

Appendix 9 : Capital Programme Quarter Three 2024/25 – 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 Three. Details of the slippage at Quarter One of £3.267m and Quarter 2 of £22.178m were shown in Appendix 10 of the respective budget monitoring reports. These added together total the £29.680m total slippage for 2024/25 as at the end of Quarter Three.

Directorate	Scheme	2024/25 £m	2025/26 £m	2026/27 £m	2027/28 £m	Funding Source	Slippage Explanation
Regeneration	Levelling Up Partnership - Employment Hub	(0.450)	0.450	-	-	Grant	Cost estimates indicated that the initial allocation was insufficient, the tender process was consequently put on hold until funding from other Levelling Up Partnership schemes could be diverted to this scheme. The transfer of funds has now been undertaken with no detriment to the other schemes.
Regeneration	Levelling Up Partnership - Increase Quality of Temporary Accommodation stock	-	(2.141)	2.141	-	Grant	The Council is actively seeking to acquire 60 properties with the intention of providing temporary accommodation for homelessness people and children leaving care. Suitable properties need to be identified and refurbished. Part of the funding has been re-profiled into 2026/27 to ensure that the correct standard and location of properties are identified. If properties are identified sooner then the grant will be brought back into 2025/26.
Regeneration	Towns Fund - Urban Living & Placemaking	-	(1.000)	1.000	-	Grant	A delay has arisen due to needing varying permissions from Network Rail in order to complete roof and cladding works at the Auxiliary. There is also a delay due to unforeseen structural issues which arose when the demolition works started.
Regeneration	Cultural Development Fund - Enhancements to Partner Organisations	(0.828)	0.828	-	-	Grant	Following public consultation an amendment to the scheme was undertaken which has resulted in a delay in the physical works.
Regeneration	Levelling Up Fund - South Middlesbrough Accessibility	(1.275)	1.275	-	-	Grant	The vast majority of the re-profiling is in relation to Newham Hall. The planned junction works are now predominantly expected to be undertaken within 2026/27.
Regeneration	Newham Hall - Housing Growth	(0.222)	(8.089)	8.311	-	Grant	The Council is seeking to secure leisure operators for tenancies of the remaining units within the precinct. Until such time that the operators and their requirements are identified no works can be undertaken. The funds have therefore been re-profiled but can be brought back into 2025/26 if and when an operator is secured.
Regeneration	Indigenous Growth Fund - Captain Cook Square	-	(2.650)	2.650	-	Grant	The design of the building is yet to be agreed, additionally there are issues with respect of drainage which need to be resolved. These issues will result in the construction of the Centre now concluding in 2026/27.
Regeneration	Towns Fund - Nunthorpe Community Hub	-	(0.500)	0.500	-	Borrowing / Grant	Tender submissions have exceeded the current budget allocation, resulting in the need to undertake a value engineering exercise. Additionally, the Council is waiting the partner organisation to agree the lease terms and work is ongoing to secure the land from the academy trust. These issue will result in the construction of the Centre now completing in 2026/27.
Regeneration	Towns Fund - East Middlesbrough Community Hub	-	(0.500)	0.500	-	Borrowing	There are currently no plans for the acquisition of commercial properties, as such the funds have been re-profiled into 2026/27.
Regeneration	Acquisition of Town Centre Properties	-	(1.000)	1.000	-	Borrowing	These are residual funds relating to the allocation to Middlesbrough Development Company for the construction of Boho Village. As per Executive agreement within the quarter 1, upon the conclusion of a constructor contractor dispute, these funds will be transferred to the De-Risking Sites budget.
Regeneration	Middlesbrough Development Company	-	(1.100)	1.100	-	Borrowing	Funds have been re-profiled until a suitable affordable housing scheme is identified.
Regeneration	Affordable Housing Via Section 106	-	(1.495)	1.495	-	Borrowing / Contributions	The budget has been reviewed alongside the capital receipts programme, all necessary required funds have been identified within 2025/26, resulting in the residual budget being re-profiled.
Regeneration	Derisking Sites	-	(0.425)	0.425	-	Borrowing	The property rationalisation programme is being reviewed, the funds will be required as and when certain accommodation requirements for Council staff are identified.
Regeneration	Property Asset Investment Programme	-	(0.450)	0.450	-	Borrowing	Works have been put on hold to allow for a strategic review regarding future use of the building.
Regeneration	Town Hall Roof	-	(2.956)	2.956	-	Borrowing	Works have been put on hold to allow for a strategic review regarding future use of the building.
Regeneration	Municipal Buildings Refurbishment	-	(1.014)	1.014	-	Borrowing	Works have been put on hold to allow for a strategic review regarding future use of the building.
Regeneration	Resolution House	-	(0.492)	0.492	-	Borrowing	Works have been put on hold to allow for a strategic review regarding future use of the building.
Regeneration	Other Small Scale Slippage Across The Directorate	(1.036)	0.507	0.529	-	Borrowing / Grant	
	Regeneration Total	(3.811)	(20.752)	24.563	-		
Environment and Community Services	Highways Infrastructure	0.674	(0.674)	-	-	Borrowing	Procurement issues around some of the carriageway re-surfacing has now been resolved. This has resulted in works taking place earlier than anticipated.
Environment and Community Services	DLUC Levelling Up Neighbourhood Safety	0.264	(0.264)	-	-	Grant	Funds have been brought forward mainly in connection with work on increased street lighting in key hotspot locations taking place earlier than expected.
Environment and Community Services	Bridges & Structures	-	(0.760)	0.760	-	Borrowing	The Bridges and Structures Programme has recently been re-evaluated and re-profiled as part of the Council wide Capital Review.
Environment and Community Services	Street Lighting Column Replacement	-	(0.463)	0.463	-	Borrowing	The Street Lighting Column Replacement Programme has recently been re-evaluated and re-profiled as part of the Council wide Capital Review.
Environment and Community Services	Other Small Scale Slippage Across The Directorate	(0.180)	0.080	0.100	-	Borrowing / Grant	
	Environment and Community Services Total	0.758	(2.081)	1.323	-		

Education and Partnerships	Other Small Scale Slippage Across The Directorate	0.212	(0.212)	-	-	Grant	
	Education and Partnerships Services Total	0.212	(0.212)	0.000	-		
Children's Care	Children's Services Financial Improvement Plan	-	(0.650)	0.650	-	Borrowing	The funds are currently unallocated, if an initiative comes forward in 2025/26 the funds will be re-allocated accordingly.
	Children's Care Total	0.000	(0.650)	0.650	-		
Legal and Governance Services	Other Small Scale Slippage Across The Directorate	-	(0.037)	0.037	-	Borrowing	
	Legal and Governance Services Total	0.000	(0.037)	0.037	-		
Finance	Other Small Scale Slippage Across The Directorate	-	(0.239)	0.239	-	Borrowing	
	Finance Total	0.000	(0.239)	0.239	-		
Transformation Programme		(1.394)	(7.356)	8.750	-		The proposed activities and costs within the Transformation Programme have been reviewed, resulting in significant re-profiling, particularly the funds set aside for redundancy costs.
	Transformation Total	(1.394)	(7.356)	8.750	-		
	TOTAL	(4.235)	(31.327)	35.562	-		