

EXECUTIVE MEMBER UPDATE TO COUNCIL

EXECUTIVE MEMBER: Councillor Nicky Walker - Executive Member for Finance

DATE OF MEETING: 15 October 2025

The purpose of this report is to provide an update to members on areas of activity within my portfolio including performance against strategic priorities.

COUNCIL PLAN PRIORITIES

- Delivering Best Value

1. HIGHLIGHTS

Update:

1.1 Amended Household Support Fund

1.1.1 As mentioned in my previous report to Council, our Household Support Fund (HSF) scheme was approved by Council on 14 May 2025 and is based on the Council's previous successful HSF schemes. In relation to pensioners, my approach, agreed by the Executive under the existing 2025/26 scheme included an amount for pensioners who were no longer eligible for the state Winter Fuel Payment under the changed criteria introduced in 2024. This meant that those in receipt of Council Tax Reduction (CTR) or Attendance Allowance who were not eligible for the Winter Fuel Payment from the Government could receive the amount of the Winter Fuel Payment of £300 or £200 depending on age, in full, from Middlesbrough Council's HSF.

1.1.2 However, on 9 June 2025 the Government amended the criteria for the Winter Fuel Payment again, meaning that pensioners with incomes of less than £35,000 will now be eligible for the Winter Fuel Payment, without HMRC taking it back. This has greatly reduced the number of pensioners in Middlesbrough who aren't eligible for the Winter Fuel Payment and consequently also reduced numbers of those eligible for the £300 or £200 HSF payment under the previously agreed scheme.

1.1.3 Following consultation with officers, on 08 October 2025 I will be taking a report to the Executive which amends the scheme to redistribute the £330,000 of funding that it is estimated won't now be called on, some to payments to pensioners in addition to the Winter Fuel Payment and some to other elements of the existing scheme.

- Widen the criteria for pensioner support to include all on Council Tax Reduction who do receive the Winter Fuel Payment (previously had to have Pension Credit Guarantee Credit as well) and increase the payment from the Household Support Fund from £50 to £100. This is in addition to the Winter Fuel Payment they will receive from the Government

- An increase of £10 per child for those in receipt of income based free school meals, Council Tax Reduction (CTR), Universal Credit (UC) or Housing Benefit (HB)
- Increase the amount provided to singles / couples in receipt of benefits from £45/£55 to £75/£100
- An additional £38,000 to Community Support to assist with crisis applications
- An additional £17,000 allocated to the provision of third party support

1.1.4 It is worthy of note that those pensioners in receipt of Attendance Allowance or Council Tax Reduction and who are not eligible for the Winter Fuel Payment (without clawback through HMRC) will still be eligible for the full amount of the government Winter Fuel Payment of £300 or £200 per household, depending on age, through the Household Support Fund.

1.1.5 The above represents amendments to the scheme to redistribute anticipated surplus funding. Those who were eligible previously do not miss out and the delivery plan remains designed to provide support to the town's most vulnerable residents and low-income households who have a Council Tax or rental liability for their home in a similar way as for previous rounds of HSF funding, as outlined below:

- Families with children in receipt of benefits.
- Pensioners in receipt of CTR
- Singles/Couples which includes those of pensionable age in receipt of benefits
- Application-based awards for residents not in receipt of CTR or other benefits including those of pensionable age

1.2 Members Priorities Fund Ward Allocations

1.2.1 Just a reminder that all wards have an allocation of revenue funding, which depends on the size of the ward and is allocated at the rate of £5,000 per councillor. Guidance and application forms were last emailed to all councillors on 16 July.

1.2.2 To ensure that as many schemes as possible can be delivered within the financial year councillors are asked to submit initial schemes if they have not already done so by 31 October 2025 and any remaining schemes by 31 December 2025. The officer panel will sit in November 2025 and January 2025.

1.2.3 The first officer panel met on September 30 and members are being informed of the outcome of bids already submitted.

1.2.4 I'm informed that proposals submitted so far include:

- Barriers, knee rails and bollards
- Improvements to play areas
- Removal of planters
- Flashing speed awareness signs
- Ornamental structure and planting at roundabout
- Christmas lighting and festivities
- CCTV cameras
- Contribution to pathway, alongside MSS Capital scheme
- Contribution to pedestrian crossing, alongside MSS Capital scheme

1.2.5 Schemes submitted by ward members will be approved if they are deliverable, affordable, and have no ongoing revenue implications, and that they will benefit the ward

and have a positive impact on Council Plan ambitions Middlesbrough Priority Fund applications will be programmed for delivery on completion of the Panel stage based on officer recommendations.

2. THE TIME AHEAD

Update:

2.1 Medium Term Financial Plan

2.1.1 All members were invited to a briefing on the Medium-Term Financial Plan (MTFP) on 23 September 2025. The briefing provided an update on the Council's Medium Term Financial Plan and outlined the approach and timetable for developing the 2026/27 budget and MTFP to 2029/30. The latest report updating this was presented to the Executive on 03 September 2025.

2.1.2 Unfortunately, due to technical issues some members who were trying to join the briefing remotely were unable to do so and so the Director of Finance will be offering those unable to attend the opportunity for an additional briefing, as well as sending out the slides used to all members.

2.1.3 The briefing covered:

- Members's responsibilities
- Current financial position
- Budget development strategy
- Fair funding review consultation
- General economic climate
- Service demand pressures
- Emerging financial pressures and other key considerations
- Investment in the Capital Programme
- Budget strategy, funding allocation priorities and timetable
- Key messages and next steps

2.1.4 Some of the information in the briefing was covered in my last report to Council. It was confirmed that main pressures are in Children's and Adult Social Care, Environment & Community Services and Strategic Commercial Properties. Directorates are currently working on Financial Recovery Action Plans

2.1.5 I have previously referred to the Government's Fair Funding Review which was also covered in the briefing. The approach by the Government in their fundamental reforms to local government funding is to make the way funding is provided for local authorities fairer and simpler and aims to move funding to authorities who have the greatest need, such as Middlesbrough. Officers confirmed at the briefing that Middlesbrough likely to benefit due to high service demand and historical underfunding.

2.1.6 However, at the briefing we were informed that timescales have changed which mean that we will not receive the details of the Settlement when previously expected and the provisional Local Government Settlement will not have been announced before the budget report goes to Executive at the beginning of December:

- The Autumn Budget 2025 will now be delivered on Wednesday 26th November 2025 (originally expected October 2025)

- The Government's decision to defer the budget could impact elements of the Fair Funding Review, as it is closely tied to the wider fiscal policy and public spending commitments
- The provisional Local Government Finance Settlement is now expected in mid to late December 2025 (originally expected late November 2025)

2.1.7 A report will be submitted to Executive on 03 December 2025 which will update the MTFP and include budget proposals for the 2026/27 budget and following which public consultation will commence on the budget proposals. Prior to that there will be a further briefing for all members which is planned for 25 November 2025. Meetings of the cross-party Financial Resilience Working Group which includes all group leaders are also timetabled with the first for this forthcoming budget being on October 13 2025. I included the 2026/27 Budget Setting Timetable in my last report to Council.