

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

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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 One.

Directorate	Scheme	2025/26 £m	2026/27 £m	2027/28 £m	2028/29 £m	Funding Source	Slippage Explanation
Regeneration	Levelling Up Fund	(2.835)	2.835	-	-	Grant	£0.700m has been re-profiled in relation to the Employment as the CAT B works are now expected to conclude in 2026/27. The Live Well East building will now be used as a Neighbourhood hub. As such an alternative building requires sourcing for Public Health, this has resulted in changes to spend assumptions, resulting in £1.135m being re-profiled. The external Junction project has experienced delays in securing grant funding, whilst this is now resolved, the Council's contribution of £1.000m is no longer expected to be made in this financial year.
Regeneration	Towns Fund	(1.664)	2.164	(0.500)	-	Grant	The spend profile for the Old Town Hall scheme was previously estimated. A full tender programme is now in place, giving greater certainty as to the timing of the works. Consequently, £1.664m of grant funding have been re-profiled into 2026/27. The scheme is expected to be completed within 2026/27.
Regeneration	Towns Fund - East Middlesbrough Community Hub	-	0.500	(0.500)	-	Grant	The Community Hub is due for completion in 2026/27, the grant funding assumed within 2027/28 has been re-profiled accordingly.
Regeneration	Levelling Up Fund - South Middlesbrough Accessibility	(1.000)	1.000	-	-	Grant	The works to construct the spine road at the Newham Hall housing development are now expected to conclude in Spring 2026, this has resulted in £1.000m of grant funding being re-profiled into 2026/27.
Regeneration	Indigenous Growth Fund - Captain Cook Square	1.000	(1.000)	-	-	Grant	The transformation of Captain Cook Shopping Precinct into a high quality leisure destination continues to work at pace, resulting in £1.000m being re-profiled into 2025/26 to fund works, including the completion of Roxv Cinema which opened in July 2025.
Regeneration	Cemetery Provision	(0.701)	0.701	-	-	Borrowing	The external consultants recommended that the Council undertook three additional surveys relating to the underground soil, this coupled with some unforeseen delays in the design phase have resulted in an up to two month delay in the scheme.
Regeneration	Other Small Scale Slippage Across The Directorate	(0.037)	0.037	-	-	Grant / Borrowing	
	Regeneration Total	(5.237)	6.237	(1.000)	-		
Environment and Community Services	Bridges & Structures - City Regional Sustainable Transport	(0.750)	0.750	-	-	Borrowing	Delays to the contract process have been experienced due to internal capacity issues, resulting in the re-profiling of funds.
Environment and Community Services	Other Small Scale Slippage Across The Directorate	(0.126)	0.126	-	-	Grant / Borrowing	
	Environment and Community Services Total	(0.876)	0.876	-	-		
Education and Partnerships	Block Budget - School Condition Allocation (SCA)	(0.800)	0.800	-	-	Grant	The improvement programme for 2025/26 has been agreed and costed, £0.800m of grant funding has been re-profiled to part fund future years works.
Education and Partnerships	Block Budget - High Needs Provision Capital Allocation 2025-26	(1.426)	1.426	-	-	Grant	The improvement programme for 2025/26 has been agreed and costed, £1.426m of grant funding has been re-profiled to part fund future years works.
Education and Partnerships	Other Small Scale Slippage Across The Directorate	(0.099)	0.099	-	-	Grant	
	Education and Partnerships Total	(2.325)	2.325	-	-		
Legal and Governance Services	Other Small Scale Slippage Across The Directorate	0.210	(0.210)	-	-	Borrowing	
	Legal and Governance Services Total	0.210	(0.210)	-	-		
Transformation	Transformation / Subject Matter Expertise	1.507	(1.639)	(2.928)	(0.750)	Capital Receipts	The Council's Transformation programme has been reviewed as at Quarter 1 with significant reductions on the assumptions regarding redundancies based on current savings requirements. Additionally, it has now incorporated the Neighbourhood theme as approved by Executive on 30 April 2025.
Transformation	Neighbourhood	1.146	3.556	2.340	-	Capital Receipts	
Transformation	Redundancy	(1.153)	(0.850)	(1.041)	-	Capital Receipts	
Transformation	ICT	(0.750)	0.750	-	-	Capital Receipts	
Transformation	Contingency	(0.750)	0.555	0.557	(0.550)	Capital Receipts	
	Transformation Total	-	2.372	(1.072)	(1.300)		
	TOTAL	(8.228)	11.600	(2.072)	(1.300)		