MIDDLESBROUGH COUNCIL	Middlesbrough moving forward

Report of:	Corporate Director of Finance (S151 Officer), Andrew Humble

Relevant Executive Member:	Executive Member for Finance, Cllr Nicky Walker

Submitted to:	Overview and Scrutiny Board

Date:	29 July 2026

Title:	Prudential Indicators & Treasury Management Outturn Report – 2025/26

Report for:	Discussion

Status:	Public

Council Plan priority:	Delivering Best Value

Key decision:	Not applicable
Why:	Report is for information only

Subject to call in?	Not applicable
Why:	Non-Executive Report

Proposed decision(s)
That the Overview and Scrutiny Board: • Note the contents of the report. • Provide comments to the Executive as appropriate

Executive summary
The report advised Executive that, Middlesbrough Council, like most local authorities, borrows money to fund its capital programme and manage short term cashflow, but not to support its revenue budget. The Council operates within a robust Treasury Management Strategy and Prudential Indicator framework, required by legislation and CIPFA guidance, to ensure borrowing and investment activities are affordable, sustainable, prudent, and properly managed. These arrangements help the Council balance value for money, risk management, and the protection of invested funds. The 2025/26 year-end position shows that all treasury management and prudential indicators were met, with borrowing requirements lower than planned due to delays in capital projects. At 31 March 2026, the Council's total debt stood at £280.6m, with the

Council remaining "under-borrowed" by £27.2m through the use of internal cash balances rather than additional external borrowing, reducing costs and supporting the revenue budget. All investments were made in line with approved creditworthiness criteria, and the net annual cost of financing debt was £12.0m, representing 8.3% of the Council's net revenue budget.

1. Purpose of this report and its contribution to the achievement of the Council Plan ambitions

1.1 To inform Overview and Scrutiny Board of the Council's performance at year-end 2025/26.

Our ambitions	Summary of how this report will support delivery of these ambitions and the underpinning aims
A successful and ambitious town	The aims and ambitions of the report were detailed in the appended Executive report.
A healthy Place	
Safe and resilient communities	
Delivering best value	

2. Recommendations

2.1 That the Overview and Scrutiny Board

- Note the contents of the report.
- Provide comments back to the Executive as appropriate

3. Rationale for the recommended decision(s)

3.1 To advise Scrutiny on the Council's prudential indicators and treasury management for the year 2025/2026

4. Background and relevant information

4.1 Relevant background and other information are contained in the Executive report at Appendix 1a.

5. Ward Member Engagement if relevant and appropriate

5.1 Ward Member engagement is detailed in the appended Executive report.

6. Other potential alternative(s) and why these have not been recommended

6.1 Other potential alternatives are detailed in the appended Executive report.

7. Impact(s) of the recommended decision(s)

Topic	Impact

Financial (including procurement and Social Value)	The impacts of the report are detailed in the appended Executive report.
Legal	
Risk	
Human Rights, Public Sector Equality Duty and Community Cohesion	
Reducing Poverty	
Climate Change / Environmental	
Children and Young People Cared for by the Authority and Care Leavers	
Data Protection	

Actions to be taken to implement the recommended decision(s)

Action	Responsible Officer	Deadline
N/A		

Appendices

1	Executive Report and Appendices

Background papers

Body	Report title	Date

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