153. In 2021, the Outreach and Inclusion Service was developed within the Council, following feedback from schools. It provides support with early assessment, identification and preventative approaches to support children with SEND and those at risk of exclusion. The Service also offers training, outreach, advice and guidance.
154. The model works closely with the Designated Clinical Officer and Designated Social Care Officer to provide training, support and guidance on their health and care specialisms. There is also a training offer from specialist and therapy services (eg speech and language, occupational therapy, epilepsy).

School Based Learning

155. Schools make a significant contribution to workforce development activity by investing in supporting their own staff to complete relevant SEND training, including: Team Teach, Relationship based and restorative approaches, Attention Autism training.
156. Many schools share their skills and knowledge across the partnership through training, outreach and workshops (examples include Green Lane and Beverley Park).

PROCLAIM Partnership

157. The PROCLAIM (Providing Rich Opportunities for Children who are Looked After in Middlesbrough) model is designed to improve practice in schools and support them to become 'attachment aware and trauma-informed' (AATI) in their approach. As of October 2025, **23** schools in Middlesbrough were designated PROCLAIM schools.
158. The Council's Inclusion and Specialist Support service is also part of this programme, with an AATI workforce.

Preparation for Adulthood

159. Support for young people to prepare for adulthood focuses on person-centred planning for transitions into independent living, employment/higher education, good health and community inclusion across the local area, with the aim of achieving quality outcomes for young people.
160. Supported internships were introduced to provide greater focus on preparing young people with SEND with the skills needed for adulthood and employment. They are

structured study programmes for young people aged 16-24 with an EHCP to gain experience within a supported environment and are primarily based on site with an employer.

161. Middlesbrough Council collaborates with Supported Internship providers to implement the Supported Internship Quality Assurance Framework and also supports further education and supported internship providers to participate in specialist training around job coaching, and systematic instruction to support employment outcomes.

Development Opportunities for Local Authority SEND and Inclusion Staff

162. Staff have been supported to complete legal training, SEN Case Officer qualifications, apprenticeship opportunities, attend National Development Team for Inclusion Leadership Development Programmes, webinars, conferences and learning activities (both as participants and speakers) to maintain knowledge in the local area.

Future Workforce

163. Work has been undertaken in partnership with Teesside University and Middlesbrough College to consider how local area specialisms can be integrated into teacher training or training for the children's workforce. This includes developing programme content and taking on the role of guest speaker as part of the learning programmes.

Impact on practice and staff development

164. In general terms, staff feel there has been a positive impact, good professional development and training opportunities bringing SEND more to the forefront in schools with improved target setting, improvements in raising the profile of SEND in schools and outcomes for children.
165. The measurable impact includes:-
- Needs assessments for children completed in a timely way – 98% completion for 20-week process – compared with 45.9% nationally. This means that the number of children in mainstream and specialist provision is now more in line with national levels.
 - The local area graduated response is stronger – there was a 16.6% decrease in the rate of referrals in Middlesbrough in 2024 compared to the previous year.

- Primary school and special school suspensions are below the national and regional averages.
- Fewer days are lost to suspensions locally.
- Greater focus on relationships, resolution and legal compliance have resulted in tribunal rates remaining below national averages.
- Growing numbers of young people are gaining skills for employment and there are consistent numbers of young people participating in supported internships.
- The number of children in 'Out of Area' placements is lower than national levels – this is supported by developing specialisms locally and an improved graduated response.
- The number of children permanently excluded reduced for the current year, and for the third consecutive year.

Next Steps

166. On 23 February 2026, the Government published its school's white paper "Every Child Achieving and Thriving" , setting out proposals to reform the SEND system in England. Alongside the white paper, a 12-week consultation on the SEND proposals "SEND reform: putting children and young people first" was also published. The consultation gives families, professionals and charities the opportunity to respond, and closes on 18 May 2026. The proposed SEND reforms would require legislative change and it is expected that this will not come into effect until late 2029. Until then, the current system will remain in place.
167. The key proposals in respect of SEND reforms include:-
- Shifting the emphasis of SEND support towards greater inclusion in mainstream settings.
 - Introducing a new, tiered approach to support: universal, targeted, targeted plus, and specialist.
 - Ensuring all schools and other educational settings create digital individual support plans for any child/young person with identified SEND.
 - Increasing specialist support for schools.
 - Changing the law on independent special schools to ensure that local authorities pay a reasonable price for placements.
168. The above-mentioned reforms will influence the Council's approach to workforce development and the new SEND and Inclusion Strategy 2026-2030.
169. A number of key areas have been identified for development during the period of the strategy, including:-

- Building networks for good practice sharing, learning and collaboration across all stakeholders.
- Bringing together specialist and mainstream providers to share knowledge and build resilience.
- Focus on educating the whole local area partnership 0-25, including working with local settings, parents and young people to identify priorities for training activities in line with local needs.
- Invite national experts and sector specialist to Middlesbrough to inspire change, support inclusive capacity and share knowledge.
- Co-produce, with families, a programme of training and learning for families.
- Continue to develop Early Year and Post-16 workforce development.

Workforce Development – Social Care

170. The Panel heard that the Service is in the process of updating the Workforce Development Strategy across all of Children’s Social Care. Teams are working with partners to develop the workforce development strategy by strengthening good practice and establishing networks to support practice sharing and to improve placement decision-making.
171. Weekly placement meetings have replaced the previous system that was in place, allowing wider colleagues to contribute to decisions on child placements, including duration, following issues with open-ended arrangements, and ensuring decisions are child-centred.
172. Work is also underway to develop networks around specialist provision, informed by data on the potential need for additional placements for children with complex needs, which may require further training, specialist staff, and consideration of supporting the transition into adulthood. A range of responsibilities and factors, therefore, need review to ensure the workforce is fully equipped. This work is ongoing and expected to be available later in the year.
173. It is worth noting that progress has been made in reducing reliance on agency social workers, with several services successfully converting agency staff to permanent roles, bringing financial benefits and greater stability for children by ensuring continuity of social workers.
174. Early Help is currently very stable with minimal agency use. However, three areas within Children’s Social Care continue to face challenges. These are Corporate Parenting and Fostering, Safeguarding, and the MACH (Multi Agency Children’s Hub) (the ‘Front Door’ of the Service).

175. Work is ongoing to engage agency staff directly to make the permanent offer more attractive, with a stronger focus on training and development. This also links into the wider regional work under the Memorandum of Understanding.
176. The Panel heard that it is intended to progress a stronger focus on joined-up working with Adult Social Care, with Children's Services engaging with the Improvement Board to support collaborative programmes, while some areas will continue to be developed independently where appropriate.

TERM OF REFERENCE D - To consider best practice and procedures regarding Out of Area specialist provision for both education and complex needs social care elements

177. Evidence presented to the Children's Scrutiny Panel indicates that Middlesbrough Council demonstrates a number of established areas of effective good practice in relation to SEND and out of area specialist provision across both education and children's social care.

Out of Area specialist/SEND provision

178. Best practice for SEND provision in England focuses on early identification, co-production with families and a graduated response approach ('Assess, Plan, Do Review'). There is also emphasis on inclusive, high-quality teaching in mainstream schools, reinforced by SEND support and national standards.
179. Measures for reducing the use out of area SEND provision include strengthening local capacity, establishing robust multi-agency working and tracking placement outcomes.
180. Key principles of best practice include:-
- Early identification and intervention - Identification of additional support needs as early as possible can prevent the need for more complex interventions later on and utilising SEND support in mainstream schools.
 - The graduated approach – Assess, Plan, Do, Review - ensures support is continually reviewed and tailored to meeting the evolving needs of the child.
 - Co-production - Actively involving the child, where possible, and their parents/carers (co-production) in decision-making and planning to ensure their voices are central to support plans and EHCPs.
 - Inclusive practice – Provision of high-quality teaching in mainstream settings whilst making adjustments to remove barriers to learning for all children.

- Integrated services – Delivering a holistic approach through collaboration across education, health and social care, reducing the burden on parents to navigate the system.

181. Practice and procedures in Middlesbrough reflect the key principles of best practice and demonstrate measurable outcomes.

Social Care

182. In relation to children's social care, evidence presented to the Panel highlights a structured and proactive approach to the commissioning and management of external and out of area placements for children with complex needs.

183. Out of area placements are used, where necessary, after suitable internal placement options have been exhausted, particularly for children and young people with complex needs, or where there are security concerns or gaps in local provision. Decisions regarding out of area placements are made in accordance with statutory duties and are supported by multi-agency working and collective decision-making across Children's Services.

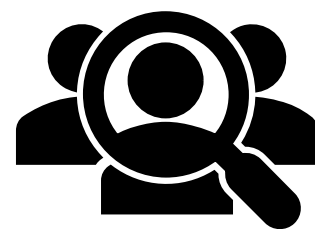
184. One element of best practice to reduce out of area placements for children with complex needs is a focus on regional collaboration and data-driven sufficiency planning through the establishment of Regional Care Co-operatives (RCCs) to manage regional placement sufficiency. RCCs also have the potential to improve foster carer recruitment and retention, operate children's homes and influence negotiations with care providers.

185. Other areas of identified best practice include:-

- Data analysis to project future demand which can be shared across partners.
- Implementing strengths-based approaches to understand the cost and types of care required for children with complex needs with a child-centred focus.
- Investment in edge of care services with stronger support for families to prevent breakdown of care arrangements.

186. Current practice in Middlesbrough largely reflects the key principles of best practice.

CONCLUSIONS



187. The Children's Scrutiny Panel developed the following conclusions following the evidence gathering process.

SEND and Inclusion – Education

188. A) The Panel acknowledges that out of area placements for children with SEND are sometimes necessary, for example, when there are gaps in local provision, the child's needs can only be met through specialist expertise/therapies that cannot be met from within Middlesbrough's resources or for consistency or parental preference. In such cases, the Panel is satisfied that there are sound processes and procedures in place with regard to the commissioning of external provision, together with strong quality assurance (QA) processes to ensure providers meet required standards, including regulatory oversight from Ofsted and the CQC, where appropriate.
189. B) The Panel notes the significant variation in cost between local and independent provision which contributes to ongoing pressures on the High Needs Budget and the Council's financial resources, but recognises the positive efforts made to reduce the use of out of area provision which have been achieved by building strong, collaborative relationships with education and specialist providers to develop specialist expertise to increase capacity in Middlesbrough to better meet demand needs locally.
190. C) In addition, the Panel welcomes the news regarding secured funding to build a new secondary school in Middlesbrough for children with SEND which will continue to expand specialist provision for Middlesbrough children.
191. D) The Panel notes that Middlesbrough has the lowest use of independent special schools within the Tees Valley (approximately 2.9%), compared to the national average of 4.64% demonstrating the impact of investment in local capacity and inclusive practice.
192. E) The Panel received evidence of a well-developed and embedded workforce development approach, having regard to the SEND Code of Practice 2025. This is recognised as a key driver in reducing reliance on specialist and out of area placements. This approach is underpinned by a long-term strategic focus on workforce development across education, health and care services, supported by a structured training offer for internal staff, schools, settings and families.

193. F) Workforce development in Middlesbrough includes:-

- A comprehensive SENDCo development programme, with mentoring and networking opportunities, and has seen strong attendance across the local area.
- Multi-agency training and collaboration across education, health and social care partners.
- Annual conferences and knowledge-sharing events with local, regional and national expertise.
- Development of accessible learning resources, including a SEND Learning Hub.
- Strong focus on early intervention through a clearly defined local area graduated response.

194. G) Areas of best practice within the SEND Workforce Development include the implementation of the Ordinarily Available Inclusive Provision (OAIP) and SEND Ranges framework, which provide clarity and consistency regarding the level of support expected across all settings. These frameworks, co-developed with practitioners and partners, ensure that needs are identified earlier and met more effectively within mainstream provision, thereby reducing escalation to specialist placements.

195. H) In addition to a strong workforce development ethos, there is also a strong quality assurance (QA) process for SEND and Inclusion which drives the learning cycle within workforce development. The QA process includes learning from peer reviews, reviews of Education Health and Care Plans (EHCP), case audits and learning visits to providers with identified themes feeding directly into the workforce development strategies.

196. I) As a result of the approaches being taken within the SEND and Inclusion Service, the Panel considers there is evidence of a measurable impact, including:

- High rates of timely statutory assessments, with 98% of EHCP's completed within the 20-week statutory timescale, significantly above the national average.
- A strengthened graduated response, evidenced by a reduction in referral rates.
- Lower levels of suspensions and exclusions compared to national and regional averages.
- Tribunal rates remaining below national averages.
- A lower proportion of Middlesbrough children requiring independent specialist provision when compared with regional and national averages.

197. J) The Panel is aware of the Government's recently published white paper "Every Child Achieving and Thriving", setting out proposals to reform the SEND system in England and the concurrent consultation on the SEND proposals "SEND reform: putting children and young people first", and acknowledges that this will inevitably influence the Council's approach to workforce development and the new SEND and Inclusion Strategy 2026-2030, currently under development.
198. K) Overall, the Panel considers Middlesbrough Council's SEND and Inclusion model reflects best practice through its emphasis on early identification, inclusive provision, workforce capability and system-wide collaboration, all of which contribute to reducing reliance on external specialist provision.

Social Care

199. As of January 2026, approximately 29% of Middlesbrough's children looked after were in external fostering placements and approximately 9% of children looked after were placed in external residential placements, highlighting the continued demand for external provision and the importance of effective placement management.
200. M) The Panel recognises that some level of external social care provision will always be required but notes that the overall costs associated with external children's residential placements are significant. Whilst the external market is currently challenging, Officers have made significant efforts to build strong working relationships with providers and are actively negotiating and challenging costs and retainer fees to secure the best value for money.
201. N) The Panel is encouraged by the work being undertaken in relation to 16+ supported accommodation and welcomes the shift from high numbers of 'spot placements' to an increase in the block occupancy rates which will deliver efficiencies. Similarly with 18+ support, the Panel welcomes the increase in expanding its local provision to provide a pathway for young people leaving care and moving to independence, whilst supporting the Children's Services sufficiency strategy.
202. O) The Panel identified several best practice measures in Middlesbrough in relation to out of area social care placements for those with complex needs, which include:
- Use of regional commissioning frameworks (such as NEPO603, with approximately 85% of fostering placements secured through framework arrangements), supporting consistency and cost control.
 - Block contract arrangements for residential provision, delivering 12 beds with high occupancy rates (94% - 99%) and achieving cost avoidance of approximately £792,000 compared to spot purchasing.

- Active placement monitoring and review, including negotiations with providers to reduce costs and support step-down arrangements.
- Ongoing sufficiency planning to increase local provision and reduce reliance on external placements.

203. P) Evidence presented to the Panel demonstrates that proactive placement management has resulted in improved outcomes for children and significant cost avoidance. Case study evidence highlighted successful transitions from high-cost placements (in excess of £7,000 per week) to more appropriate fostering or supported accommodation placements, delivering substantial financial savings and improved stability for children and young people.

204. Q) Approximately half of external residential placements are located within the Teesside area, indicating efforts to place children closer to home where possible, although overall in-area placement levels remain below comparator averages.

Areas for Further Development

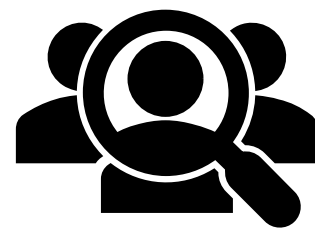
205. R) Whilst strong practice is evident, particularly within SEND and Inclusion, the Panel notes that workforce development in children's social care is less developed in comparison. There is an opportunity to build on the successful SEND model by introducing a more structured and consistent workforce development approach across Children's Social Care.

206. S) The recruitment, retention and training of foster carers was also identified as a key area for further development. Increasing the availability of in-house foster carers, alongside enhanced training and support - developed to meet identified gaps in provision - would strengthen local sufficiency, reduce reliance on independent fostering agencies and support more children to remain within, or closer to, their local community.

207. T) In addition, continued investment in local provision including residential and supported accommodation, and strengthened regional collaboration, working towards a Regional Care Co-operative to manage regional sufficiency, will be essential to further reduce reliance on out of area placements and to meet the Council's sufficiency duty.

208. U) Overall, the Panel concludes that Middlesbrough Council is delivering effective and improving outcomes in SEND and Inclusion, underpinned by a clear strategic approach to reducing reliance on out of area education placements. Notwithstanding this progress, Children's Social Care continues to face structural challenges, particularly in relation to local sufficiency and cost pressures, which will require coordinated strategic action and continued investment.

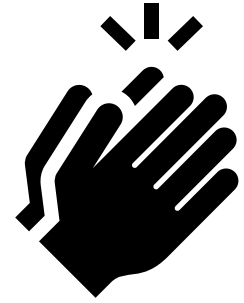
RECOMMENDATIONS



209. Based on the findings of the scrutiny review, the Children's Scrutiny Panel recommends the following to the Executive:

- A) That the Panel be provided with regular updates (every six months) on Children's Residential Placements using key performance indicators to benchmark and monitor improvements in reducing the use of out of area provision – including distance of placement from home, length of time in placement, cost of placement and the long-term solution plans together with targets to achieve this.
- B) That the revised SEND and Inclusion Strategy 2026-2030, which should align with the Government's SEND reforms, be presented to a future meeting of the Children's Scrutiny Panel, within the 2026/27 Municipal Year, setting out how this will impact on Middlesbrough.
- C) That Children's Services introduces a structured Workforce Development Programme across Children's Social Care Teams, aligned to the SEND and inclusion model, and that this be presented to a future meeting of the Children's Scrutiny Panel within the 2026/27 Municipal Year.
- D) That the Panel be provided with an update, within the next six months, on the Regional Care Co-operative pilots, setting out how this will shape Middlesbrough's transitional arrangements to a Regional Care Co-operative.
- E) That, in the shorter term, Children's Services continue to develop a regionalised approach, working with relevant partners in the region, to attract new foster carers and enhance training opportunities for new and current carers to improve local sufficiency, and that the Children's Scrutiny Panel be provided with an update on activity within the next six months.

ACKNOWLEDGEMENTS



210. The Children’s Scrutiny Panel would like to thank the following for their assistance with its work:

Annabel Bates	Corporate Director of Children’s Services
Caroline Cannon	Interim Director for Education and Partnerships
Emma Cowley	Interim Strategic Lead for Inclusion and Specialist Support Services
Claire Walker	Specialist Commissioning Manager
Dawn Aleszewski	Former Director of Children’s Services

BACKGROUND



211. The following sources were consulted or referred to in preparing this report:

- ✓ Reports to, and minutes of, the Children’s Scrutiny Panel meetings: 15 September, 27 October, 8 December 2025, 26 January and 9 March 2026.
- ✓ Legislation.gov.uk – Children’s Act 1989, S. 22G.
- ✓ Executive Member for Children’s Services report to Council 14/01/26.
- ✓ Foster with North East – www.fosterwithnortheast.org.uk
- ✓ Gov.uk – Regional Care Co-operatives Pathfinder Areas/Policy Statement.
- ✓ DfE – Special Educational Needs in England (Academic Year 2024/25).
- ✓ Gov.UK – Children looked after in England including adoption, Reporting year 2025.
- ✓ Gov.UK - Children looked after: A focus on placement location, Reporting year 2024.
- ✓ Delivering Better Value in SEND Programme – www.dvbinsend.com.
- ✓ House of Commons Library – The schools white paper 2026: SEND Reform – 04/03/26.
- ✓ DSG: conditions of grant and The School and Early Years Finance (England) Regulations.
- ✓ Wholeeducation.org.
- ✓ Lifelites.org - Dingley’s Promise.

**COUNCILLOR E CLYNCH
CHAIR, CHILDREN’S SCRUTINY PANEL**

Membership of the Panel: Councillors: D Jackson (Vice Chair), M Nugent, S Platt, A Romaine, S Tranter and Z Uddin.

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keris_allan@middlesbrough.gov.uk

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OSB Short Review – How the Council engages with Faith and Belief Groups

Draft

Terms of Reference

1. To understand how faith and belief groups interact with Council services, partnerships, and community cohesion.
2. To examine how Middlesbrough Council considers religion or belief in decision-making and service delivery, including governance and engagement.
3. To identify strengths, gaps, and risks in current approaches, including issues of inclusion, fairness, safeguarding, and any barriers faced by different faith and belief communities in engaging with the Council.

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Chief Executive's Department

Overview and Scrutiny Board 7 July 2026

Erik Scollay and Ann-Marie Johnstone



CEX Department

Chief Executive: Erik Scollay

Head of Chief Executive's Department: Ann-Marie Johnstone

Functions:

- Performance (data, analytics, corporate performance, corporate strategy and policy, continuous improvement)
- Compliance (corporate governance, health and safety, risk, statutory information requests e.g. FOI, complaints, business continuity, information governance)
- Data Protection Officer
- Chief Executive's Office

Priorities 2026/2027

Our core priority in 2026/7 is embedding a high-performing, insight-led Council:

Page 81

- Implement integrated performance, finance and risk management
- Re-establish Directorate planning framework (golden thread)
- Deliver Information Strategy & improve data quality
- Embed Continuous Improvement culture and capacity
- Revise the Programme and Project Management Framework to align with the refreshed policy
- Strengthen governance, compliance and assurance frameworks

2026/7 activities

- Corporate Performance and Financial Management:
 - Integrated Performance & Financial Management framework rollout
 - Creating and embedding Directorate Plans.
- Organisational improvement:
 - Establish Continuous Improvement Team
 - Continuous Improvement policy and early reviews
- Data & insight:
 - Information Strategy - delivery
 - Data quality improvements and Business Intelligence development.
- Governance & compliance:
 - Governance & Assurance Policy implementation
 - Programme and Project Management Framework refresh
 - GDPR audit programme rollout
 - Refreshing the approach to Risk Management.

Challenges

Demand and complexity pressures

- Rising complexity of FOI/SARs (AI-driven requests)
- Increased data protection and complaints workload

Embedding organisational change

- Moving from siloed transformation → integrated continuous improvement approach at the heart of everything we do
- Strengthening the link from Council Plan → services → appraisals

Data and information governance

- Data quality and accessibility inconsistencies
- Legacy records, storage challenges and records management improvements

Delivering measurable outcomes

- Need to shift focus from outputs → outcomes and impact

Corporate Performance Measures

- *Council Plan / Corporate KPIs*
 - Continuous Improvement Plan delivery (100% target)
 - Budget performance (within approved budget)
 - Income delivery (~100% target)

- *The Key Department KPIs (2026/27)*

Page 84

Customer	<ul style="list-style-type: none"> - ≥90% statutory requests (FOI/EIR/SAR) on time - ≤5% upheld complaints (ICO/LGSCO)
Business	<ul style="list-style-type: none"> - 100% service plans completed - Integrated reporting implemented (Q1) - ≥90% project compliance (PPM) - ≥95% Health and Safety audits/inspections completed on time - ≥95% RIDDOR compliance - 100% BC plans current and tested
People	<ul style="list-style-type: none"> - ≥95% GDPR training completion - Continuous Improvement capacity established
Finance	<ul style="list-style-type: none"> - Balanced budget delivery

Questions?



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Legal and Corporate Services

Overview and Scrutiny Board

7 July 2026

Charlotte Benjamin



Directorate

Area	Role	Name / Status
Directorate	Corporate Director	Charlotte Benjamin
Legal Services	Head of Service	Ann-Marie Wilson
Democratic Services	Head of Service	Vacant post
Human Resources	Head of Service	Nicola Finnegan
Marketing and Communications	Head of Service	Andrew Glover
ICT and Digital	Head of Service	Lynsey Zipfell



Focus

- Governance
- Legal compliance
- Workforce
- Technology and Digital
- Marketing and Communications



Priorities 2026/27

- Maintain lawful decision-making
- Provide legal support across the organisation
- Deliver People Strategy
- Deliver Digital Strategy
- Maintain governance frameworks
- Deliver emerging communications strategy



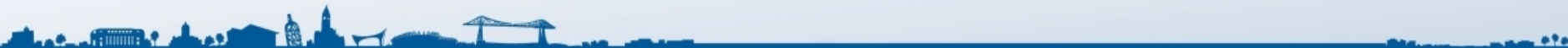
Activity 2026/27

- Legal and governance support
- Committee and decision-making processes
- Preparation for May 2027 elections
- Workforce planning roll out
- Progressing digital overview and key system improvements
- Communicating Council Plan priorities



Challenges

- Responding to and preparing for emerging legislative and regulatory changes
- Increased demand
- Complex casework
- Financial pressures
- Recruitment in some specialist legal roles



Risks We Manage

- Failure to respond effectively to legislative change
- Cyber security
- Unlawful decisions
- Workforce capacity
- Member and officer alignment



Proposed Performance Measures to Track Effectiveness and Contribution to Council Plan

- Customer timeliness and accessibility
- Business governance compliance
- People turnover, engagement and satisfaction
- Finance budget management



Finance Challenges

- Workforce costs
- ICT and cyber costs
- Legal demand



Key Messages

- Supports the effective operation of the Council
- Ensures lawful decision-making
- Governance compliance
- Workforce support
- Digital capability



Questions



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MIDDLESBROUGH COUNCIL

Report of:	Democratic Services
Relevant Executive Member:	Not Applicable
Submitted to:	Overview and Scrutiny Board
Date:	7 July 2025
Title:	Setting the Work Programme 2026-2027, for the Overview and Scrutiny Board.
Report for:	Decision
Status:	Public
Council Plan priority:	Delivering Best Value
Key decision:	Not applicable
Why:	Not applicable
Subject to call in?	Not applicable
Why:	Not applicable

Proposed decision(s)

That the Overview and Scrutiny Board consider and agree its work programme for the 2026/2027 municipal year. Once agreed, the work programme will be submitted to Overview and Scrutiny Board, for approval.

Executive summary

The Overview and Scrutiny Board is asked to consider its work programme for the 2026/2027 municipal year.

The primary function of a Scrutiny Panel is to influence the policies and decisions of the Council and other organisations involved in delivering public services. It does this by gathering evidence on issues that affect local residents and making informed recommendations based on its findings.

Work programmes provide structure to the activity of the scrutiny panel and allow for the effective planning and preparation of work. The Panel is asked to select two Scrutiny

Investigation Topics and note the standard agenda items for updates throughout the municipal year.

The Scrutiny Panel is asked to ensure that topics agreed for inclusion:

- Affect a group of people living within the Middlesbrough area.
- Relate to a service, event, or issue in which the Council has an influence.
- Are not issues which the Overview and Scrutiny Board or Scrutiny Panels have considered during the last 12 months.
- Do not relate to an individual service complaint.
- Do not replate matters dealt with by another Council Committee unless the issue deals with procedure.

1. Purpose of this report and its contribution to the achievement of the Council Plan ambitions.

1.1 Managing an effective work programme is essential to the success of scrutiny panels, as it assists with planning and managing the workload, focussing on the Council's ambitions and aims to assist with maximising impact on the Council's performance and outcomes for residents.

1.2 Scrutiny ensures that the decisions taken by the Council and its partners are appropriate. It creates an open, transparent way for members to shape, question, evaluate and challenge policies, decisions, and performance.

1.3 Scrutiny investigations are usually carried out over the course of several meetings, which consider information from relevant sources and examine current policies and practices. At the end of the exercise, a report is prepared which summarises the scrutiny panel's findings and puts forward recommendations.

1.4 The purpose of the report is to agree a work programme for the Overview and Scrutiny Board, ensuring Scrutiny Investigation Topics and standard updates support the delivery of the ambitions of the Middlesbrough Council Plan 2024-27:

Our ambitions	Aims
A successful and ambitious town	<i>Aims within this ambition are to:</i> <ul style="list-style-type: none"> - <i>attract and grow businesses to increase employment opportunities.</i> - <i>Improve attainment in education and skills.</i> - <i>Ensure housing provision meets local demand</i>
A healthy Place	<i>Aims within this ambition are to:</i> <ul style="list-style-type: none"> - <i>improve life chances of our residents by responding to health inequalities.</i> - <i>protect and improve our environment.</i> - <i>promote inclusivity for all.</i> - <i>reduce poverty</i>
Safe and resilient communities	<i>Aims within this ambition are to:</i> <ul style="list-style-type: none"> - <i>support adults to be independent for longer.</i> - <i>improve transport and digital connectivity.</i> - <i>promote new ideas and community initiatives.</i>

	- <i>reduce crime and anti-social behaviour</i>
Delivering best value	<p><i>Aims within this ambition are to:</i></p> <ul style="list-style-type: none"> - <i>ensure robust and effective corporate governance.</i> - <i>set a balanced revenue budget and Medium-Term Financial Plan to restore financial resilience and sustainability</i>

2. Recommendations

2.1 That the Overview and Scrutiny Board agrees a Work Programme, for approval by Overview and Scrutiny Board by;

1. Noting the standard updates / presentations that will be scheduled throughout the municipal year.
2. Selecting two Scrutiny Investigation Topics, taking into consideration the suggestions from stakeholders and additional suggestions from panel members.

3. Rationale for the recommended decision(s)

3.1 Under the terms of the Local Government Act 2000, local authorities have a responsibility of community leadership and a power to secure the effective promotion of community well-being. Therefore, in addition to the scrutiny panel's generally recognised powers (of holding the Executive to account, reviewing service provision, developing policy, considering budget plans and performance and financial monitoring), panels also have the power to consider any matters which are not the responsibility of the Council, but which affect the local authority or the inhabitants of its area. For example, nationally, local authorities have undertaken scrutiny work on issues such as post-office closures, rural bus services, policing matters and flood defence schemes.

4. Background and relevant information

4.1 Middlesbrough Council now operates three Scrutiny Panels for 2026/2027 in addition to its Overview and Scrutiny Board:

- Adult Social Care and Health Scrutiny Panel
- Children's Services Scrutiny Panel
- Place Scrutiny Panel

4.2 The Overview and Scrutiny Board are empowered to undertake review topics in the same way as Scrutiny Panels if they choose. For the 2026/27 municipal year OSB will continue to lead on pre-decision scrutiny by scrutinising the Forward Work Programme more thoroughly and by inviting Executive Members to meetings it will exercise its Overview Function.

4.3 Topics considered by the Overview and Scrutiny Board in 2025/2026 are listed below for Member's information.

Scrutiny Investigation Topics

Completed	Ongoing	Not Started
(Task & Finish) Community Cohesion Council's Approach to Poverty	Faith and Belief in Civic Life	NA

Updates / Presentations

OSB Remit:
NA

4.4 At the start of every Municipal Year, Scrutiny Panels discuss the topics that they would like to review during the coming year. The Panel is asked to select topics for at least two Scrutiny Investigations and to note the standard updates that will be scheduled as part of the Work Programme.

4.5 As part of the process for establishing the panel's work programme, Democratic Services gather information and views from several sources. Following an annual consultation exercise which ran between 4 March 2026 and 8 May 2026, several topics were suggested which are listed in Appendix 1. Context and rationale for the suggestions have been detailed where this was provided. Members are advised that the list is not exhaustive and that additional topics can be added and considered at the scrutiny panel meeting.

4.6 When considering topics for the work programme, Members need to consider the following to prioritise issues where scrutiny can make an impact, add value or contribute to policy development:

- Does the issue affect a majority of the population of Middlesbrough or specific area?
- Is the issue strategic and significant
- Will the scrutiny activity add value to the Council's overall performance?
- Is it likely to lead to effective outcomes?
- Will it be duplicating some other work?
- Is it an issue of concern to partners and others?
- Is it an issue of community concern?
- Are there adequate resources to do the activity well?
- Is the scrutiny activity timely?

4.7 In addition to the selected Scrutiny Investigation Topics, Panel Members are asked to note the following standard agenda items which will be scheduled for updates, throughout the municipal year:

Update	
1	Executive Member Portfolio Updates (scheduled)
2	The Council's Approach to Poverty (to be scheduled)
3	Community Cohesion (to be scheduled)
4.	Quarterly Performance and Financial Information (to be scheduled)

5. Ward Member Engagement if relevant and appropriate

Ward Members were invited to submit topic suggestions as part of the consultation.

6. Other potential alternative(s) and why these have not been recommended

No other alternatives are put forward as part of the report.

7. Impact(s) of the recommended decision(s)

Topic	Impact
Financial (including procurement and Social Value)	Details of Financial impact (if any) will be dependent on recommendations made as part of a chosen review.
Legal	Details of Legal impact (if any) will be dependent on recommendations made as part of a chosen review.
Risk	Details of Risk impact (if any) will be dependent on recommendations made as part of a chosen review.
Human Rights, Public Sector Equality Duty and Community Cohesion	Details of Human Rights, Public Sector Equality Duty and Community Cohesion impact (if any) will be dependent on recommendations made as part of a chosen review.
Reducing Poverty	Details of Reducing Poverty impact (if any) will be dependent on recommendations made as part of a chosen review.
Climate Change / Environmental	Details of Climate Change / Environmental impact (if any) will be dependent on recommendations made as part of a chosen review.
Children and Young People Cared for by the Authority and Care Leavers	Details of Children and Young People Cared for by the Authority and Care Leavers impact (if any) will be dependent on recommendations made as part of a chosen review.
Data Protection	Details of Data Protection impact (if any) will be dependent on recommendations made as part of a chosen review.

Actions to be taken to implement the recommended decision(s)

Action	Responsible Officer	Deadline
Approved recommendations to be submitted to Overview and Scrutiny Board	Democratic Services Officer	29 July 2026

Appendices

1	Suggested OSB Scrutiny Topics for 2026/2027
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2	
3	

Background papers

Body	Report title	Date

Contact: Scott Bonner

Email: scott_bonner@middlesbrough.gov.uk/

Appendix 1 – Suggested Scrutiny Topics for 2026/2027

Ref	Suggested Scrutiny Investigation Topic	Source	Council Plan 2026-2029, Ambition and Aim
1	<p>The implementation of the Council’s Digital Strategy Digital Strategy 2026–2030, sets out the Council’s strategic framework for digital, data and technology and established a clear, corporate approach to maintaining secure, resilient and well-governed digital services.</p> <p>IT is a cornerstone of Council business and is rooted in every Council function. Many of the Council’s continuous improvement projects are dependent on having effective technical solutions in place.</p> <p>Ensuring that the Council has a digital strategy that can support the continuous improvement agenda is essential.</p>	Officer	<p>Delivering best value <i>Changing how we operate, to deliver affordable and cost-effective outcomes for residents and businesses.</i></p>
2	<p>Changes to Corporate Support Functions</p> <p>To ensure the Council can adequately deliver its corporate governance commitments, the Council is reviewing how it supports this function, especially around strategic planning and performance management.</p>	Officer	<p>Delivering best value <i>Changing how we operate, to deliver affordable and cost-effective outcomes for residents and businesses.</i></p>
3	<p>Marketing and Communications</p> <p>The Council’s communications and marketing processes are under review. How effectively does the Council communicate its successes.</p>	Officer	<p>Delivering best value <i>Changing how we operate, to deliver affordable and cost-effective outcomes for residents and businesses.</i></p>

Ref	Suggested Scrutiny Investigation Topic	Source	Council Plan 2026-2029, Ambition and Aim
4	<p>Organisational values</p> <p>To what extent are the Council's Values embedded and is there scope to enhance the way they are presented and how they are used.</p>	Officer	<p>Delivering best value</p> <p><i>Changing how we operate, to deliver affordable and cost-effective outcomes for residents and businesses.</i></p>
	Suggested Scrutiny Update	Source	Council Plan 2026-2029, Ambition and Aim
5	Community Empowerment Bill	Officer	<p>Safe and resilient communities</p> <p><i>Creating a safer environment where residents can live more independent lives.</i></p>
6	National Police Reform/ Abolition of Police and Crime Commissioners	Officer	<p>Safe and resilient communities</p> <p><i>Creating a safer environment where residents can live more independent lives.</i></p>

MIDDLESBROUGH COUNCIL

Report of:	Chief Executive – Erik Scollay
Relevant Executive Member:	The Mayor - Chris Cooke
Submitted to:	Overview and Scrutiny Board
Date:	7 July 2026
Title:	Corporate Performance Year-End 2025/26
Report for:	Discussion
Status:	Public
Council Plan priority:	Delivering Best Value
Key decision:	Not applicable
Why:	Report is for information only
Subject to call in?	Not applicable
Why:	Non-Executive Report

Proposed decision(s)

That the Overview and Scrutiny Board:

- Note the contents of the report.
- Provide comments to the Executive as appropriate

Executive summary

The report advised the Executive of progress against corporate performance at Year-End 2025/26, providing the necessary information to enable the Executive to discharge its performance management responsibilities against the following performance disciplines:

- Actions pertaining to decisions approved via Executive reports
 - Delivery of the Council Plan 2024-27 and associated outcome measures
 - Strategic Risk Register performance
 - Programme and Project management performance
 - Transformation progress and performance, and
- Other matters of compliance.

1. Purpose of this report and its contribution to the achievement of the Council Plan ambitions

1.1 To inform Overview and Scrutiny Board of the Council's performance at year-end 2025/26.

Our ambitions	Summary of how this report will support delivery of these ambitions and the underpinning aims
A successful and ambitious town	The aims and ambitions of the report were detailed in the appended Executive report.
A healthy Place	
Safe and resilient communities	
Delivering best value	

2. Recommendations

2.1 That the Overview and Scrutiny Board

- Note the contents of the report.
- Provide comments back to the Executive as appropriate

3. Rationale for the recommended decision(s)

3.1 To advise Scrutiny on the Council's performance position at year-end 2025/26.

4. Background and relevant information

4.1 Relevant background and other information is contained in the Executive report at Appendix 1a.

5. Ward Member Engagement if relevant and appropriate

5.1 Ward Member engagement is detailed in the appended Executive report.

6. Other potential alternative(s) and why these have not been recommended

6.1 Other potential alternatives are detailed in the appended Executive report.

7. Impact(s) of the recommended decision(s)

Topic	Impact
Financial (including procurement and Social Value)	The impacts of the report are detailed in the appended Executive report.
Legal	
Risk	
Human Rights, Public Sector Equality Duty	

and Community Cohesion	
Reducing Poverty	
Climate Change / Environmental	
Children and Young People Cared for by the Authority and Care Leavers	
Data Protection	

Actions to be taken to implement the recommended decision(s)

Action	Responsible Officer	Deadline
N/A		

Appendices

1	Executive Report and Appendices. Note Appendices 1 to 8 are referenced in the Executive Report (appendix 1a) rather than the OSB cover report.
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Background papers

Body	Report title	Date

Contact: Ann-Marie Johnstone, Head of Chief Executive’s Department
Email: ann-marie_johnstone@middlesbrough.gov.uk

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Report of:	Chief Executive - Erik Scollay
Relevant Executive Member:	The Mayor - Chris Cooke
Submitted to:	Executive
Date:	10 June 2026
Title:	Corporate Performance Year-End 2025/26
Report for:	Decision
Status:	Public
Council Plan priority:	All
Key decision:	No
Why:	Decision does not reach the threshold to be a key decision
Subject to call in?	Yes
Why:	Non-Urgent Report

Proposed decision(s)	
That Executive:	
<ul style="list-style-type: none"> • APPROVES proposed changes to the Executive actions, detailed at Appendix 1 • NOTES delivery status of the Council Plan 2024-27 supporting workplan, detailed at Appendix 2 • APPROVES the proposed changes to the Council Plan 2024-27 supporting workplan actions, detailed at Appendix 3 • NOTES the progress and position of the corporate performance disciplines • NOTES that following agreement of the refreshed Council Plan 2026-29, activities in the work plan will be embedded within Directorate Plans, once developed • NOTES the Strategic Risk Register, at Appendix 4. 	

Executive summary
<p>This report advises the Executive of progress against corporate performance at Year-End 2025/26, providing the necessary information to enable the Executive to discharge its performance management responsibilities against the following performance disciplines:</p> <ul style="list-style-type: none"> • Actions pertaining to decisions approved via Executive reports • Delivery of the Council Plan 2024-27 and associated outcome measures

- Strategic Risk Register performance
- Programme and Project management performance
- Transformation progress and performance, and
- Other matters of compliance.

1. Purpose of this report and its contribution to the achievement of the Council Plan ambitions

1.1 This report advises the Executive of corporate performance at Year-End 2025/26, and where appropriate seeks approval of any changes, where these lie within the authority of the Executive. The primary purpose of the report is to set out how effectively the Council is delivering activity against each of the current Council Plan priorities, aims and underpinning workplan activities.

Our ambitions	Summary of how this report will support delivery of these ambitions and the underpinning aims
A successful and ambitious town	13 Council Plan Workplan initiatives are supporting delivery of the Council Plan's ambitions and aims to achieve a successful and ambitious town which are reported within this report.
A healthy place	22 Council Plan Workplan initiatives are supporting delivery of the Council Plan's ambitions and aims to achieve a healthy place which are reported within this report.
Safe and resilient communities	8 Council Plan Workplan initiatives are supporting delivery of the Council Plan's ambitions and aims to achieve safe and resilient communities across Middlesbrough which are reported within this report.
Delivering Best Value	13 Council Plan Workplan initiatives are supporting delivery of the Council Plan's ambitions and aims to achieve safe and resilient communities across Middlesbrough which are reported within this report.

2. Recommendations

2.1 That the Executive:

- **APPROVES** proposed changes to the Executive actions, detailed at Appendix 1
- **NOTES** delivery status of the Council Plan 2024-27 supporting workplan, detailed at Appendix 2
- **APPROVES** the proposed changes to the Council Plan 2024-27 supporting workplan actions, detailed at Appendix 3
- **NOTES** the progress and position of the corporate performance disciplines
- **NOTES** that following agreement of the refreshed Council Plan 2026-29, activities in the work plan will be embedded within Directorate Plans, once developed
- **NOTES** the Strategic Risk Register, at Appendix 4.

3. Rationale for the recommended decision(s)

3.1 To enable the effective management of performance and risk in line with the Council's Local Code of Corporate Governance.

4. Background and relevant information

4.1 The Council's Scheme of Delegation gives the Executive collective responsibility for corporate strategic performance, together with associated action.

4.2 This report provides the necessary information to enable the Executive to discharge its performance management responsibilities, setting out progress against priority performance disciplines and other key associated items, together with actions to be taken to address any issues identified.

4.3 The projected financial outturn for 2025/26 is currently presented separately to this meeting of the Executive. During 2026/27 steps will be taken to deliver integrated reporting. This report is the last report that will assess progress against the 2024-2027 Council Plan, future reports will assess progress against the refreshed outcomes as set out in the 2026-2029 Council Plan which were agreed at Executive in March 2026.

Overall progress at Year-End 2025/26

4.4 The Council's performance overall at Year-End 2025/26 saw progress towards expected performance standards, as set out in the Council's risk appetite, achieved in one of the five corporate performance disciplines.

Performance discipline	Q4 2025/26	Q3 2025/26	Q2 2025/26	Q1 2025/26	Expected standard	Standard achieved	Trend
Executive actions	85% (106/125)	73% (94/129)	75% (60/80)	69% (50/72)	90%	No	↑
Council Plan 2024-27 outcome measures	25% (10/40)	33% (13/40)	25% (10/40)	20% (8/40)	90%	No	↓
Council Plan workplan	93% (52/56)	93% (52/56)	97% (54/56)	88% (44/56)	90%	Yes	↔
Strategic Risk Register	71%	88%	95%	93%	90%	No	↓
Programme and Project Management	78% (31/40)	81% (33/41)	79% (34/43)	100% (17/17)	90%	No	↓

4.5 It should be noted that performance against Programme and Project Management at Year-End 2025/26, is against all programmes and projects within the overarching portfolio.

4.6 It should be noted that performance against Council Plan outcomes for Year-End 2025/26 is measured by tracking progress against baseline key performance indicators, as outlined in the Council Plan 2024-27 and its associated workplan.

Progress in delivering Executive actions

- 4.7 Actions agreed by the Executive to deliver approved decisions are tracked by LMT each month. If, following Executive approval, any action is found to be no longer feasible, appropriate, or cannot be delivered within the approved timescales, this report will be used to advise the Executive of such, and to seek approval of alternative actions or amended timescales.
- 4.8 At Year-End 2025/26, 106 of 125 live actions (85%) were reported as being on target to be delivered by the agreed timescales; an increase from the 73% reported at Quarter Three 2025/26, though continuing to remain below the 90% expected standard of achievement of actions.
- 4.9 There are 14 proposed amendments to Executive actions presented for approval at Year-End 2025/26, which are detailed at Appendix 1. It is assumed that the remainder of Executive actions will be achieved within originally approved timescales.
- 4.10 Of the 14 proposed amendments detailed in Appendix 1, the reasons for the proposed amendments are as follows:
- The *Middlehaven Housing* report has an action relating to completing concept designs and site investigations, delayed from 31/03/2026 to 30/06/2026 due to a delay in the appointment of the contractor.
 - The *Tees Valley Investment Zone* Memorandum of Understanding report has an action relating to Signature of the MoU and transmission to TVCA, delayed from 30/11/2025 to 30/09/2026 due to a delay in TVCA responding to the drafted MoU.
 - The *Proposed Changes to the Veritau Structure* report has an action relating to the winding up of Veritau Tees Valley Limited, delayed from 30/09/2025 to 30/06/2026 due to legal process.
 - The *Breast Feeding Boroughs Declaration* report has two actions relating to implementation of the Breast Feeding Boroughs Declaration, reprofiled from 31/03/2025 to 31/12/2027 to ensure they fit into a wider strategic approach that will be articulated in a new Breastfeeding Strategy and action plan.
 - The *Newham Hall – Disposal Options Update* report has an action relating to the Planning application of the road, delayed from 30/04/2025 to 31/08/2026 due to Bio Diversity Net Gain and phasing plan requirement.
 - The *Recovery Solutions Delivery Model* report has three actions relating to securing formal approval for the central site from TEWV, allocating funding and site development and communicating changes to service users and stakeholders, delayed from 31/01/2026 to 31/03/2027 due to costs exceeding the approved revenue budgets.
 - The *Nunthorpe Community Centre – Next Steps* report has two actions relating to lease agreement and construction, delayed from 31/03/2026 to 30/09/2026 due to drainage works issue.
 - The *Neighbourhood Hubs Investment* report has an action relating to final designs and planning application, delayed from 31/03/2026 to 31/10/2026 due to awaiting the outcome of a subsequent Executive report that was approved 4th February 2026.

- The *Middlesbrough College Investment* report has two actions relating to amend agreement for lease with Middlesbrough College and securing planning permission for the extension, delayed from 30/09/2026 and 31/01/2026 to 30/06/2026 due to a delay in the legal process.

Progress in delivering the Council Plan 2024-27

- 4.11 The Council Plan is the Council's overarching business plan for the medium-term and sets out the priorities of the Elected Mayor of Middlesbrough and the ambitions for our communities and the ways in which we seek to achieve them.
- 4.12 The Leadership Team collaborated with the Mayor and the Executive to develop and shape the Mayor's priorities for the town, to inform the Council Plan 2024-27 which was in place during Quarter Four.
- 4.13 The Council Plan articulates the four priorities of the Mayor and outlines the approach that will be taken to addressing those priorities:

Mayor's Priority	Description
A successful and ambitious town	Maximising economic growth, employment, and prosperity, in an inclusive and environmentally sustainable way.
A healthy place	Helping our residents to live longer and healthier lives, improving life chances and opportunities to thrive.
Safe and resilient communities	Creating a safer environment, where residents can live more independent lives.
Delivering Best Value	Changing how we operate, to deliver the best outcomes for residents and businesses.

- 4.14 The underpinning initiatives and workplans which enable effective delivery of the Council Plan 2024-27 ambitions and measures of success, which were monitored at Year-End 2025/26 were those set by Executive in November 2024.
- 4.15 On 11 March 2026, Executive approved a report that set out the refresh of the Council Plan 2026-29, and how the Council will measure success, following previous agreement of the outcomes agreed by Executive in December 2025.
- 4.16 The Quarter One Outturn report for 2026/27 will set out progress against the refreshed plan and where appropriate, the remaining 2024-27 initiatives that have not yet been fully delivered will either be subsumed into the new workplan, transferred to Directorate plans or closed where they are no longer required.

Council Plan 2024-27: outcomes

- 4.17 Progress of delivery of the Council Plan 2024-27 was monitored via detailed milestone plans which supported each initiative under the four priorities and link to success measures determining the impact upon:
- the types of businesses being established in Middlesbrough, to ensure that we attract those which will give residents access to well-paid and rewarding careers,

- healthy life expectancy of residents of Middlesbrough, who currently experience ill-health much earlier than wealthy areas across the UK,
- community safety, as part of our plans to reduce crime and make residents and communities feel safer,
- progress against the Council's governance improvement journey, to provide assurance to members of the public and our partners that the services we are providing are value for money.

4.18 Performance management and monitoring of the Council Plan adhered to the corporate programme and project management framework that was in place during 2026/27.

4.19 Performance overall against the Council Plan 2024-27 outcome measures at Year-End 2025/26, were reported as 10 of 40 (25%), against the 90% performance standard, detailed in the table below:

Outcome Status	Q4 2025/26	Q3 2025/26	Q2 2025/26	Q1 2025/26	Expected standard	Standard achieved	Trend
Number (%age) GREEN	9/40 (23%)	10/40 (25%)	8/40 (20%)	8/40 (20%)	90%	No	↓
Number (%age) AMBER	1/40 (2%)	3/40 (8%)	2/40 (5%)	0/40 (0%)	N/A	N/A	↓
Number (%age) RED	30/40 (75%)	27/40 (68%)	30/40 (75%)	32/40 (80%)	N/A	N/A	↑

4.20 It should be noted that trends fluctuate throughout the year, influenced by a range of factors such as seasonal variations and a time lag in published data sets being updated. A key learning point from the review of the Council Plan KPIs undertaken in 2026 was that many of the measures being tracked were not within the Council's control to deliver and reflected the wider society, as well as having significant lags in data publication with some measures being around two years old. This learning has been taken forward and reflected in the revised Council Plan outcomes, activity and KPIs that will be tracked in 2026/27.

4.21 Outcome measures for the refreshed Council Plan 2026-29 are currently being developed in collaboration with services, to understand and evidence the impactful work that we as an authority have influence over in shaping and affecting and will be reported in Quarter One 2026/27.

Council Plan 2024-27: workplan

4.22 At Year-End 2025/26, performance against the Council Plan workplan was above the corporate standard of 90%, with 93% of all initiatives on target to be achieved in full, within approved timescales, with further detail provided at Appendix 2.

Status	Q4 2025/26	Q3 2025/26	Q2 2025/26	Q1 2025/26	Expected standard	Standard achieved	Trend
COMPLETED	54% (30/56)	54% (30/56)	50% (28/56)	36% (20/56)	90%	Yes	↔
GREEN	39% (21/56)	39% (21/56)	46% (26/56)	50% (28/56)			
AMBER	0% (0/56)	0% (0/56)	0% (0/56)	0% (0/56)	n/a	n/a	↔
RED	7% (4/56)	7% (4/56)	4% (2/56)	14% (8/56)	n/a	n/a	↔

4.23 There were four Council Plan initiatives reporting as off-track at Year-End 2025/26, summarised below:

- An initiative relating to *'Increase pathways offer for homeless households that embody choice; safety and dignity and provide routes into sustainable, long-term accommodation,'* delayed from 31/03/2026 to 30/09/2026 due to a delay in the development and approval of a Homeless Strategy.
- An initiative relating to *'Transform Middlesbrough's approach to delivery of learning through the implementation of the Council's Education and Skills Strategy,'* delayed from 31/03/2026 to 31/03/2027 due to a delay in the 2026 Schools White Paper *'Every child Achieving and Thriving'* which requires additional time to understand its impact on the strategy.
- An initiative relating to *'Implement new delivery model for Procurement and Contract Management across Council Services'* delayed from 31/03/2026 to 31/03/2027 due to insufficient resources to progress at this time.
- An initiative relating to *'Improve the range of health and employment related services offered to the public through successful delivery of the Levelling Up Partnership funds,'* delayed from 31/03/2026 to 31/03/2027 due to the identification of an alternative location for the Live Well Centre East which will require additional revenue and Executive approval.

4.24 There are four proposed amendments to Council Plan workplan actions for approval at Year-End 2025/26 as detailed at Appendix 3. All ongoing actions have been reviewed against the refreshed Outcomes agreed in December 2025 and will either be carried forward into the 2026–29 Council Plan workplan or, where appropriate, into Directorate Plans alongside new priority actions.

4.25 During 2025/26, a further 18 Council Plan 2024-27 workplan initiatives were fully achieved. Key successes include:

- *Improve health literacy through the delivery of a Healthy Start model for prevention of ill-health in schools,* which was successfully piloted in two schools and included the development of a school health forum.
- *Increase the effectiveness of prevention through the development of more signposting and a consistent strengths-based approach to the promotion of independence at the 'front door' of ASC,* which included the delivery of strengths based assessment training for practitioners and review of assessment tool in LAS.
- *Develop research architecture and attract funding to support the development of our local understanding of key issues affecting health inequalities,* which included the

launch of the Health Detriments research collaboration, launch of pilot programmes for Local Authority colleagues to unlock research potential, development of a shared values statement and framework for approach and the use of research within Local Authorities and the recruitment of 20 community based research associates.

- *Work with partners to ensure safe and effective systems and processes are in place for the protection of victims of domestic abuse and their children*, which included the development of a 'key questions' document (approved by DASP) and needs assessment to inform a new strategy and the roll out of a training programme to Children and Adults Social Care services.
- *Introduce a neighbourhood working model to ensure Council services are more /closely aligned to community needs*, which resulted in the implementation of a new neighbourhood staffing structure, split into North, South, East and West of the town to ensure full geographical coverage and the development of multi-agency action plans for each neighbourhood, aligned to community needs.
- *Roll out the extended childcare entitlement to increase the number of children from 9months+, that have access to Early Years provision*, which resulted in the creation of an additional 564 childcare places.

Strategic Risk Register (SRR)

4.26 The Strategic Risk Register (SRR) sets out the key risks which, if they occurred, could stop the Council achieving its objectives as set out in the Council Plan.

4.27 The Register also sets out control measures in place to reduce the impact and / or likelihood of a risk occurring, as well as further planned actions to manage the risk. Risks in the SRR are identified and managed by the Council's LMT in line with the Risk and Opportunity Management Policy, agreed by Executive in 2023. Progress in managing these risks is reported to the LMT monthly, with a full review of the SRR conducted on a quarterly basis.

4.28 The more volatile the risk, the more closely it must be monitored and managed. Managers are responsible for identifying and recording the countermeasures / actions required to address risks and opportunities and maintaining those details within the Council's risk management solution. Countermeasures to risk will include actions to terminate, transfer, treat or tolerate the risk. Actions in relation to opportunity will include exploitation (fully or partially) or avoidance.

4.29 The SRR contains 13 risks at Year-End 2025/26. Risks within the SRR are scored three times, using the following table: the first score assesses the likelihood and impact of the risk occurring without any control measures in place; the second assesses the impact of the control measures currently in place; and the third sets a target for the management of the risk.

Almost Certain >80%	5	Low (5)	Medium (10)	High (15)	High (25)	High (35)
Likely 51% - 80%	4	Low (4)	Medium (8)	High (12)	High (20)	High (28)
Possible 21% - 50%	3	Low (3)	Medium (6)	Medium (9)	High (15)	High (21)
Unlikely 6- 20%	2	Low (2)	Low (4)	Medium (6)	Medium (10)	High (14)
Rare <6%	1	Low (1)	Low (2)	Low (3)	Low (5)	Medium (7)
		1 Insignificant	2 Minor	3 Moderate	5 Major	7 Extreme
		Impact				

4.30 In Quarter Four two strategic risks were removed from the strategic risk register, as outlined below:

- **SR-11 - Failure to have strategic partnership working** - If the Council does not work with its partners to establish a strategic approach to partnership working based on principles of timely and meaningful collaboration, co-design and with common purpose to inspire and build a team beyond the council that are galvanised to deliver for the town, it is unlikely to achieve delivery of the Council plan ambitions and outcomes for our residents will not improve. –

Following the LGA Peer Review, this risk has been reclassified from a Strategic Risk to a Directorate-level risk and will be managed within the Chief Executive’s Department Risk Register.

- **SR-13 - Failure to deliver transformation successfully** - If the Council fails to transform its service delivery model to a model that can deliver outcomes for residents at a reduced cost base, then the Council’s financial position will become untenable and may result in the issuing of a S114 Notice.

Following the Executive’s decision to move from a Transformation Programme to a Continuous Improvement approach, this risk has been removed from the Strategic Risk Register to reflect the revised delivery model.

Directorate Risk Registers

4.31 The SRR has a supporting suite of Directorate Risk Registers. The Council’s Leadership Management Team agrees escalations and de-escalations of risk. In addition, Directorate management teams review their risks monthly. This and other measures ensure the Council has a grip on its risk management approach.

4.32 Below is a summary position of actions taken at Directorate level during Quarter Four 2025/26, to manage risks:

Directorate Risk Register	Chief Executive's Department	Regeneration and Housing	Adult Social Care and Health	Public Health	Children's Services	Environment, Community and Culture	Finance	Legal and Corporate Services
New Risks	0	0	0	0	0	1	0	0
New Actions	0	0	0	0	0	2	14	7
Completed Actions	3	0	1	0	5	2	8	3
New Assessments	24	0	0	0	1	0	2	0
Deactivated Risks	1	0	1	0	2	0	0	0

Progress in delivering Programmes and Projects

4.33 During 2025/26, the Council maintained a portfolio of corporate and transformation programmes and projects in support of achievement of the Council's strategic priorities. In Quarter Four the decision was taken to cease the transformation programme and transition into business as usual (BAU) arrangements with a focus on Continuous improvement.

4.34 This report reflects the position of all projects at Year-End 2025/26. At Year-End 2025/26, 78% of all projects were on-track to deliver against project time, cost, scope, and benefits, which is below the expected combined standard of 90%.

Status	Q4 2025/26 position	Q3 2025/26 position	Q2 2025/26 position	Q1 2025/26 position	Expected standard	Standard achieved	Trend
GREEN	68% (27/40)	64% (27/41)	70% (30/43)	100% (17/17)	90%	No	↓
AMBER	10% (4/40)	17% (6/41)	9% (4/43)	0% (0/17)			
RED	23% (9/40)	19% (8/41)	21% (9/43)	0% (0/17)	N/A	N/A	↑

4.35 Eight of the nine projects RAG rated Red have associated financial savings. Following the Council's improved financial position and change in approach, these projects are now under review and if the expected benefits can no longer be achieved the project will be formally closed as part of the closure plan for the current transformation programme

4.36 Directorates will be required to identify alternative savings proposals, to be delivered either through the initiation of new projects or embedded into the forthcoming business-as-usual performance and financial management integrated arrangements.

4.37 The remaining project RAG rated Red is associated with the implementation of SharePoint, delayed due to the volume of data to be transferred and awaiting a change control with revised timescales for completion.

4.38 Four projects RAG rated as Amber are in the close and review stage of the project lifecycle, with closure reports expected to be submitted in the next reporting period.

Project gateway approvals

4.39 Project gateway approvals are required throughout the life of a project to ensure appropriate and robust assurance and challenge has been applied to the scoping, planning, development and delivery of the necessary project documentation and delivery plans, which are monitored through the recently introduced Directorate and Corporate Performance Boards.

4.40 Delegated decision-making powers relating to proposed changes to the approved time, scope, cost and benefit of individual programmes and projects are in place, enabling those that are off-track to be brought back within agreed tolerances, as set out in the Programme and Project Management Framework (PPMF). This is with the exception of any key changes or urgent decisions that require Executive approval, which require an additional report.

4.41 In Quarter Four 2025/26, there were 8 project gateway approvals as summarised below:

Directorate / Programme	Project name	Gateway type	Approved
Environment, Communities and Culture	Civica CX	Change Control	Jan
Regeneration	Newham Hall	Change Control	
Legal & Corporate Services	SharePoint	Change Control	
Environment, Communities and Culture	Increase in Education and Enforcement around Recycling	Change Control	Feb
	Fleet Services Review	Closure Report	
	ECC Systems Process Review	Project Brief	
Environment, Communities and Culture	Plot Box	Closure Report	Mar
	Residential Pest Control Service	Project Brief	

Progress in other corporate performance matters

Status	Q4 2025/26 position	Q3 2025/26 position	Q2 2025/26 position	Q1 2025/26 position	Expected standard	Standard achieved	Trend
P 1 / 2 audit actions in time	82%	82%	78%	73%	90%	No	↔
FOI / EIR responded to <20 days	69%	74%	61%	68%	90%	No	↓
% live SARs overdue	42% (14 of 33)	19%	20%	16%	90%	No	↑
Information security incidents	32	45	30	27	N/A	N/A	↓
Incidents reported to the ICO	0	2	0	1	N/A	N/A	↓
% complaints closed in time	67%	71%	74%	80%	90%	Yes	↓

4.42 In addition to the above performance and risk issues, the Leadership Management Team now review a range of other performance measures on a quarterly basis, including compliance with agreed actions from internal audits, responsiveness to statutory information requests, information security incidents and complaints.

4.43 At Year-end 2025/26, the key points of note in matters of compliance, are:

- Of the eleven priority two actions due within the quarter, two actions arising from the Anti-Social Behaviour Management audit within the Environment, Communities and Culture Directorate were not completed within the expected timescales. Although both actions were ultimately completed, this occurred later than anticipated due to staff illness within the Neighbourhoods Department.
- There again has been a small reduction in compliance with statutory timescales for FOI and EIR requests. Ongoing capacity pressures across services remain. A new system will be launched in Quarter One 2026/7 that should improve timeliness and quality of responses. There have been a number of delays to the launch as the small central team have had to balance system development alongside maintenance of the current system.
- Compliance with statutory timescales for Subject Access Requests (SARs) continues to be impacted by a small number of particularly complex cases. The overall number of SARs has also increased in this quarter. The ongoing complexity across compliance areas, including SARs, is also emerging as a result of the growing use of AI which is driving both volume and complexity of initial requests, as well as increasing the volume of Council responses which are challenged. This has been acknowledged in May 2026 by the Information Commissioner's Office who has issued guidance to local authorities on the management of AI driven statutory information requests. Following this guidance we have strengthened the detail on the website for requestors ensuring that there is a clear message for those using AI and how that could affect the outcome of their requests under FOI, EIR, SAR and Complaints.

- Compliance for Complaints has slightly declined, again some of this can be attributed to increasing complexity in particularly due to the increased use of AI when submitting complaints and challenging responses.
- to improve the quality and consistency of responses for members of the public the central team are reviewing and developing quality standards checklists for service areas to reduce the number of escalations to Stage 2 or the Ombudsman.
- There will be particular focus on embedding early resolution across services areas before formal complaints escalate to reduce formal complaint volumes and improve the speed of resolution.
- Governance and accountability will be strengthened making complaint handling a leadership priority with clear ownership of improvement actions reported.
- We continue to provide transparency for the Public through publication of our compliance with annual reporting.

5. Ward Member Engagement if relevant and appropriate

5.1 Not applicable.

6. Other potential alternative(s) and why these have not been recommended

6.1 The Council is required to operate a performance management framework in order to ensure delivery of its Best Value duty; to not do so would place the Council at risk of failing in its statutory responsibility in this regard.

7. Impact(s) of the recommended decision(s)

Topic	Impact
Financial (including Social Value)	There are no direct financial or social value implications arising from the recommendations set out in this report.
Procurement	<p>The report seeks approval to extend an action to Implement new delivery model for Procurement and Contract Management across Council services due to lack of resources. While this is delayed, the Council's approach to procurement will remain legally compliant. There will be a review undertaken in 2026/7 to revise the approach to this to ensure the Council is able to take a proactive approach to the management of its key corporate contracts.</p> <p>There are no other direct procurement implications arising from the recommendations set out in this report.</p>
Legal	There are no legal impacts of the proposed decisions or recommendations, and they are consistent with and will promote the achievement of the Council's legal duty to achieve Best Value.
Risk	The proposed recommendations are key to and consistent with supporting delivery of the Council's strategic priorities and risks, as set out in the Council Plan.
Human Rights, Public Sector Equality Duty	The ambitions of the Council Plan set out how the Council will improve outcomes for all its residents and highlight

and Community Cohesion	where additional activity is required to address inequalities in outcomes that exist across groups and individuals. This approach was impact assessed as part of the development of the 2024-2027 Council Plan, which found that the plan would have a positive impact by addressing inequalities.
Reducing Poverty	The ambitions of the Council Plan set out how the Council will work with partners to support our residents out of poverty and improve community resilience to prevent people falling into poverty. Meeting this challenge is central to all of the ambitions within the Council Plan.
Climate Change / Environmental	The ambitions of the Council Plan set out how the Council will protect and improve our environment, as part of the “A healthy place” priority which focuses on improving levels of recycling, protecting and improving parks and open spaces, and improving environment standards of the town. There are no direct impacts on this theme as a result of this and performance to date is reflected in Appendix 2: Council Plan workplan; progress at Quarter Two 2025/26. Where impact on climate change and environment is considered as part of wider programmes, projects or Executive reports, these will be referenced within the detail of the report.
Children and Young People Cared for by the Authority and Care Leavers	The ambitions of the Council Plan set out how the Council will respond and react to Children and Young People cared for by the authority and care leavers, across the “ A successful and ambitious town” , “A healthy place,” and “Safe and Resilient Communities” priorities. There are no direct impacts on this theme as a result of this and performance to date is reflected in Appendix 2: Council Plan workplan; progress at Year-End 2025/26. Where impact on Children and Young People cared for by the authority and care leavers is considered as part of wider programmes, projects or Executive reports, these will be referenced within the detail of the report.
Data Protection	Whenever the Council delivers activities and uses data to assess impact, it takes the necessary steps to ensure it complies with the requirements of GDPR in any use of personal data that is undertaken within that work.

Actions to be taken to implement the recommended decision(s)

Action	Responsible Officer	Deadline
Performance management feeder systems to be updated according to approval from Executive.	J Chapman	30/06/2026

Appendices

1	Executive actions proposed amendments at Year-End 2025/26
2	Council Plan workplan progress at Year-End 2025/26
3	Council Plan Workplan; proposed amendments at Year-End 2025/26
4	Strategic Risk register progress at Year-End 2025/26

Background papers

Body	Report title	Date
Council	The Council Plan 2024-27	08/03/2024
Council	Approach to Transformation of Middlesbrough Council	27/03/2024
Council	Transformation of Middlesbrough Council	24/04/2024
Executive	Quarter One 2024/25 Corporate Performance Report	04/09/2024
Executive	Quarter Two 2024/25 Corporate Performance Report	04/12/2024
Executive	Quarter Three 2024/25 Corporate Performance Report	05/03/2025
Executive	Middlesbrough Priorities Fund	30/04/2025
Executive	Middlesbrough Priorities Fund	16/07/2025
Executive	Quarter Four and Year End 2024/25 Corporate Performance Report	11/06/2025
Executive	Quarter One 2025/26 Corporate Performance Report	03/09/2025
Executive	Quarter Two 2025/26 Corporate Performance Report	03/12/2025
Executive	Council Plan 2026-29	11/03/2026
Executive	Quarter Three 2025/26 Corporate Performance Report	11/03/2026

Contact: Ann-Marie Johnstone, Head of Chief Executive's Department

Email: ann-marie_johnstone@middlesbrough.gov.uk

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Appendix 1: Executive actions proposed amendments at Year-End 2025/26

Executive of	Report	Action	Owner	Original Due date	Current Due Date	Proposed Revised Due Date
12/11/2025	Middlehaven Housing	Complete concept designs and site investigations	REG	31/03/2026	31/03/2026	30/06/2026
12/11/2025	Tees Valley Investment Zone Memorandum of Understanding	Signature of the MoU and transmission to TVCA	FIN	30/11/2025	30/11/2025	30/09/2026
16/07/2025	Proposed Changes to the Veritau Structure	Resolution to wind up Veritau Tees Valley Limited (VTV), including payment of dividend to the Council.	FIN	30/09/2025	31/03/2026	30/06/2026
19/07/2023	Breast Feeding Boroughs Declaration	Implementation of the Breast Feeding Boroughs Declaration by the Infant Feeding Steering group over the next 12 months, leading to a full Breast Feeding Boroughs status by April 2024.	PH	31/03/2025	31/03/2026	31/12/2027
19/07/2023	Breast Feeding Boroughs Declaration	Executive agrees for South Tees to be Breast Feeding Borough status.	PH	31/03/2025	31/03/2026	31/12/2027
14/02/2024	Newham Hall – Disposal Options Update	Hybrid Planning Application will be submitted for the road and the housing	REG	30/04/2025	31/03/2026	31/08/2026
08/10/2025	Recovery Solutions Delivery Model	Secure formal approval for the central site from TEWV and complete lease documentation	PH	30/11/2025	30/11/2025	31/03/2027
08/10/2025	Recovery Solutions Delivery Model	Allocate funding and complete site development.	PH	31/01/2026	31/01/2026	31/03/2027
08/10/2025	Recovery Solutions Delivery Model	Communicate changes to service users and stakeholders.	PH	31/03/2026	31/03/2026	31/03/2027
16/07/2025	Nunthorpe Community Centre – Next Steps	Lease Agreed	LCS	31/03/2026	31/03/2026	30/09/2026
16/07/2025	Nunthorpe Community Centre – Next Steps	Complete Construction	REG	30/04/2026	30/04/2026	30/06/2026
04/02/2026	Neighbourhood Hubs Investment	Final designs and planning application	REG	31/03/2026	31/03/2026	31/10/2026
11/06/2025	Middlesbrough College Investment	College to secure planning permission for extension	Middlesbrough College	31/01/2026	31/01/2026	Request to close as no MBC action
11/06/2025	Middlesbrough College Investment	Amend agreement for lease with Middlesbrough College	REG	30/09/2025	31/01/2026	30/06/2026

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Appendix 2: Council Plan workplan progress at Year-End 2025/26

We will attract and grow businesses to increase employment opportunities	Q1 2025/26 position	Q2 2025/26 position	Q3 2025/26 position	Q4 2025/26 position
Implementation of an Economic Growth Strategy and Masterplan for the town, articulating both the aspirations of the Council and key partners and the key future investment priorities.	G	G	G	G
Expand the towns cultural offer through creation of a Cultural Masterplan, alongside exploration of external investment to ensure long term sustainability.	G	G	G	G
Increase the local economic impact of new job creation in key sectors.	R	G	G	R
Improve the range of health and employment related services offered to the public through successful delivery of the Levelling Up Partnership funds.	G	G	G	R

We will improve attainment in education and skills	Q1 2025/26 position	Q2 2025/26 position	Q3 2025/26 position	Q4 2025/26 position
Transform Middlesbrough's approach to delivery of learning through implementation of the Council's Education and Skills Strategy.	G	G	G	R
Improve outcomes through delivery of the Priority Education Area action plan at key stages 1, 2 and 4.	C	C	C	C
Increase parental understanding of the importance of literacy for under 5's through a programme of learning	G	C	C	C
Improve life chances by increasing children's and young people's access to high quality education through delivery of the Learning and Education Strategy.	G	C	C	C
Develop and deliver a programme of qualifications and learning to support people into / back into employment through Middlesbrough Community Learning.	G	G	G	C

We will ensure housing provision meets local demands	Q1 2025/26 position	Q2 2025/26 position	Q3 2025/26 position	Q4 2025/26 position
Develop and progress a new Local Plan for Middlesbrough which balances growth aspirations with the longer-term needs of the Middlesbrough community.	G	G	R	G
Continue to grow housing sites and opportunities in Middlesbrough, to enable the development of 450 units of new housing per year.	G	G	G	G
Establish a strategic leadership role for the provision of housing to ensure that the provision aligns with needs.	C	C	C	C
Increase pathways offer for homeless households that embody choice; safety and dignity and provide routes into sustainable, long-term accommodation.	R	G	G	R

We will improve life chances of our residents by responding to health inequalities	Q1 2025/26 position	Q2 2025/26 position	Q3 2025/26 position	Q4 2025/26 position
Boost recruitment and retention of practitioners through delivery of the childcare expansion in Early Years	C	C	C	C
Roll-out the extended childcare entitlement to increased number of children from 9months+, who have access to Early Years provision	C	C	C	C
Increase outcomes for under 5's through successful delivery of the Best Start Pathway.	G	C	C	C

Develop research architecture and attract funding, to support development of our local understanding of key issues affecting health inequalities.	G	G	R	C
Reduce health inequalities caused by excess weight, through implementation of the core Healthy Weight Declaration commitments.	C	C	C	C
Improve wellbeing in Middlesbrough through embedding a 'health in all' policies approach in all planning and transport decision-making.	G	C	C	C
Improve health literacy through delivery of a Healthy Start pilot model for prevention of ill-health in schools.	R	G	G	C
Reduce inequalities through improvements to cancer screening programmes uptake	G	G	G	C
Improve prevention services delivered in primary and secondary care to increase uptake	G	G	G	C

We will protect and improve our environment	Q1 2025/26 position	Q2 2025/26 position	Q3 2025/26 position	Q4 2025/26 position
Increase the levels of recycling in Middlesbrough from 30% to 38%.	G	G	G	G
Protect and improve our parks and open spaces through retention of Green Flag Status	G	G	G	G
Improve environmental standards of the town, through increased levels of environmental enforcement.	C	C	C	C

We will promote inclusivity for all	Q1 2025/26 position	Q2 2025/26 position	Q3 2025/26 position	Q4 2025/26 position
Strengthen our approach to supporting dementia friendly communities programme through increasing voluntary and community sector capacity	C	C	C	C
Prevent and / or delay the need for formal service provision through improved access to reliable and timely advice and information, to support independent and healthy living	R	G	R	G
Develop and implement a pilot approach to housing and support, for inclusion health groups ensure this is reflected in the Supported Housing Strategy	C	C	C	C

We will reduce poverty	Q1 2025/26 position	Q2 2025/26 position	Q3 2025/26 position	Q4 2025/26 position
Relaunch Welfare Strategy to support Middlesbrough's vulnerable residents who need financial assistance, advice and support	C	C	C	C

We will provide support for adults to be independent for longer	Q1 2025/26 position	Q2 2025/26 position	Q3 2025/26 position	Q4 2025/26 position
Increase the effectiveness of prevention through the development of more signposting and a consistent strengths-based approach to the promotion of independence at the "front door" of Adult Social Care	R	G	G	C
Increase the amount of reablement provided to reduce the need for on-going care	G	C	C	C
Develop an enhanced range of accommodation and support options for adults with a learning disability to promote independence and reduce the reliance on residential care provision	G	G	G	C

Reduce the need for on-going care through the expanded use of the Connect Service, assistive technology and digital solutions	G	C	C	C
Re-locate and expand our specialist autism Day Care service	G	C	C	C
Develop a Community Capacity Building Strategy with focus on social capital and community wealth building	G	R	C	C

We will Improve transport and digital connectivity	Q1 2025/26 position	Q2 2025/26 position	Q3 2025/26 position	Q4 2025/26 position
Implementation of a transformed customer model to achieve improved customer access, outcomes and savings	G	G	G	C
Improve public highways and infrastructure to support connectivity across Middlesbrough and the Tees Valley	G	G	G	G

We will promote new ideas and community initiatives	Q1 2025/26 position	Q2 2025/26 position	Q3 2025/26 position	Q4 2025/26 position
Introduce a neighbourhood working model to ensure Council services are more closely aligned to community needs	C	C	C	C

We will reduce crime and antisocial behaviour	Q1 2025/26 position	Q2 2025/26 position	Q3 2025/26 position	Q4 2025/26 position
Reduce Crime and Anti-Social behaviours across Middlesbrough through the continued working with the Community Safety Partnership	G	C	C	C
Improve the safety and health of the public and the environments in which they live and work through review of public protection policies and interventions	G	G	G	C
Implement a multidisciplinary approach (SHIFT) to increase prevention opportunities through early intervention	C	C	C	C
Work with partners to ensure safe and effective systems and processes are in place for the protection of victims of domestic abuse and their children	R	G	C	C

We will ensure robust and effective corporate governance	Q1 2025/26 position	Q2 2025/26 position	Q3 2025/26 position	Q4 2025/26 position
Implement and embed a Member Development Strategy and Programme to extend learning and development opportunities	G	G	G	G
Develop and implement approach to achieve organisational change through implementation of transformation portfolio of programme and projects and associated governance structure	C	C	C	C
Refresh the Information Strategy to ensure legal compliance in regard to information governance	C	C	C	C

We will set a balanced revenue budget and Medium-Term Financial Plan to restore financial resilience and sustainability	Q1 2025/26 position	Q2 2025/26 position	Q3 2025/26 position	Q4 2025/26 position
Increase internal residential capacity through the purchase of suitable properties	G	G	G	C
Improve recruitment and retention of social worker related posts through more targeted and effective marketing	G	C	C	C
Maximise grant opportunities to support service delivery	C	C	C	C
Implementation of a People Strategy to underpin the Council's cultural transformation ambitions and financial stability	C	C	C	C
Increase sales and maximise rental income of the Council's asset portfolio to ensure financial sustainability and promote economic growth	G	G	G	G
Remodel the Council's Planning Service to reflect increasing demand and complexity, address recruitment and retention difficulties, and deliver improved customer service	G	C	C	C
Implement new delivery model for Procurement and Contract Management across Council services	R	G	R	R
Increase level of grant income to support development of new service delivery initiatives	R	R	G	C
Retender pensions administration service, to ensure value for money for fund and scheme members	C	C	C	C
Implementation and review effectiveness of demand and cost modelling forecast, for high-spend areas to feed into MTFP assumptions	C	C	C	C
Review of Children's and Young People placements, including processes and procedures to ensure robust decision-making and allocation	C	C	C	C

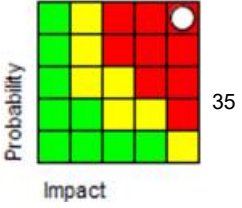
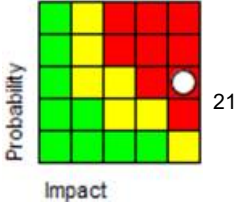
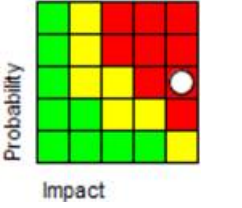

Key:	
C	Complete
G	On-track
A	Some slippage
R	High risk of deliverability

Appendix 3: Council Plan Workplan; proposed amendments at Year-End 2025/26

Initiative	Owner	Original Due Date	Current Due Date	Reason for (R) / Impact (I) of delay	Proposed Due Date
CP-ASC-02 Increase pathways offer for homeless households that embody choice; safety and dignity and provide routes into sustainable, long-term accommodation	ASC	31/03/2026	31/03/2026	(R) Delay in the development and approval of a Homeless Strategy. (I) No impact other than timescales.	30/09/2026
CP-E&P-01 Transform Middlesbrough's approach to delivery of learning through the implementation of the Council's Education and Skills Strategy	CS	31/03/2026	31/03/2026	(R) Delay in the 2026 Schools White Paper 'Every child Achieving and Thriving' which requires additional time to understand its impact on the strategy. (I) No impact other than timescales.	31/03/2027
CP-FIN-07 Implement new delivery model for Procurement and Contract Management across Council services	FIN	31/12/2025	31/03/2026	(R) Delayed due to insufficient resources to progress at this time. (I) None other than timescales.	31/03/2027
CP-R&H-09 Improve the range of health and employment related services offered to the public through successful delivery of the Levelling Up Partnership funds	REG	31/03/2026	31/03/2026	(R): Delay due to the identification of an alternative location for the Live Well Centre East which will require additional revenue and Executive approval. (I): None other than timescales.	31/03/2027

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Appendix 4: Strategic Risk register progress at Quarter Four 2025/26

Code	Risk Description	Original Score	Current Score	Target Score	Managed By	
SR-01	<p>Failure to set a legal and balanced annual budget and to maintain a sustainable Medium Term Financial Plan (MTFP)</p> <p>The Council is required to set a legally balanced revenue budget by 11 March in advance of each forthcoming financial year. Failure to achieve this objective will require the s151 Officer to issue a statutory s114 Notice to the Council.</p> <p>The Council has a Best Value duty to set and maintain a sustainable and balanced Medium Term Financial Plan including maintenance of its reserves position to demonstrate financial resilience to be able to respond to unforeseen and complex financial challenges presented by the wider economic environment.</p>				Director of Finance	
Current Mitigation		Future Mitigation	Responsible Officer		Director	
<ul style="list-style-type: none"> • Responsibility and Accountability for Financial Management reinforced by budget clinics. • Monthly budget monitoring, forecasting, and tracking of savings delivery by Directors with accountability to the CEX through LMT and development and delivery of financial recovery plans to control within approved budget • Monthly budget clinics chaired by Director of Finance for all Directorates (subject to review by Director of Finance) to enable development of insight, understanding and wider collaboration of colleagues in order to address significant financial risks. • Timely briefing of Mayor and Executive Members on significant financial challenges with agreement for action. 		<p>Failure of the Recover, Reset, Deliver Transformation Portfolio to identify further savings</p>	Chief Executive		Director of Finance; Chief Executive	31-Mar-2026


<ul style="list-style-type: none"> • Quarterly member led budget clinics chaired by the Executive Member for Finance to engage Executive Members. • Monthly monitoring of income budgets, council tax and business rates collection rates and debt levels. • Update MTFP regularly ahead of Council Planning and annual budget setting process. • Further development of budget management Power BI dashboard over Business World financial management system in order to improve accessibility of financial information for Directors, Heads of Service and Budget Manager. • Implementation and expansion of purchase to pay compliance dashboards for use by Directors, Heads of Service and Budget Managers to drive increase in compliant procurement in relation to retrospective ordering, on vs off contract spend and use of purchase cards. • Corporate and Strategic Capital boards to monitor capital expenditure and develop future capital plans. 					
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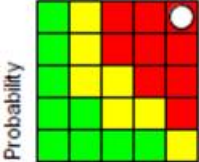
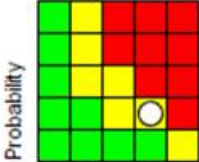
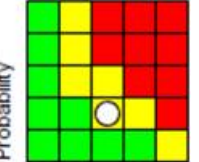
Code	Risk Description	Original Score	Current Score	Target Score	Managed By
SR-02	<p>Volatility in the demand, complexity and cost of children's social care.</p> <p>The risk that demand and cost of and children's social care continues to escalate on the scale experienced in 2024/25, is the single biggest risk to the Councils financial viability. More financially sustainable solutions for meeting social care needs of children need to be secured with urgency to ensure delivery within the approved budget for 2025/26.</p>				Director of Children's Care; Director of Children's Services; Chief Executive



Current Mitigation	Future Mitigation	Responsible Officer	Director	Target Date
<p>Children's input</p> <ul style="list-style-type: none"> Weekly activity data through Chat reports/ data Weekly financial monitoring with Finance Business Partner Placement review has taken place to manage costs associated with young people. MOU surrounding agency costs as a region was implemented in April 2025. Recruitment and retention strategy reviewed to increase permanent staff within the local authority. Spending controls in place as per scheme of delegation. Monthly Member and Officer meetings. Director Children's Care reviewing placements to ensure VFM. Future proofing for savings for Children's Services to ensure effective financial planning. 			Director of Children's Care; Director of Children's Services; Director of Education and Partnerships	

Code	Risk Description	Original Score	Current Score	Target Score	Managed By
SR-03	<p>Volatility in the demand and cost of adult's social care</p> <p>The potential for underlying demand and cost pressures to arise in adult social care presents a significant risk to the Council's overall financial viability and measures must be put in place to manage within approved budget.</p>	<p>35</p>	<p>15</p>	<p>9</p>	Director of Adult Social Care and Health

Current Mitigation	Future Mitigation	Responsible Officer	Director	Target Date	
Local Government settlement Budget Management process Contract management processes Savings programme in place	Develop a demand model, which monitors performance across activity demand and unit costing, to understand 'current state.'	Director of Adult Social Care and Health; Dee Evans; Victoria Holmes		Director of Adult Social Care and Health; Adult Social Care and Public	31-Mar-2026

Demand model in place Monthly demand reported to DMT - activity not just finance	Develop a forecast model, which uses the 'current state' model, to predict activity demand and financials across Adults Social Care in the next 1/2/5 years.	Dee Evans; Victoria Holmes		Health Senior Managers ; Chief Executive	31-Mar-2026
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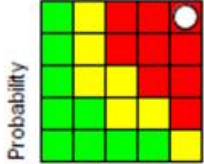
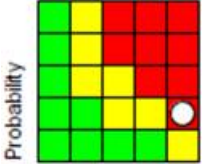
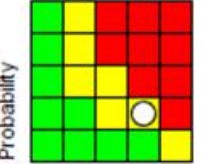
Code	Risk Description	Original Score	Current Score	Target Score	Managed By
SR-04	Unlawful decision by the Council If the Council took a decision that was unlawful then there is a risk of legal challenge or regulatory action that could damage its reputation and its financial position.	 35	 10	 6	Director of Legal and Corporate Services

Current Mitigation	Future Mitigation	Responsible Officer	Director	Target Date
Council constitution and supporting policy framework Corporate policies and procedures Compliance checks across key areas including HSE, Risk etc, covering the corporate governance framework	deliver the Continuous Improvement Plan quarterly updates to Executive from October 2025.	Ann-Marie Johnstone		31-Oct-2026
<ul style="list-style-type: none"> Standard report formats Statutory officer posts to oversee governance Annual Governance Statement assessment process Internal and external audit processes Refreshed whistleblowing policy Report development process Regular review of the Council Constitution. Corporate training provided for all officers. Scheme of sub delegation implemented. Governance lawyer in post to support the Councils lawful decision making. 	Deliver the Annual Governance Statement for 2024/25	Ann-Marie Johnstone		28-Feb-2026

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Code	Risk Description		Original Score	Current Score	Target Score	Managed By			
SR-05	Serious accident or death occurred as a result of failure to comply with Health and Safety legislation and regulations	If a serious accident or death occurred as a result of failure to comply with Health and Safety legislation and regulations then this could result in financial and reputational damage and individual prosecutions of staff.	 Probability Impact	35	 Probability Impact	15	 Probability Impact	10	Chief Executive
Current Mitigation			Future Mitigation	Responsible Officer		Director	Target Date		
<p>Comprehensive suite of Health and Safety policies and procedures.</p> <p>Mandatory and complimentary Health and Safety training for all Council staff.</p> <p>Dedicated HSE Advisor team</p> <p>Incident investigation system (My Compliance) to learn from incidents.</p> <p>HSE intranet page with important HSE information</p> <p>Audit schedule</p> <p>Service area audit schedule</p> <p>HSE steering group</p> <p>Fire Management System implemented across Council premises.</p>						Director of Legal and Corporate Services; Director of Regeneration and Housing; Chief Executive			

Code	Risk Description	Original Score	Current Score	Target Score	Managed By
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SR-08	Failure to ensure an approach to cyber security that meets good practice standards as set out by the National Cyber Security Centre and other bodies	If the Council fails to ensure a sound approach to cyber security (technology, processes and awareness), then this could result in a cyber-attack which disrupts service delivery, increases risks to service users and incurs significant financial costs to respond to and recover from an attack.	 Probability Impact	35	 Probability Impact	14	 Probability Impact	10	Director of Legal and Corporate Services; Nigel Eden; John O'Leary; Lynsey Zipfell
Current Mitigation		Future Mitigation	Responsible Officer			Director	Target Date		
<p>• Annual Information and Communications Technology (ICT) health checks are conducted, including both internal and external penetration testing.</p> <p>• Compliance is maintained with Public Services Network (PSN) and Payment Card Industry (PCI) standards.</p> <p>• Internal vulnerability scanning is performed whenever new systems are introduced.</p> <p>• Strong defensive systems are in place, including network firewalls, web content filtering, and endpoint protection solutions.</p> <p>• A rigorous sixty-day cycle is followed for applying software patches and performing system maintenance.</p> <p>• Security testing is completed and continuously repeated to ensure ongoing protection.</p> <p>• Recommendations from health checks are reviewed and implemented as appropriate.</p> <p>• The organisation is an active member of the North East Warning, Advice and Reporting Point (WARP) and the Cyber Security Information Sharing Partnership (CiSP).</p> <p>• Protective Domain Name System (DNS) services are utilised to prevent access to malicious websites.</p>		Commission an external ICT security GAP analysis	Nigel Eden			Director of Legal and Corporate Services; Chief Executive	17-Apr-2026		

<ul style="list-style-type: none"> • A robust data backup strategy is in place, including offline tape backups to support full recovery in the event of data loss. • A Cyber Incident Response (CIR) partner is contracted to provide expert support in the event of a security breach. • Infrastructure inspections are carried out every quarter to minimise the risk of disruption to service delivery. • Comprehensive overview to benchmark our current security position. • Purchase of Cloudflare to enhance the security of the local authority against Distributed Denial of Service (DDOS) attacks. 				
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Code	Risk Description	Original Score	Current Score	Target Score	Managed By
SR-09	<p>Corporate Governance arrangement not fit for purpose</p> <p>If the Council's Corporate Governance arrangements are not fit for purpose, and timely and effective corrective action is not taken, this may lead to adverse findings by the Council's external auditors, including the issue of a Public Interest Report. This could result in significant reputational damage and/or formal government intervention, including the direction of Council spending and the removal or limitation of powers from officers and Members.</p>	<p>15</p>	<p>9</p>	<p>9</p>	Director of Legal and Corporate Services; Ann-Marie Johnstone
Current Mitigation		Future Mitigation	Responsible Officer	Director	Target Date
External reports commissioned on Corporate governance and findings reflected within a Corporate Governance Improvement Plan		Put in place a strategic Partnerships Strategy.	Chief Executive		30-Jun-2026

<p>Improvement Board in place Detailed improvement plan in place that has delivered a range of changes to corporate governance processes Annual Governance Statement process and supporting action plan. Draft AGSs in place for both 2024/25 and 2025/26 Regular reports to Audit Committee on aspects of corporate governance to provide assurance</p>	Community Engagement strategy and approach to be developed	Marion Walker		Director of Legal and Corporate Services; Chief Executive	30-Jul-2026
	Ensure the Company is fully liquidated during 2025/26.	Justin Weston			09-Dec-2025
	Review of the Internal Audit function	Director of Finance			30-Apr-2026
	Continue to implement a scheme of sub-delegations where appropriate to further improve governance around officer delegated decisions.	Director of Legal and Corporate Services			31-Jan-2026
	A robust officer scheme of delegations and sub-delegations is required to ensure effective, appropriate and timely taking of decisions that can be taken by officers. (20/21 action). This will be addressed following the review of the constitution in 2024.	Director of Legal and Corporate Services			31-Jan-2026
	Continually review the Community Engagement policy to ensure it aligns with the wider needs of the organisation that will emerge from the Transformation Programme.	Marion Walker			28-Feb-2026
	A clear Asset Acquisition Policy reflecting these requirements is integrated into the Corporate Landlord Model framework that will be considered by Executive.	David Velemir			17-Mar-2026
	Refresh the Performance Management Policy and the supporting Performance Management Framework to embed a 'golden thread' of Performance Management from	Director of Legal and Corporate Services			30-Apr-2026

	the Council Plan down to departmental level.			
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Code	Risk Description		Original Score	Current Score	Target Score	Managed By
SR-12	Failure to deliver quality practice within children's safeguarding services	If the Council fails to deliver quality practice within children's safeguarding services then this may result in further government intervention, serious harm to individuals and loss of financial control.	 Probability Impact 35	 Probability Impact 21	 Probability Impact 10	Director of Children's Care; Director of Children's Services
Current Mitigation		Future Mitigation	Responsible Officer		Director	Target Date
<ul style="list-style-type: none"> Implemented Children's services improvement plan Monthly performance monitoring boards in place Review to be undertaken of Children's Care Monthly audit activity and reports undertaken to consider the quality of practice. Implementation of children's improvement board. Commitment to SHiFT, to improve quality and management of practice. Ongoing monitoring via OFSTED with a focused visit due the fiscal year. OFSTED future inspections to continue. Internal audit to review working practices. 					Director of Children's Care; Director of Children's Services; Chief Executive	

Code	Risk Description	Original Score	Current Score	Target Score	Managed By
SR-14	<p>Failure to ensure effective governance of the Middlesbrough Development Corporation</p> <p>If the Middlesbrough Development Corporation fails to reflect the relevant findings from the review of Teesworks governance in its structures, then there is a risk that it could fail to ensure value for money or good governance in its decision making, which will have an adverse impact on the economic vitality of the Town Centre.</p>	 <p>35</p>	 <p>9</p>	 <p>10</p>	Director of Regeneration and Housing
Current Mitigation		Future Mitigation		Responsible Officer	Director
<ul style="list-style-type: none"> Teesworks report and commitment from TVCA to reflect findings in the governance arrangements of the MDC Council representatives on the MDC Board - Mayor Monthly meetings arranged with the CEX MDC (Bev Bearn) with Director Regeneration. Collaboration of Regenerations Director via LMT, TVCA and MDC setting out Council's priorities and concerns. Effective communication between key stakeholders. Direct risks which could impact on the local authority will be escalated to LMT 				Director of Regeneration and Housing; Chief Executive	Target Date

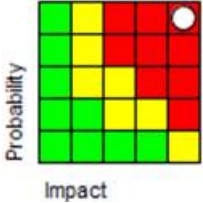
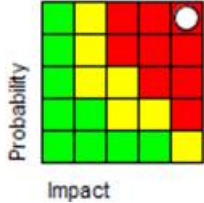
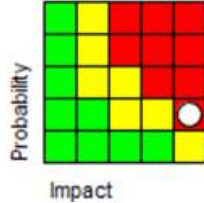
<ul style="list-style-type: none"> • MBC have secured £600k to be spent in response to community tensions as a further control. • BELONG employed to support delivery of the community cohesion strategy. 					
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Code	Risk Description	Original Score	Current Score	Target Score	Managed By
Page 146 16	<p>Removal of the statutory override preventing the Designated School Grant (DSG) deficit from being met from general fund resources.</p> <p>If the statutory override issued by central government expires as planned on 31 March 2026, without providing a national solution to the current shortfall in funding compared to demand and cost of high needs provision, this will mean that the High Needs Funding Deficit will be required to be met from the Council's general fund resources. Based upon the current projection of the DSG high needs deficit compared to the level of revenue reserves, this will result in the Council's reserves being exhausted and the Council's s151 Officer potentially being required to issue a s114 Notice. This is likely to be the case for the majority of local authorities nationally.</p>	<p>15</p>	<p>15</p>	<p>9</p>	<p>Director of Education and Partnerships; Emma Cowley</p>
		<p>Current Mitigation</p> <p>p. Lobbying Government to resolve the funding issue and provide a long term solution to the DSG deficit issue</p>	<p>Future Mitigation</p> <p>Lobbying Government to resolve the funding issue and provide a long</p>	<p>Responsible Officer</p> <p>Director of Finance</p>	

<ul style="list-style-type: none"> Delivering DBV (Delivering Better Value) action plan. Liaising with DofE regularly Working with schools and settings to continuously review the funding models. 	term solution to the DSG deficit issue			Director of Children's Services; Director of Education and Partnerships	
	Ongoing monitoring of the HNF budget	Director of Education and Partnerships			31-Mar-2026
	Work with schools and settings to reduce the number of children and young people who are excluded.	Director of Education and Partnerships			31-Mar-2026
	Promote greater inclusion within mainstream settings.	Director of Education and Partnerships			31-Mar-2026
	Reduce the number of children and young people in out of area provision.	Director of Education and Partnerships			31-Mar-2026

Code	Risk Description	Original Score	Current Score	Target Score	Managed By
Page 147 SR-17	Funding for key external projects led by TVCA or MDC If there is a funding gap for key projects led by the Tees Valley Combined Authority (TVCA) and its Mayoral Development Corporation (MDC) that results in a risk of delays, disruption, or failure to deliver on key regeneration sites in the town centre. This could negatively affect economic growth, community development, and investor confidence in the region.	 6	 4	 6	Director of Regeneration and Housing
Current Mitigation	Future Mitigation	Responsible Officer	Director	Target Date	
<ul style="list-style-type: none"> Tees Valley Investment Strategy. Monthly meeting with CEX of MDC to discuss project developments. 	Working with TVCA/MDC to develop a realistic delivery plan against essential projects.	Richard Horniman		Director of Regeneration and Housing; Directors	30-Apr-2026

<ul style="list-style-type: none"> - Collaboration of Regenerations Director via LMT, TVCA and MDC setting out Council's priorities and concerns. - Effective communication between key stakeholders. - Direct risks which could impact on the local authority will be escalated to LMT. - Mayor Middlesbrough Council is a board member of the TVCA and MDC with the CEX present as observer. - Scrutiny committee for the TVCA of which Middlesbrough Council have Councillor representation. 					
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Code	Risk Description		Original Score		Current Score		Target Score		Managed By
SR-18	Ineffective governance of the Tees Valley Combined Authority (TVCA)	The governance arrangements of the Combined Authority (CA) are not fit for purpose, creating barriers to effective collaboration with the Council and adversely impacting the Council's ability to achieve its ambitions for the town. This misalignment could hinder regional development, compromise strategic initiatives, impact financially on the Council and damage stakeholder confidence.		35		35		14	Chief Executive
Current Mitigation			Future Mitigation		Responsible Officer		Director		Target Date
<ul style="list-style-type: none"> • LGA improvement panel with independent oversight and planned publication of improvement panel reports to increase public scrutiny and transparency 			Review the reports of the improvement panel as they are published to identify actions that Middlesbrough Council can take to support the TVCA to improve governance and relationships		Chief Executive		Directors; Chief Executive		31-Oct-2026

<ul style="list-style-type: none"> • Improvement plan (TVCA). • Best Value Inspection Notice issued April 25 resulting in increased government oversight. • Key officer relationships between Monitoring Officers and Directors of Finance • Interim appointments for the Director of Finance and Monitoring Officer roles • Reset discussions undertaken with the new Chief Executive 	<p>Regular provision of advice to Middlesbrough Council representatives who sit on various TVCA bodies to ensure they are able to deliver their roles in full and with regard to good governance</p>	<p>Director of Legal and Corporate Services</p>			<p>10-Oct-2026</p>
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MIDDLESBROUGH COUNCIL

Report of:	Andrew Humble – Director of Finance and Transformation (S.151 Officer)
Relevant Executive Member:	Cllr Nicky Walker - Executive Member for Finance
Submitted to:	Overview and Scrutiny Board
Date:	7 July 2026
Title:	2025/26 Revenue & Capital Year End Outturn
Report for:	Discussion
Status:	Public
Council Plan priority:	Delivering Best Value
Key decision:	Not applicable
Why:	Report is for information only
Subject to call in?	Not applicable
Why:	Non-Executive Report

Proposed decision(s)

That the Overview and Scrutiny Board:

- Note the contents of the report.
- Provide comments to the Executive as appropriate

Executive summary

The Executive report set out the Council's final Revenue and Capital Year End Outturn position for 2025/26, together with the associated impact on reserves and the overall financial standing of the Council. It enabled the Executive to discharge its responsibilities for financial management, governance and control, including approval of budget virements, updates to the Capital Programme, and noted the overall financial performance for the year. The Executive report and its appendices is submitted to OSB for it exercise it's Overview and Scrutiny function over financial matters.

1. Purpose of this report and its contribution to the achievement of the Council Plan ambitions

1.1 To inform Overview and Scrutiny Board of the Council’s Revenue and Capital Budget position at year-end 2025/26.

Our ambitions	Summary of how this report will support delivery of these ambitions and the underpinning aims
A successful and ambitious town	The aims and ambitions of the report were detailed in the appended Executive report.
A healthy Place	
Safe and resilient communities	
Delivering best value	

2. Recommendations

2.1 That the Overview and Scrutiny Board

- Note the contents of the report.
- Provide comments back to the Executive as appropriate

3. Rationale for the recommended decision(s)

3.1 To advise Scrutiny on the Council’s financial position at year-end 2025/26.

4. Background and relevant information

4.1 Relevant background and other information is contained in the Executive report at Appendix 1.

5. Ward Member Engagement if relevant and appropriate

5.1 Ward Member engagement is detailed in the appended Executive report.

6. Other potential alternative(s) and why these have not been recommended

6.1 Other potential alternatives are detailed in the appended Executive report.

7. Impact(s) of the recommended decision(s)

Topic	Impact
Financial (including procurement and Social Value)	The impacts of the report are detailed in the appended Executive report.
Legal	
Risk	

Human Rights, Public Sector Equality Duty and Community Cohesion	
Reducing Poverty	
Climate Change / Environmental	
Children and Young People Cared for by the Authority and Care Leavers	
Data Protection	

Actions to be taken to implement the recommended decision(s)

Action	Responsible Officer	Deadline
N/A		

Appendices

1	Executive Report and Appendices. Note Appendices 1 to 8 are referenced in the Executive Report (appendix 1a) rather than the OSB cover report.
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Background papers

Body	Report title	Date

Contact: Andrew Humble
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MIDDLESBROUGH COUNCIL



Report of:	Corporate Director of Finance (s151 Officer) - Andrew Humble
Relevant Executive Member:	Executive Member for Finance - Cllr. Nicky Walker
Submitted to:	Executive
Date:	10 June 2026
Title:	2025/26 Revenue & Capital Year End Outturn
Report for:	Decision
Status:	Public
Council Plan priority:	Delivering Best Value
Key decision:	Yes
Why:	Decision(s) will incur expenditure or savings above £250,000 and have a significant impact in two or more wards
Subject to call in?	Yes
Why:	Non-Urgent Report

Proposed decision(s)

That the Executive:

- **Approves** budget virements over £250,000 within the revenue budget (Appendix 1)
- **Approves** budget virements over £250,000 within the Capital Programme (paragraph 4.93)
- **Approves** the inclusion of new schemes and additions to existing schemes to the Capital Programme totalling £1.057m for 2025/26, which are all externally funded to either new or existing schemes (detailed in Appendix 5). Subject to approval this will increase the approved 2025/26 Capital Programme budget to £89.508m
- **Notes** the Council's year-end financial outturn for the financial year 2025/26, with the final revenue outturn position being £1.793m overspend at year end after the use of central contingencies and other budgets.
- **Notes** that this sum is to be met from the Savings Delivery Risk reserve of £2.000m, put aside to manage uncertainty in this area.
- **Notes** the improved year-end position in relation to reserves in that usable unrestricted reserves have increased from £21.654m to £25.941m, an increase of £4.287m demonstrating that the overall financial position of the Council has again improved this year.

- **Notes** that provision was made in the 2026/27 budget for service demand pressures and re-basing of budgets (including for reduced income levels and legislative requirements) which address some of the key areas which contributed to the overspend in 2025/26.

Executive summary

This report sets out the Council's final Revenue and Capital Year End Outturn position for 2025/26, together with the associated impact on reserves and the overall financial standing of the Council. It enables the Executive to discharge its responsibilities for financial management, governance and control, including approval of budget virements, updates to the Capital Programme, and noting the overall financial performance for the year.

The report, enables the Executive to discharge its financial management responsibilities by setting out the following position at Quarter Four (31st March 2026):

- General Fund Revenue Budget Outturn
- virements
- statement of the Council's reserves and provisions
- Capital Programme Outturn
- statement of the level of debt owed to and to be recovered by the Council
- actions that have been taken and are planned to be taken in order to address the issued identified

The final revenue outturn position is an overspend of £1.793m after the application of corporate contingencies and other central resources. Whilst this represents a pressure against the approved budget, it reflects a significant improvement from earlier forecasts in the year, with the Quarter One forecast overspend of £4.482m reduced through robust financial management, delivery of mitigations and strong corporate oversight.

It is important to stress however this sum is to be met from the Savings Delivery Risk reserve of £2.000m, put aside to manage uncertainty in this area, and that overall, the position in relation to reserves has improved.

It is also important to note that the reported overspend for 2025/26 is not directly comparable to some previous years positions where overspends resulted in the depletion of reserves. The outturn reflects a planned and managed approach to financial risk whereby corporate contingencies, the Savings Delivery Risk Reserve, and other centrally held resources have been applied to support service pressures arising during the year.

This approach is consistent with strengthened financial governance arrangements and has enabled the Council to manage in year volatility while protecting and rebuilding financial resilience. As a result, despite the reported overspend, the Council has increased its usable unrestricted reserves from £21.654m to £25.941m, an increase of £4.287m demonstrating that the overall financial position has improved.

Whilst this is an improved reserves position the Council continues to work towards a target of a minimum of £35.000m usable reserves position as set out by the Section 151 Officer in the Financial Reserves Policy approved at Council on 18 February 2026.

The main highlights of the report are:

- the 2025/26 revenue budget year end outturn is an overspend of **£1.793m, 1.2%** of the overall 2025/26 budget of £143.304m. In line with the financial strategy, this was after the planned use of central contingencies and other budgets totalling **£6.546m**. The overspend of £1.889m will be funded from the Savings Delivery Reserve set aside for this purpose. The final outturn is shown in Table 1 in paragraph 4.15.
- provision was made in the 2026/27 budget for service demand pressures and re-basing of budgets (including for reduced income levels and legislative requirements) which address some of the key areas which contributed to the overspend in 2025/26.
- the overall outturn position continues to be driven by demand-led and statutory service pressures, most notably within **Children's Social Care, which reported a £7.455m overspend due to high-cost placements, workforce pressure and reliance on agency staff.**
- Adult Social Care also reported an outturn position of **£1.272m overspend reflecting ongoing demand for complex care**, partially offset by income and staff savings.
- other service areas reported a mix of overspend and underspends, with underspend in Corporate and Central budgets (including contingency, capital financing and use of one-off funds) making a significant contribution to offsetting Directorate pressures.
- the final revenue outturn position includes **£7.731m of net savings currently earmarked as undeliverable in 2025/26 as shown in Table 2 and Appendix 2.** In line with the approach adopted in setting the 2026/27 budget, these savings have been reviewed through the Medium-Term Financial Plan (MTFP) and have either been removed where no longer achievable, reprofiled to reflect more realistic delivery timescales, incorporated into the 2026/27 base budget. Any remaining savings will be monitored and reviewed throughout 2026/27 as part of the standard budget monitoring process.
- the 2025/26 budgets and use of central Corporate Contingency budget and Change Fund (paragraphs 4.69 and 4.70 and Table 3).
- the position demonstrates that while financial control has improved, there remain structural financial challenges, particularly in demand-led services, which will continue into 2026/27 and beyond.
- overall, the 2025/26 revenue outturn demonstrates that the Council is now managing financial pressures in a controlled and planned way, while continuing to rebuild reserves and strengthen resilience, in contrast to previous years where overspends were associated with the depletion of reserves.
- the **final in year deficit of £7.104m for 2025/26 on the Dedicated School Grant, increasing the cumulative deficit to £29.317m on 31 March 2026** (Table 5). The Dedicated Schools Grant (DSG) continues to be subject to a statutory override, requiring deficits to be held separately from the General Fund. The Government has confirmed that this override will now be extended to 31 March 2028, aligning with the transition to a reformed SEND system. In addition, local authorities will be

eligible for a High Needs Stability Grant covering up to 90% of the DSG deficit accrued to March 2026, subject to approval of a Local SEND reform Plan by the Department of Education. The DSG recovery actions and risk to the Council's financial resilience are detailed in Appendix 4.

- the **addition of £1.057m for new schemes and additions to existing schemes (externally funded) to the Capital Programme in 2025/26** creating a revised budget of £89.508m for 2025/26 (paragraphs 4.91 to 4.96 and Appendix 5).
- the **2025/26 final Capital Programme outturn is £56.477m**, representing an underspend of £32.972m (37%) against the revised budget of £89.508m budget (Table 6).
- this underspend is primarily due to slippage in project delivery, with £32.052m reprofiled into future years and contributions, alongside capital receipts and borrowing (Appendix 6).
- that £5.659m of qualifying revenue expenditure is to be funded from Flexible Use of Capital Receipts (FUoCR) for Transformation in 2025/26 in accordance with the FUoCR strategy for 2025/26 approved by Council on 26 March 2025 (paragraph 4.96 to 4.100 and Appendix 8)
- the level of Debtors as at 31 March 2026 (paragraph 4.106 to 4.107 and Table 9)

The recommendations are required to ensure compliance with the Council's Constitution and Financial Procedure Rules, particularly in relation to approval of significant virements and capital programme changes. The report enables the Executive to formally note and scrutinise the year-end financial position, and maintain effective governance, transparency and accountability for the management of public funds.

Approving the recommended actions ensures that the Council maintains robust financial control and governance arrangements. Budget changes accurately reflect service delivery and financial performance during the year. It ensures the Capital Programme remains aligned to funding and delivery timelines. It will also enable the Council to continue to strengthen financial resilience and support delivery of the MTFP.

The alternative option would be not to approve the budget virements or capital programme amendments, or not to formally note the outturn position. This would limit the Executive's ability to effectively manage and control the Council's financial position, weaken governance arrangements and reduce transparency in financial reporting.

1. Purpose of this report and its contribution to the achievement of the Council Plan ambitions

1.1 The report discharges the responsibilities of the Executive to manage and control the revenue budget, capital programme, and overall balance sheet position of the Council.

Our ambitions	Summary of how this report will support delivery of these ambitions and the underpinning aims
A successful and ambitious town	This report covers both the revenue and capital programme of the Council and as a result it supports all the ambitions within the Council Plan.
A healthy Place	
Safe and resilient communities	
Delivering best value	The proposed recommendations are consistent with and will promote the achievement of the Council’s general legal duty to achieve Best Value in accordance with Section 3 of the Local Government Act 1999 (as amended by s137 of the Local Government & Public Involvement in Health Act 2007). The report provides assurance that the Council has effective corporate governance arrangements in place, and that the Council is attempting to manage its finances within the budget approved by Council for 2025/26 and ensures that the Medium-Term Financial Plan to restore financial resilience and sustainability is not impacted.

2. Recommendations

2.1 That the Executive

- **Approves** budget virements over £250,000 within the revenue budget (Appendix 1)
- **Approves** budget virements over £250,000 within the Capital Programme (paragraph 4.93)
- **Approves** the inclusion of new schemes and additions to existing schemes to the Capital Programme totalling £1.057m for 2025/26, which are all externally funded to either new or existing schemes (detailed in Appendix 5). Subject to approval this will increase the approved 2025/26 Capital Programme budget to £89.508m
- **Notes** the Council’s year-end financial outturn for the financial year 2025/26, with the final revenue outturn position being £1.793m overspend at year end after the use of central contingencies and other budgets.
- **Notes** that this sum is to be met from the Savings Delivery Risk reserve of £2.000m, put aside to manage uncertainty in this area.
- **Notes** the improved year-end position in relation to reserves in that usable unrestricted reserves have increased from £21.654m to £25.941m, an increase of £4.287m demonstrating that the overall financial position of the Council has again improved this year.
- **Notes** that provision was made in the 2026/27 budget for service demand pressures and re-basing of budgets (including for reduced income levels and legislative requirements) which address some of the key areas which contributed to the overspend in 2025/26.

3. Rationale for the recommended decision(s)

3.1 To enable the effective management of finances, in line with the Councils Local Code of Corporate Governance, the Scheme of Delegation and financial regulations.

4. Background and relevant information

4.1 The Council's Scheme of Delegation gives the Executive collective responsibility for corporate strategic performance and financial management, monitoring and control. Standing Orders and Financial Procedures require the Executive's approval for major virements between revenue budgets, and in-year changes to the Council's Capital Programme within approved Council resources within the approved policy framework.

4.2 This report enables the Executive to discharge its financial management responsibilities by setting out the Council's 2025/26 year-end financial position.

4.3 Financial Procedure Rules 12.6.45 and 12.6.132 of the Council constitution requires the Executive's approval of revenue and capital programme budget virements over £250,000.

4.4 Financial Procedure Rule 12.6.91 requires approval by the Executive of the write off of debt over financial thresholds set out in 12.6.132, there are none for the purpose of the final 2025/26 outturn report.

4.5 The outturn position within this final outturn report as at 31 March 2026 has been prepared using the following key assumptions:

- all known staffing costs and changes have been reflected within the final outturn position.
- the agreed pay award of 3.2% for local government officers for 2025/26 has been fully incorporated.
- income and expenditure positions have been finalised in conjunction with budget holders, based on actual activity and accruals where appropriate.
- the outturn position reflects actual service deliver arrangements and financial performance for the year, providing a robust and prudent basis for reporting the final position.

Revenue Outturn 2025/26

4.6 The 2025/26 Revenue Budget, Medium Term Financial Plan 2025/26 to 2028/29, and Council Tax report to Council on 19 February 2025 set out the future financial position of the Council.

4.7 As part of that report a net revenue budget for 2025/26 of £143.304m was approved by Full Council. Within the report the Director of Finance and Transformation (S151 Officer) issued his Section 25 Report to Council Members which set out the basis upon which the revenue budget was considered to be robust and the basis upon which reserves were considered adequate

4.8 While the Council has achieved significant improvement in its financial position compared to that at the start of the 2024/25 financial year, supported by a significantly

improved 2026/27 financial settlement relative to previous years, there remains an ongoing need to maintain strong financial discipline. The 2025/26 outturn demonstrates the importance of delivering approved savings in full and maintaining robust governance and financial control arrangements.

- 4.9 The outturn position reflects the extent to which expenditure has been managed within the approved 2025/26 budget, including the appropriate utilisation of approved contingencies. These measures have contributed to supporting delivery of the Medium-Term Financial Plan (MTFP), stabilising the Council’s financial position and beginning to rebuild financial resilience. Budgetary control measures previously set out in the 2024/25 Revenue and Capital Outturn report to Executive on 11 June 2025, have continued to be implemented throughout 2025/26 and have underpinned the overall financial outturn.
- 4.10 Building on the improved financial position at outturn compared to previous years, the Council is well placed to implement a more integrated Performance and Financial Management Policy. This establishes a clear framework to ensure that performance, finance and risk are managed in a joined-up, transparent way, supporting stronger alignment between resources, service delivery and strategic priorities. The Policy promotes clear accountability, evidence-based decision making and regular, transparent reporting, enabling early identification of issues and effective corrective action. Its implementation, alongside a robust Medium-Term Financial Plan (MTFP), will further strengthen governance, support delivery of strategic objectives and enhance value for money for residents.
- 4.11 As shown at the bottom of Table 1, the 2025/26 final revenue outturn position at the year-end is an overspend of £1.793m (1.2%) against the approved budget of £143.304m across Directorates and Central Budgets, an increase of £0.118m since the Quarter Three forecasted outturn. The final outturn position should be viewed in the context of the Councils financial management approach, which incorporates the planned use of corporate contingency budgets, savings delivery risk provisions, and other central resources to manage uncertainty. The application of £6.546m of central contingencies and other budgets was built into the financial strategy, meaning the reported overspend represents the residual position after planned mitigation has been applied, rather than an unmanaged financial pressure. Financial controls and actions that were put in place have helped to mitigate further overspends and continue to play a critical role in reducing financial pressures across Directorates, reducing the initial Quarter One forecast overspend of £4.482m. It therefore remains essential that Directors maintain tight financial control going into 2026/27 of their financial positions.
- 4.12 As part of the 2025/26 budget, £4.367m of one-off funding was allocated to the Middlesbrough Priorities Fund. £1.392m has been spent by 31 March 2026, with the remaining £2.975m used to reduce the outturn position, as shown in Table 1 below. Funding for many of the schemes has been incorporated within the growth built into the 2026/27 budget where continuation of these services is considered a Council Plan priority.
- 4.13 One of the main factors in the increase for Quarter Three to the final outturn is the continued and sustained demand within Children’s Care. This reflects both the volume and complexity of cases, particularly the ongoing reliance on high-cost external

residential placements and continued pressures in staffing, including the reliance on agency workers. While the Children’s Services Prevention Grant of £2.123m has been applied to the Directorate’s final outturn position (having previously been held within Central Budgets), underlying pressures have continued to increase. Excluding this technical adjustment, the net increase since Quarter Three is £1.337m, the majority of which relates to staffing costs and placement pressures. This is consistent with the position reported throughout 2025/26, where Children’s Social Care has represented the most significant area of financial pressure driven by demand-led and statutory services.

4.14 The demand led pressures in Children’s Care are structural in nature and are expected to persist into 2026/27 and across the Medium-Term Financial Plan. This is recognised with the approved 2026/27 budget, which included additional recurring funding to reflect forecast demand, however, there remains significant financial risk if demand and complexity continue to exceed assumptions. The Section 25 statement highlights Children’s Social Care as a key area of ongoing financial risk due to the high levels of demand, complexity of need, and the cost of placements. It is therefore essential that Directors maintain tight financial control, strengthen demand management, and continue to deliver and embed financial recovery and continuous improvement to mitigate these pressures and ensure financial sustainability.

4.15 A summary of the main variances for each Directorate is included in paragraphs 4.22 to 4.68. Table 1 below also includes a split of the final outturn between non-delivery of required budget savings (detailed on paragraphs 4.16 to 4.21 and Appendix 2) and other variances. Table 1 below reflect the changes made as part of the Senior Management review from effective from 1 January 2026.

Table 1 - Summary of Net Revenue Budget Outturn 2025/26

Directorate	Original Budget Full Year £m	Current Full Year Budget £m	Outturn £m	Outturn Variance £m	Movement from Quarter Three £m	MEMO FORECAST	
						Savings Delivery Variance £m	Other variances £m
						Adv / (Fav)	Adv / (Fav)
Adult Social Care	55.192	56.283	57.555	1.272	(0.211)	0.018	1.254
Public Health	0.086	(0.326)	(0.722)	(0.396)	(0.396)	0.000	(0.396)
Children's Social Care	57.120	57.791	65.246	7.455	(0.786)	3.833	3.622
Education & Partnerships	6.445	6.712	7.060	0.348	(0.117)	0.345	0.003
Regeneration & Housing	3.500	3.991	3.606	(0.385)	(0.500)	0.375	(0.760)
Environment, Communities & Culture	19.042	20.598	21.706	1.108	(0.082)	0.393	0.715
Legal & Corporate Services	10.750	10.494	10.208	(0.286)	(0.054)	0.000	(0.286)
Finance	5.832	5.880	5.031	(0.849)	0.309	0.000	(0.849)
Chief Executive's Office	1.556	1.929	1.849	(0.080)	(0.015)	0.000	(0.080)
Total Directorates	159.523	163.352	171.539	8.187	(1.852)	4.964	3.223
Central Budgets	(22.765)	(26.594)	(26.442)	0.152	2.472	2.767	(2.615)
<i>Use of central contingencies.</i>							
Savings Delivery Risk	2.000	2.000	0.000	(2.000)	0.000	0.000	(2.000)
Inflation & Growth	0.206	0.206	0.000	(0.206)	0.000	0.000	(0.206)
Corporate Contingency	0.890	0.890	0.000	(0.890)	(0.373)	0.000	(0.890)
Middlesbrough Priorities Fund	2.975	2.975	0.000	(2.975)	(0.129)	0.000	(2.975)
Pay & Prices Contingency	0.475	0.475	0.000	(0.475)	0.000	0.000	(0.475)
Total Central Budgets	(16.219)	(20.048)	(26.442)	(6.394)	1.970	2.767	(9.161)
Total	143.304	143.304	145.097	1.793	0.118	7.731	(5.938)

Budget Savings Delivery

- 4.16 The budget for 2025/26 is predicated on the delivery of £11.626m in savings, comprising £6.786m of new savings and £4.840m of savings previously approved in 2024/25. The revised new savings figure reflects the proposed removal of £0.250m, which has been formally taken out of the Council's budget as part of the 2026/27 budget setting process. In the interim, a temporary virement has been approved, and the removal of these savings will be funded from the Corporate Contingency budget in 2025/26, as shown in Table 3.
- 4.17 In addition to these new budget savings required there was also a total of £2.291m of previous savings which were not fully achieved during 2024/25 and are remaining to be achieved in 2025/26. This makes a total of £13.917m of savings which are required to be achieved in 2025/26.
- 4.18 Table 2 provides a summary of delivery performance against savings required in 2025/26, with further detail included in Appendix 2. All savings continue to be subject to robust monitoring through Budget Clinics with Directorates and are reported through this process.
- 4.19 In line with the approach taken in setting the 2026/27 budget, savings assessed as not deliverable in 2025/26 have been reviewed and addressed through the Medium-Term Financial Plan (MTFP). This has included the removal of unachievable savings, the reprofiling of delivery timelines where operational or demand constraints delayed implementation, and the incorporation of any residual impact into the 2026/27 budget position. This has required the underlying budget position to be aligned accordingly, particularly with demand-led services, where the interaction between costs pressures and original saving assumptions has increased the sensitivity of budgets to changes in demand and activity levels.
- 4.20 As a result, there is a continued focus in strengthening core operational practice, improving demand management, and ensuring services are delivered as efficiently as possible within approved resource levels. This includes embedding good financial management, improving planning and forecasting, and ensuring that resources are targeted effectively to meet service needs. Savings linked to ongoing service improvement activity continue to be overseen through Integrated Performance and Budget Clinics to ensure alignment between service delivery and financial performance.
- 4.21 Any savings not fully delivered in 2025/26 will continue to be managed as part of the Council's Medium-Term Financial Plan (MTFP). At the start of 2026/27, all remaining savings will be subject to review to determine the most appropriate route to delivery, including whether they can be achieved through revised approaches, replacement savings, or longer-term continuous improvement activity. Where savings are no longer considered deliverable in their original form, this will be addressed through the established governance process as part of the ongoing development of the MTFP, ensuring that the Council maintains a balanced and sustainable financial position over the medium term.

Table 2 - Savings Programme Assurance Summary for 2025/26 by Directorate

Directorate	2025/26 Budgeted Savings Target £m	2025/26 Savings Achieved £m	2025/26 Savings (over) / under achieved £m
Adult Social Care	(2.733)	(2.715)	0.018
Children's Social Care	(4.112)	(0.279)	3.833
Education & Partnerships	(0.359)	(0.014)	0.345
Regeneration & Housing	(1.394)	(1.019)	0.375
Environment, Communities & Culture	(1.790)	(1.397)	0.393
Legal & Corporate Services	(0.367)	(0.367)	-
Finance	(0.395)	(0.395)	-
Central	(2.767)	-	2.767
	(13.917)	(6.186)	7.731

Directorate Main Variances

- 4.22 The explanations for Directorate major variances and key underlying drivers are summarised below. These reflect the position at year end following detailed review through the Council's governance arrangements, including Member-led Budget Clinics and wider corporate oversight processes.
- 4.23 Throughout 2025/26, the Council has continued to develop its financial management arrangements through enhanced monitoring, governance and Member oversight, building the foundations for the implementation of the Performance and Financial Management Policy and supporting Framework from 2026/27. These arrangements have focused on improving the integration of financial performance with service delivery and risk, ensuring that emerging issues are identified and addressed through structured governance processes. This includes regular budget monitoring, Directorate oversight, and Member engagement through Budget Clinics. The introduction of the Policy and Framework from 2026/27 will formalise and further embed this integrated approach, providing a consistent cycle of planning, monitoring, review and improvement across all Directorates, with clearer accountability and more systematic alignment between performance, finance and risk.
- 4.24 This approach ensures that Directorate financial performance is considered alongside operational delivery, demand and risk, enabling a clearer understanding of the drivers of variance at outturn. Through robust planning, monitoring and review processes, Directors are required to maintain a clear line of sight between service activity, performance outcomes and available resources, ensuring that budgets are managed within approved limits wherever possible. In doing so, there is a continued focus on embedding consistent operational practice, improving forecasting and planning, and

ensuring that resources are deployed as effectively as possible to meet service need with the approved budget.

4.25 A range of core financial controls are in place across all Directorates and form part of the Council's business as usual arrangements. These include regular budget monitoring and forecasting, Director level review meetings, Member and office clinic processes, procurement oversight, and robust scrutiny of high-cost demand-led activity. Consistent application of these controls, supported by clear accountability and appropriate challenge, remains essential to maintaining financial discipline, improving forecast accuracy and ensuring value for money.

4.26 Proposed revenue budget virements above £250,000 require Executive approval, and those proposed following final outturn are set out at Appendix 1 for consideration and approval.

Adult Social Care: Final Outturn position £1.272m

Adult Social Care	Full Year Budget £m	Full Year Forecast £m	Forecast Over / (Under) spend £m
Revenue Outturn	56.283	57.555	1.272

4.27 The final outturn position for the Adult Social Care Directorate is a net overspend of £1.272m, which represents an improvement of £0.211m compared to the position forecast at Quarter Three. The final position reflects a combination of continued demand-led pressures, offset by staff savings, additional income and the maximisation of capital and health funding. The main components of the outturn position are set out below.

- Purchasing – Growth: £2.204m
The final outturn position for Purchasing Growth, is an overspend of £2.204m, an increase of £0.023m compared to Quarter Three. This reflects ongoing demand for high-cost care services, particularly residential care, alongside the complexity of individual care packages. The position includes the benefit of additional health income in respect of some care packages; however, demand and market pressures continue to drive costs growth within this area.
- Purchasing – Residential: (£0.422m)
The Purchasing Residential budget reports a final underspend of (£0.422m), compared to an underspend of (£0.546m) forecast at Quarter Three. The underspend continues to reflect recovery of overpayments relating to out of area placements, primarily arising from delayed notifications following service users' deaths. While recovery activity has remained effective, the reduction in the underspend reflects changes to service user contributions.
- Other Variances, inc. Prevention, Provider & Support Services: (£0.510)
The combined outturn position across Prevention, Provider & Support Services and staffing-related variances reflects a mix of ongoing pressures and mitigating factors. Staff savings of approximately (£0.478m) have been delivered in excess of the corporate vacancy target, helping to offset pressures elsewhere in the Directorate. In addition, the outturn benefits from the maximisation of capital

resources relating to TCES equipment and Staying Put arrangements (£0.226m), additional health income associated with the day care services (£0.098m).

- 4.28 Executive approved the reprovisioning of Levick Court on 12 November 2025, establishing a partnership with the Integrated Care Board (ICB) and Tees Esk and Wear Valley NHS Trust (TEWV) to support a financially sustainable service model through joint commissioning and integrated clinic provision. Levick Court was successfully launched in February 2026. A full financial appraisal and staffing model has been developed to ensure that the agreed block contract value supports operational delivery. By year end, the service has achieved £0.293m of the £0.311m identified savings needed to deliver a service which is sustainable and economically viable, with the remaining balance to be delivered in 2026/27 as the service reaches full operational maturity. The model also provides scope for additional commissioned activity, subject to demand, including where health partners require access beyond the initial allocation of eight beds.
- 4.29 The final outturn position also reflects a significant increase in the provision for bad and doubtful debts. Following detailed year-end analysis, the bad debt provision has increased by approximately £0.546m, reflecting cases where service users are deceased with no residual estate, or where recovery is considered unlikely due to persistent non-payment.

Public Health: Final Outturn position (£0.396m)

Public Health	Full Year Budget £m	Full Year Forecast £m	Forecast Over / (Under) spend £m
Revenue Outturn	(0.326)	(0.722)	(0.396)

- 4.30 At final outturn, Public Health budgets reported an underspend of (£0.607m), which in accordance with grant conditions will be transferred to the Public Health reserve, resulting in a break-even position on the ringfenced Public Health grant. This reflects effective management of grant funded activity within the conditions of the grant. Following this transfer, the Public Health reserve will increase from £1.686m at 31 March 2025 to £2.293m at 31 March 2026, with plans in place for the reserve to be utilised on eligible public health related activity in future years in line with grant requirements
- 4.31 In addition, there is an underspend of (£0.396m) within the Council funded areas of the Directorate. This position is mainly attributable to the 2025/26 management fee due from the Council's leisure services provider (SLM) under the contract which had not been budgeted for. The management fee due has not yet been paid by SLM and the outturn has been made on a prudent basis to reflect this fact and ensuring that the outturn position reflects a cautious and realistic assessment at year end.

Children's Social Care: Final Outturn position £7.455m

Children's Care	Full Year Budget £m	Full Year Forecast £m	Forecast Over / (Under) spend £m
Revenue Outturn	57.791	65.246	7.455

4.32 At final outturn, Children's Services reports a net overspend of £7.455m after the application of the Children's Services Prevention Grant of £2.123m, which had previously been held within Central Budgets. This represents an increase of £1.337m compared to the Quarter Three position and reflects continued demand led pressures and workforce costs, particularly within Children Looked After, Assessment and Safeguarding services. The key drivers of the overspend remain consistent with those reported throughout the year.

4.33 During 2025/26, £2.229m of Flexible Use of Capital Receipts (FUoCR) was applied to support Children's Services activity, including initiatives such as Edge of Care and Modernising Fostering. This funding has supported service delivery and practice development during the year, however underlying costs of agency staffing, particularly within statutory frontline services remains the principal driver of the year-end overspend.

4.34 Children's Social Care has implemented a range of mitigating actions to manage in-year pressures, particularly those arising from high-cost placements and workforce costs. These include strengthened placement scrutiny through Director-led panels, maximising use of internal and block residential provision, and targeted work to step down children from residential to fostering placements. Controls over high-cost placements have been enhanced, alongside tighter management of agency staffing and development of a recruitment and retention strategy. Going into 2026/27, demand management initiatives such as reunification and edge of care programmes will begin to reduce reliance on residential care. Financially, the service has utilised flexible use of capital receipts to support service improvements and is benefiting from the Children's Services Prevention Grant, helping to mitigate the overall forecast pressure.

4.35 The main components of the final outturn position are summarised below

- External Residential Placements: £5.151m
The overspend on external residential placements has reduced from £5.619m at Quarter Three to £5.151m at outturn. While placement numbers have remained broadly stable, costs continue to be driven by the complexity of need and reliance on high-costs specialist provision. This remains a structural pressure within the service and is recognised within the Medium-Term Financial Plan and the Section 25 statement as a key area of financial risk.
- Fostering, Adoption and Internal Placements: (£0.927m)
Fostering and Adoption now report an underspend of (£0.927m), a significant improvement from the Quarter Three position. This reflects, in part, the reversal of over accrued costs from 2024/25 that did not materialise, alongside a more considered approach for forecasting and accruals in 2025/26. While this has improved the outturn position, internal fostering capacity remains constrained and continues to limit the ability to reduce reliance on external placements.
- Assessment and Safeguarding: £3.281m

Assessment and Safeguarding represent the largest increase in pressure since Quarter Three, rising from £1.771m to £3.281m in outturn. This is primarily driven by continued reliance on agency staff to manage demand, vacancies and workforce instability with statutory frontline services

- **Staffing and Workforce Pressures**

Across the Directorate, ongoing workforce pressures particularly within Children Looked After and Assessment and Safeguarding, continue to drive higher than budgeted staffing costs. The reliance on agency staff has been necessary to maintain statutory service delivery but presents a significant affordability risk into future years. As highlighted, within the 2026/27 Budget Report and the Section 25 statement, the priority for 2026/27 is to stabilise the staffing structure, reduce agency reliance, and embed permanent capacity within approved budgets to improve both financial sustainability and service resilience.

Education & Partnerships: Final Outturn position £0.348m

Education & Partnerships	Full Year Budget £m	Full Year Forecast £m	Forecast Over / (Under) spend £m
Revenue Outturn	6.712	7.060	0.348

4.36 At final outturn, Education & Partnerships reports a net overspend of £0.348m, a reduction of (£0.117m) compared to the Quarter Three forecast. The position remains largely unchanged in nature and continues to relate to pressures within the Integrated Transport Unit (ITU), which provides home to school transport for children and transport for vulnerable adults.

4.37 The overspend primarily reflects previously agreed savings that were not fully delivered within 2025/26, largely due to demand and operational constraints within the service. These savings remain a focus for 2026/27, with the service expected either to deliver the agreed savings within a more realistic timeframe or to assess and develop alternative saving options where required. This approach aligns with the assumptions set out within the 2026/27 budget and Medium-Term Financial Plan, ensuring that the ongoing costs of the service is addressed in a sustainable way.

Regeneration & Housing: Final Outturn position (£0.385m)

Regeneration & Housing	Full Year Budget £m	Full Year Forecast £m	Forecast Over / (Under) spend £m
Revenue Outturn	3.991	3.606	(0.385)

4.38 At final outturn, the Regeneration & Housing Directorate reports a net underspend of (£0.385m), compared to a forecast overspend of £0.115m at Quarter Three. This movement reflects a combination of approved budget virements since Quarter Three and a significant one-off income item recognised at year end.

4.39 During the latter part of the year, budget virements relating to Public Protection and Street Lighting were approved, transferring budgets from Environment, Community & Cultural Services into Regeneration & Housing. These virements improved the Directorates overall position by £0.239m which is included in the final year-end position. In addition, the outturn benefits from a settlement payment received in relation

to the early surrender of a commercial lease, resulting in a one-off improvement in 2025/26. While this settlement has generated a favourable outturn in 2025/26, it should be noted that this will cause a short-term income pressure in 2026/27 until the vacated unit is brought back into use. The Council is currently in the process of securing a new tenant under a long-term lease, which will mitigate the longer-term impact and restore income levels thereafter.

- 4.40 Strategic Commercial Properties have faced significant challenges throughout the year. Boho Buildings report a final year end income shortfall of £0.545m. Currently, only 20% of the buildings are occupied, resulting in lost rental income and increased building related costs to the Council. A sector expert in managed accommodation has been appointed and, from December 2025, has been actively seeking tenancies.
- 4.41 The major tenant at Centre Square 1 renewed their lease agreement but reduced the space occupied, resulting in additional vacant space and a year-end financial pressure of £0.087m. The surrender of the lease referred to in paragraph 4.38 has resulted in a year-end saving of £0.390m in relation to Centre Square 2. The Council continues to actively seek alternative tenancies for the remaining vacant space.
- 4.42 The final outturn position for the Cleveland Centre and Captain Cook Square shopping centres is a combined financial pressure of £0.214m, reflecting income levels below budget. This represents an improvement compared to Quarter Three, when a shortfall of £0.405m was reported. These pressures have been partially offset by the Investment Property Contingency, with £0.419m fully utilised in 2025/26
- 4.43 The improved outturn position reflects prudent in-year financial management alongside proactive management of the Council’s commercial assets. However, as highlighted within the Medium-Term Financial Plan, income from strategic commercial properties remains sensitive to market conditions and tenancy changes and will continue to be monitored closely.

Environment, Communities & Culture: Final Outturn position £1.108m

Environment , Communities & Culture	Full Year Budget £m	Full Year Forecast £m	Forecast Over / (Under) spend £m
Revenue Outturn	20.598	21.706	1.108

- 4.44 At Quarter Three, Environment, Communities and Culture (ECC) reported a forecast overspend of £0.912m. Following approval of budget virements between Environment, Communities & Culture and Regeneration & Housing in relation to Public Protection and Street Lighting, this position has been restated to £1.108m. At final outturn, the Directorate reports an overspend of £1.108m, representing a small improvement against the underlying restated position. The principal drivers of the final position are set out below.
- 4.45 Bereavement Services: £0.321m - The overspend within Bereavement Services reflects the continuing reduced demand for cremations and the associated impact on income, alongside cost pressures with the service. While operational efficiencies have been implemented and some costs have been capitalised where appropriate, income

levels remain sensitive to competition from neighbouring facilities. This pressure has been recognised as ongoing, and additional budget provision has been included in the 2026/27 budget to mitigate the risk going forward.

- 4.46 School Meals Catering: £0.274m - The Catering Service overspend continues to be driven by rising food costs combined with the decision not to increase school meal prices to support families. The underlying pressure with catering services has been addressed through additional budget provision in the 2026/27 budget.
- 4.47 Fleet Services: £0.202m - Fleet service reports an overspend of £0.202m at outturn, reflecting ongoing recruitment and retention challenges and increased costs of vehicle parts. In the latter part of the financial year fitters have been recruited which reflects a stabilisation within staffing levels and reduced reliance on external repairs. However, cost pressures within the fleet services remain structural, and additional budget provision has been included with the 2026/27 budget to support the ongoing costs of service delivery.
- 4.48 During the latter part of the year, budget virements relating to Public Protection and Street Lighting were approved, transferring budget from Environment, Community & Cultural Services into Regeneration & Housing. These virements increased the Directorate's overall position by £0.239m, with the associated budget savings now reflected within Regeneration & Housings' final year-end position.
- 4.49 The remaining variance of £0.311m largely relates to unachieved savings of £0.393m, where increased service demand, growth pressures and a health and safety issue have required the Corporate Director of Environment, Communities and Culture to delay the planned staffing restructure.
- 4.50 In line with the 2026/27 budget and the Section 25 statement, these unachieved savings will be reviewed in the first quarter of 2026/27 to ensure they remain relevant and deliverable. Where necessary, the service will identify alternative, sustainable options to address the underlying budget requirement through the Medium-Term Financial Plan.
- 4.51 Overall, the Directorate's position reflects a combination of demand-led income pressures, cost inflation and service specific operational challenges. As set out in the 2026/27 Budget Report and Medium-Term Financial Plan, additional recurring budget provision has been included to address these pressures and support the sustainable delivery of services in future years.

Legal & Corporate Services: Final Outturn position (£0.286m)

Legal & Corporate Services	Full Year Budget £m	Full Year Forecast £m	Forecast Over / (Under) spend £m
Revenue Outturn	10.494	10.208	(0.286)

- 4.52 At final outturn, Legal & Corporate Services reports an underspend of (£0.286m), an improvement from the (£0.232m) underspend reported at Quarter Three. The improved position primarily reflects ongoing vacancies with ICT Services, which have continued beyond those assumed earlier in the year.

4.53 The underspend within ICT Services of (£0.254m) arises largely from a number of vacancies held pending structural and leadership arrangements. These staffing gaps have resulted in salary savings being realised at outturn.

4.54 During the year, responsibility for Strategy, Information and Governance transferred to the Chief Executives Office, along with a small underspend of (£0.065m) reported at Quarter Three. This transfer has not resulted in any material change to the overall outturn position for Legal & Corporate Services.

Finance: Final Outturn position (£0.849m)

Finance	Full Year Budget £m	Full Year Forecast £m	Forecast Over / (Under) spend £m
Revenue Outturn	5.880	5.031	(0.849)

4.55 At final outturn, the Directorate reports an underspend of (£0.849m), compared to an underspend of (£1.158m) forecast at Quarter Three, representing a movement of £0.309m. The main drivers of the outturn position are set out below.

4.56 Financial Planning & Business Partnering reports a year end position of a (£0.604m) underspend. The underspend reflects MTFP growth approved at the 2025/26 budget setting that was not fully utilised during the year, as the associated staffing review and restructure were not implemented until late in the financial year. The restructure has now been completed, with recruitment underway and a number of key roles appointed to. Remaining vacancies are expected to be filled during 2026/27.

4.57 Corporate Finance reports a year end overspend of £0.201m. The overspend reflects additional costs associated with bank charges and cash collection activities, which have exceeded budgeted levels.

4.58 Resident and Business Support, reports a year end position of a (£0.427m) underspend. The final underspend reflects a combination of staff savings, additional grant income. Compared to Quarter Three, the underspend has reduced from (£0.588m) to (£0.427m), primarily due to an additional £0.245m bad debt provision recognised at year end following a more detailed assessment of collectability.

4.59 Resident and Business Support: Housing Benefit Subsidy is reporting a final year end position of a £0.111m overspend. The final position reflects a slight improvement from the £0.166m pressure reported earlier in the year, following the final Year End Subsidy claim submission.

4.60 Strategic Commissioning and Procurement is reporting a final year end underspend of (£0.130m). The underspend reflects staffing related savings, including vacant posts and reduced working hours. In addition, an improvement since Quarter Three reflects additional income received through the Supplier Incentive Scheme, contributing to the final outturn position.

Chief Executives Office: Final Outturn position (£0.080m)

Chief Executive's Office	Full Year Budget £m	Full Year Forecast £m	Forecast Over / (Under) spend £m
Revenue Outturn	1.929	1.849	(0.080)

4.61 The underspend primarily reflects staffing variances that have arisen following approved budget movements between Directorates. In particular, as a result of service changes arising from the Senior Management Review since Quarter Three, responsibility for Strategy, Information and Governance transferred from Legal & Corporate Services to the Chief Executive's Office, along with the associated budget. Following this transfer, the outturn position reflects the combined budgets, with staffing vacancies contributing to the reported underspend. Without this budget virement, the position for the Chief Executive's Office would have been broadly in line with the approved budget at year end.

Central Budgets: Final Outturn position (£6.394m)

Central Budgets	Full Year Budget £m	Full Year Forecast £m	Forecast Over / (Under) spend £m
Revenue Outturn	(20.048)	(26.442)	(6.394)

4.62 The main components of the final outturn position for Central Budgets are set out below. These budgets include a number of corporate provisions and contingency allocations, and as such the position can vary between reporting periods as assumptions are updated and final allocations are confirmed.

4.63 A £0.444m pressure on the General Fund, primarily reflecting an income shortfall from the Levy Account Surplus, which the government confirmed in February would not be distributed in 2025/26 and an adjustment to business rates income in relation to Renewable Energy payments, including some prior years, which affect the General Fund.

4.64 A (£1.496m) underspend on Capital Financing, representing an increase from the (£1.000m) underspend reported at Quarter Three. This reflects lower than anticipated borrowing costs due to slippage within the capital programme and a reduced requirement for borrowing linked to Exceptional Financial Support (EFS).

4.65 A (£0.730m) underspend on the Change Fund, consistent with Quarter Three, as the planned contribution to the reserve in 2025/26 was no longer required due to the use of Flexible Use of Capital Receipts (FUoCR) to fund transformation and redundancy costs.

4.66 A £2.767m pressure relating to unachieved corporate savings, which remains consistent with the Quarter Three position in overall value but has been substantively addressed through the 2026/27 budget setting process. This includes:

- £0.244m linked to the Senior Management Review,
- £1.519m relating to Procurement and Contract Reviews, and
- £1.004m relating to Collection Fund savings.

The majority of these savings have now been removed or reprofiled, with only £0.819m remaining to be delivered in 2026/27. In line with the Council's financial strategy, these will be reviewed early in 2026/27 to ensure they remain realistic and deliverable, with alternative options identified where required.

4.67 In addition, there is a (£0.465m) improvement of centrally held grants, reflecting the final confirmation of Extended Producer Responsibility (EPR) funding, which is higher than originally estimated at the time of budget setting. A (£0.449m) underspend on External Audit Fees, reflecting updated accrual requirements following revised information received during the year.

4.68 The following corporate provisions have supported the improved outturn position throughout the financial year and are detailed in Table 1.

- A (£0.890m) underspend on Corporate Contingency, an improvement from the (£0.517m) forecast at Quarter Three, reflecting lower calls on contingency funding during the final quarter. The use of the Corporate Contingency budget in 2025/26 is detailed in Table 3 below.
- Utilisation of the £2.000m Savings Delivery Risk Budget, applied to support the overall financial position against unachieved savings, consistent with the Council's financial strategy.
- A (£0.681m) underspend on Pay and Prices and other inflation budgets, reflecting lower than anticipated cost pressures during the year.
- A (£2.975m) underspend of the Middlesbrough Priorities Fund where unapplied funding has been applied to offset Directorate pressures and support the overall outturn position.

4.69 Overall, the Central Budgets position has made a significant positive contribution to the final outturn, offsetting pressures within demand-led Directorates and supporting delivery of the Council's financial strategy. While some of these improvements are driven by one-off or timing factors, the position demonstrates the importance of maintaining robust corporate contingency and financial planning arrangements.

Contingency Budget and Change Fund

Table 3 – Use of Corporate Contingency and Change Fund in year

	Corporate Contingency	Change Fund Reserve
	£m	£m
Starting Budget 2025/26	1.327	2.766
Temporary budget virement to ECS to cover unachieved Residents Parking Permit charges saving	(0.250)	-
Contributions 2025/26 (Planned contribution of £0.730m in 2025/26 no longer required due to use of Flexible Capital Receipts Funding for transformational expenditure)	-	-
Available for use	1.077	2.766
<u>Approved projects supported in year</u>		
Middlesbrough Independent Improvement Advisory Board costs 2024/25 - residual costs falling into 2025/26	(0.009)	-
Employers Pension Contribution Rate Review costs	(0.003)	-
Interim Finance consultant - Infrastructure, assets and leasing	(0.002)	-
Financial improvement - Interim finance lead - accounts closure and audit, financial reporting, systems, and control	(0.007)	-
Armed Forces Day Council contribution	(0.001)	-
LCS Staff Review costs	(0.153)	-
Community Grants - VE Day Celebrations	(0.012)	-
Total used in year	(0.187)	-
BALANCE OF CONTINGENCY UNUSED IN 2025/26	0.890	
CLOSING BALANCE ON CHANGE FUND RESERVE AT 31/03/26		2.766

4.70 At Quarter Three, it was forecast that £0.517m of unused Contingency Funding would be available for use against the overall Council outturn position. The final balance on the unused element of the Contingency budget has increased to £0.890m. The change is largely due to the change to the profile of the Council contribution to the Turner Prize, which was planned to be funded in 2025/26, but will now not be required until 2026/27.

4.71 There have been no calls on the Change Fund during 2025/26 because of the use of Flexible Use of Capital Receipts for transformational expenditure. For the same reason, the budgeted contribution of £0.730m planned for 2025/26 was not required, this still leaves the balance on the Change Fund Reserve at the end of 2025/26 at £2.766m.

Council Reserves and Provisions

4.72 Table 4 summarises the Council's General Fund reserves and provisions showing the movement between 31 March 2025 and that currently forecast at 31 March 2026, with full details included in Appendix 3. It shows that the Council has forecast usable unrestricted revenue reserves on 31 March 2026 of £25.941m made up of £11.100m General Fund reserves and £14.841m Unrestricted Usable Earmarked reserves. (highlighted yellow)

Table 4 – Summary of General Fund Balance, Reserves, and Provisions

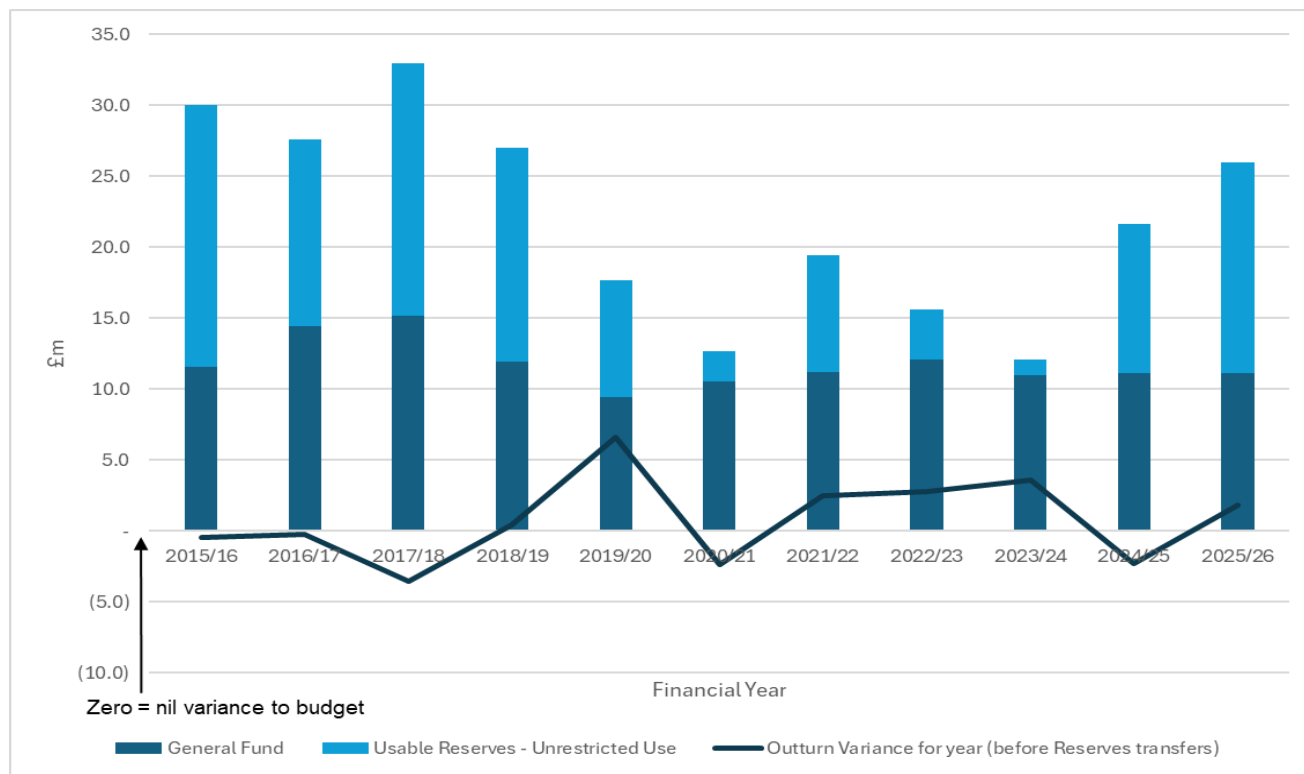
	<u>Opening Balance 01/04/25</u>	<u>Use in Year</u>	<u>Additional Budgeted Contributions</u>	<u>Transfers from / (to) General Fund</u>	<u>Transfers between Reserves</u>	<u>Balance at year-end</u>	<u>Outturn variance transferred to Reserves (from) / to General Fund</u>	<u>Closing Balance at 31/03/26</u>
	£m	£m	£m	£m	£m	£m	£m	£m
GENERAL FUND RESERVE	11.100	-	-	-	-	11.100	-	11.100
USABLE EARMARKED RESERVES								
Restricted Use	2.689	(0.013)	-	0.871	-	3.547	-	3.547
Unrestricted Use	10.554	-	5.888	0.192	-	16.634	(1.793)	14.841
	13.244	(0.013)	5.888	1.063	-	20.182	(1.793)	18.389
UNUSABLE EARMARKED RESERVE	(16.813)	(7.782)	-	-	-	(24.595)	-	(24.595)
SCHOOL BALANCES	3.050	0.987	-	-	-	4.037	-	4.037
PROVISIONS	3.814	0.484	-	-	-	4.298	-	4.298
	14.395	(6.324)	5.888	1.063	-	15.022	(1.793)	13.229

NOTE

The year-end balances may be subject to further change due to further technical adjustments which may be required as part of the closure of the Council's accounts. These will be mainly relating to the closure of the Collection Fund accounts, DSG, school balances, and Insurance Fund. There may also be potential changes required as part of the external audit of the Council's accounts. The final year-end balances will be reported in the Council's Statement of Accounts for 2025/26, and in the final outturn report for the financial year.

Figure 1 below shows the trajectory of Middlesbrough's unrestricted usable reserves from 2015/16 through to 2025/26 year-end forecast closing balance against the reported outturn position per year.

Figure 1 - Middlesbrough Council - Unrestricted Reserves Balances from closing balance 2015/16 through to year-end forecast closing balance 2025/26 and reported outturn variance per year

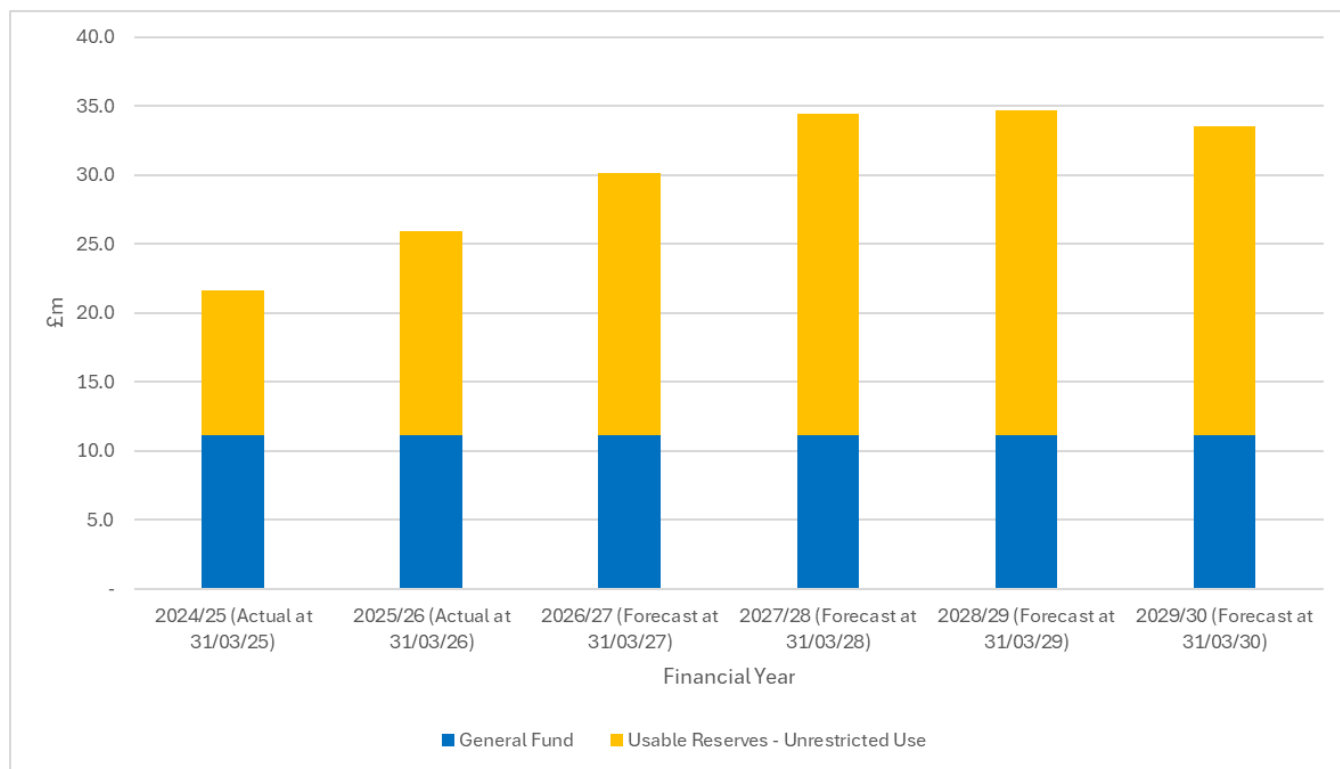


4.73 The strength of reserves illustrated in Figure 1, shows a clear positive trajectory in unrestricted balances in recent years, despite continued in-year service pressure. This reflects the Council's strategy of rebuilding resilience through disciplined financial management and the planned use of contingencies and planned resources rather than reactive use of reserves.

4.74 The Council must continue to rebuild its unrestricted revenue reserves over the period of the MTFP in order to strengthen the Council's financial resilience and to provide sufficient resilience to support the management of risks in the delivery of the revenue budget over the current MTFP period. Reserves will increase in future years due to planned contributions to reserves as set out in the Reserves Policy in the 2026/27 Revenue Budget, Medium Term Financial Plan 2026/27 to 2029/30, and Council Tax report to Council on 18 February 2026.

4.75 Figure 2 below shows the projected unrestricted usable reserves through to the end of 2029/30 after planned contributions; however, this will depend on any unplanned drawdowns of reserves.

Figure 2 - Forecast Unrestricted Usable Reserves from closing balance 2024/25 through to closing balance 2029/30 (following planned contributions and drawdowns)



Dedicated Schools Grant (DSG)

4.76 Local authorities receive a ring-fenced grant from central government each year, which can only be used to fund education, this is referred to as the Dedicated Schools Grant (DSG) and is accounted for separately from the main Revenue Budget. The DSG comprises a number of funding blocks:

- Schools Block
- Central Schools Services Block
- High Needs Block
- Early Years Block

4.77 Table 5 below summarises the final outturn position for the DSG budget. This shows an in-year overspend on the High Needs Block of £9.072m, partially offset by an underspend on the Early Years Block of (£1.968m), resulting in a net in-year overspend of £7.104m. The cumulative DSG deficit at 31 March 2026 is £29.317m.

Table 5 - Dedicated Schools Grant (DSG) after recoupment and deductions

	2025/26 Actual Income	2025/26 Actual Expenditure	2025/26 Year End Outturn	Balance as at 31/03/2025	Forecast Cumulative DSG Deficit as at 31/03/2026
	£m	£m	£m	£m	£m
Early years	25.741	23.774	(1.967)	(0.749)	(2.716)
Schools Block	13.277	13.277	0.000	(0.490)	(0.490)
High Needs	33.159	42.230	9.071	23.515	32.586
Central school services block	1.136	1.136	0.000	(0.063)	(0.063)
TOTAL	73.313	80.417	7.104	22.213	29.317

*The income figure includes the 0.5% transfer from schools block to High Needs Block agreed at School Management Forum January 2025

- 4.78 The Dedicated Schools Grant (DSG) continues to be subject to a statutory override, requiring deficits to be held separately from the General Fund. The Government has confirmed that this override will now be extended to 31 March 2028, aligning with the transition to a reformed SEND system. In addition, local authorities will be eligible for a High Needs Stability Grant covering up to 90% of the DSG deficit accrued to March 2026, subject to approval of a Local SEND reform Plan by the Department of Education. The remaining 10% has been provided for within the reserves in the Medium-Term Financial Plan approved by Council in February 2026.
- 4.79 Middlesbrough Council is well advanced in developing a comprehensive and robust plan, working closely with partners to set out a sustainable approach to managing demand, improving outcomes and stabilising the High Needs Block. While the DSG deficit remains a significant financial pressure and is forecast to continue in the short term, these national reforms, alongside local delivery of the SEND Reform Plan, provide a clearer pathway towards long-term sustainability.
- 4.80 While national developments, including the extension of the statutory override and the introduction of the High Needs Stability Grant, provide a more structured pathway for managing DSG deficits, there remains a significant degree of financial risk. The current DSG deficit of £29.317m at 31 March 2026 exceeds the Council's usable revenue reserves of £25.941m and is forecast to continue to grow over the medium term. Although the Council is progressing a robust SEND Reform Plan to support longer-term sustainability, the financial position remains dependent on the successful delivery of these reforms and continued Government support.
- 4.81 Further details of the DSG budget and the management actions being taken alongside the delivery of the SEND Reform Plan programme are provided in Appendix 4.
- 4.82 The DSG risk is included in the Council's Strategic Risk Register and is reflected in the Annual Governance Statement for 2025/26

Medium Term Financial Plan issues

- 4.83 The 2026/27 budget incorporated additional resources to support known demand pressures, however, underlying financial challenges remain. Whilst the year-end position demonstrates that a significant proportion of in-year pressures have been mitigated, the Council continues to face structural and demand-led pressures, particularly in statutory services. Since the budget was set, there has also been increased economic uncertainty, with continued inflationary pressures and global instability potentially increasing costs beyond original assumptions
- 4.84 The Final Local Government Finance Settlement for 2026/27, published on 9 February 2026, provided additional funding which strengthened the Council's financial position, and provided support for service led demand and enabled budget growth to be provided in a number of areas. This additional funding, alongside improved financial governance, has contributed to an improved level of financial resilience compared to previous years.
- 4.85 Despite this, the final outturn confirms that a number of in-year pressures persist, most notably within Children's Social Care. This continues to be a significant area of concern, driven by increasing demand, complexity of need, reliance on agency staffing, and a high cost of external residential placements. These pressures have been sustained over a number of years and represent a structural financial challenge, requiring continued intervention, demand management, and service transformation to ensure long-term sustainability.
- 4.86 The outturn position also reflects ongoing inflationary pressures, service demand volatility and uncertainty in income streams. Whilst the 2026/27 budget has been set on a balanced basis and is considered deliverable, this is dependent on strict adherence to financial discipline, including effective cost control, delivery of all approved savings, and robust in-year monitoring. Directors are required to manage expenditure within approved budgets without exception, as failure to do so would place additional pressure on already low reserve levels and undermine the Council's financial resilience.
- 4.87 Looking ahead to 2027/28 and beyond, a number of risks require continued monitoring. These include:
- Sustained demand and cost pressures in Children's and Adults Social Care
 - Continued reliance on agency staffing and challenges in maintaining sufficient permanent workforce capacity
 - Delivery risk associated with existing savings programmes
 - Income volatility across commercial and fee-generating services
 - The financial impact of planned capital activity, including the temporary closure of the Town Hall
 - Ongoing pressures in areas such as waste disposal, homelessness and transport
 - The continuing uncertainty surrounding Dedicated Schools Grant (DSG) deficits and future SEND reform

Although provision has been made within the MTFP for demand pressures and risk, the scale and persistence of these issues mean that further mitigating actions may be required as part of future financial planning cycles.

4.88 The next review of the MTFP will take place in September 2026, with an interim update presented in July 2026 as part of the Budget Development approach and Timetable report. A full refresh of the MTFP will be presented to Executive in September 2026 as part of the 2027/28 Budget and MTFP 2027/28 to 2030/32 Update report, ensuring the Council continues to respond to emerging financial risks and uncertainties.

4.89 The Council will continue to utilise its Transformational Programme and continuous improvement approach to identify and deliver efficiencies, modernise service delivery and strengthen financial sustainability. This includes improving demand management, service redesign and ensuring both financial and non-financial benefits are realised from transformational activity.

4.90 A range of strengthened budgetary control and governance measures will continue to be embedded across the organisation, including:

- Monthly budget monitoring supported by Finance Business Partners
- Quarterly Directorate budget review meetings and regular engagement at Directorate Management Team meetings.
- Quarterly integrated budget and performance clinics chaired by the Section 151 Officer.
- Quarterly Member-led budget clinics, with monthly oversight for Children's Services
- Targeted service reviews in areas of significant financial pressure
- Ongoing vacancy management and strict controls on agency recruitment
- Enhanced controls over non-essential expenditure
- Continued development of Business World and Power BI reporting to improve financial visibility
- Improved data quality and financial processes through training and system enhancements
- Strengthened procurement compliance
- Enhanced governance arrangements for the capital programme

These measures support a strengthened financial management culture across the Council and are critical to maintaining budgetary control and rebuilding financial resilience.

4.91 Overall, the approach to financial management reflects a continued focus on robust governance, improved forecasting, strengthened financial controls and delivery of planned savings, alongside the need to embed sustainable financial practices across all services.

4.92 Key risks impacting the MTFP remain centred on:

- Demand-led pressures, particularly in Children's and Adult Social Care
- Delivery of existing savings commitments
- Inflation and economic uncertainty impacting costs and income
- Risk associated with DSG deficits and future funding arrangements for SEND

- Income volatility and commercial risks
- Waste disposal and environmental cost pressures

2025/26 Capital Programme Outturn

4.93 On 19 February 2025 Council approved a Capital Programme for 2025/26 of £74.798m (the original 2025/26 capital budget). This was revised to £82.571m as approved by Executive within the 2024/25 Revenue and Capital Outturn report of 11 June 2025 to take account of 2024/25 programme slippage and some new externally funded schemes. Accounting for additional programme slippage and new externally funded schemes, the budget was revised to £87.575m at Quarter One and subsequently to £88.094m at Quarter Two and again to £88.451m from an additional £0.357m in Quarter Three to add new externally funded schemes / additional external funding to existing schemes.

4.94 The budget has been further revised at Quarter Four by the addition of a total of £1.057m of new externally funded schemes / additional external funding to existing schemes. The total additional funding of £1.057m has increased the capital programme for 2025/26 to £ 89.508m as at Quarter Four. Details of all the additional funding and the schemes to which it is attributed to are provided at Appendix 5.

4.95 The final outturn at 31 March 2026 is expenditure of £56.477m, an underspend of £26.094m (31%) against the original budget adjusted for 2024/25 slippage, £31.974m (36%) against the Quarter Three 2025/26 revised budget, and £33.031m (37%) against the final 2025/26 budget.

4.96 The £56.477m of expenditure was funded by:

- £32.153m (57%) grants and external funding / contributions
- £11.659m (21%) capital receipts
- £12.665m (22%) borrowing

Table 6 – summary of capital programme approved budget, revised budget, final outturn and variance*Table 6 - Summary of Capital Programme approved budget, revised budget and actual year end outturn and variance for 2025/26*

Directorate	2025/26	2025/26	2025/26	2025/26	2025/26	2025/26	2025/26	2025/26	MEMO Explanation of Year-End Forecast Outturn Variance	
	Capital Programme Budget (as approved by Council 19/2/25)	Revised Capital Programme Budget (as per Executive report 11/6/25)	Revised Capital Programme Budget (as at Quarter Two)	Revised Capital Programme Budget (as at Quarter Three)	Revised Capital Programme Budget (as at Quarter Four)	Year-end Actual Outturn	Year-end Outturn Variance	Year-end Outturn Variance against Revised Budget at Quarter Four		
	£m	£m	£m	£m		£m	£m	%	Slippage £m	Underspend £m
Regeneration	32.716	32.617	34.170	34.450	34.450	24.953	(9.497)	-27.57%	(9.497)	-
Environment and Community	20.198	24.774	26.628	26.657	27.553	15.452	(12.101)	-43.92%	(11.439)	(0.662)
Public Health	0.779	0.971	1.042	1.042	1.034	0.933	(0.101)	-9.77%	-	(0.101)
Education and Partnerships	7.553	10.241	12.176	12.264	12.264	2.822	(9.442)	-76.99%	(9.246)	(0.196)
Children's Care	0.550	0.711	0.821	0.821	0.791	0.522	(0.269)	-34.01%	(0.269)	-
Adult Social Care	3.701	3.925	3.925	3.925	4.124	3.698	(0.426)	-10.33%	(0.406)	(0.020)
Legal and Governance Services	1.610	1.629	1.629	1.979	1.979	2.367	0.388	19.61%	0.388	-
Finance	0.191	0.203	0.203	0.203	0.203	0.071	(0.132)	-65.02%	(0.132)	-
Transformation Programme	7.500	7.500	7.500	7.110	7.110	5.659	(1.451)	-20.41%	(1.451)	-
Total	74.798	82.571	88.094	88.451	89.508	56.477	(33.031)	-36.90%	(32.052)	(0.979)

4.97 Capital slippage results from a delay in delivery of projects compared to the planned delivery. Whilst expenditure remains within the approved project budget, this results in an in-year underspend which is required to be carried forward to future financial years. This is called slippage. The confirmed amount of slippage from 2025/26 of £32.052m is reprofiled and carried forward to financial years 2026/27 to 2029/30 to reflect revisions to the expected delivery and expenditure timescales. £8.752m of the stated £32.052m slippage has been identified following reviews of the status of the projects within the capital programme during Quarter Four. Details of capital slippage for 2025/26 as at Quarter Four are shown in Appendix 6.

Transformation

4.98 The Capital Programme 2025/26 to 2028/29 and Capital Strategy 2025/26 (Appendix 6) of the 2025/26 Revenue Budget, Medium Term Financial Plan and Council Tax setting report approved by Council on 19 February 2025 noted the inclusion of transformation and redundancy expenditure totalling a maximum of £7.500m which can be capitalised under the Flexible Use of Capital Receipts Strategy (FUoCR) in 2025/26 (as part of the planned £26.700m Transformation Programme from 2024/25 to 2028/29), and the annual Flexible Use of Capital Receipts (FUoCR) Strategy for 2025/26 approved by Council on 26 March 2025 confirmed this and provided further details.

4.99 In addition to the two schemes totalling £9.500m as detailed in the Quarter Three report, a further scheme that was previously within the Transformation element of the Capital Programme as stated in Appendix 7 has been moved to the respective Directorate that will manage the schemes:

- £0.350m Demonstration Home for adaptation within Adult Social Care

4.100 The scheme will be funded through the £26.700m of capital receipts allocated to the Transformational Programme. The impact of this is that the funds available for revenue funding through the FUCR strategy will reduce to £16.850m. Of the £16.850m allocation £4.447m was spent in 2024/25 and £5.659m has been spent in 2025/26 leaving £6.744m for 2026/27 onwards as depicted in Appendix 7.

4.101 Full details of the Transformation expenditure funded through FUCR in 2025/26 are provided in Appendix 8, along with links to savings. Expenditure relating to Transformation will be reviewed on a regular basis and updates will be provided to Executive and Council where appropriate.

4.102 Table 7 summarises, and Appendix 7 details updated year-end outturn expenditure for 2025/26 and forecast expenditure for the period 2026/27 to 2029/30 split over the various schemes and the proposed funding.

Table 7 - Summary of Capital Programme 2025/26 to 2029/30

Directorate	Forecast Expenditure					TOTAL
	2025/26	2026/27	2027/28	2028/29	2029/30	
Regeneration & Housing	24.953	39.860	39.171	19.208	8.370	131.562
Environment, Communities and Culture	15.452	26.344	6.808	8.306	11.808	68.718
Public Health	0.933	0.001	-	-	-	0.934
Education and Partnerships	2.822	12.822	0.132	0.078	-	15.854
Children's Social Care	0.522	0.269	-	-	-	0.791
Adult Social Care	3.698	2.434	1.050	1.120	1.120	9.422
Legal and Corporate Services	2.367	4.484	3.685	2.185	2.185	14.906
Finance	0.071	0.334	0.187	-	-	0.592
Transformation	5.659	5.272	1.472	-	-	12.403
						-
Total Expenditure	56.477	91.820	52.505	30.897	23.483	255.182

Funded By	Forecast Expenditure					TOTAL
	2025/26	2026/27	2027/28	2028/29	2029/30	
	£m	£m	£m	£m	£m	£m
Borrowing	12.602	30.860	22.038	11.475	9.605	86.580
Leases	0.063	0.150	0.087	-	-	0.300
Capital Receipts	6.000	11.960	16.060	14.231	12.878	61.129
Flexible Use of Capital Receipts	5.659	5.272	1.472	-	-	12.403
Grants	26.858	37.106	6.933	1.078	1.000	72.975
Contributions	5.295	6.472	5.915	4.113	-	21.795
						-
Total FUNDING	56.477	91.820	52.505	30.897	23.483	255.182

Treasury Management – Borrowing & Prudential Indicators

4.103 The Council's investment and borrowing activity is managed in accordance with the Treasury Management Strategy (TMS) which is a key element of the MTFP alongside the annual revenue budget and capital programme which are approved by Council annually before the start of the financial year, with the latest Treasury Management Strategy 2026/27 approved by Council on 18 February 2026.

4.104 Treasury Management activity is governed by the Prudential Indicators which are set within the TMS. The Council uses external expert Treasury advisors (Arlingclose) to inform the development of its strategy and operational in year decisions. A Prudential Indicators and Treasury Management Outturn 2025/26 report will be taken to Executive in July 2026.

Collection Fund - Council Tax and Business Rates income

4.105 Income received from Council Tax and Business Rates (NNDR) is a major source of revenue income for the Council and funds around 62% of its annual expenditure in delivering all Council services. It is accounted for within the Collection Fund and operates under the Government regulations, separately to the Council's general fund. Due to the prescribed mechanisms for operating the Collection Fund, the financial impact of any 2025/26 income collection variances from the estimated forecast done at Quarter Three (which is used in setting the Council Tax for 2026/27) do not immediately affect the General Fund position. By illustration, the impact of any final surplus or deficit variance on the Collection Fund for 2025/26 is fed into the development of the 2027/28 budget and MTFP process and any cost/benefit does not impact the 2026/27 financial year directly. Table 11 below shows the Collection Fund position for 2025/26.

Table 11 – Collection Fund 2025/26 outturn position

COLLECTION FUND BALANCE	Council Tax (£m)	Business Rates (£m)	Total (£m)
Balance brought forward at 1 April 2025	(4.908)	1.728	(3.180)
Contribution for Previous Years Surplus / (Deficit)	3.934	(0.468)	3.466
Deficit / (Surplus) for the year	(2.231)	0.758	(1.473)
Balance carried forward at 31 March 2026	(3.205)	2.018	(1.187)
Allocated to:	83.4%	49%	
Middlesbrough Council (precepting share)	(2.673)	0.989	(1.684)
Amount incorporated in budget for 2026/27	2.547	(0.459)	2.088
Additional deficit to factor into 2027/28 budget	(0.126)	0.530	0.404

4.106 The 2026/27 MTFP presented to Council in February 2026 included the estimated effect of Council Tax and Business Rates income. In the context of the current economic climate and the Cost-of-Living Crisis, there is an ongoing risk to the levels of collection of these taxes which may result adversely upon collection rates. The actual in-year collection rates for 2025/26 were 92.9% for Council Tax and 95.5% for Business Rates. Overall collection rates remain respectable and presents as a surplus on the collection fund as precepted amounts have been prudently set lower than actual collection rates (particularly on council tax). Over a period (circa. 10 years) Council Tax collection rates (pre-welfare reform) were around 98.7% and post welfare reform are circa 97.6%, with business rates hovering around 97.7%.

4.107 The position on business rates has been more challenging in recent years and is now showing a deficit balance carried forward of more than £2.0m. This reflects the difficulty in growing and retaining businesses in the local area in recent times.

4.108 Any combined net deficit in the table above affecting the 2027/28 budget process, will be managed using unrestricted usable reserves as part of the MTFP.

Debt Recovery Performance

4.109 A key workstream within the plans to recover the Council's financial position is the renewed focus upon recovering monies owed to the Council from the following sources.

- Council Tax
- Business Rates
- Sundry (general) debt
- Housing Benefit Overpayments

4.110 The Council's approach to improving debt recovery performance whilst maintaining appropriate support to residents and businesses who are entitled to available help, advice and support, was detailed in Appendix 11 of the Quarter Three 2024/25 report. Progress has been included in quarterly monitoring reports throughout 2025/26 with the position at year-end 2025/26 (31 March 2026) shown in Table 12 below.

Table 12 – Debt Collection Performance 2025/26

Category of Collectable Debt	Balance at 1/4/25 (£m)	Movement in-year (£m)	Balance at 31/3/26 (£m)
Council Tax	40.683	2.936	43.619
Business Rates	8.508	(1.118)	7.390
Sundry Debt	8.905	(1.563)	7.342
Housing Benefits Overpayments	5.358	(0.446)	4.912
Total	63.454	(0.191)	63.263

Note that the figures for Council Tax and Business Rates are Middlesbrough's share of the Collection Fund debt (Council Tax 83% and Business Rates 49%).

A separate report will be presented to Executive later in 2026/27, for approval, writing off a number of such debts, detailing the debtor involved, date raised, amount involved, recovery action taken to date, and the reason why this debt cannot be collected

5. Ward Member Engagement if relevant and appropriate

5.1 Not applicable

6. Other potential alternative(s) and why these have not been recommended

6.1 The alternative would be not to approve the revenue budget virements over £250,000 and the changes to the Council's capital programme, and to not report the Council's final outturn position for the financial year 2025/26. This would not enable the Executive to discharge their responsibilities to manage and control the revenue budget, capital programme and overall balance sheet position of the Council.

7. Impact(s) of the recommended decision(s)

Topic	Impact
Financial (including Social Value)	This report sets out the implications associated with the financial performance of the Council in managing its revenue, grant and capital resources for the financial year 2025/26 and the financial implications are incorporated throughout. The report should be read in conjunction with the 2026/27 Revenue Budget, Medium Term Financial Plan, and Council Tax setting, report presented to Council on 18 February 2026 and with the Treasury Management Mid-Year Review 2025/26 report presented to Executive on 3 December 2025, to fully understand the financial position of the Council.
Procurement	The are no direct impacts on procurement
Legal	The proposed recommendations are consistent with and will promote the achievement of the Council's general legal duty to achieve Best Value in accordance with Section 3 of the Local Government Act 1999 (as amended by s137 of the Local Government & Public Involvement in Health Act 2007).
Risk	In line with the Council's Risk Management Policy, the corporate Strategic Risk Register will be reported to this Executive as part of the Corporate Performance 2025/26 Outturn report.
Human Rights, Public Sector Equality Duty and Community Cohesion	The complete overall impact assessment included in Appendix 3 of the 2025/26 budget report to Council on 19 February 2025, along with all the individual impact assessments found that there was a justified adverse impact from these proposals in order to ensure the Council is able to maintain a balanced budget and continue to meet its statutory obligations.
Reducing Poverty	The proposed recommendations in this report do not directly impact on Reducing Poverty.
Climate Change / Environmental	The proposed recommendations in this report do not directly impact on Climate Change/Environmental issues.
Children and Young People Cared for by the Authority and Care Leavers	The proposed recommendations in this report do not directly impact on Children and Young People Cared for by the Authority and Care Leavers.
Data Protection	The proposed recommendations in this report do not directly impact on Data Protection issues.

Actions to be taken to implement the recommended decision(s)

Action	Responsible Officer	Deadline
Subject to approval by Executive revenue budget virements detailed in Appendix 1 to be actioned.	Head of Financial Planning & Business Partnering	30/06/2026
Subject to approval by Executive, amendments to the capital programme for 2025/26 to be actioned.	Head of Financial Planning & Business Partnering	30/06/2026

Appendices

1	Appendix 1 – Proposed revenue budget virements above £250,000 at Quarter Four 2025/26
2	Appendix 2 – Details of savings classified as unachievable in 2025/26
3	Appendix 3 – Reverses & Provisions for Q4 2025/26
4	Appendix 4 – Dedicated Schools Grant
5	Appendix 5 – Capital New Funding and Virement at Q4
6	Appendix 6 – Details of Capital Slippage at Q4
7	Appendix 7 – Revised Capital Forecast to 2029-30
8	Appendix 8 – Transformation Expenditure Funded Through FUoCR 2025/26

Background papers

Body	Report title	Date
Executive	2025/26 Budget, Medium Term Financial Plan 2025/26 to 2028/29, and Council Tax setting	5/2/25
Council	2025/26 Budget, Medium Term Financial Plan 2025/26 to 2028/29, and Council Tax setting	19/2/25
Council	Prudential Indicators and Treasury Management Strategy 2025/26 report	19/2/25
Council	Flexible Use of Capital Receipts Strategy 2025/26	26/3/25
Executive	2024/25 Outturn Report	11/6/25
Executive	Revenue and Capital Budget – Forecast Year-end Outturn position at Quarter One 2025/26	3/9/25
Executive	Revenue and Capital Budget – Forecast Year-end Outturn position at Quarter Two 2025/26	3/12/25
Executive	Treasury Management Mid-Year Review 2025/26	3/12/25

Executive	Prudential Indicators 2026/27 to 2029/20 and Treasury Management Annual Strategy Report 2026/27	4/02/26
Executive	2026/27 Revenue Budget, Medium Term Financial Plan, and Council tax setting	4/02/26
Executive	Revenue and Capital Budget – Forecast Year-end Outturn position at Quarter Three 2025/26	4/02/26
Council	2026/27 Revenue Budget, Medium Term Financial Plan, and Council Tax setting	18/02/26
Council	Prudential Indicators 2026/27 to 2029/30 and Treasury Management Annual Strategy Report 2026/27	18/02/26

Contact: Helen Dalby
 Head of Financial Planning & Business Partnering
Email: helen_dalby@middlesbrough.gov.uk

Appendix 1 : Proposed revenue budget virements above £250,000 at Quarter Four 2025/26
(under Financial Procedure Rules 12.6.45 and 12.6.132)

<i>Proposed Virement Request</i>	Regeneration & Housing	Environment, Communities & Culture	Public Health	Education & Partnerships	Children's Care	Adult Social Care	Legal & Corporate Services	Chief Executive	Finance	Central Budgets
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
<i>Permanent</i>										
<i>Temporary</i>										
Centralisation of Insurance budgets - Strategic Finance									(0.036)	
Centralisation of Insurance budgets	(0.005)	(0.757)		(0.029)	(0.260)	(0.072)	-		1.159	
Allocation of budgets to match expenditure on Middlesbrough Priorities	0.629	0.142	0.195	0.072	0.062	0.052	-	-	0.099	(1.251)
Total Virement	0.624	(0.615)	0.195	0.043	(0.198)	(0.020)	-	-	1.222	(1.251)
									Total:	-

Virement Request	Regeneration £m	Environment and Community Services £m	Public Health £m	Education & Partnerships £m	Children's Care £m	Adult Social Care £m	Legal & Governance Services £m	Chief Executive £m	Finance £m	Central Budgets £m
OVER £250k FOR APPROVAL BY EXECUTIVE										
Permanent										
Temporary										
Centralisation of Insurance budgets - Strategic Finance									(0.036)	
Centralisation of Insurance budgets	(0.005)	(0.757)		(0.029)	(0.260)	(0.072)	-		1.159	
Allocation of budgets to match expenditure on	0.629	0.142	0.195	0.072	0.062	0.052	-	-	0.099	(1.251)
Total Virement	0.624	(0.615)	0.195	0.043	(0.198)	(0.020)	-	-	1.222	(1.251)
									Total:	-
UNDER £250k - NOT REQUIRING EXECUTIVE APPROVAL										
Permanent										
Temporary										
Total Virement	-	-	-	-	-	-	-	-	-	-
									Total:	-
OVERALL TOTAL	0.624	(0.615)	0.195	0.043	(0.198)	(0.020)	-	-	1.222	(1.251)
									Total:	-

Appendix 2 - Detail of savings currently classified as unachievable in 2025/26

Year Saving Initiative Introduce	Saving Reference	Saving Detail	Unachieved savings at Quarter Four £m	Reason for underachievement
Adult Social Care				
2024/25	ASC11	Re-provision use of Levick Court	0.018	Negotiations with Health have concluded and the report to re-provision the service was approved 12th November 2025. Levick Court was successfully launched in February 2026. The service has achieved £0.293m of the £0.311m savings target and is on track to achieve the remaining £0.018m of saving in 2026/27
			0.018	
Children's Care				
2024/25	CS04 - in year	Reduction in agency costs	0.380	This saving was brought forward from 2024/25 unachieved savings. Controls have been introduced, however, ongoing service demand and workforce challenges have limited reductions in agency use.
2024/25	CS07 - in year	Introduce Supplier Incentive Scheme across Children's Care	0.031	This saving was brought forward from 2024/25 unachieved savings. To date, there has been minimal take up of early payments. (The full year effect of early payments required to achieve this savings would need to be £6.2m).
2025/26	CC01 24-25	Review of all Children's Care staffing	0.500	Unachieved due to demand increases in service areas identified as savings by consultant analysis and report/proposal
2025/26	CC01	Modernising Foster Care	1.518	While initiatives to increase fostering provision and reduce residential placements are in progress, demand and placement complexity have continued to drive increased use of residential care in-year
2025/26	CC05	Maximising Grants across Children's Services	0.604	Bid writer post has left. Currently awaiting outcome of two bids and any impact if successful on 2025-26 financial position.
2025/26	CC04	Introduce Edge of Care Team	0.800	Reduction in numbers has not yet materialised, and placements into residential care are currently increasing rather than decreasing.
			3.833	
Education & Partnerships				
2025/26	EDC02	Deliver passenger assistance training internally	0.037	The majority of the budgeted savings are unachieved to date in 2025/26. Plans for achievement or replacement savings to be reprofiled to reflect more realistic delivery timescales, incorporated into the 2026/27 base budget.
2025/26	EDC03	Increase transport capacity	0.084	
2025/26	EDC04	Management Review	0.044	
2025/26	EDC05	Recharge Discretionary Home to School Transport Services	0.078	
2025/26	EDC07	Travel Training	0.102	
			0.345	
Regeneration & Housing				
2024/25	REG03	Review and implementation of alternative operating models for Captain Cook Birthplace Museum	0.075	It was assumed that the service would receive an annual contribution of (£0.150m) to keep the museum open, however following negotiations, only half of this will be received.
2024/25	REG07	Investing in better coordination of the way the Council provides housing to reduce the overall spend on emergency, temporary and short term accommodation for people	0.300	Whilst there are actions being undertaken which will address costs, the nature of the budgets which sit within other directorates and the increase in homeless cases will only result in cost reduction rather than budget savings. This saving will be replaced permanently by an alternative saving.
			0.375	
Environment, Communities and Culture				
2024/25	ECS05	Integrate Environment Services and Supporting Communities functions and create a Neighbourhood Management approach	0.111	Due to service growth, it has not been possible to achieve the full £0.287m saving, as in order to meet service demands, staffing numbers could not be reduced further. A saving of £0.195m was achieved in 2024/25.
2024/25	ECS08	Resident Parking Permits charge	-	Temporary Virement to Contingency for 2025/26. These savings have been reviewed through the Medium-Term Financial Plan and have been removed.
2025/26	ECS13	Management Review	0.282	It is expected that the original saving will need to be re-configured due to growth and new service demands. It is now expected to commence in 2026/27.
			0.393	
Central				
2023/24	CEN02	Senior Management Review	0.244	The Senior Management Review was completed and implemented in January 2026, with the resulting financial assumptions reviewed and incorporated into the Councils Medium Term Financial Plan.
2024/25	FIN02	Review of Single Person Discount and Student Exemption for Council Tax	0.264	Saving will be realised in Collection Fund, not General Fund
2024/25	FIN03	Collection of Council Tax (Old Debt)	0.110	Saving will be realised in Collection Fund, not General Fund
2024/25	FIN04	Collection of Council Tax (Charging Orders)	0.504	Saving will be realised in Collection Fund, not General Fund
2024/25	FIN05	Collection of Business Rates	0.126	Saving will be realised in Collection Fund, not General Fund
2025/26	FIN13	Procurement Contract Management (Council wide)	1.519	Double count of saving FIN07 from 24/25 budget setting. In addition savings achieved to date have been in respect of Capital Contracts and therefore unable to allocate against the revenue savings target for 25/26. These savings have been reviewed through the Medium-Term Financial Plan and have been reduced
			2.767	
TOTAL SAVINGS CURRENTLY CLASSIFIED AS UNACHIEVABLE IN 2025/26			7.731	

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Appendix 3 - Detail of Forecast Reserves and Provisions movements in 2025/26

	<u>Opening Balance</u> <u>01/04/25</u>	<u>Use in Year</u>	<u>Additional</u> <u>Budgeted</u> <u>Contributions</u>	<u>Transfers from /</u> <u>(to) General</u> <u>Fund</u>	<u>Transfers between</u> <u>Reserves</u>	<u>Balance at year-</u> <u>end</u> <u>(BEFORE ANY</u> <u>ADJUSTMENTS</u> <u>FOR OUTTURN</u> <u>VARIANCE)</u>	<u>Outturn variance</u> <u>transferred to</u> <u>Reserves (from) /</u> <u>to General Fund</u>	<u>Closing Balance at</u> <u>31/03/26</u> <u>(AFTER</u> <u>ADJUSTMENTS FOR</u> <u>OUTTURN</u> <u>VARIANCE)</u>
	<u>£m</u>	<u>£m</u>	<u>£m</u>	<u>£m</u>	<u>£m</u>	<u>£m</u>	<u>£m</u>	<u>£m</u>
GENERAL FUND RESERVE	11.100					11.100		11.100
USABLE EARMARKED RESERVES								
<i>Restricted Use</i>								
Public Health	1.686			0.607		2.293		2.293
Insurance Fund	0.013	(0.013)				0.000		0.000
Better Care Fund	0.897			0.284		1.181		1.181
Marton Library S106	0.025					0.025		0.025
Housing Rental Sinking Fund	0.068			(0.020)		0.048		0.048
	2.689	(0.013)	-	0.871	-	3.547	-	3.547
<i>Unrestricted Use</i>								
Financial Resilience Reserve	6.711		2.836		1.000	10.547		10.547
Legacy Accounts Reserve	1.000				(1.000)	-		-
Savings Delivery Risk Reserve	-		3.052			3.052	(1.793)	1.259
Change Fund	2.766		-			2.766		2.766
Middlesbrough Priorities Fund	-			0.141		0.141		0.141
Elections Costs	0.077			0.051		0.128		0.128
	10.554	-	5.888	0.192	-	16.634	(1.793)	14.841
	13.244	(0.013)	5.888	1.063	-	20.182	(1.793)	18.389
UNUSABLE EARMARKED RESERVES								
Revenue Grants Unapplied (Technical Reserve)	5.400	(0.678)				4.722		4.722
Collection Fund Balance (Technical Reserve)						-		-
Dedicated Schools Grant Adjustment Account	(22.213)	(7.104)				(29.317)		(29.317)
	(16.813)	(7.782)	-	-	-	(24.595)	-	(24.595)
SCHOOL BALANCES	3.050	0.987				4.037		4.037
PROVISIONS								
Business Rates Appeals	1.041	1.083				2.124		2.124
Insurance	2.606	(0.599)				2.007		2.007
Other	0.167					0.167		0.167
	3.814	0.484	-	-	-	4.298	-	4.298
	14.395	(6.324)	5.888	1.063	-	15.022	(1.793)	13.229

NOTE

The year-end balances may be subject to further change due to further technical adjustments which may be required as part of the closure of the Council's accounts. These will be mainly relating to the closure of the Collection Fund accounts, DSG, school balances, and Insurance Fund. There may also be potential changes required as part of the external audit of the Council's accounts. The final year-end balances will be reported in the Council's Statement of Accounts for 2025/26, and in the final outturn report for the financial year.

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Appendix 4

Dedicated Schools Grant (DSG)

The Dedicated Schools Grant (DSG) is a ring-fenced grant provided by central government to local authorities to fund education and is accounted for separately from the Council's General Fund. The DSG comprises four main funding blocks:

- Schools Block
- Central Schools Services Block
- High Needs Block
- Early Years Block

The High Needs Block supports provision for children and young people with Special Education Needs and Disabilities (SEND), including those requiring Education, Health and Care Plans (EHCPs), specialist placements and alternative provision.

Context and National Framework

Local authorities with DSG deficits are required to demonstrate active management of High Needs spending and long-term plans to restore sustainability. Historically, this has been supported through programmes such as Delivering Best Value (DBV), which Middlesbrough participated in up to Summer 2025.

The DBV programme provided a strong evidence base and highlighted that improving inclusion within mainstream education is critical to managing demand and reducing reliance on high-cost specialist provision. This learning has directly informed the Council's forward approach.

Since Quarter Three, the national framework has evolved significantly. The Government has introduced Local SEND Reform Plan as the primary mechanism for delivering system-wide improvement, alongside confirmation of a High Needs Stability Grant, which will cover up to 90% of DSG High Needs deficits accumulated to March 2026, subject to plan approval.

The Council approach is underpinned by its Local SEND Reform Plan, which sets out a comprehensive and evidence-based programme of system transformation to improve outcomes, reduce demand for high-cost provision and deliver a financially sustainable High Needs Block.

Middlesbrough Council is well advanced in developing its Local Send Reform Plan, working closely with schools, health partners and wider stakeholders. The Plan will set out a sustainable approach to:

- Increasing inclusion within mainstream settings
- Strengthening early intervention
- Improving joint commissioning with health partners
- Reducing reliance in high-cost placements
- Stabilising the High Needs Block over the medium term

Demand and Cost Pressures

The DSG position continues to be driven by increasing demand, complexity of need, and market pressure, consistent with the national position.

Key demand pressures include:

- Continued growth in EHCP's, increasing from 1,669 in 2022 to over 2,040 in 2025, with further increases forecast
- Rising demand for specialist and alternative provision, including increasing numbers of pupils requiring high-cost placements
- Growth in permanent exclusions and alternative provision placements
- Increased complexity of need, resulting in higher cost packages and specialist interventions

The Local SEND Reform Plan identifies that these pressures are closely linked to inconsistent levels of inclusion across mainstream settings, leading to a higher reliance on statutory processes and specialist provision.

These demand pressures also have a wider financial impact, particularly on home to school transport costs, which are funded from the Councils core budget.

Ongoing work to Manage Pressures and Improve Services

A range of operational and strategic actions are being undertaken to manage the High Needs Block and support system improvements.

These actions form part of, and are being further developed through, the Council's Local SEND Reform Plan, ensuring alignment with national policy and long-term sustainability.

Key areas of focus include:

- Strengthening inclusion in mainstream education
- Review of EHCPs
- Improved commissioning and sufficiency planning
- Partnership working with Health
- Development of a revised resource allocation system
- Reduction in exclusion and improved reintegration
- Enhanced governance and financial oversight

These actions are embedded with key reform workstreams, including delivery of an Experts at Hand model, development of a co-produced Universal Offer, and expansion of local inclusion bases, all of which are designed to reduce pressure on high-cost specialist provision.

Financial Position and Outlook

The High Needs Block continues to experience significant financial pressures, resulting in an ongoing DSG deficit.

The Local SEND Reform Plan includes clear outcome measures, including reductions in out-of-area placements, stabilisation of EHCP demand and increased inclusion within mainstream settings, which will underpin improvements in financial sustainability over the medium term

While national reforms provide a more structured financial framework, the position remains dependent on:

- Successful approval and delivery of the Local SEND Reform Plan
- The pace at which inclusion and early intervention reduce demand growth
- Continued Government support

Risk and Assurance

The DSG deficit remains a significant financial risk to the Council.

The Local SEND Reform Plan recognises that there remains a risk that, if the Plan is not approved or does not deliver the intended outcomes at pace, the Council may not secure access to the High Needs Stability Grant or achieve the anticipated financial improvements, which would increase pressure on the overall financial position.

The risk is actively managed through inclusion on the Strategic Risk Register, strong governance arrangements, alignment with the Medium-Term Financial Plan and delivery of the Local SEND Reform Plan.

Summary

The DSG reflects system-wide demand and structural pressures.

Middlesbrough Council has established a strong evidence base through DBV, implemented a range of targeted management actions and developed a comprehensive Local SEND Reform Plan.

The Local SEND Reform Plan provides a clear delivery framework, including measurable outcomes and phased implementation, which supports both improved outcomes for children and young people and the transition towards a financially sustainable High Needs System.

While financial pressures will continue in the short term, the combination of national reform, local delivery and strengthened system leadership provides a foundation for long-term sustainability.

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Appendix 5 : Capital Programme Quarter Four 2025/26 - new externally funded schemes / additional external funding to existing schemes, additions to Council funded schemes, and virements between schemes

Directorate	Scheme	Total Value 2025/26	Total Value Future Years	Reason	Change To Capital Programme	External Funding	Council Funding
		£m	£m		£m	£m	£m
New Externally Funded Schemes / Additional External Funding To Existing Schemes							
Environment, Communities & Culture	CRSTS - Additional Highway Maintenance Funding	0.593	0.459	Additional Government Funding	1.052	1.052	-
	Transporter Bridge	0.060	-	Additional Contributions	0.060	0.060	-
	Food Waste	0.243	-	Additional Funding Provided by DEFRA	0.243	0.243	-
	Total Environment, Communities & Culture	0.896	0.459		1.355	1.355	-
Adult Social Care	Disabled Facilities Grant	0.198	-	Additional Government Funding	0.198	0.198	-
	Home Loan Repayments	0.001	-	Additional loan repayment	0.001	0.001	-
	Total Adult Social Care	0.199	0.000		0.199	0.199	-
Regeneration & Housing	Town Fund Nunthorpe Community Hub	-	0.033	Additional Government Funding	0.033	0.033	-
	Towns Fund - East Middlesbrough Community Hub	-	0.699	Additional Government Funding	0.699	0.699	-
	Town Hall Roof	0.000	2.595	Additional Arts Council England Funding	2.595	2.595	-
	Total Regeneration & Housing	0.000	3.327		3.327	3.327	0.000
Education & Partnerships	Devolved Formula Capital (DFC)	-	0.082	All schools provisional allocation 2026-27 from the DfE	0.082	0.082	-
	School Condition Allocation (SCA)	-	0.617	All schools provisional allocation 2026-27 from the DfE	0.617	0.617	-
	High Needs Provision Capital Allocation (HNCPA)	-	1.608	All schools provisional allocation 2026-27 from the DfE	1.608	1.608	-
	School Contributions	-	0.118	Various school contributions to Capital Programme	0.118	0.118	-
	Total Education & Partnerships	0.000	2.425		2.425	2.425	0.000
Children's Care	Gleneagles	-0.030	0.000	To remove underspend from Capital Programme	-0.030	-0.030	0.000
	Total Children's Care	-0.030	0.000		-0.030	-0.030	0.000
Public Health	Live Well	-0.008	0.000	To remove underspend from Capital Programme	-0.008	-0.008	0.000
	Total Public Health	-0.008	0.000		-0.008	-0.008	0.000
	TOTAL ALL DIRECTORATES	1.057	6.211		7.268	7.268	-

Virements Requiring Executive Approval

Environment, Communities & Culture	Regulatory ICT system	(0.466)	(0.356)	Transfer between Directorates of the Regulatory ICT System Programme, with a small change to the reprofiling of expenditure.	(0.822)	-	(0.822)
Regeneration	Regulatory ICT system	0.407	0.415		0.822	-	0.822
Regeneration	Town Hall Roof	(1.400)		The award of £2.595m from Arts Council England for the Town Hall roof refurbishment has released Council capital funding previously allocated within the Capital Programme. It is proposed that £1.400m of this funding be reallocated to support capital works at Middlesbrough Theatre. These works will focus on improving accessibility for disabled users, extending the bar area, and undertaking other enhancements to improve the overall suitability of the venue for future	(1.400)	-	(1.400)
Regeneration	Middlesbrough Theatre Improvements	1.400			1.400	-	1.400
	TOTAL	(0.059)	0.059		-	-	-

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Appendix 6 : Capital Programme Quarter Four 2025/26 – Details of capital slippage

Capital slippage is a way of reprofiling capital budgets between financial years to match forecast timing of expenditure, whilst staying within the approved project budget.

The following details the slippage during Quarter Four. Details of slippage at Quarter 1 of £8.228m, £11.867m at Quarter 2 and £3.205m at Quarter 3 were shown in Appendix 6 of the respective budget monitoring reports. These added together with the £8.752m for Quarter 4 total the £32.052m total slippage for 2025/26.

Directorate	Scheme	2025/26 £m	2026/27 £m	2027/28 £m	2028/29 £m	2029/30 £m	Funding Source	Slippage Explanation
Regeneration	Levelling Up Partnership	(0.302)	0.302				Grant	There is an underspend within two projects falling within the Levelling Up Partnership capital programme. The funds have been reprofiled to 2026/27, to be reallocated to other projects.
Regeneration	Levelling up Fund - South Middlesbrough Accessibility	(0.390)	0.390				Grant	Delays in contractor invoicing have meant payments in 2025/26 were lower than originally forecast, as such the funds have been reprofiled to 2026/27.
Regeneration	Middlesbrough College Investment	(1.600)	1.600				Borrowing	The lease agreement has not yet been completed due to the status of the legal process.
Regeneration	Asset Review Accommodation Works	0.261	(0.261)				Borrowing	Additional expenditure was required to bring Letitia Street up to operational standard, following part of the Community Learning service relocating from Lingfield Farm.
Regeneration	Cultural Development Fund - Enhancements to Central Library	(0.302)	0.302				Grant	Challenges in setting up the power supply to The Auxiliary have led to expenditure being reprofiled to 2026/27.
Regeneration	Small Scale Slippage Across The Directorate	0.670	(0.508)	(0.122)		(0.040)		
	Regeneration and Housing Total	(1.663)	1.825	(0.122)	-	(0.040)		
Environment, Communities & Culture	Purchase of new vehicles	(1.302)	1.302				Contributions	There is high national demand for new refuse vehicles under the Government Simpler Recycling Initiative, resulting in longer lead times for delivery of vehicles resulting in the funding being reprofiled to 2026/27.
Environment, Communities & Culture	Food Waste Collection	(0.905)	0.905				Grant	There is high national demand for new food waste refuse vehicles under the Government Simpler Recycling Initiative, resulting in longer lead times for delivery of vehicles resulting in the funding being reprofiled to 2026/27.
Environment, Communities & Culture	DLUHC Levelling Up Neighbourhood Safety	(0.615)	0.615				Grant	The funding was re-directed to other projects following a review of priorities and the outcome of feasibility studies.
Environment, Communities & Culture	Simpler Recycling	(0.786)	0.786				Contributions	There is high national demand for new food waste refuse vehicles and paper receptacles under the Government Simpler Recycling Initiative, resulting in longer lead times for delivery of vehicles resulting in the funding being reprofiled to 2026/27.
Environment, Communities & Culture	LTP - Ormesby Beck Cycleway Phase 1	(0.187)	0.187				Grant	The time required to finalise contracts has resulted in this funding being reprofiled into 2026/27.
Environment, Communities & Culture	LTP - Hollygurst Avenue / Homewood Avenue Bus Stop Improvements	(0.149)	0.149				Grant	The time required to finalise contracts has resulted in this funding being reprofiled into 2026/27.
Environment, Communities & Culture	Small Scale Slippage Across The Directorate	(0.662)	0.662					
	Environment, Communities & Culture Total	(4.606)	4.606	-	-	-		
Education & Partnerships	Block Budgets - High Needs Provision Capital Allocation	(0.409)	0.409				Grant	Balance of block funding not utilised in 25-26 to be allocated in 26-27
Education & Partnerships	Block Budgets - Others minor	(0.619)	0.619				Grant	Balance of block funding not utilised in 25-26 to be allocated in 26-27
Education & Partnerships	St Bernadettes expansion scheme	(0.250)	0.250				Contributions	Contribution through S106 allocation not utilised in 25-26
Education & Partnerships	Unity City Academy Bulge scheme	(0.130)	0.130				Contributions	Scheme planned to start in 25-26 now slipped to 26-27
Education & Partnerships	SEN Small Capital Grants Schemes	(0.125)	0.125				Grant	Only £42k needed from the £167 budget required in 25-26
Education & Partnerships	Small Scale Slippage Across The Directorate	(0.411)	0.411				Grant	Schemes not completed in 25-26 due to complete in 26-27
	Education & Partnerships Total	(1.944)	1.944	-	-	-		
Adult Social Care	Chronically Sick and Disabled Persons Act- Top ups	(0.087)	0.087				Council Wide	Assessments have been affected due to staff turnover in addition there has been limited contractor availability.
Adult Social Care	Disabled Facilities Grant	(0.247)	0.247				Grant	Additional grant received on 22 February 2026, resulting in limited time for effective planning and full utilisation before the financial year end.
Adult Social Care	Telecare Fall's equipment in Care Homes	(0.017)	0.017				Better Care Fund	
	Adult Social Care Total	(0.351)	0.351	-	-	-		
Finance	Capitalisation of Property Finance Lease Arrangements	(0.087)		0.087			Borrowing	There was an underspend as only £63k of the £150k budget required in 25-26, with the remainder reprofiled into future years to offset future years costs.
Finance	Business World Upgrade	(0.028)	0.028				Borrowing	
Finance	Former Partnership Investment (ICT Infrastructure Revenues & Benefits	(0.008)	(0.092)	0.100			Borrowing	50% paid upfront remaining £8k due in May.
	Finance Total	(0.123)	(0.064)	0.187	-	-		
Legal & Corporate Services	Essential Refresh & Licensing	0.239	(0.239)				Borrowing	To support incoming new starters and device refresh requirements, additional laptops and equipment were procured early to secure discounts offered by the Council's supplier.
	Legal and Corporate Services Total	0.239	(0.239)	-	-	-		
Children's Social Care	House Purchase & Adaptations	(0.269)	0.269					
	Children's Social Care Total	(0.269)	0.269	-	-	-		
	Small Scale Slippage Across The Directorate	(0.035)	0.035					
	Transformation Total	(0.035)	0.035	-	-	-		
	TOTAL	(8.752)	8.727	0.065	-	(0.040)		

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Appendix 7 : Revised Capital Programme Forecasts 2025/26 to 2028/29

	Forecast Expenditure						Council Funding £m	External Funding £m
	2025/26 £m	2026/27 £m	2027/28 £m	2028/29 £m	2029/30 £m	TOTAL £m		
Regeneration & Housing								
Town Centre related projects	0.066	0.010	-	-	-	0.076	0.076	-
Middlehaven related projects	0.926	-	-	-	-	0.926	0.926	-
Housing Growth	0.056	0.152	0.446	-	-	0.654	0.654	-
Newham Hall	1.503	4.893	6.836	-	-	13.232	4.094	9.138
BOHO X	0.207	0.211	-	-	-	0.418	0.042	0.376
Indigenous Growth Fund - Captain Cook Square	1.045	0.737	1.200	-	-	2.982	-	2.982
Pride in Place Impact Fund	0.025	1.475	-	-	-	1.500	-	1.500
Towns Fund	1.592	9.398	0.928	-	-	11.918	1.125	10.793
Towns Fund - East Middlesbrough Community Hub	3.597	1.961	-	-	-	5.558	1.940	3.618
Acquisition of Town Centre Properties	-	-	1.000	-	-	1.000	1.000	-
Acquisition of The Crown	0.018	-	-	-	-	0.018	0.018	-
Acquisition of Whorlton Road Industrial Estate	-	2.615	-	-	-	2.615	2.615	-
Levelling Up Partnership	4.923	2.526	1.641	-	-	9.090	0.081	9.009
Middlesbrough Development Company	0.104	-	-	-	-	0.104	0.104	-
Capitalisation Of Major Schemes Salaries	0.530	0.530	0.530	0.530	0.530	2.650	2.650	-
Capitalisation of Planning Services Surveys	0.201	-	-	-	-	0.201	0.201	-
Affordable Housing Via Section 106	-	-	3.855	2.361	-	6.216	0.302	5.914
Highways Infrastructure Development Section 106	-	-	2.474	1.752	-	4.226	0.142	4.084
Levelling Up Fund - South Middlesbrough Accessibility	3.177	1.293	-	-	-	4.470	-	4.470
Middlesbrough College Investment	-	1.600	-	-	-	1.600	1.600	-
Derisking Sites	0.200	0.232	0.429	1.300	0.500	2.661	2.661	-
Tackling Homelessness	-	0.500	0.500	-	-	1.000	1.000	-
Property Services Building Investment	0.340	0.340	0.340	0.340	0.340	1.700	1.700	-
Property Asset Investment Programme	1.722	2.030	2.000	2.000	2.000	9.752	9.752	-
Town Hall Roof	0.002	0.098	7.451	5.000	5.000	17.551	14.756	2.795
Municipal Buildings Refurbishment	0.227	0.030	0.891	-	-	1.148	1.148	-
Resolution House	0.206	-	0.276	-	-	0.482	0.482	-
Cleveland Centre	0.816	0.158	-	-	-	0.974	0.974	-
Cemetery Provision	0.298	2.367	-	-	-	2.665	2.665	-
Neptune Centre Roof Repairs And Wall Cladding	-	-	1.800	-	-	1.800	1.800	-
Asset Review - Accommodation Works	0.461	0.539	2.174	-	-	3.174	3.174	-
Fountain Court Solar Panels	0.156	-	-	-	-	0.156	0.030	0.126
Neighbourhood Hubs Investment	0.056	2.944	2.000	-	-	5.000	5.000	-
Repair And Refurbishment Of The Council Depot Facility	-	0.500	1.400	4.100	-	6.000	6.000	-

Appendix 7 : Revised Capital Programme Forecasts 2025/26 to 2028/29

Repairs To Broadcasting House	0.003	1.497	-	-	-	1.500
Investment / Commercial Properties - Occupancy And Compliance	-	0.500	1.000	0.500	-	2.000
Investment in Parks	-	0.007	-	-	-	0.007
Cultural Development Fund - Enhancements to Central Library & Partner Org	2.007	0.302	-	-	-	2.309
New Museum at Stewart Park	0.050	-	-	-	-	0.050
Dorman Museum Roof And Window Replacement	-	-	-	1.325	-	1.325
Cremator Feasibility Works	0.032	-	-	-	-	0.032
Regulatory ICT System	0.407	0.415	-	-	-	0.822
Total Regeneration & Housing	24.953	39.860	39.171	19.208	8.370	131.562

1.500	-
2.000	
0.007	
0.090	2.219
0.005	0.045
1.325	
0.032	
0.822	
74.493	57.069

	Forecast Expenditure					TOTAL
	2025/26	2026/27	2027/28	2028/29	2029/30	
Environment, Communities and Culture	£m	£m	£m	£m	£m	£m
Purchase of New Vehicles	2.056	4.531	1.200	1.600	1.200	10.587
Capitalisation of Wheeled Bin Replacement	0.100	0.100	0.100	0.100	0.100	0.500
Capitalisation of Street Furniture / Dog Fouling & Litter Bins	0.055	0.055	0.055	0.055	0.055	0.275
Capitalisation of Highways Maintenance	0.575	0.575	0.575	0.575	0.575	2.875
City Regional Sustainable Transport Scheme - Highways Maintenance	3.488	3.898	-	-	-	7.386
City Regional Sustainable Transport Scheme - Incentive Funding	0.839	1.907	-	-	-	2.746
Street Lighting-Maintenance	0.585	0.468	0.468	0.468	0.468	2.457
Urban Traffic Management Control 1	0.013	0.020	-	-	-	0.033
Flood Prevention	-	0.090	-	-	-	0.090
Section 106 Ormesby Beck	-	0.015	-	-	-	0.015
Bridges & Structures	0.612	3.893	3.650	4.798	-	12.953
Transporter Bridge	0.060	-	-	-	-	0.060
Newport Bridge	0.837	0.540	-	-	-	1.377
CCTV	0.007	0.003	-	-	-	0.010
Towns Fund Initiatives	-	0.016	-	-	-	0.016
Highways Infrastructure	0.475	0.696	0.200	-	-	1.371
Libraries Improvement Fund	0.031	-	-	-	-	0.031
Urban Traffic Management Control 2	0.273	0.116	-	-	-	0.389
Traffic Signals Non Tees Valley Combined Authority	0.343	0.173	-	-	-	0.516
Traffic Signals Obsolescence Grant	1.430	0.466	-	-	-	1.896
Fusion	0.207	0.165	-	-	-	0.372
Food Waste Collection	0.414	0.905	-	-	-	1.319
Street Lighting Column Replacement	0.311	0.253	-	-	-	0.564
Levelling Up Partnership - Neighbourhood Safety	0.300	0.615	-	-	-	0.915

Council Funding	External Funding
£m	£m
10.587	-
0.500	-
0.275	-
2.875	-
-	7.386
-	2.746
2.457	-
-	0.033
-	0.090
-	0.015
12.953	-
	0.060
1.377	-
0.010	-
	0.016
1.371	-
-	0.031
-	0.389
0.516	-
-	1.896
-	0.372
-	1.319
0.564	-
-	0.915

Appendix 7 : Revised Capital Programme Forecasts 2025/26 to 2028/29

Section 106 Marton West Beck	-	0.094	-	-	-	0.094
Community Recovery Fund	0.030	0.003	-	-	-	0.033
Parks Playzones	0.119	0.006	-	-	-	0.125
Members Small Schemes	0.004	0.274	0.060	0.060	0.060	0.458
Linthorpe Road Cycleway Removal	1.172	0.997	-	-	-	2.169
Carriageway Resurfacing Programme	0.212	0.662	-	-	-	0.874
Footways Repairs Programme	0.036	0.564	-	-	-	0.600
Section 106 Stewart Park	0.019	0.013	-	-	-	0.032
Simpler Recycling	0.729	0.786	-	-	-	1.515
Bereavement Services Plotbox System	0.065	-	-	-	-	0.065
Extension of Fleet Workshop	0.055	1.345	-	-	-	1.400
Replace or Repair Longlands Overbridge	-	0.100	0.300	0.450	9.150	10.000
Town Hall and Theatre Equipment Renewal	-	1.500	-	-	-	1.500
Replacement and Improvement to Equipment in Play Areas	-	0.500	0.200	0.200	0.200	1.100
Total Environment, Communities and Culture	15.452	26.344	6.808	8.306	11.808	68.718

-	0.094
-	0.033
-	0.125
0.458	-
-	2.169
0.874	-
0.600	-
-	0.032
1.515	-
0.065	-
1.400	-
10.000	-
1.500	-
1.100	-
50.997	17.721

	Forecast Expenditure					TOTAL
	2025/26	2026/27	2027/28	2028/29	2029/30	
	£m	£m	£m	£m	£m	£m
Public Health						
Swimming Pool Support Fund	0.181	0.001	-	-	-	0.182
Middlesbrough Sports Village Full Size 3g Pitch Repair	0.509	-	-	-	-	0.509
Neptune Leisure Centre Boiler Replacement	0.172	-	-	-	-	0.172
Leisure Trust Investment - Equipment	0.071	-	-	-	-	0.071
Total Public Health	0.933	0.001	-	-	-	0.934

Council Funding	External Funding
£m	£m
-	0.182
0.507	0.002
0.172	-
0.071	-
0.750	0.184

	Forecast Expenditure					TOTAL
	2025/26	2026/27	2027/28	2028/29	2029/30	
	£m	£m	£m	£m	£m	£m
Education and Partnerships						
Block Budget - Family Hubs	-	0.075	0.077	0.078	-	0.230
Block Budget - Devolved Formula Capital (DFC) - All Schools	-	0.155	-	-	-	0.155
Block Budget - School Condition Allocation (SCA)	-	0.541	-	-	-	0.541
Block Budget - Basic Need	-	2.271	-	-	-	2.271
Block Budget - High Needs Provision Capital Allocation (HNCPA)	-	3.699	-	-	-	3.699
S106 - Lowgill	-	0.535	-	-	-	0.535
Contingency Funding Reserve	-	0.105	-	-	-	0.105

Council Funding	External Funding
£m	£m
-	0.230
-	0.155
-	0.541
-	2.271
-	3.699
-	0.535
-	0.105

Appendix 7 : Revised Capital Programme Forecasts 2025/26 to 2028/29

Building Condition Improvements - Primary School	0.274	0.104	-	-	-	0.378
Building Condition Improvements - Special Schools	0.006	0.330	0.030	-	-	0.366
School led Capital schemes - all maintained schools	0.010	0.677	0.025	-	-	0.712
Sufficiency Schemes - Primary	-	0.500	-	-	-	0.500
Sufficiency Schemes - Secondary	0.985	2.517	-	-	-	3.502
Sufficiency Schemes - SEND and Alternative Education	1.234	1.015	-	-	-	2.249
SEN Small Capital Grant Schemes	0.127	0.171	-	-	-	0.298
Family Hubs and Early Years	0.065	-	-	-	-	0.065
Capitalisation of Salary Costs	0.121	0.127	-	-	-	0.248
Total Education and Partnerships	2.822	12.822	0.132	0.078	-	15.854

0.001	0.377
-	0.366
(0.045)	0.757
-	0.500
0.196	3.306
-	2.249
-	0.298
-	0.065
-	0.248
0.152	15.702

	Forecast Expenditure					TOTAL
	2025/26	2026/27	2027/28	2028/29	2029/30	
Children's Social Care	£m	£m	£m	£m	£m	£m
Marton Road Commissioned Partnership	0.131	-	-	-	-	0.131
House Purchase and Adaptations (Permanence) Hilton Drive	0.391	0.269	-	-	-	0.660
Total Children's Social Care	0.522	0.269	-	-	-	0.791

Council Funding	External Funding
£m	£m
-	0.131
0.550	0.110
0.550	0.241

	Forecast Expenditure					TOTAL
	2025/26	2026/27	2027/28	2028/29	2029/30	
Adult Social Care	£m	£m	£m	£m	£m	£m
Chronically Sick & Disabled Persons Act - All schemes	0.926	1.078	1.000	1.070	1.070	5.144
Disabled Facilities Grant - All schemes	2.700	0.868	-	-	-	3.568
Capitalisation of Staying Put Salaries	0.050	0.050	0.050	0.050	0.050	0.250
Home Loans Partnership (Formerly 5 Lamps)	0.004	0.071	-	-	-	0.075
Small Schemes	0.018	0.367	-	-	-	0.385
Total Adult Social Care	3.698	2.434	1.050	1.120	1.120	9.422

Council Funding	External Funding
£m	£m
4.969	0.175
-	3.568
0.250	-
-	0.075
0.350	0.035
5.569	3.853

	Forecast Expenditure					TOTAL
	2025/26	2026/27	2027/28	2028/29	2029/30	
Legal and Corporate Services	£m	£m	£m	£m	£m	£m
Desktop Strategy / Device Refresh	0.465	-	-	-	-	0.465
Enterprise Agreements	0.908	-	-	-	-	0.908

Council Funding	External Funding
£m	£m
0.465	-
0.908	-

Appendix 7 : Revised Capital Programme Forecasts 2025/26 to 2028/29

IT Refresh - Network Refresh	0.199	-	-	-	-	0.199
IT Refresh - Lights On	0.254	-	-	-	-	0.254
ICT Essential Refresh & Licensing	0.367	1.447	2.185	2.185	2.185	8.369
ICT Transformational Capital Expenditure	-	3.000	1.500	-	-	4.500
SharePoint	0.110	-	-	-	-	0.110
HR Recruitment	0.024	-	-	-	-	0.024
IKEN	0.040	-	-	-	-	0.040
HR Pay	-	0.037	-	-	-	0.037
Total Legal and Corporate Services	2.367	4.484	3.685	2.185	2.185	14.906

0.199	-
0.254	-
8.369	-
4.500	-
0.110	-
0.024	-
0.040	-
0.037	-
14.906	-

	Forecast Expenditure					
	2025/26	2026/27	2027/28	2028/29	2029/30	TOTAL
	£m	£m	£m	£m	£m	£m
Finance						
Former Partnership Investment (ICT Infrastructure Revenues & Benefits)	0.008	0.156	0.100	-	-	0.264
Business World Upgrade	-	0.028	-	-	-	0.028
Capitalisation of Property Finance Lease Arrangements	0.063	0.150	0.087	-	-	0.300
Total Finance	0.071	0.334	0.187	-	-	0.592

Council Funding	External Funding
£m	£m
0.264	-
0.028	-
0.300	-
0.592	-

	Forecast Expenditure					
	2025/26	2026/27	2027/28	2028/29	2029/30	TOTAL
	£m	£m	£m	£m	£m	£m
Transformation Programme						
Transformation / Subject Matter Expertise	4.994	3.501	0.172	-	-	8.667
Neighbourhood	0.404	1.071	0.671	-	-	2.146
Redundancy	0.261	0.200	-	-	-	0.461
Contingency	-	0.500	0.629	-	-	1.129
Total Transformation	5.659	5.272	1.472	-	-	12.403

Council Funding	External Funding
£m	£m
8.667	-
2.146	-
0.461	-
1.129	-
12.403	-

	Forecast Expenditure					
	2025/26	2026/27	2027/28	2028/29	2029/30	TOTAL
	£m	£m	£m	£m	£m	£m
ALL DIRECTORATES						
Total ALL DIRECTORATES	56.477	91.820	52.505	30.897	23.483	255.182

Council Funding	External Funding
£m	£m
160.412	94.770

Appendix 7 : Revised Capital Programme Forecasts 2025/26 to 2028/29

	Forecast Expenditure					TOTAL
	2025/26	2026/27	2027/28	2028/29	2029/30	
FUNDED BY:	£m	£m	£m	£m	£m	£m
Borrowing	12.602	30.860	22.038	11.475	9.605	86.580
Leases	0.063	0.150	0.087	-	-	0.300
Capital Receipts	6.000	11.960	16.060	14.231	12.878	61.129
Flexible Use of Capital Receipts	5.659	5.272	1.472	-	-	12.403
Grants	26.858	37.106	6.933	1.078	1.000	72.975
Contributions	5.295	6.472	5.915	4.113	-	21.795
						-
Total FUNDING	56.477	91.820	52.505	30.897	23.483	255.182

Council Funding	External Funding
£m	£m
86.580	-
0.300	
61.129	-
12.403	-
-	72.975
-	21.795
160.412	94.770

Table 7 - Summary of Capital Programme 2025/26 to 2029/30

Directorate	Forecast Expenditure					TOTAL
	2025/26	2026/27	2027/28	2028/29	2029/30	
Regeneration & Housing	24.953	39.860	39.171	19.208	8.370	131.562
Environment, Communities and Culture	15.452	26.344	6.808	8.306	11.808	68.718
Public Health	0.933	0.001	-	-	-	0.934
Education and Partnerships	2.822	12.822	0.132	0.078	-	15.854
Children's Social Care	0.522	0.269	-	-	-	0.791
Adult Social Care	3.698	2.434	1.050	1.120	1.120	9.422
Legal and Corporate Services	2.367	4.484	3.685	2.185	2.185	14.906
Finance	0.071	0.334	0.187	-	-	0.592
Transformation	5.659	5.272	1.472	-	-	12.403
						-
Total Expenditure	56.477	91.820	52.505	30.897	23.483	255.182

	Forecast Expenditure					TOTAL
	2025/26	2026/27	2027/28	2028/29	2029/30	
Funded By	£m	£m	£m	£m	£m	£m
Borrowing	12.602	30.860	22.038	11.475	9.605	86.580
Leases	0.063	0.150	0.087	-	-	0.300
Capital Receipts	6.000	11.960	16.060	14.231	12.878	61.129
Flexible Use of Capital Receipts	5.659	5.272	1.472	-	-	12.403
Grants	26.858	37.106	6.933	1.078	1.000	72.975
Contributions	5.295	6.472	5.915	4.113	-	21.795
						-
Total FUNDING	56.477	91.820	52.505	30.897	23.483	255.182

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Appendix 8 : Capital Programme Outturn 2025/26 – Details of Transformation Expenditure Funded Through Flexible Use of Capital Receipts

<u>Directorate / Theme</u>	<u>Thematic Programme and focus of investment</u>	<u>FUoCR Expense Type</u>	<u>Savings Reference</u>	<u>FUoCR Criteria</u>	<u>2025/26 Actuals £m</u>
Adult Social Care					
Adult Social Care	Transformation Programme Lead & Co-ordinator	Transformation	N/A	Savings / Enabling / Service Improvement	0.179
Adult Social Care	Business Analyst	Transformation	ASC12	Savings / Enabling / Service Improvement	0.018
Adult Social Care	Lived Experience Group to support decision making	Subject Matter Expertise	N/A	Service Improvement	0.016
Adult Social Care	Service Manager	Subject Matter Expertise	ASC12	Savings / Enabling / Service Improvement / Demand Mgmt.	0.070
Adult Social Care	Social Worker / Occupational Therapist	Transformation	ASC08-13	Savings / Enabling / Service Improvement / Demand Mgmt.	0.310
Adult Social Care	Backfill for social workers covering 3C model innovation sites	Transformation	ASC12	Savings / Enabling / Service Improvement / Demand Mgmt.	0.129
Adult Social Care	Assistive Technology Reviewing Officer	Transformation	ASC12	Savings / Enabling / Service Improvement / Demand Mgmt.	0.024
Adult Social Care	Homelessness Specialist and Expenses	Subject Matter Expertise	ASC02	Savings / Enabling / Service Improvement	0.069
Adult Social Care	Togetherall (24/7 Mental Health support)	Subject Matter Expertise	N/A	Demand Mgmt.	0.015
Adult Social Care	Magic Notes (transcription tool) Rollout	Transformation	N/A	Service Improvement	0.040
Adult Social Care	Strengthen Social Worker Management Support - to promote prevention	Transformation	N/A	Demand Mgmt.	0.041
Adult Social Care	Independent Supported Living Reviews Phase 2	Transformation	N/A	Savings / Enabling / Service Improvement / Demand Mgmt.	0.080
Total Adult Social Care Transformation investment					0.991
Children's Services					
Children's Care	Dedicated Programme Support (across all Children's Services initiatives)	Transformation	N/A	Savings / Enabling / Service Improvement	0.192
Children's Care	Review of Placements (including Processes and Procedures)	Subject Matter Expertise	CC02	Savings / Demand Management	0.020
Children's Care	Improvement of Residential Capacity	Transformation	CC03	Savings / Service Improvement	0.168
Children's Care	Workforce Development	Transformation	CC04	Savings	0.101
Children's Care	Children's Charity - SHIFT 3 year Contract commitment	Transformation	CC06	Savings / Service Improvement	0.165
Children's Care	Special Guardianship Order Payment Review	Transformation	CC07	Savings / Income Growth	0.043
Children's Care	Edge of Care Team	Transformation	CC10	Savings / Demand Management	0.093
Children's Care	Modernising Fostering	Transformation	CC08	Savings / Service Improvement	0.369
Children's Care	Dedicated Programme Support (across all Children's initiatives) 6 months	Transformation	N/A	Savings / Enabling / Service Improvement	0.113
Children's Care	Business Change	Transformation	N/A	Savings / Service Improvement	0.448
Children's Care	Referral & Assessment Team	Transformation	N/A	Savings / Service Improvement	0.517
Education & Partnerships	High Needs Resource Allocation System (RAS)	Transformation	N/A	Savings / Enabling / Service Improvement	0.220
Total Children's Services Transformation investment					2.449
Environment, Culture & Communities					
Place	Garden Waste Customer Services	Transformation	ECS02	Income Growth / Saving	0.056
Place	Permiserve Bin Stickers	Transformation	ECS02	Income Growth / Saving	0.031
Place	3 Environment Sustainability Managers (Exec report 30/4/25)	Transformation	N/A	Enabling/Savings	0.078
Neighbourhoods	8 Community Development Workers	Transformation	N/A	Enabling/Service Improvement	0.142
Neighbourhoods	8 Neighbourhood Navigators	Transformation	N/A	Enabling/Service Improvement	0.173
Neighbourhoods	1 Community Safety Co-ordinator	Transformation	N/A	Enabling/Service Improvement	0.019
Neighbourhoods	4 Neighbourhood Link Workers	Transformation	N/A	Enabling/Service Improvement	0.070
Total Environment, Culture & Communities Transformation investment					0.569
Legal & Corporate Services					
Target Operating Model	Artificial Intelligence Discovery	Subject Matter Expertise	N/A	Savings / Enabling / Service Improvement / Demand Mgmt.	0.034
Target Operating Model	ICT Head of Service / ICT Digital Transformation Lead	Transformation	N/A	Enabling / Service Improvement	0.042
Target Operating Model	Desktop Engineer	Transformation	N/A	Enabling	0.016
Target Operating Model	Extension of ICT PM and Infrastructure Resources	Subject Matter Expertise	N/A	Savings / Enabling / Service Improvement	0.116
Communications	Marketing and Digital Communications	Transformation	N/A	Savings / Enabling / Service Improvement	0.062
Enabling	Programme Management Office Business Partners and Support Officer	Transformation	N/A	Enabling	0.103
Enabling	Strategic Transformation Partner	Subject Matter Expertise	N/A	Enabling	0.028
Total Legal & Corporate Services Transformation investment					0.401
Finance					

Appendix 8 : Capital Programme Outturn 2025/26 – Details of Transformation Expenditure Funded Through Flexible Use of Capital Receipts

<u>Directorate / Theme</u>	<u>Thematic Programme and focus of investment</u>	<u>FUoCR Expense Type</u>	<u>Savings Reference</u>	<u>FUoCR Criteria</u>	<u>2025/26 Actuals</u> <u>£m</u>
Customer	Programme Lead & Manager	Transformation	N/A	Enabling	0.097
Customer	Internal Workstream Managers and Leads	Transformation	N/A	Enabling	0.106
Customer	Business Analyst Project Support	Transformation	N/A	Enabling	0.043
Customer	Project Support	Transformation	N/A	Enabling	0.040
Target Operating Model	Collection of Housing Benefit Overpayments	Subject Matter Expertise	FIN01	Income Growth / Savings	0.035
Target Operating Model	Council Tax Reviews	Subject Matter Expertise	FIN02	Income Growth / Savings / Service Improvement	0.073
Target Operating Model	Collection of Council Tax & Debt - Aged Debt Recovery & Charging Orders	Subject Matter Expertise	FIN03/04/05	Income Growth / Savings	0.172
Target Operating Model	Collection of Business Rates	Subject Matter Expertise	FIN05	Income Growth / Savings	0.035
Target Operating Model	Centralisation of Grants Admin & Maximisation of Grant Income Opportunities	Transformation	FIN10	Income Growth / Savings	0.046
Target Operating Model	Bid Writing	Subject Matter Expertise	FIN10	Income Growth	0.038
Target Operating Model	Contract Review Support	Subject Matter Expertise	N/A	Income Growth / Savings / Service Improvement	0.040
Enabling	Transformation Programme Finance Lead	Transformation	N/A	Enabling	0.046
Enabling	Finance Business Partner - Children's Transformation Finance Lead	Transformation	N/A	Enabling	0.050
Enabling	Specialist Financial Assessor /Advisor - Adults	Transformation	ASC15	Enabling	0.045
Total Finance Transformation investment					0.866
Regeneration & Housing					
Regeneration & Housing	Beam - Move On Accommodation And Spend	Transformation	N/A	Enabling	0.122
Total Regeneration & Housing Transformation investment					0.122
Redundancy					
Redundancy	Redundancies	Redundancies	N/A	Savings	0.261
Total Redundancy Transformation Investment					0.261
Total All Transformation Investment 2025/26					5.659