

Appendix 1 - Forecast Service Demand Pressures and Re-basing of Budgets (including for reduced income levels and legislative requirements)

Directorate	Detail	2026/27 £m	2027/28 £m	2028/29 £m	2029/30 £m	Cumulative £m
Regeneration & Housing						
• Trading Standards (26/27 only - remaining 25/26 Priorities Fund)	Additional Trading Standards Officer on a fixed term basis to increase proactive work on product safety, counterfeit products and illicit tobacco products, including further and sustained operations targeting repeated offenders and premises, with enhanced partnership working with HMRC, Immigration and the Police	0.039	(0.039)	-	-	-
• Financial Investigator (26/27 only - remaining 25/26 Priorities Fund)	Accredited Financial Investigator post on a fixed term basis to increase the financial investigation capabilities of the Council, to improve criminal case outcomes, increase civil debt recovery and increase asset recovery under Proceeds of Crime Act	0.050	(0.050)	-	-	-
• Changes to commercial income assumptions	Potential shortfalls on income from strategic commercial investments arising from potential tenancy changes	1.000	-	-	-	1.000
		1.089	(0.089)	-	-	1.000
Public Health						
• Relocation of Live Well Centre	Drugs Support Service relocation	-	0.447	-	-	0.447
Environment, Communities & Culture						
• Member Allocations to Wards (26/27 only - remaining 25/26 Priorities Fund)	For ward specific initiatives, led by Ward Members	0.055	(0.055)	-	-	-
• In-house Arbor Team (26/27 only - remaining 25/26 Priorities Fund)	Management of the Council's own tree stock, monitoring of tree standards and safety across the town, enhanced adherence to tree management and maintenance legislation, management of tree disease, tree surveys and responding to tree safety concerns	0.280	(0.280)	-	-	-
• MUSINC Project (26/27 only - remaining 25/26 Priorities Fund)	Replacement of musical instruments/enhancement of offer currently provided by the Service	0.075	(0.075)	-	-	-
• Tree Maintenance	£0.500m was allocated to tree maintenance from one-off funding in 2025/26 to enable works required to be completed, this was due to be removed from 2026/27, but £0.100m has been retained in the budget permanently to meet ongoing demands	(0.400)	-	-	-	(0.400)
• Simpler Recycling	Costs of revised recycling scheme following legislative changes imposed by Government, including food waste, paper, card and microfilm plastics	2.279	-	-	-	2.279
• School Meals Catering	Continuing shortfalls on income achieved from school meals due to rising food prices and the prices of meals not being increased accordingly due to a political decision not to increase prices in order to support families	0.230	0.046	0.047	0.048	0.371
• Residual waste disposal costs	Changes to estimated demand, based on estimated contract prices and tonnages. Includes £1m from 2028/29 for Emissions Trading Scheme (ETS) potential costs	0.038	0.143	1.542	0.157	1.880
• Crematorium income pressures	Continuing reduced demand and associated decline in income from Cremations	0.250				0.250
• Fleet expenditure pressures	Increased staff costs due to recruitment and retention challenges and a sharp increase in the cost of vehicle parts	0.300				0.300
		3.107	(0.221)	1.589	0.205	4.680
Children's Care						
• Additional funds for S17 cases	Increased demand, including for overnight emergency accommodation and legal/financial support costs	0.084	-	-	-	0.084
• Increased demand for services	Continuing increased demand for care and increased complexity of cases, in particular for external residential placements	3.000	3.000	3.000	1.500	10.500
		3.084	3.000	3.000	1.500	10.584
Education & Partnerships						
• Integrated Transport Service	Forecast increased demand for home to school transport for children and transport for vulnerable adults	0.500	-	-	-	0.500
• Inclusion & Specialist support	Staffing increases to support increased demand for Inclusion and Specialist Support services relating to statutory assessments, permanent exclusions and suspensions, elective home education and other services	0.220	-	-	-	0.220
		0.720	-	-	-	0.720
Adult Social Care & Health						
• Living Wage; external commissioned services	Effect of the National Living Wage on services commissioned from external adult social care providers	1.877	2.011	2.168	2.221	8.277
• Domestic Abuse Coordinator (26/27 only - remaining 25/26 Priorities Fund)	Fixed term post of Domestic Abuse Coordinator, to support and track learning and actions from Domestic Homicide Reviews as outlined by the Community Safety Partnership and Internal Audit	0.040	(0.040)	-	-	-
• Homeless Interventions (26/27 only - remaining 25/26 Priorities Fund)	Development of a small intensive intervention team to work with the ten most complex individuals currently contributing to a high system cost across numerous stakeholders including health, police and retail	0.050	(0.050)	-	-	-
• Staffing investment	For areas experiencing complexity and higher demand, and to drive improvements in practice and data quality	0.080	-	-	-	0.080
• Social Work Practice Lead and Case Auditor	Strengthen governance and quality assurance for social care practice.	0.123	-	-	-	0.123
• Access & Safeguarding	Improve safeguarding and manage demand at service entry point	0.146	0.078	-	-	0.224
• Head of Homeless & Domestic Abuse	Lead for Homelessness and Domestic Abuse services	0.024	-	-	-	0.024
• Service Director of Operations	To increase senior management capacity	0.141	-	-	-	0.141
• Increase staff training budget	To support staff training for statutory duties	0.015	-	-	-	0.015
• Business Change continuous improvement	To drive continuous improvement and maintain journey of change in accordance with CQC inspection requirements	0.015	0.046	-	-	0.061
• Sensory Lead	To support clients with sensory loss to live independent lives, development of expertise in specialist technology to identify independence opportunities	0.057	-	-	-	0.057
• Estates Office	To support the increasing number of appointeeships to ensure clients can continue to contribute to their costs of care	0.042	-	-	-	0.042
• Staff Development	Develop a care academy and workforce strategy	-	0.074	0.023	0.012	0.109
• Advocacy Services legislative changes	Change to Mental Health Act re: advocacy whereby users will have to opt out rather than opt in - resulting in expected significant increase in demand for advocacy services	0.080	-	-	-	0.080
• Mental Capacity Assessments legal requirement	Legal requirement to process Mental Capacity Assessments - resources currently insufficient to meet demand	0.131	(0.071)	-	-	0.060
• Annual Review of Care Packages	To support requirement for individuals in receipt of care and support with an annual review to ensure care needs have not changed and the services in place are still appropriate - resources currently insufficient to meet demand	0.216	-	-	-	0.216
• Mental Health Act (people with learning disabilities)	Mental Health Act requirements for prevention of any individual with learning disabilities from being subject to a section and a requirement they are supported in the community, there are currently no suitable provisions for support in the community for this level of complexity	0.150	-	-	-	0.150
• Relocation of Contact Centre	Additional staff (Reception/Building Manager) required following relocation from Middlesbrough House	0.075	-	-	-	0.075
• Demand Pressures - 2025/26	Demand for services increase from 2025/26 built into base budget from 2026/27	2.020	-	-	-	2.020
• Demand Pressures - 2026/27 & ongoing	Forecast demand for services increase per year built into budget in each year, rather than retrospectively	1.500	1.500	1.500	1.500	6.000
		6.782	3.548	3.691	3.733	17.754
Legal & Corporate Services						
• Directorate wide staffing	Increased staffing requirement across Democratic Services, Legal, Strategy, Information & Governance, Human Resources and LMT Business Support	0.585	-	-	-	0.585
• Coroners additional staff/pay award	4 additional staff in Coroners, plus pay award for Coroner (as Coroner pay awards now negotiated locally, rather than by Home Office). The amount shown is Middlesbrough share only as this is a Shared Service	0.050	-	-	-	0.050
		0.635	-	-	-	0.635
Finance						
• Investment in Counter Fraud capacity	Investment to strengthen the Council's arrangements to protect the Council's financial interests	0.042	-	-	-	0.042
• Customer Payments System/Bank charges	Historical pressures on Customer Payments System and Bank Charges - covered in previous years by one off underspends	0.090	0.005	0.005	-	0.100
		0.132	0.005	0.005	-	0.142
Forecast Service Demand Pressures and Re-basing of Budgets		15.549	6.690	8.285	5.438	35.963

NOTE

The above reflects the current position. Some of the above were included in the 2025/26 budget and MTFP report to Council in February 2025 but have since been updated to reflect the current position (e.g. Children's Care demand, Living Wage, commercial income).