Rotherham Metropolitan Borough Council

Public Report
Cabinet

Committee Name and Date of Committee Meeting
Cabinet – 19 January 2026

Report Title
November 2025/26 Financial Monitoring Report

Is this a Key Decision and has it been included on the Forward Plan?
Yes

Executive Director Approving Submission of the Report
Judith Badger, Executive Director of Corporate Services

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Ward(s) Affected
Borough-Wide

Report Summary

The report sets out the financial position as at the end of November 2025 and forecast for the remainder of the financial year, based on actual costs and income for the first eight months of 2025/26. Financial performance is a key element within the assessment of the Council's overall performance framework and is essential to achievement of the objectives within the Council's policy agenda. To that end, this is the fourth financial monitoring report of a series of reports for the current financial year which will continue to be brought forward to Cabinet on a regular basis.

As of November 2025, the Council's forecast outturn for 2025/26 is an overspend of £3.4m, which is a worsening of the £0.9m overspend position reported in September financial monitoring. The increased overspend is primarily due to increased cost of care packages within Adult Social Care Mental Health placements and a number of backdated payments for packages across Older People and Physical and Sensory Disabilities. The forecast position overall is made up of a combined Directorate overspend of £8.7m, offset by a projected Central Service underspend of £5.3m. The forecast position will continue to be monitored closely but it is possible that even with mitigations the Council will need to call on reserves to achieve a balanced outturn for 2025/26. In order to help mitigate the position, Directors are expected to take all steps to reduce the overall overspend, ensuring grant maximisation, restricting any non-essential expenditure and delaying recruitment where possible.

The combined Directorate overspend of £8.7m is largely due to demand and market pressures in relation to Children's residential placements and placement types, and the cost of care packages in Adult Social Care. Market prices are increasing at above inflation levels, placing further pressures on the Council's Budget. These pressures were anticipated and a corporate provision of £5.4m was maintained within Central Services as part of the Budget and Council Tax Report 2025/26.

The Local Government Pay Award was agreed at 3.2% at all pay bands up to senior officer. The impact of this is a cost of £2.3m above the budget allocated when setting the Council's Budget. The Council has no control over the level of pay award agreed.

Central Services is forecasting an underspend of £5.3m, reflecting use of the £5.4m Social Care Contingency approved within the Council's Budget and Council Tax Report 2025/26, the impact of the Local Government Pay Award and savings generated within the Council's Treasury Management Strategy.

The report also provides an updated position on the Council's Capital Programme.

Recommendations

That Cabinet:

1. Note the current General Fund Revenue Budget forecast overspend of £3.4m.

2. Note the projected overspend and that whilst the Council aims to manage this pressure, should that not be possible use of reserves will be required to balance the 2025/26 financial position.

3. Note the updated position of the Capital Programme.

4. Approve the capital budget variations as detailed in section 2.17 of the report.

List of Appendices Included
Appendix 1 Equalities Impact Assessment
Appendix 2 Carbon Impact Assessment

Background Papers
Budget and Council Tax 2025/26 Report to Council on 5th March 2025
Budget Monitoring, May 2025 to Cabinet July 2025
Budget Monitoring, July 2025 to Cabinet September 2025
Budget Monitoring, September 2025 to Cabinet November 2025

Consideration by any other Council Committee, Scrutiny or Advisory Panel
No

Council Approval Required
No

Exempt from the Press and Public
No

November 2025/26 Financial Monitoring Report

1. Background

1.1 As part of its performance and control framework the Council is required to produce regular and timely reports for the Strategic Leadership Team and Cabinet to keep them informed of financial performance so that, where necessary, actions can be agreed and implemented to bring expenditure in line with the approved budget for the financial year.

1.2 Delivery of the Council's Revenue Budget, Medium Term Financial Strategy (MTFS) and Capital Programme within the parameters agreed by Council is essential if the Council's objectives are to be achieved. Financial performance is a key element within the assessment of the Council's overall performance framework.

1.3 This report is the fourth in a series of financial monitoring reports to Cabinet for 2025/26, setting out the projected year end revenue budget financial position in light of actual costs and income for the first eight months of the financial year.

2. Key Issues

2.1 Table 1 below shows, by directorate, the summary forecast revenue outturn position.

Table 1: Forecast Revenue Outturn 2025/26 as at November 2025

Directorate	Budget 2025/26	Forecast Outturn 2025/26	Forecast Variance over/under (-)
	£m	£m	£m
Children and Young People's Services (CYPS)	74.2	79.1	4.9
Adult Care, Housing & Public Health (ACH&PH)	145.3	149.3	4.0
Regeneration and Environment Services (R&E)	55.1	55.9	0.8
Finance and Customer Services (FCS)	38.0	37.3	-0.7
Assistant Chief Executive (ACX)	9.3	9.0	-0.3
Central Services (CS)	37.1	31.8	-5.3
Directorate Forecast Outturn	**359.0**	**362.4**	**3.4**
Dedicated Schools Grant			3.3
Housing Revenue Account (HRA)			-0.6

2.2 As at November 2025, there is a forecast overspend of £3.4m. This position is made up of a Directorate overspend of £8.7m, offset by a projected Central Service underspend of £5.3m. The Council's overspend position at this point is largely due to placement pressures within Children and Young People's Services (£5.7m), and the cost of care packages in Adult Social Care (£4.4m). The forecast position will continue to be monitored closely but it is possible that even with mitigations the Council will need to call on reserves to achieve a balanced outturn for 2025/26.

2.3 As part of setting the Council's Budget and MTFS for 2025/26 the Council set a Social Care Contingency budget to act as a provision to support anticipated pressures across Social Care placements, principally linked to CYPS placements. Central Services is forecasting an underspend of £5.3m, reflecting use of the £5.4m Social Care Contingency approved within the Council's Budget and Council Tax Report 2025/26 to mitigate social care cost pressures, the impact of the Local Government Pay Award and savings generated within the Council's Treasury Management Strategy.

2.4 The budget as approved at Council on 5th March 2025 included provisions, allocations for inflation, pay award and anticipated cost pressures. These budgets are held centrally at the start of the year and allocated to services as costs are confirmed and incurred. The table below sets out the headline reasons for the movement between opening budgets and the latest budget that has been forecast against in this report.

2.5 **Table 2: Budget Movements during 2025/26**

	Opening Budget 2025/26	Pay Award / Fees & Charges Income Inflation	Contract Inflation & Central Provision Allocations to Services	Service Transfers between Directorates	Latest Budget 2025/26
	£m	£m	£m	£m	£m
CYPS	**68.8**	2.0	3.4	0	**74.2**
ACH&PH	**135.9**	2.0	7.4	0	**145.3**
R&E	**48.6**	2.5	4.2	-0.2	**55.1**
FCS	**35.1**	2.4	1.6	-1.1	**38.0**
ACX	**8.3**	0.6	0.2	0.2	**9.3**
CS	**62.3**	-9.5	-16.8	1.1	**37.1**
TOTAL	**359.0**	**0.0**	**0.0**	**0.0**	**359.0**

2.6 The Council's Financial Outturn report 2024/25 reported that £4.902m of prior year savings remained undelivered. In addition, the Budget and Council Tax report 2025/26 included the delivery of £2.592m of new savings, giving £7.494m to be delivered during 2025/26. Currently, £6.918m of delivery has been secured. The table below shows the total amount of all savings to be delivered during 2025/26 and the amount that has been delivered to date.

Table 3: Delivery of Agreed Savings

Directorate	**2025/26 Saving to be delivered £'000**	**Secured as at 30th November 2025 £'000**	**Still to be delivered £'000**
Adult Care, Housing and Public Health	600	400	200
Children's and Young People Services	6,163	6,163	-
Regeneration and Environment	731	355	376
Total	**7,494**	**6,918**	**576**

2.7 The Council has reviewed the CYPS placements savings that was originally approved as part of 2019/20 Budget setting. This review has focussed on looking back across this period to assess if the Council has made the savings that it originally set out to achieve and if those savings have impacted positively the Council's placements costs. The result of the review shows that the Council has reduced Looked After Children (LAC) placements across this period by in excess of 120 placements. The challenge across this period is that market costs in this sector, in particular on residential placements, have risen dramatically and continue to do so. As a comparison, had the Council still had that same level of placements that it held in 2019/20, at today's prices, the Council would be spending around £10m more per year. As such the Council is now able to record these savings as delivered as the key actions have been delivered. The remaining overspend within CYPS relates more towards the impact of rising market prices, lack of real growth in the Council's fostering placements and the need to complete the in-house residential programme. The Council aims to address the impact of rising market prices through the Budget setting process for 2026/27.

2.8 The following sections provide further information regarding the Council's forecast outturn of £3.4m, the key reasons for forecast under or overspends within directorates and the progress of savings delivery.

2.9 **Children and Young People Services Directorate (£4.9m forecast overspend)**

2.9.1 Children & Young People Services has a budget pressure of £4.9m at the end of November 2025 (an increase of £0.6m compared to September's reported position). The overall forecast is primarily driven by pressures in Children's Social Care placements of £5.7m and Education Inclusion Services of £0.4m. These pressures are offset in part by grant maximisation and staff turnover.

2.9.2 The children in care placements forecast overspend of £5.7m represents an increased cost pressure of £0.9m compared to the position reported in September. The worsened position is mainly due to increased placements (and costs) in external residential children's homes over the last couple of months.

2.9.3 The following are key points to note in the latest children in care placements forecast:

- The overall number of children in care has decreased to 461 at the end of November, down from 473 in September. This reduction was anticipated and reflects a return to usual levels following the unusually high placement numbers seen during the summer holiday period.

- Overall placement costs have continued to rise since the last reported position, driven primarily by higher expenditure on independent foster care and external residential placements. This increase has been partially mitigated by the application of asylum seeker support grant funding.

- External residential placements remain the main driver of the placement budget pressures, with 38 children placed in external children's homes in November against a budgeted target of 33. This pressure is further compounded by the growing proportion of children (14 out of 38) placed in high-cost residential provision (average cost of £12,891 per week) due to the complexity of their needs.

- Occupancy levels in Council-owned children's homes currently stand at 87% - a reduction (equivalent to 1 bed) compared to last reported position of 93%. Efforts continue to support more children and young people within council-owned homes.

- The number of children placed in fostering care (in-house carers, with families & friends and independent fostering agencies) currently stands at 297, a reduction compared to 302 in September.

- Despite the reported forecast overspend, the Council has made year-on-year progress in reducing underlying placement costs and demand. However, the mix of placement types, increasing unit cost and complexity of care needs remain significant challenges.

2.9.4 A forecast overspend of £0.4m (a reduction of £0.2m) is currently estimated against the Education Inclusion Services. This is mainly attributed to a shortfall in Education Psychology Service trading income from schools as well as the continued use of locum and agency staff to maintain core statutory provision.

2.9.5 A balanced budget position is currently forecast against the Home to School Transport budgets managed within CYPS (for children in care and post 16 learners with Education, Health and Care Plans).

2.9.6 The pressures referred to have been partly mitigated through staff turnover and vacancy savings across the directorate, as well as maximising or redirecting the use of grant funding (where there is scope and flexibility to do so).

Dedicated Schools Grant (DSG) budgets (£3.3m forecast deficit)

2.9.7 A net surplus of £1.1m is forecast across all maintained schools for 2025/26. This surplus is ring-fenced for use by individual schools. Within this overall position, four schools are projecting budget deficits totalling £0.4m (including the Aspire Pupil Referral Unit). Budget recovery plans have been agreed with each of these schools to return them to a balanced or surplus position within an appropriate timeframe.

2.9.8 A cost pressure of £3.3m (consistent with the position reported in September) is currently forecast against the central DSG budgets and mainly relates to the Special Educational Needs and Disabilities (SEND) / High Needs Block. The forecast deficit reflects sustained cost / demand pressures across the SEND system. The DSG reserve is forecast to show a £3.7m cumulative deficit at year-end, which will be carried forward to 2026/27 under the DSG statutory override and protections.

2.9.9 Work has been completed on the 5-year DSG Financial Plan - informed by the recent SEND needs and sufficiency analysis, ensuring alignment with local priorities and demand forecasts. The 5-year plan showed continuing annual in-year deficits over the medium term with a cumulative DSG deficit of £16.1m projected at the end of 2030/31. These financial projections exclude the impact of anticipated reforms or additional funding by the Government to address financial sustainability concerns in the SEND system.

2.10 **Adult Care, Housing and Public Health (£4.0m overspend)**

2.10.1 The directorate is forecast to overspend by £4m, an increase of £2m since the previous period. The increase has come from Adult Care offset by small additional income in Housing. Increases in demand and complexity of care packages make up all the projected overspend. The cost of care packages is forecast to overspend by £4.4m within Adult Care.

2.10.2 There has been a significant volume of back-payments confirmed in the period across Older People and Physical and Sensory Disabilities packages. This is in part due to the complex nature and variety of how care packages can commence, with some commencing from the NHS whilst an assessment of liability is worked through between the NHS and the Council. In addition, there has been a growth in Mental Health placements. The increased cost of packages is £1.4m.

2.10.3 Salary costs are forecast as broadly breakeven. A large number of vacancies were recruited to as part of a recruitment drive during the period that have offset the previous forecast underspend.

2.10.4 Housing is forecast to underspend by £400k, an increase of £100k on the previous period. Additional grant income was received in the period, offset by increased costs, including interest charges.

2.10.5 Public Health continues to be forecast to budget.

2.11 **Regeneration and Environment Directorate (£0.8m forecast overspend)**

2.11.1 The Directorate is forecasting an overspend of £0.8m which has improved by £0.2m since the last report to Cabinet. There are a number of overspends within the forecast which are being offset to some extent by assorted underspends some of which are detailed below.

2.11.2 The Markets service is forecasting a £0.4m overspend because of income shortfalls which is a similar position to previous years. It is hoped this position improves in future years as the redevelopment continues.

2.11.3 The Waste service is forecasting delayed delivery of the £0.5m saving approved as part of the Budget and Council Tax Report 2025/26. The route optimisation project has now been delivered, and contractual changes have been implemented. However, the full year impact of the saving will not be realised in 2025/26. It is currently forecasting a shortfall in delivery of £0.2m, which is in line with the last report. The service is operating a popular Bulky Waste collection service, which is £0.2m overspent (£0.1m in the last report) due to increased disposal costs.

2.11.4 The Home to School Transport service is forecasting to spend £9.4m this financial year, which is a £0.4m overspend. Demand has continued to increase, and the service is operating 327 routes for 1,270 passengers.

2.11.5 These overspends are offset by a £0.3m underspend in Community Safety and Regulation owing to vacancies and delays in implementation of the new Street Safe Team, which has increased by £0.1m since the report. Licensing is also projecting a

£0.2m underspend as a result of vacancies. The Regeneration team is capitalising staff salaries of project managers delivering the capital programme, resulting in a £0.2m underspend.

2.12 **Finance and Customer Services (£0.7m underspend)**

2.12.1 The directorate is currently forecasting an overall underspend of £673k. Robust budget management and additional income generation in Building Cleaning are offsetting pressures across the wider directorate.

2.12.2 Property and Facilities Services (PFS) is forecast to be underspent by £0.3m. There is an underspend of £1.1m within Cleaning as income is greater than budgeted and, following a review of work underway, the Building Consultancy service is expected to exceed its income budget by £1.6m. This is largely offset by Facilities Management's £1.4m overspend due to assorted building costs, mostly repairs and maintenance, being above budget. There is also a £0.5m overspend within the Catering Service and £0.4m in Asset Management due to income under-recovery.

2.12.3 Within Customer, Information and Digital Services, activity is ongoing to minimise the impact of increased postage costs. Recruitment challenges are creating a temporary cost reduction, which is offset by over-recruitment within Customer Services contact centre to help manage the difficulties caused by high staff turnover and service demand in this area, that impacts on call waiting times.

2.12.4 Legal Services faces ongoing demand for legal support with child protection hearings and court case costs relating to Looked After Children. Ongoing difficulties in recruiting to key posts are currently resulting in the extended use of locum solicitors and external suppliers. However, the number of cases remains volatile and will continue to be monitored closely, along with an internal development programme for trainee solicitors.

2.12.5 A piece of work to review the Schools' PFI contract is underway. Improvements have been made in how the Council manages these contracts, but there is further work to do.

2.13 **Assistant Chief Executive (£0.3m underspend)**

2.13.1 The service is currently forecasting an underspend of £277k. Factors contributing to the overall underspend include external grant income and a number of vacancies across the Directorate, in addition to overachievement of income from salary sacrifice schemes.

2.14 **Central Services (£5.3m underspend)**

2.14.1 Central Services has a £5.3m forecast underspend, reflecting use of the Social Care Contingency set aside when the Budget was approved and the net impact of the Local Government Pay Award and additional Treasury Management savings.

2.14.2 There continue to be significant financial challenges as a result of increased market costs causing pressure on the Council's inflation budgets and the impact of the 2025/26 Local Government Pay Award. Ongoing uncertainty in the global and UK economy remains a significant budget risk.

2.14.3 The Council's Treasury Management Strategy continues to perform well, with the Council's approach to borrowing adapted to minimise the level of borrowing and to borrow short term to ultimately minimise interest costs. It is estimated that this approach should see the Council generate savings to support Council wide pressures. The use of short-term borrowing only as required, along with slippage on the Capital programme in 2024/25 means that the level of financing costs for 2025/26 is less than anticipated. It should be noted that the Council's Budget and Council Tax Report 2025/26 approved a requirement for the Treasury Management Strategy to save at least £3m in 2025/26. This is on track; however economic and market conditions are out of the Council's control.

2.14.4 The Central Services budgets are made up of a number of corporate budgets for levies and charges such as the Integrated Transport Levy (ITA), PFI Financing, and Treasury Management. A list of the main budget areas within Central Services was provided as part of the Council's Budget and Council Tax Report 2025/26, approved at Council on 5th March 2025. The costs within this area are largely fixed costs, set out prior to the start of a financial year, not specific to a particular Directorate and are therefore not controllable by the directorates and thus held centrally.

2.15 **Housing Revenue Account (HRA) (£0.6m underspend)**

2.15.1 The Housing Revenue Account is a statutory ring-fenced account that the Council has to maintain in respect of the income and expenditure incurred in relation to its council dwellings and associated assets. The HRA is currently forecast to underspend by £600k in the year due to reduced energy costs and higher rental income than forecast. This has increased by £400k in the period.

2.16 **Capital Programme Update**

2.16.1 The revised Capital Programme is £169.917m split between the General Fund £103.770m and HRA £66.148m. This is a decrease of £41.770m from the position reported to Cabinet on 17th November 2025. The movement is based on the latest profiles of expenditure against schemes, including slippage re-profiles and corrections of £43.449m, new grant funding added to the programme of £1.755m and some minor programme corrections of -£0.076m in 2025/26.

2.16.2 **Table 4: Variations to the Capital Programme 2025/26 to 2028/29**

	Total Impact	**2025/26 Impact**	**Post 2025/26 Impact**
	£m	**£m**	**£m**
Revised Grant and Funding Estimates	12.621	1.755	10.866
Slippage / reprofiling	0.000	-43.449	43.449
Budget corrections	-0.071	-0.076	0.005
Total	**12.550**	**-41.770**	**54.320**

2.16.3 The main items contributing to the reprofiling of the Capital Programme are:

- **Addison Road, Maltby scheme**, £1.351m slippage. The scheme has had delays due to drainage design amendments, external approvals and supply chain delays.
- **Laven Road, Maltby scheme**, £0.861m slippage. The scheme has had delays due to drainage design amendments, external approvals and supply chain delays.
- **Market Acquisitions Phase 2**, £2.474m slippage. This year's full budget will not be spent as the properties have not been completed by the external housing developer in the timeline expected. As such the Council cannot acquire all properties in 2025/26 as expected.
- **Warm Homes Phase 2**, £0.945m slippage. This re-profile is required due to delay in gaining the grant award from Department for Energy Security and Net Zero (DESNZ). All properties will also require surveying prior to commencement of works.
- **Albert Road Club West Melton SME,** £655k slippage. This project comprises the purchase of nine new affordable homes at the Albert Club development in West Melton (Wath-Upon-Dearne) under the Small Sites Homebuilding Initiative and some of these will now be purchased in 2026/27. The Council's acquisitions here are defined by the pace of delivery of the external developer.
- **Wath Regeneration Grant,** £3.461m slippage. Project is on hold whilst a full value for money evaluation takes place to ensure that work can be completed within the budget allocation.
- **Our Places Fund,** £1.990m slippage. The programme has been pushed back whilst a full consultation process was undertaken on how the Council should utilise this fund the outcome of which will be delivered during 2026/27.
- **Clean Air Zone Electric Charges,** £0.933m slippage. This scheme is to address challenges principally relating to the underperformance of bus retrofit technologies, via acceleration of the roll-out of electric buses. The scheme is being led by Sheffield City Council; as such the Council awaits their design for the programme before progress can be made.
- **Electric Vehicle Charging Infrastructure,** £1.029m slippage. Work on this scheme is not expected to start until quarter 4 of 2025/26 meaning costs will fall into next year. There have been delays getting elements of the work approved by Northern Powergrid.
- **Special Schools unallocated budget,** £0.776m slippage. There are no further projects identified for delivery in 2025/26; as such the budget will be slipped to support the programme in 2026/27.
- **Newman (Dinnington),** £0.600m slippage. The scheme is subject to approval of works on the main site at Whiston as part of the Department for Education(DfE) Strategic school improvement capital budget (SSICB) process. It is expected that there will be January 2026 start with an approximate 6-month programme.

- **Templeborough,** £4.183m slippage. This project is delayed whilst the Council reaches agreement between Magna, the Council and the construction partner for the delivery of the scheme. The project is not being delivered on a Council owned site; as such the Council is not in full control.

- **Riverside Gardens,** £3.802m slippage. There are delays on the Riverside Gardens project as the Council are awaiting an ecologist report prior to commencing delivery.

- **Rotherham Markets,** £3.500m slippage. The Council is working with its external partner to carry out further design work on this scheme to gain greater cost certainty for the project prior to commencing the next phase of the scheme.

- **Dinnington Regeneration Grant,** £0.539m slippage. Further design work and detailed surveys are required which will mean work is now likely to start in 2026/27.

- **Mainline station,** £6.385m slippage. There are ongoing discussions on land acquisitions, and the Council is exploring powers to support the acquisitions required; feasibility work is ongoing.

- **West Melton Phase 1,** £0.600m acceleration. Project to reroof properties is progressing well and the Council now expect to complete more work than expected due to quicker progress on site.

- **Strategic Acquisitions Fund,** £1.300m acceleration. One site identified to purchase this financial year, and a price has now been agreed.

- **Babot Hall Industrial Estate,** £0.500m acceleration. The Council need to carry out additional site investigation, vegetation clearance and environmental reports this year.

2.16.4 New grant funded schemes are added to the Capital Programme on an ongoing basis in accordance with the Financial and Procurement Procedure Rules. Grant schemes added or reduced since the September Cabinet report are listed below:

Table 5: New Grant/HRA funded Schemes added to the programme

Directorate/Scheme	**2025/26 £m**	**Post 2025/26 £m**
Housing Revenue Account (HRA)		
Warm Homes Wave 3	1.598	7.190
CIL funding – West Melton play area	0	0.060
Finance and Customer Services		
Pride in Place Funding	0	1.500

Regeneration and Environment		
Pathfinder – Templeborough Regeneration	0	0.178
City Region Sustainable Transport Settlements (CRSTS) • Sustainable Transport, Bus Service Improvements. • Sustainable Transport, A6109 Meadowbank Road. • Sustainable Transport, Wath. • Sustainable Transport, College Road. • Sustainable Transport, Fenton Road. • Sustainable Transport, various schemes.	0.056	1.473
Section 106 Connectivity funds (unallocated)	0.002	0
SYMCA Active travel funds – Hummingbird Walk crossing.	0.030	0.320
Lawn Tennis Association – Rosehill Park tennis court	0	0.072
Lawn Tennis Association – Herringthorpe Park tennis court	0	0.074
Todwick Parish Council – CCTV upgrades	0.015	0
Section 106 – Morthern Road	0.054	0
Total	**1.755**	**10.867**

2.17 **Capital Programme Variations**

2.17.1 There have been no significant variations other than those slippage and new grant variations reported above.

2.18 **MCA Approvals**

2.18.1 The South Yorkshire Mayoral Combined Authority (SYMCA) acts as accountable body for a number of different Government funding streams and as the accountable body for Gainshare. New funding will be requested of £2.050m through SYMCA Gainshare funding to support further work on the gateway mainline station.

2.19 **Capital Programme 2025/26 to 2028/29**

2.19.1 The proposed updated Capital Programme to 2028/29 is shown by directorate below.

Table 6: Proposed Updated Capital programme 2025/26 to 2028/29

Directorate	2025/26 Budget £m	2026/27 Budget £m	2027/28 Budget £m	2028/29 Budget £m	Total Budget £m
General Fund Capital					
Children and Young People's Services	10.928	12.791	6.283	16.100	45.822
Regeneration and Environment	66.939	87.019	20.429	6.340	181.007
Adult Care & Housing	11.727	7.098	6.394	6.927	32.146
Assistant Chief Executive	0.439	0.255	0.210	0.210	1.114
Finance and Customer Services	13.737	18.102	12.041	19.451	63.331
Total General Fund Capital	103.770	125.265	45.357	49.028	323.420
Total HRA Capital	66.147	91.394	51.560	94.251	303.352
Total RMBC Capital Programme	169.917	216.659	96.917	143.279	626.772

2.19.2 The Capital Programme for 2025/26 remains ambitious even with a significant level of re-profiling of schemes into 2026/27. The Council will therefore need to keep close control of project spend profiles and delivery milestones to keep these projects on track. The Council will also need to review the deliverability of this increased capital programme and potentially, re-profile some schemes into future financial years.

2.20 **Funding Position of capital programme 2025/26**

Table 7: Funding of the Approved Capital Programme

Funding Stream	2025/26 Budget £m
Grants and Contributions	47.969
Unsupported Borrowing	55.113
Capital Receipts	0.551
HRA Contribution	0.137

Total Funding - General Fund	**103.770**
Grants and Contributions	9.489
Unsupported Borrowing	14.553
Housing Major Repairs Allowance	34.624
Capital Receipts	2.434
Revenue Contribution	5.047
Total Funding - HRA	**66.148**
Total	**169.917**

2.21 **Capital Receipts**

2.21.1 To date General Fund useable capital receipts of £0.790m have been generated. Although loan repayments will be received during the financial year, these cannot be used to support the revenue budget as only those receipts by the disposal of property, plant and equipment can be used in that way.

Description	**Total as at 30th November 2025**
	£m
Miscellaneous	-0.025
Far Field Lane Wath upon Dearne	-0.765
Total Capital Receipts (Excluding loan repayments)	**-0.790**
Repayment of Loans	-0.015
Total Capital Receipts	**-0.805**

2.22 **Capital Achievements**

2.22.1 The following outputs have been achieved during the 2025/26 financial year to date:

Ward Budgets

- A total of 78 projects have been completed to the end of September 2025, an increase of 18 since the previous report.

ICT Infrastructure

Replacement of the Council's data back-up capability - providing a single, consistent and secure data recovery solution.

Community Safety and Street Scene

- Replacement and upgrades to signs, barriers, road markings, and other street furniture are underway - continued to replace any damaged, missing or outdated signage to ensure compliance with current traffic regulations. Additionally, implemented three new 20mph zones within the borough; these include extensive changes to existing assets. Renewal of damaged and obsolete vehicular restraint systems are ongoing via external contractors.

- Work on removing obsolete street lighting and furniture is in progress - continuing to work through concrete lamp column replacement program at a rate of approximately 20 units per week giving a yield of 150 new steel lamp columns during October and November.

- Annual road improvement programme is ongoing. With nearly 18km of unclassified roads resurfaced within the 2025/2026 Highway Repairs Programme so far, we continue to see a reduction in carriageways requiring repair (red condition). We have also carried out footway improvements – 135 footways with 47 completed plus patching works on other sections of the footway network and unclassified roads - 151 roads with 119 completed.

- The Eel Mires Dike Flood Alleviation Scheme and Kilnhurst Flood Alleviation Schemes are progressing towards shovel-ready status and due to reach this status in Quarter 4 2025/26. The Whiston Brook Flood Alleviation Scheme tender evaluation is currently being carried out by the Flood Team and colleagues in Procurement. It is hoped a delivery partner will be engaged over the next few weeks followed by confirmation of a start date in early 2026. This is a major milestone to progress to reducing flood risk to residential properties.

- New IT system (Confirm) rollout continues to improve performance monitoring and public reporting. Sweepers and litter-picking teams are in training/testing (Sep–Oct 2025).

Culture Sport and Tourism

- Children’s Playground Programme: Build started at Rother Valley Country Park on 17 November 2025.

- Rosehill Park Tennis Courts refurbishment started, and completion expected 15 December 2025.

- Herringthorpe Valley Park Tennis Courts refurbishment started, and completion expected 22 December 2025.

- Waleswood Caravan and Camping Park - Tent Field Drainage, with extra drainage added due to wet spots and 10 x caravan Pitch resurfaced. Both completed November 2025.

- New POF (payment on foot) machines installed in Rother Valley Country Park Car Park funded through LUF - September 2025.

Planning, Regeneration and Transport

- Snail Yard Pocket Park: Staircase landing works and handrail install completed late October 2025 and overall completion now expected in December 2025.

- Riverside Gardens/Corporation Street: Natural stone paving delivered and laying started late Oct 2025.

- Both Thrybergh and Rother Valley café buildings have now been successfully handed over from the contractor to the Council. These new spaces will open to the public in the New Year.

    a. Thrybergh: transformed the aging building into a modern lakeside hub with improved indoor and outdoor seating, better access, and upgraded facilities.

    b. Rother Valley: New 130-seater lakeside café with stunning waterfront views. Features a first-floor events room, new green spaces for outdoor activities, and a dedicated children's play area.

- Traffic Signal Systems Upgrade: All planned upgrades completed and fine-tuning ongoing.

- Outdoor Covered Market construction works ongoing.

- Highway structure improvements at Steadfolds Lane are now on site.

2.23 **Updated 2025/26 Capital Budget vs Original Budget**

In order to enable effective monitoring and scrutiny of the movement in the capital budget during the year the below table shows the current 2025/26 capital budget against the original capital budget reported to Cabinet in July.

Directorate	**Original Budget £m**	**Updated Budget £m**
General Fund Capital		
Children and Young People's Services	14.879	10.928
Regeneration and Environment	104.493	66.939
Adult Care & Housing	13.902	11.727
Assistant Chief Executive	0.441	0.439
Finance and Customer Services	15.561	13.737
Total General Fund Capital	**149.275**	**103.770**
Total HRA Capital	**61.749**	**66.148**
Total RMBC Capital Programme	**211.024**	**169.917**

3. Options considered and recommended proposal

3.1 With regard to the current forecast net revenue budget overspend of £3.4m that the Council is forecasting, further management actions continue to be identified with the clear aim of ensuring a balanced budget position can be achieved. If mitigation actions cannot be identified, then the Council will need to use reserves to balance the outturn position.

4. Consultation on proposal

4.1 The Council consulted on the proposed budget for 2025/26, as part of producing the Budget and Council Tax Report 2025/26. Details of the consultation are set out in the Budget and Council Tax 2025/26 report approved by Council on 5th March 2025.

5. Timetable and Accountability for Implementing this Decision

5.1 Executive Directors, Managers and Budget Holders will ensure ongoing tight management and close scrutiny of spend this financial year.

5.2 Financial Monitoring reports are taken to Cabinet meetings during the year. The Financial Outturn report for 2025/26 will be taken to Cabinet in July 2026.

6. Financial and Procurement Advice and Implications

6.1 The Council's overspend position is detailed within the report along with the estimated impact of current financial pressures from inflation and increases in demand. This position continues to be monitored closely. Control over spending remains critical to both maintaining the robust Reserves Strategy and Medium-Term Financial Strategy.

6.2 An update on the Council's Medium Term Financial Strategy has been provided to Cabinet in November 2025. This provided a more detailed update on the Council's Medium Term Financial Planning factoring in the impact of the current year financial pressures and the longer-term impacts on the MTFS and reserves strategy.

6.3 There are no direct procurement implications arising from the recommendations detailed in this report. Project specific implications have been addressed in the Key Issues section.

7. Legal Advice and Implications

7.1 There are no direct legal implications arising from the report

8. Human Resources Advice and Implications

8.1 There are no direct Human Resources implications arising from this report.

9. Implications for Children and Young People and Vulnerable Adults

9.1 The report includes reference to the cost pressures on both Children's and Adult Social care budget.

10. Equalities and Human Rights Advice and Implications

10.1 This is a finance update report providing a review of current progress to date on the Council's revenue and capital budgets. Any equalities and human rights impacts from service delivery have been or will be detailed as service budgets are pulled together for inclusion within the Council's revenue budget or capital programme. The Equality Impact Assessment is attached as Appendix 1 to the report.

11 Implications for CO2 Emissions and Climate Change

11.1 There are no direct implications arising from the report. The Carbon Impact Assessment is attached as Appendix 2 to the report.

12. Implications for Partners

12.1 At a time of economic difficulty and tight financial constraints, managing spend in line with the Council's budget is paramount. Careful scrutiny of expenditure and income across all services and close budget monitoring therefore remain a top priority if the Council is to deliver both its annual and medium-term financial plans while sustaining its overall financial resilience

13. Accountable Officers

Rob Mahon, Service Director – Financial Services

Approvals obtained on behalf of Statutory Officers:-

	Named Officer	**Date**
Chief Executive	John Edwards	23.12.25
Executive Director of Corporate Services (S.151 Officer)	Judith Badger	16.12.25
Service Director of Legal Services (Monitoring Officer)	Phillip Horsfield	16.12.25

Report Author: *Rob Mahon, Service Director – Financial Services*

This report is published on the Council's website.