

EXECUTIVE MEMBER UPDATE TO COUNCIL

EXECUTIVE MEMBER: Councillor Nicky Walker - Executive Member for Finance

DATE OF MEETING: 15 July 2026

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 Crisis and Resilience Fund

- 1.1.1** On June 10, I presented a report to the Executive with proposals for the new Crisis and Resilience Fund (CRF), which replaces the Household Support Fund and Discretionary Housing Payments schemes. This government funded programme is set to provide almost £4m to support households across Middlesbrough over the next year.
- 1.1.2** Following a change of focus required by the government, it will not only provide immediate help for those in difficulty, but also preventative support so that people can manage their finances, become more resilient and less dependent on assistance over time.
- 1.1.3** I was keen that in the light of the current financial pressures people are facing, that this year some elements of the cost-of-living payments made last year will be retained to support
- Pensioners on Council Tax Reduction,
 - Families with children on Free School Meals,
 - Those without children on Universal Credit.
- 1.1.4** In a large number of cases, where we already have bank details, these payments can be made automatically. Once these automated payments have been completed, applications will be made open to others.
- 1.1.5** Unlike schemes delivered by many other Councils, Middlesbrough's will allow people in work, but who don't also qualify for benefits, to apply for crisis payments. Thresholds have been set so that a single person with earnings of up to £25,000 could apply. Larger families with three or more children could have gross earnings

of up to £65,000 and apply when they face an unexpected expense or loss of income.

1.1.6 The fund has been designed to support people of all ages and with different financial circumstances. The scheme will include assistance with:

- Targeted help for Middlesbrough residents living with terminal illness,
- Dedicated support for armed forces veterans,
- Housing costs,
- School uniform grants,
- Support for families in temporary accommodation to move on,
- Assistance for residents experiencing domestic abuse
- Support Holiday Activities and Food (HAF) places for children not in receipt of Free School Meals.

1.1.7 Further details are in the report and will be on the council website [Crisis and Resilience Fund | Middlesbrough Council](#)

1.1.8 Our CRF scheme has had a great deal of time, thought and work put into it, including consultation across Council departments and with relevant partners in order to meet the needs of Middlesbrough's residents. I would like to thank our officers for their incredible work on pulling this comprehensive set of measures together.

1.1.9 I was pleased to have the opportunity to promote Middlesbrough's CRF scheme on BBC TV recently. There will also be a comprehensive communications package to promote different strands of the scheme as they go live, and I hope Councillors will also assist with promoting the scheme to their residents.

1.1.10 More information on the roll out of the CRF scheme is provided in the table below:

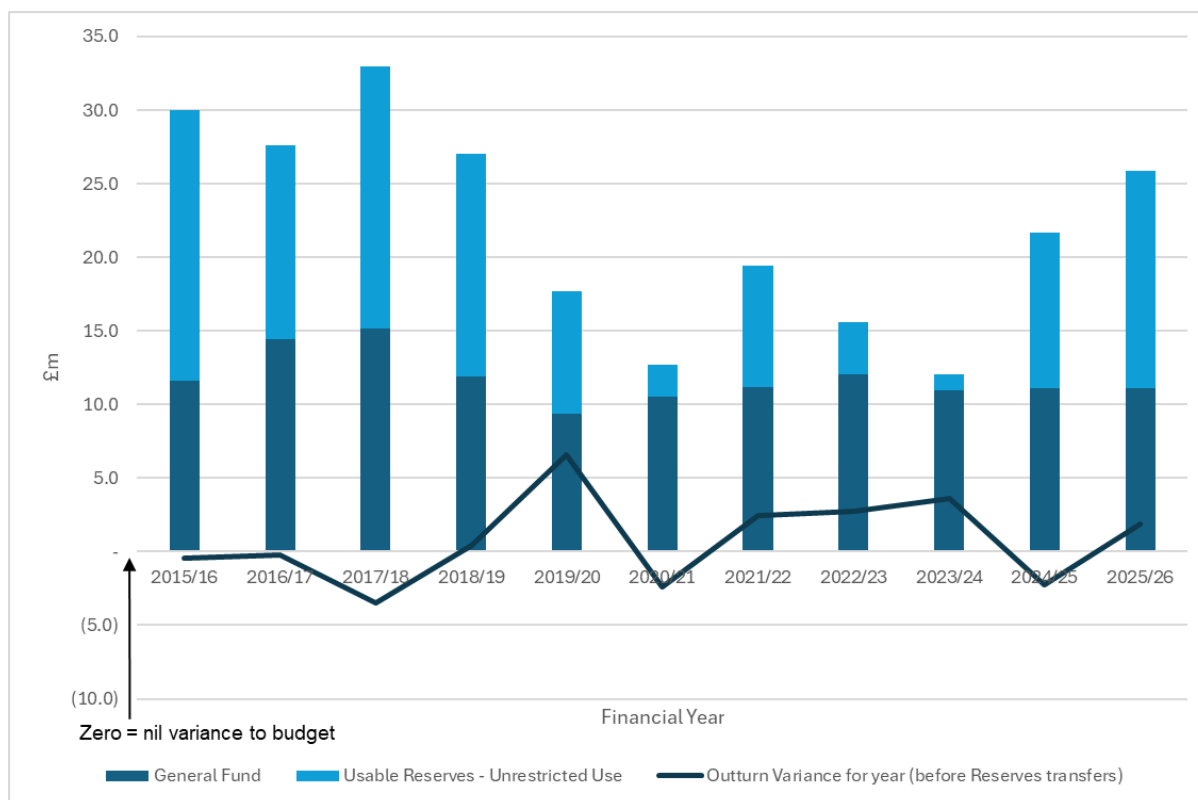
Details	Opens	Amount
Housing Payments	Application open now	Case by Case
Crisis (Applications Open 29 June 2026)	Application open now	Case by Case and subject to income levels
Households in receipt of Free School Meals.	6 & 7 July 2025 (automatic Payments made)	£70 per child
Households in receipt of UC or means tested FSM	8 July 2026 (Application Opens)	£70 per child
Singles, Couples in receipt of UC.	September 2026 (Application or Direct Award)	£50 per household
Pensioners in receipt of Council Tax Reduction.	October 2026. Application or Direct Award)	£50 per household
Temporary Accommodation move on Support (referral from housing solutions)	Application open now	Case by Case and subject to income levels
Terminally ill package	Application open now	£400 Help with Council tax HAF respite places Benefit checks and support
Veteran support	Application open now	Case by Case and subject to income levels
School uniform support	Application open now	Up to £40 primary school Up to £70 secondary school
Community Support Scheme (extension to current to capture additional e.g broken white goods)	Application open now	Case by Case and subject to income levels
No Recourse to Public Funds (direct application or referral from partnering organisations)	Application open now	Case by Case and subject to income levels
Domestic Abuse (referral from DA team)	Application open now	Case by Case and subject to income levels

1.2 Year-end Outturn 2025/26

1.2.1 The year-end position shows the continuing improvement of our financial resilience, with our reserves continuing to rise.

1.2.2 The initial position was outlined in an end-of-year budget report which I presented to the Council's Executive on Wednesday 10 June and which was also considered by OSB on Tuesday 7 July. Building on progress from the last two years, a forecast overspend of £4.5 million at Quarter 1 was reduced to £1.8 million through careful and effective oversight and the management of financial pressures. The initial position reported to Executive on 10 June has been revised marginally to £2.1m overspent as part of the preparation of the draft financial statements for 2025/26 which were published on the Council's website by the statutory deadline of 30 June 2026. The marginal difference relates to the interaction between the revenue budget, and the collection fund accounts, when the final position on assets and liabilities in the Council's balance sheet has been confirmed.

- 1.2.3** It is important to stress that unlike in recent years where reserves were depleted to critically low levels by overspends, this year's figure can be comfortably met by a sum set aside in the budget to cover uncertainty in savings delivery, meaning that reserves have actually continued to increase as illustrated in the graph below which is included in the report. This graph shows unrestricted Reserves Balances from closing balance 2015/16 through to year-end forecast closing balance 2025/26 and reported outturn variance per year



- 1.2.4** Importantly, the Council's financial resilience has continued to improve for the second year running, with usable unrestricted reserves increased by almost £4million to almost £26million at the end of March 2026, despite the overall revenue overspend. This reflects a combination of strengthened financial governance, use of corporate contingencies and the application of one-off resources. It represents continued progress in rebuilding reserves from the previous critically low levels, whereby the Council narrowly avoided a Section 114 notice by applying for Exceptional Financial Support. Maintaining and further strengthening this reserve position remains a high priority and essential to managing future financial risks.
- 1.2.5** The improved financial position has also provided the opportunity for a number of areas of ongoing financial pressures which have impacted on recent years' and led to this year-end position provided for by investment in this year's budget.
- 1.2.6** However, we continue to face ongoing pressures, particularly in relation to Children's and Adult's Social Care. The message is therefore that it is 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. There remains an ongoing need to maintain strong financial discipline and there is no room for complacency.

1.3 MTFP and Budget 2027/28 - All Member Engagement

- 1.3.1** I am keen that all members have the opportunity to understand our financial position, be kept up to date with developments and have an input into the budget process for the forthcoming year, and at an earlier stage, offering enhanced transparency and opportunity for engagement. I have therefore requested that officers build this in to the budget timetable.
- 1.3.2** To this end a series of briefings will be held, starting on 6 July, with a Teams meeting at 5pm for which members should have received an electronic invitation. There will be a follow-up session scheduled for early August for those unable to attend. This first briefing will relate to the July Executive report, *MTFP Update and 2027/28 Budget Development Approach and Timetable* which I will present to the July Executive meeting, it will also provide further detail on how Members can engage in and contribute to the budget setting process.
- 1.3.3** Further briefings are planned for October, December, and February, leading up to Full Council in February 2027, where Members will be asked to consider and approve:
- The 2027/28 Revenue Budget
 - The 2027/28 Council Tax
 - The revised Medium-Term Financial Plan to 2030/31
 - The Capital Strategy 2027/28
- 1.3.4** Members will have received an email from Helen Dalby, Head of Financial Planning and Business Partnering, and our Deputy s151 Officer on this subject and I am grateful to Helen for all her work on this.