REPORT TO EXECUTIVE SCRUTINY COMMITTEE
21 JULY 2026

REPORT OF CORPORATE MANAGEMENT TEAM

MEDIUM TERM FINANCIAL PLAN (MTFP) – OUTTURN MARCH 2026

Summary

This report provides Cabinet with an update on the financial performance and position as at 31 March 2026.

The overall financial position remains broadly consistent with that projected at the end of December 2025, as outlined in the budget report in February 2026, with a minor overall variance of (£72,000) from the previously reported position of £3.937m. The final year-end position reflects an overspend against budget of £3.865m.

During the financial year pressure has continued across the largest, demand driven services, namely Adult's and Children's Social Care, Home to School Transport and support for children with Special Educational Needs. These areas are the focus of ongoing transformation reviews.

In the final quarter of the financial year, there has been a notable improvement in the projected financial position across most budget areas. Improvements against earlier forecasts across directorate budgets have enabled the Council to ring fence the required 10%, £1.7m, for Special Educational Needs, without the need to identify further savings.

However, there has been a worsened position on Children's Social care and a significant increase in the Dedicated Schools Grant deficit, which has risen to £17.1m, driven primarily by continued growth in the numbers of children with Education, Health & Care Plans.

The Capital Programme has been updated to reflect the inclusion of new schemes and the completion of projects as at the financial year end.

Reasons for Recommendation(s)/Decision(s)

To update Cabinet on the Medium-Term Financial Plan, including the outturn position for 2025/26

Recommendations

1. Note the outturn position for the year ended 31 March 2026 and the updated Capital Programme.

Detail

FINANCIAL POSITION AS AT 31 MARCH 2026

GENERAL FUND

2. The following table sets out the financial position for each Directorate at 31 March 2026. The reasons for any significant variances from those previously reported are summarised in the paragraphs below.

Directorate	Annual Budget £'000	Actual Outturn £'000	Actual Variance Over/(Under) £'000	Projected Variance Q3 Over/(Under) £'000	Movement from Q3 £'000
Adults, Health & Wellbeing	107,384	107,391	7	716	(709)
Children's Services	63,735	67,858	4,123	3,141	982
Community Services, Environment & Culture	58,163	58,003	(160)	893	(1,053)
Finance, Transformation & Performance	14,407	13,396	(1,011)	(881)	(130)
Corporate Services	12,203	11,953	(249)	(256)	7
Regeneration & Inclusive Growth	3,301	3,235	(66)	(60)	(6)
Corporate Items	7,449	5,637	(1,812)	(916)	(896)
Total	**266,641**	**267,474**	**833**	**2,637**	**(1,804)**
Pay Offer	0	632	632	600	32
Transformation Savings Shortfall	0	700	700	700	0
DSG 10% High Needs Stability Grant	0	1,700	1,700	0	1,700
Revised Total	**266,641**	**270,506**	**3,865**	**3,937**	**(72)**

Adults, Health and Wellbeing

3. Demand for residential services for older people, including those with mental health conditions has increased in the quarter, generating a further overspend of £587,000.

4. Costs associated with direct payments and care at home services for people with Mental Health conditions for were lower than forecast, generating an additional saving of (£478,000).

5. The previous MTFP report to Council in February, referenced additional income of £300,000 through the Better Care Fund pooled budget. The figure agreed with the North-East and North Cumbria Integrated Care Board was £440,000, providing an additional amount of £140,000 used to fund increased social care pressures.

6. Use of Public Health grant has been reviewed at the year-end enabling a further £428,000 to be redirected, supporting wider Council activity in areas which improve health and wellbeing.

7. There are further savings within the Housing Service due to staffing vacancies and maximisation of grant funding (£400,000).

Children's Services

8. Members will be aware of the continued growth in demand relating to Children's Social Care and the escalation of costs for external residential provision. Alongside many other Council's across the country, this continues to be a major challenge for Children's Social care budgets. There has been an increase in children in external residential placements since December, as well as additional cost pressures on placements due to fee increases and greater support requirements, this has led to a further overspend at the year end of £1,300,000.

9. There has been a reduction in the number of children with disabilities requiring services, leading to reduction of (£200,000) against previously projected expenditure position.

10. Additional grant funding has been secured at the end of the year of (£140,000).

11. It should be noted that despite the financial challenges within the Directorate significant work continues to drive permanent recruitment and thus limit the dependency on agency staffing. This is borne out by the reduction in agency expenditure between financial years and critically delivering continuity of care and enhanced stability for some of our most vulnerable people.

Community Services, Environment & Culture

12. The expenditure on Home to School transport continued to increase by a further £139,000. This was driven by a combination of increased demand and the costs associated with placements, such as passenger assistants and general route costs from the supplier.

13. Additional income has been received in the Ground Maintenance service which accounts for an improvement in the position of (£195,000).

14. Transport and Highways have improved the position by (£315,000). This is due to ongoing work on reviewing charging into external grants, alongside a number of new cycleway schemes commencing through the design phase and as such officer time charged into the capital programme to reflect time spent on these emerging projects.

15. Due to a milder winter the Operational Highways were require to deliver a reduced number of gritting runs alongside some additional income leading to a movement of (£225,000).

16. Further income has been received within the Building Cleaning service relating to external work and this accounts for a movement of (£105,000).

17. There were a number of smaller savings across a range of services, primarily arising from staffing. This accounts for around (£200,000) movement between Q3 and year end.

Finance, Transformation & Performance

18. (£191,000) additional income received from the Hampton by Hilton Hotel dividend.

Corporate Services

19. There have been no significant movements in the position for Corporate Services.

Regeneration and Inclusive Growth

20. There have been no significant movements in the position for Regeneration and Inclusive Growth.

Corporate Items

21. Throughout the year, NNDR and grant reviews have been undertaken to maximise opportunities for identifying savings. This has included additional in-year NNDR income through Section 31 (S31) grants, reflecting compensation for business rates reliefs. These reviews have collectively enabled £900,000 of additional income to be offset against a range of wider council services.

Dedicated Schools Grant

22. The Dedicated Schools Grant (DSG) is a ringfenced grant received to deliver defined education services including Schools, Early Years and Special Educational Needs (High Needs). The grant is awarded by the Department for Education on an annual basis, and the amount is determined by a national formula. Members will recall in previous reports, that the Council is experiencing growing demand in services and costs for pupils with Special Educational Needs (SEND). This is also true of many Councils across the Country.

23. The Dedicated Schools Grant is accounted for in a separate ring-fenced account and guidance states that any deficit should not be funded from the Council's General Fund. This deficit is therefore not currently included within the Council's overall budget. The deficit at 31 March 2025 was £6.72m. The forecast position in the February report was anticipated to be £13.62m by 31 March 2026.

24. The table below summarises the year-end financial position for the DSG budget. This shows and in-year overspend on the High Needs Block of £11.5m, partially offset by an underspend on the Early Years Block of (£847,000) and Schools Block of (£252,000), resulting in a net in-year overspend of £10.4m. The cumulative DSG deficit at 31 March 2026 is now £17.135m.

Dedicated Schools Grant	Annual Budget £'000	Actual Outturn £'000	Actual Variance Over/(Under) £'000	Projected Variance Q3 Over/(Under) £'000	Movement from Q3 £'000
DSG Expenditure					

Schools Block	178,410	178,158	(252)	(200)	(52)
Central Schools Block	1,205	1,198	(7)	0	(7)
Early Years Block	33,509	32,662	(847)	0	(847)
High Needs Block	45,060	56,575	11,515	7,099	4,416
Total DSG Expenditure	**258,184**	**268,593**	**10,409**	**6,899**	**3,510**
DSG Funding	(258,184)	(258,184)	0	0	0
In-year deficit	0	10,409	10,409	6,899	3,510
Unusable Reserve at 31/03/2025			6,725	6,725	0
Cumulative Unusable Reserve (DSG Deficit)			**17,134**	**13,624**	**3,510**

25. Details of any significant variances against budget incurred during the year 2025/2026 are:

- Increase in number and cost of placements in Independent Schools (£3.7m) and in other LA schools/academies (£2.3m).
- Increase in number of top-ups plus additional payments to SBC mainstream and special academies (£3m).
- Cost of providing high needs funding to new Additionally Resourced Provisions (ARPs)/SEND Units in SBC schools (£1.2m)
- Increased cost of Post-16 high needs support in specialist colleges (£426k).
- Increase in number of top-ups plus additional payments to SBC maintained mainstream schools (£475k).
- Increase in the cost of Alternative Provision for pupils who have been excluded or are at risk of exclusion (£238k).
- (£460,000) underspend against the Early Years budget relating to timing of the grant funding and its relationship to census points.
- (£290,000) underspend within the Schools Growth Fund due to marginally lower admission numbers in September 2024 for specific schools resulting from basic need requirements.

26. There is a statutory override in place until 31st March 2028, meaning that any deficit on the DSG is accounted for separately within an unusable reserve within the Council's accounts.

27. The Final Local Government Finance Settlement included some announcements on the approach to addressing DSG deficits, whilst the Government transitions to reform the SEND system, with further information published in spring. The initial phase will address historic deficits accrued up to 31 March 2026. All local authorities with a SEND deficit will be eligible to receive a High Needs Stability Grant, subject to approval of a Local SEND Reform Plan by the Department of Education, covering 90% of their High Needs-related DSG deficit accrued up to the end of 2025-26, which will be paid in 2026/27. Local authorities will need to plan to be able to meet the cost of the residual deficit 10%.

28. In preparing the year-end financial position, the positive movement across directorate budgets has enabled sufficient funding to be identified to set aside the required 10% (£1.7m) in reserves, avoiding the requirement to identify further savings.

29. The statutory override remains in place until 31st March 2028. Further information is anticipated from Government regarding potential future funding for further deficits which may accrue in 2026/2027 or future years.

Collection Fund

30. The Collection Fund is a ringfenced account which includes the actual amount collected for both Council Tax and Business Rates (NNDR). In line with statutory requirements the Council forecasts the overall surplus or deficit on the collection fund in January, which is used in budget setting for the following year. Actual performance of the amount of Council Tax and Business Rates collected is not known until the end of the financial year.

31. As the precepting authority, the Council's collection fund accounts for income on behalf of Parish and Town Councils within the borough, Cleveland Fire Brigade, Cleveland Police as well as the Council itself. The surplus or deficit positions on the collection fund therefore include income for partners as well as the Council.

32. Council Tax performance during the year has been positive, with a year-end surplus of £1.753m. The estimated surplus was declared in January 2026 and the SBC precepting share included within the MTFP Report in February 2026.

33. Business rates has closed the year with a deficit of £1.7m, of which SBC's share is £859,000. This compares to the forecast position of £567,000, so there is an overall movement of £292,000, which will be reflected within the budget setting for 2027/28. Business rates are accounted for one year in arrears due to the nature of the system. This reflects the timing differences, as projections are based on the most up-to-date information available at the time, aligned with government national return requirements, although these timelines do not fully align with the budget-setting process.

34. In addition, the authority has received Section 31 grant funding to compensate for national business rate reliefs provided to businesses. This funding has been included within corporate items in the revenue outturn position reported above.

35. As outlined in the budget report, significant changes to local government funding will be introduced from 2026/27, including a major review of how business rates are distributed among local authorities. As a result, a further reconciliation of business rates is anticipated during 2026/27.

36. The authority will continue to closely monitor local collection levels and any national policy changes throughout the year, with updates incorporated into regular Medium-Term Financial Plan (MTFP) monitoring reports and the budget-setting process for 2027/28.

General Fund Balances and Earmarked Reserves

37. The Council is required to maintain adequate levels of reserves. Reserves are an important part of the Council's financial strategy and are held to create long-term budgetary stability. Reserves enable the Council to manage change without undue

impact on the Council Tax and are a key element of its strong financial standing and resilience.

38. The Council holds the following reserves:

- General Fund Balances – this is a working balance serving as a financial safety net for unseen expenses or fluctuations in revenue. This is the reserve of last resort.
- Earmarked reserves – are funds set aside for specific projects and initiatives.
- Ringfenced or Partnership reserves – use is subject to conditions for example school balances held on behalf of schools.

39. The total General Fund Balance at 31 March 2026 is £8m, in line with the agreed level and as outlined in the report to Cabinet in February 2026.

40. The Council's general fund balance has remained at £8m since 2022/23. Members will recall that the MTFP report in February includes an allocation of £1m per annum to increase General Fund Balances to £11m by 2028/29. Resources will need to increase beyond this £11m to ensure the general fund balances are reflective of the continually growing budget, but this is anticipated to be an achievable increase within the MTFP period. The level of general fund balances will be reviewed annually to assess the suitability. Given the current level of general fund balances the Council should aim to hold 5% of Net Revenue Expenditure in General Fund balances, this is estimated to be £15.6m by 2028/29 based on the current MTFP.

41. To fund the overspend in 25/26, as agreed in the budget report in February 2026, reserves amounting to £3.865m have been used. The earmarked reserves position has reduced from an opening position of £30.3m to £27.5m at the year-end.

42. Details of earmarked reserve balances at the year-end are presented in the table below:

Earmarked Reserves	**Opening Balance 25/26**	**Movement 25/26**	**Closing Balance 25/26**
	£'000	**£'000**	**£'000**
Capital Scheme Reserves	(6,693)	1,551	(5,142)
Insurance Fund	(5,193)	676	(4,517)
Service Development & Improvement	(3,457)	1,283	(2,174)
Partnership / Statutory Reserves	(2,474)	332	(2,142)
Transformation & Implementation	(2,207)	(2,552)	(4,759)
MTFP Support Reserve	(2,213)	1,150	(1,063)
Pooled Funds and Interest Rate Risk	(1,962)	962	(1,000)
PFI Scheme Liability	(1,547)	127	(1,420)
Public Health Reserve	(1,175)	419	(756)
DSG Deficit Support Reserve	0	(1,700)	(1,700)
Schools Related Reserves	(3,368)	573	(2,795)
Total	**(30,289)**	**2,820**	**(27,469)**

43. The year-end closing balance of earmarked reserves is higher than projected in the budget setting report in February. This is due to reprofiling the use of reserves and most reserve balances remain committed for specific purposes. This does not alter the reserves policy within the budget report to Council in February 2026.

44. Members will recall that the MTFP report included a provision of £3m per year to increase the MTFP Support Reserve, which is necessary to mitigate future financial risks, or negative performance against budget. The Council should aim to hold 5% of Net Revenue Expenditure in the MTFP Support Reserve, this is estimated to be £15.6m by 2028/29 based on the current MTFP numbers. The projected balance on this reserve at the end of 2028/2029 is £10m, subject to no further funding being required to mitigate future overspends.

45. Reserves are monitored as part of the Council's financial budgetary control processes. Throughout 2026/2027, reserves will continue to be monitored on a quarterly basis, with commitments and projections updated to update cashflow and planned usage forecasts.

Medium Term Financial Plan Outlook

46. The budget report to Council in February identified the ongoing financial pressures and growth in demand across many council services; within Children's and Adult's Social Care, Home to School Transport and educational support to children with special educational needs. These areas have been significant drivers in the year-end position.

47. Strengthened financial monitoring will be implemented throughout 2026/2027. In addition to the existing quarterly budget monitoring, there will be targeted oversight of more volatile budgets and key cost drivers. This enhanced monitoring will be reviewed regularly by the Corporate Management Team, enabling timely development and implementation of actions to address emerging financial pressures.

This approach will include focused updates on areas within the Medium-Term Financial Plan (MTFP), including:

- Demand-led pressures, particularly within Children's and Adult Social Care
- Delivery of Transformation Reviews and associated savings
- Inflationary impacts, including National Joint Council (NJC) pay award agreements
- Global economic uncertainty, such as fluctuations in energy and fuel costs
- Management of Dedicated Schools Grant (DSG) deficits and future funding arrangements for SEND beyond current announcements
- Additional areas subject to transformation reviews, including Waste Collection and Disposal, and income generation through fees and charges

48. Members will recall there is an estimated budget gap of £6.7m in 2026/27, rising to £13.8m in 2027/28 and £18.4m in 2028/29. The Council is taking a planned approach to transformation and change, using the Powering our Future Framework. Work is well underway with the second phase of Transformation Reviews, focusing on day to-day efficiencies, alongside Service Reviews and cross-council transformation. This approach will continue to ensure services are fit for purpose to address the challenges faced, and that the Council continues to be a high-performing, sustainable council that does our best for communities.

49. There is a separate report on this meeting agenda titled 'Powering our Futures – Transformation Reviews Update' which provides an update on the progress of the reviews and the impact upon the MTFP.

CAPITAL

50. The Capital Programme is summarised below and shown at **Appendix A.**

CAPITAL PROGRAMME Up to 2029	Current Approved Programme £'000	Programme Revisions £'000	Completed Schemes 2025/26 £'000	Variances (Completed Schemes) £'000	New Approvals £'000	Revised Programme £'000
School Investment Programme & Children's Services	21,354	486	(1,851)	(18)	8,483	28,454
Inclusive Growth	9,794	0	(1,248)	(2)	0	8,544
Regeneration	149,051	282	(6,338)	(268)	1,300	144,027
Transportation	26,041	211	(9,556)	(84)	916	17,529
Community & Environment, Culture & Leisure	27,552	413	(4,090)	(4,544)	1,561	20,891
Adults, Health & Wellbeing	6,808	0	(472)	3	0	6,341
Xentrall ICT	900	(242)	0	0	0	658
Council Wide	19,350	(734)	0	0	0	18,616
Total Approved Capital MTFP	**260,852**	**417**	**(23,555)**	**(4,913)**	**12,260**	**245,061**

51. Members will note that the programme has been updated to reflect the approvals contained within the 2026/27 Budget Report and to reflect changes to the programme resulting from the sourcing of external funding. The changes are summarised in **Appendix B.** The Programme has also been updated to reflect schemes which have completed in 2025/2026.

Community Impact and Equality and Poverty Impact Assessment

52. As part of the process of making changes to policy or delivery of services, we consider the impact on our communities. No changes to policy or service delivery are proposed as part of this report.

Corporate Parenting Implications

53. None

Financial Implications

54. The report updates Members on the financial position at the year-end for 2025/26 and Capital Programme. Financial implications are covered in the main body of the report.

Legal Implications

55. There are no specific legal implications.

Risk Assessment

56. The report provides an update to Members on the year-end position as at 31 March 2026. The MTFP is included within the Council's Strategic Risk Register. The current approved MTFP identifies a large budget reduction required, with Transformation Plans in place via the Council's Powering our Futures Programme. Constant and frequent monitoring of the financial position will be ongoing to measure delivery of the plan and the risk level revised in line with this.

Wards Affected and Consultation with Ward/Councillors (refer to Concordat for Communication and Consultation with Members)

57. N/A

Background Papers

58. Medium Term Financial Plan Update & Strategy Report to Council 18 February 2026

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Appendix A

CAPITAL PROGRAMME Up to 2029	Current Approved Programme	Programme Revisions	Completed Schemes 2025/26	Variances (Completed Schemes)	New approvals	Revised Programme	Expenditure Apr 2018 - March 2026
SCHOOL INVESTMENT PROGRAMME & CHILDRENS SERVICES							
School Investment Programme	20,545,580	(329,619)	(1,851,480)	(17,871)	7,749,556	26,096,166	9,048,230
Children Investment	809,162	816,092	0	0	733,570	2,358,824	448,212
SCHOOL INVESTMENT PROGRAMME & CHILDRENS SERVICES	**21,354,742**	**486,473**	**(1,851,480)**	**(17,871)**	**8,483,126**	**28,454,990**	**9,496,442**
INCLUSIVE GROWTH							
Inclusive Growth & Development	7,044,564	0	0	0	0	7,044,564	4,824,256
Office Accommodation	2,750,000	0	(1,247,907)	(2,093)	0	1,500,000	228,261
INCLUSIVE GROWTH	**9,794,564**	**0**	**(1,247,907)**	**(2,093)**	**0**	**8,544,564**	**5,052,516**
REGENERATION							
Stockton Town Centre Schemes	18,785,032	853	0	0		18,785,885	1,828,478
Reshaping Town Centres	8,255,275	(5,027)	0	0	0	8,250,248	521,909
Billingham Town Centre	30,000,000	0	0	0	0	30,000,000	303,281
Thornaby Town Centre	34,210,923	78,856	(4,637,730)	(62,270)	1,300,000	30,889,779	12,667,554
Re-Development of Castlegate Site	30,881,638	205,409	205,409	(205,409)	0	31,087,047	27,835,626
Yarm & Eaglescliffe LUF	23,909,840	1,881	(876,096)	0	0	23,035,625	16,109,761
Asset Maintenance	2,716,284	0	(1,029,449)	0		1,686,835	1,029,450
Wayfinding	291,717	0	0	0	0	291,717	0
REGENERATION	**149,050,709**	**281,972**	**(6,337,866)**	**(267,679)**	**1,300,000**	**144,027,136**	**60,296,059**
TRANSPORTATION							
City Regional Sustainable Transport	13,222,198	79,762	(9,361,743)	(130,881)	746,636	4,555,973	6,647,659
Other Transport Schemes	11,147,245	110,056	(193,803)	46,803	0	11,110,301	2,992,395
Developer Agreements	1,671,647	20,759	0	0	169,785	1,862,190	1,314,707
TRANSPORTATION	**26,041,090**	**210,577**	**(9,555,546)**	**(84,078)**	**916,421**	**17,528,464**	**10,954,762**
COMMUNITY & ENVIRONMENT AND CULTURE & LEISURE							
Energy Efficiency Schemes	737,636	9,208	(625,512)	(34,488)	0	86,844	331,240
Environment and Green Infrastructure	10,551,863	(24,980)	(3,464,864)	(4,509,875)	309,059	2,861,202	2,173,436
Waste	8,125,939	428,903	0	0	0	8,554,842	5,812,430
Building Management & Asset Review	188,611	0	0	0	1,251,682	1,440,293	87,737
Vehicle Replacement	7,948,278	0	0	0		7,948,278	945,617
COMMUNITY & ENVIRONMENT AND CULTURE & LEISURE	**27,552,327**	**413,131**	**(4,090,376)**	**(4,544,363)**	**1,560,741**	**20,891,459**	**9,350,460**

ADULTS, HEALTH & WELLBEING							
Adults & Public Health Investment	202,000	10	0	0	0	202,010	45,459
Housing Regeneration	2,979,419	0	0	0	0	2,979,419	22,514
Private Sector Housing	3,626,960	0	(471,789)	3,299	0	3,158,470	1,996,455
ADULTS, HEALTH & WELLBEING	**6,808,379**	**10**	**(471,789)**	**3,299**	**0**	**6,339,899**	**2,064,428**
XENTRALL ICT							
Xentrall ICT Network	900,000	(242,085)	0	0	0	657,915	657,915
XENTRALL ICT	**900,000**	**(242,085)**	**0**	**0**	**0**	**657,915**	**657,915**
COUNCIL WIDE							
Unallocated council wide invest to save	19,350,000	(733,570)	0	0	0	18,616,430	0
COUNCIL WIDE	**19,350,000**	**(733,570)**	**0**	**0**	**0**	**18,616,430**	**0**
Total Approved Capital MTFP	**260,851,811**	**416,507**	**(23,554,963)**	**(4,912,786)**	**12,260,287**	**245,060,856**	**97,872,582**

Appendix B

Programme Revisions 2025/26

Children's Services

- £146,000 of revenue costs and associated funding removed from the capital programme for St John the Baptist temporary classrooms, in line with accounting regulations.

Regeneration

- £205,409 has been added to the Urban park budget. This relates to a saving of this amount made once all of the compensation events in respect of the demolition contract had been finalised.

Transport

- Yarm/Stockton Cycleway LUF2 (design), additional funding added in from TVCA LUF2, £129,206.

Community Services Environment and Culture

- £428,903 has been added the Capital Programme in respect of SBC share of the Joint Waste Management Strategy for Residual Municipal Waste Treatment, funded via loan from TVCA.

Finance, Transformation and Performance

- £242,085 of Xentrall's ICT Network works have been revised to reflect final delivery and costs attributed between capital and revenue in line with accounting regulations and removed from the capital programme along with the associated funding.

Council Wide

- £733,570 of the council wide borrowing approval has been moved into Children's Services to deliver the complex needs children's homes in line with the Cabinet approval.

Completed Schemes 2025/26

Children's Services

- Planned Maintenance Schemes on a range of schools have been delivered in 2025/26.

Regeneration and Inclusive Growth

- Several planned maintenance schemes have been delivered across a range of Council Buildings.

- The Council Chamber has been completed in 2025/26.

- Thornaby Towns Fund - Skills Development (NETA) has completed in 2025/26.

- Yarm Town Hall and toilets have completed and are closed out of the programme.

Transportation

- A number of transport schemes, including the annual City Regional Sustainable Transport programme for 2025/26 have been delivered and are closed out.

Community Services Environment and Leisure

- A number of energy efficiency schemes, the largest being Billingham Forum, completed in 2025-26.

- Flood Coastal Resilience Programme – Tees Tidelands planned project has been removed after the phase 2 project proposal was not deemed as viable following ongoing dialogue with the funder, the Environment Agency. A report providing greater detail on this scheme and the key lessons learned as a consequence of the work undertaken will be presented to a future Committee meeting in the coming months.

Adult Services

- The Local Authority Housing Fund scheme has completed and been closed out of the capital programme within private sector housing.

New approvals

Children's Services

- Additional £4.650m grant (AP Free school) from DfE added to the programme, to invest in High needs provision.

- Additional £3,088,428 grant (HNPCA) from DfE added to the programme, to invest in High needs provision

- Additional £733,570 grant from DfE added to the programme, to invest in Complex Needs Children's Homes. This is to be match funded by council contribution.

Regeneration

- Additional funding received from Sport England of £1,300,000, this has contributed to the Regeneration of the Town Centre, more specifically Thornaby pool.

Transportation

- 2026/27 City Regional Sustainable Transport allocation £699,836 has been added to the Capital Programme for Carriageway resurfacing.

- Developer agreement funding of £130,889 added for preliminary work on the Horse & Jockey Roundabout.

Community Services Environment and Leisure

- Worsall Road Culvert, additional funding received from the Environment Agency of £130,000.

- As per April cabinet report, a Depot provision has been added, which is to be funded by grant received from the Department for Environment, Food, and Rural Affairs, of £1,096,682.