



Havering

LONDON BOROUGH

OVERVIEW & SCRUTINY BOARD EXTRAORDINARY MEETING AGENDA

7.30 pm

Tuesday
24 November 2020

Virtual Meeting

Members 16: Quorum 6

COUNCILLORS:

**Conservative Group
(8)**

Ray Best
Philippa Crowder
Judith Holt
Sally Miller
Nisha Patel
Christine Smith
Maggie Themistocli
Michael White (Vice-Chair)

**Residents' Group
(2)**

Ray Morgon
Barry Mugglestone

**Upminster & Cranham
Residents' Group (2)**

Linda Hawthorn
Christopher Wilkins

**Independent Residents'
Group
(2)**

Natasha Summers
Graham Williamson

**Labour Group
(1)**

Keith Darvill

**North Havering
Residents Group(1)**

Darren Wise (Chairman)

For information about the meeting please contact:

**Anthony Clements 01708 433065
anthony.clements@oneSource.co.uk**

OVERVIEW AND SCRUTINY BOARD

Under the Localism Act 2011 (s. 9F) each local authority is required by law to establish an overview and scrutiny function to support and scrutinise the Council's executive arrangements.

The Overview and Scrutiny Board acts as a vehicle by which the effectiveness of scrutiny is monitored and where work undertaken by themed sub-committees can be coordinated to avoid duplication and to ensure that areas of priority are being reviewed. The Board also scrutinises general management matters relating to the Council and further details are given in the terms of reference below. The Overview and Scrutiny Board has oversight of performance information submitted to the Council's executive and also leads on scrutiny of the Council budget and associated information. All requisitions or 'call-ins' of executive decisions are dealt with by the Board.

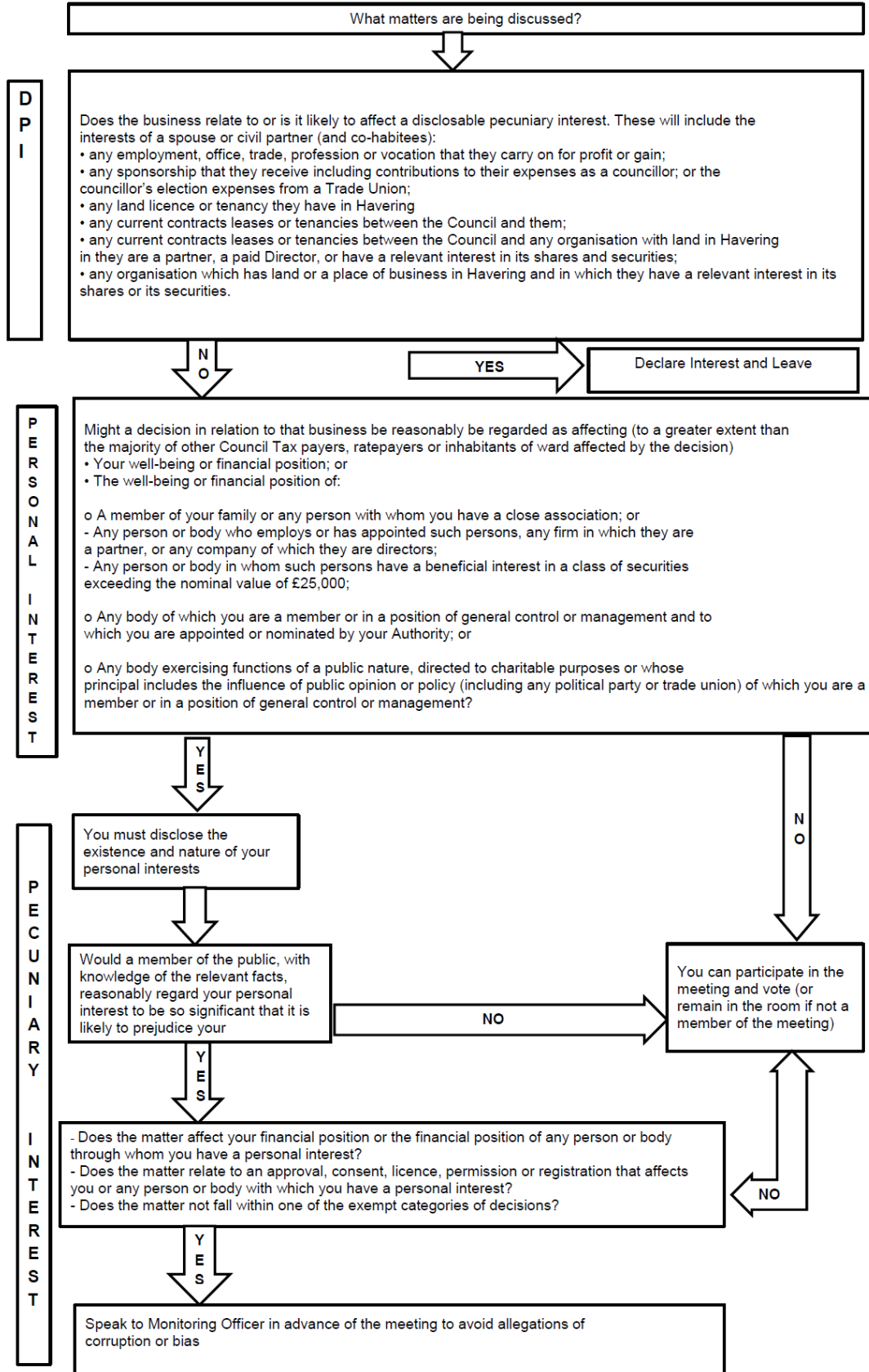
The Board is politically balanced and includes among its membership the Chairmen of the six themed Overview and Scrutiny Sub-Committees.

Terms of Reference:

The areas scrutinised by the Board are:

- Strategy and commissioning
- Partnerships with Business
- Customer access
- E-government and ICT
- Finance (although each committee is responsible for budget processes that affect its area of oversight)
- Human resources
- Asset Management
- Property resources
- Facilities Management
- Communications
- Democratic Services
- Social inclusion
- Councillor Call for Action

DECLARING INTERESTS FLOWCHART – QUESTIONS TO ASK YOURSELF



AGENDA ITEMS

1 CHAIRMAN'S ANNOUNCEMENTS

The Chairman will announce details of the meeting arrangements.

2 APOLOGIES FOR ABSENCE AND ANNOUNCEMENT OF SUBSTITUTE MEMBERS

(if any) - receive.

3 DISCLOSURE OF INTERESTS

Members are invited to disclose any interest in any of the items on the agenda at this point of the meeting.

Members may still disclose any interest in an item at any time prior to the consideration of the matter.

4 PROTOCOL ON THE OPERATION OF OVERVIEW AND SCRUTINY BOARD MEETINGS DURING THE COVID-19 PANDEMIC RESTRICTIONS (Pages 1 - 4)

Attached for noting by the Board.

5 PRE-DECISION SCRUTINY PROTOCOL (Pages 5 - 10)

Attached for noting by the Board.

6 PRE-DECISION SCRUTINY OF A CABINET REPORT: INCLUSIVE GROWTH STRATEGY AND IMPLEMENTATION PLAN (Pages 11 - 174)

Report and appendices attached.

7 UPDATE ON THE COUNCIL'S MEDIUM TERM FINANCIAL STRATEGY AND BUDGET FOR 2021/22 (Pages 175 - 218)

Report and appendices attached.

Andrew Beesley
Head of Democratic Services



LONDON BOROUGH OF HAVERING

PROTOCOL ON THE OPERATION OF OVERVIEW AND SCRUTINY BOARD MEETINGS DURING THE COVID-19 PANDEMIC RESTRICTIONS

1. Introduction

In accordance with the Local Authority and Police Crime Panels (Coronavirus) (Flexibility of Local Authority and Police and Crime Panels Meetings (England and Wales) Regulations 2020, all Overview and Scrutiny Board Committee hearings held during the Covid-19 restrictions will take place using a 'virtual' format. This document aims to give details on how the meetings will take place and establish some rules of procedure to ensure that all parties find the meetings productive.

2. Prior to the Hearing

Once the date for a meeting has been set, an electronic appointment will be sent to all relevant parties. This will include a link to access the virtual meeting as well as guidance on the use of the technology involved.

3. Format

For the duration of the Covid-19 restrictions period, all Board meetings will be delivered through conference call, using Zoom software. This can be accessed using a PC, laptop or mobile/landline telephone etc. and the instructions sent with meeting appointments will cover how to do this.

4. Structure of the Meeting

Although held in a virtual format, Overview and Scrutiny Board Meetings will follow the standard procedure with the following principal stages. Board Members may ask questions of any party at any time. Questions are however, usually taken after each person has spoken.

- The Chairman's announcements, apologies and disclosures of Member interests will be dealt with.
- Consideration of reports as shown in the agenda papers. Officers will introduce the report, questions will be asked by Board Members and the report debated. The Board will make any decision that it wishes with regards to the report and/or make any recommendations for further action.
- The clerk will confirm the details of any decision made by the Board or the nature of any comments to go back to the relevant decision maker.

5. Technology Issues

An agenda setting out the items for the meeting will be issued in advance, to all parties in accordance with statutory timetables. This will include details of reports to be considered and any other relevant documents. The agenda will also be published on the Council's website – www.havering.gov.uk in the normal way.

All parties should be aware that the sheer volume of virtual meetings now taking place across the country has placed considerable strain upon broadband network infrastructure. As a result, Zoom meetings may experience intermittent faults whereby participants lose contact for short periods of time before reconnecting to the call. The guidance below explains how the meeting is to be conducted, including advice on what to do if participants cannot hear the speaker and etiquette of participants during the call.

Members and the public will be encouraged to use any Zoom video conferencing facilities provided by the Council to attend a meeting remotely. If this is not possible, attendance may be through an audio link or by other electronic means.

Remote access for members of the public and Members who are not attending to participate in the meeting, together with access for the Press, will be provided via a webcast of the meeting at www.havering.gov.uk.

If the Chairman is made aware that the meeting is not accessible to the public through remote means, due to any technological or other failure of provision, then the Chair shall temporarily adjourn the meeting immediately. If the provision of access through remote means cannot be restored within a reasonable period, then the remaining business will be considered at a time and date fixed by the Chairman. If he or she does not fix a date, the remaining business will be considered at the next scheduled ordinary meeting of the Board.

6. Management of Remote Meetings for Members

The Chairman will normally confirm at the outset and at any reconvening of an Overview and Scrutiny Board meeting that they can see and hear all participating members. Any Member participating remotely should also confirm at the outset and at any reconvening of the meeting that they can see and hear the proceedings and the other participants.

The attendance of Members at the meeting will be recorded by the Democratic Services Officer. The normal quorum requirements for meetings as set out in the Council's Constitution will also apply to a remote meeting.

If a connection to a Member is lost during a meeting of the Board, the Chair will stop the meeting to enable the connection to be restored. If the connection cannot be restored within a reasonable time, the meeting will proceed, but the Member who was disconnected will not be able to vote on the matter under discussion, as they would not have heard all the facts.

7. Remote Attendance of the Public

Any member of the public participating in a meeting remotely in exercise of their right to speak (subject to the Chairman) at an Overview and Scrutiny Board must meet the same criteria as members of the Board (outlined above) in terms of being able to access and, where permitted, speak at the meeting. The use of video conferencing technology for the meeting will facilitate this and guidance on how to access the meeting remotely will be supplied by the clerk.

8. Etiquette at the meeting

The following rules must be adhered to and etiquette observed:

- The meeting will be presided over by the Chairman who will invite participants to speak individually at appropriate points;
- If invited to contribute, Members or other participants should make their statement, then wait until invited to speak again if required;
- If it is possible, participants should find a quiet location to participate in the Zoom meeting where they will not be disturbed as background noise can affect participants.
- The person speaking should not be spoken over or interrupted. If there are intermittent technological faults during the meeting then the speaker will repeat from the point where the disruption started. Whilst intermittent disruption is frustrating, it is important that all participants remain professional and courteous.

9. Meeting Procedures

Democratic Services Officers will facilitate the meeting. Their role will be to control conferencing technology employed for remote access and attendance and to administer the public and Member interaction, engagement and connections on the instruction of the Chairman.

The Council has put in place a technological solution that will enable Members participating in meetings remotely to indicate their wish to speak via this solution.

The Chairman will follow the Overview and Scrutiny Procedure rules set out in the Council's Constitution when determining who may speak, as well as the order and priority of speakers and the content and length of speeches in the normal way.

The Chairman, at the beginning of the meeting, will make reference to the protocol for Member and public participation and the rules of debate. The Chairman's ruling during the debate will be final.

Members are asked to adhere to the following etiquette during remote attendance of the meeting:

- Board Members are asked to join the meeting no later than fifteen minutes before the start to allow themselves and Democratic Services Officers the opportunity to test the

equipment.

- Any camera (video-feed) should show a non-descript background or, where possible, a virtual background and Members should be careful to not allow exempt or confidential papers to be seen in the video-feed.
- Rather than raising one's hand or rising to be recognised or to speak, Members should avail themselves of the remote process for requesting to be heard and use the 'raise hand' function in the participant's field.
- All participants should only speak when invited to by the Chair.
- Only one person may speak at any one time.
- When referring to a specific report, agenda page, or slide, participants should mention the report title, page number, or slide so that all members have a clear understanding of what is being discussed at all times
- Should any voting be required, the clerk will ask Members individually to indicate their vote – either FOR, AGAINST or ABSTAIN, on the recommendations as shown in the report, once the debate has concluded.
- The Democratic Services Officer will clearly announce the result of the vote and the Chairman will then move on to the next agenda item.

Any Member participating in a remote meeting who declares a disclosable pecuniary interest, or other declarable interest, in any item of business that would normally require them to leave the room, must also leave the remote meeting. The Democratic Services Officer or meeting facilitator, will confirm the departure and will also invite the relevant Member by link, email or telephone to re-join the meeting at the appropriate time, using the original meeting invitation,

10. After the Hearing - Public Access to Meeting Documentation following the meeting

Members of the public may access minutes, decision and other relevant documents through the Council's website. www.havering.gov.uk

For any further information on the meeting, please contact richard.cursons@onesource.co.uk, tel: 01708 432430.

Overview & Scrutiny Protocol – Pre-decision Scrutiny

WHAT IS PRE-DECISION SCRUTINY?

Cabinet and Overview and Scrutiny recognise that in order for effective scrutiny to happen they need to work together for the benefit of the Council and to improve decision-making.

The Council is required to give 28 days' notice of a planned key decision. The decisions are brought to scrutiny as drafts of the final cabinet or delegated decision report.

The range of possible outcomes may include support for a decision, a different view on the way forward, the flagging up of concerns (e.g. in relation to the consultation process), or a recommendation that the decision should be deferred pending further work etc. It does not mean that decisions will necessarily be changed or withdrawn, however it gives an opportunity for those decisions to be more informed. Pre-decision scrutiny can be viewed as non-Executive Members performing a 'critical friend' role in relation to the Executive.

Overall, pre-decision scrutiny can help the decision-making process by:

Providing an impartial perspective – scrutiny can gather its own evidence to contribute towards the decision-making process, and consult those directly affected by the decision impartially and independently.

Challenging assumptions and making evidence-gathering more robust – scrutiny can look at projections relating to the impact of the decision – financial, social, economic, environmental – and consider whether those projections and assumptions are justified.

Developing realistic plans and targets – scrutiny can help to develop challenging but realistic targets that will be impartial and focused on outcomes rather than outputs.

Securing ownership and buy-in to the final decision – engaging with scrutiny will help the executive to understand the expectations of the wider group of elected councillors and, by extension, the public.

WHAT PRE-DECISION SCRUTINY IS NOT

Pre-decision scrutiny does not replace decision-making. It is not intended to blur the lines of accountability, which will always rest with the Executive.

Pre-decision scrutiny is not the same as general service or policy development / formulation. Separate to pre-decision scrutiny there are occasions where scrutiny is already involved at an earlier point in the development of policy or service proposals.

WHY IS A PROTOCOL NEEDED?

The aim of this protocol is to set out an agreed way of working with the Cabinet, in line with the Council's Constitution, to facilitate the proper role of Overview and Scrutiny in respect of pre-decision scrutiny.

Protocol for pre-decision scrutiny of Forward Plan items

1. Overview and Scrutiny Board will monitor and review the Council's Forward Plan of forthcoming key decisions (as standing items on agenda) to determine which items they would like an input into before decisions are made by the Cabinet or the individual decision maker with delegated responsibility. Members will be notified by email when an item is added to the Forward Plan. Members will have 5 calendar days to make a request for pre-decision scrutiny to the Chairman and Clerk of O&S Board.
2. It is permissible for the Leader or individual Cabinet Members to suggest topics for pre-decision scrutiny however the decision to accept rests with the Board. The request, stating reasons, will be made in writing to the Chairman and Clerk of the Board within 5 calendar days of the item being added to the Forward Plan.
3. Where a request has been received in accordance with Points 1 or 2 above, the clerk of the O&S Board will write to O&S Board Members giving up to 5 working days for the suggestion to be accepted onto the agenda for the next scheduled meeting. A majority of Members from the committee is required to achieve this. In the event of a tie, the Chairman will have a second and casting vote. That a suggestion is rejected does not prevent the use of call-in at a later date. The matter will progress for consideration by Cabinet or delegated decision maker and be available for call-in subject to any exemption.
4. Where pre-decision scrutiny of a forthcoming key decision is agreed by the Overview & Scrutiny Board, a draft copy of the Cabinet report or Executive Decision will be provided. Where necessary and following consultation with the Chairman, an extraordinary meeting of Board or committee will be convened in accordance with procedure rules.
5. The relevant Cabinet Member, Director, Assistant Director and/or appropriate officer(s) will attend the Overview and Scrutiny meeting to present the draft report and answer any questions posed by members of the committee.
6. The Overview and Scrutiny Board discusses the report and identifies any points it would like addressed in the final report to be presented before Cabinet or the individual decision maker with delegated responsibility; this could include any alternative recommendations which the Board consider necessary.

7. Unless the proposal is different from that which the decision-maker is subsequently required to consider, the pre-decision scrutiny of the subject prevents the opportunity for call-in once the decision is made by the Cabinet or the individual decision maker with delegated responsibility.

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Pre-decision Scrutiny Timetable

		Calendar days before decision due date
1	Notice of intended key decision published (minimum)	28
2	Last date for request for pre-decision scrutiny to be submitted to Chairman and committee clerk	23
3	Determination by O&S Board Members of request for pre-decision scrutiny	15
4	Publication of O&S Board agenda, including draft Cabinet or delegated decision report	9-12
5	O&S Board meeting	1-4
9	Intended date of decision	0

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Overview & Scrutiny Board

24 November 2020

Subject Heading:

Pre-Decision Scrutiny of a Cabinet Report – Inclusive Growth Strategy and Implementation Plan

SLT Lead:

Abdus Choudhury – Deputy Director of Legal & Governance

Report Author and contact details:

Anthony Clements – Principal Democratic Services Officer
anthony.clements@onesource.co.uk

Policy context:

There are commitments in the 2019/2020 Corporate Plan under the Opportunities Theme – Helping our businesses grow, Helping people succeed in life; under the Places Theme - Strengthening the attractiveness of our town centres; under the Connections Theme - Using technology to improve the way we live.

Financial summary:

There will be a number of financial and legal implications arising from the decision to endorse the strategy and plan. There will be the subject of further reports to Cabinet where a key decision is required.

The subject matter of this report deals with the following Council Objectives

Communities making Havering	[X]
Places making Havering	[X]
Opportunities making Havering	[X]
Connections making Havering	[X]

SUMMARY

In accordance with the pre-decision scrutiny protocol adopted by the Board, the attached report is brought to the Overview and Scrutiny Board for scrutiny and comment prior to a final decision being made by Cabinet.

RECOMMENDATION

That the Board considers the Cabinet report and appendices and determines whether there are comments or, if appropriate, alternative recommendations they wish to be passed to the appropriate Cabinet Member.

REPORT DETAIL

The attached report on the Inclusive Growth Strategy and Implementation Plan has been selected by the Board as a subject for pre-decision scrutiny. It is suggested that the Board discuss the proposals contained in the report and agrees any points, comments or, if appropriate, alternative recommendations it would like addressed when the report is presented to Cabinet on 25 November. These will be addressed by the Cabinet Member in his introduction to the report at the Cabinet meeting.

It should be noted that, unless the proposal is different from that which the decision-maker is subsequently required to consider, the pre-decision scrutiny of the subject is likely to mean that any call-in once the decision is made by the Cabinet is unlikely to be accepted as valid.

Appendices:

Appendix A – Cabinet report with appendices



CABINET

Subject Heading:

Inclusive Growth Strategy and Implementation Plan

Cabinet Member:

Councillor Damian White, Cabinet Member for Economic Development

SLT Lead:

Neil Stubbings, Director of Regeneration Programmes

Report Author and contact details:

Howard Swift, 01708 432654,
howard.swift@havering.gov.uk

Policy context:

There are commitments in the 2019/2020 Corporate Plan under the Opportunities Theme – Helping our businesses grow, Helping people succeed in life; under the Places Theme - Strengthening the attractiveness of our town centres; under the Connections Theme - Using technology to improve the way we live.

Financial summary:

There will be a number of financial and legal implications arising from the decision to endorse the strategy and plan. These will be the subject of further reports to Cabinet where a key decision is required.

Is this a Key Decision?

Yes – matters impacting two or more wards

(a) Expenditure or saving (including anticipated income) of £500,000 or more

(b) Significant effect on two or more Wards

When should this matter be reviewed?

June 2022

Reviewing OSC:

Overview and Scrutiny Board

The subject matter of this report deals with the following Council Objectives

Communities making Havering	[x]
Places making Havering	[x]
Opportunities making Havering	[x]
Connections making Havering	[x]

SUMMARY

This report presents the Inclusive Growth Strategy and Implementation Plan for Havering and describes a step change in ambition of the Borough at a time of rapid change and opportunity.

RECOMMENDATIONS

Cabinet is recommended to:

- Endorse the Inclusive Growth Strategy to guide the delivery of future plans for economic development and regeneration through the delivery of homes, jobs and investment in Havering for the benefit of our entire community.
- Accept the Inclusive Growth Implementation Plan comprising indicative projects and workstreams acknowledging that further approvals will be required to be sought.

REPORT DETAIL

1. Inclusive Growth

- 1.1 The report presents to Cabinet the final draft of an Inclusive Growth Strategy for Havering. Previous iterations of this strategy have taken the form of an Economic Development Strategy which SLT wished to be extended in scope to embrace also the Council's broader plans for growth. Most recently elected members sought a changed emphasis towards 'good growth' that was at the same time both sustainable and inclusive. To this end the Council's agreed Employment and Skills Plan has now been integrated as core plank of the strategy for delivery of growth so that the benefits can be shared by all sections of our communities.
- 1.2 With this in mind, the redrafted report represents a significant public change of approach and values – an evolution of its previous position. A fourth priority for action has been added to the previous three – that of the delivery of employment opportunities through upskilling and reskilling.
- 1.3 It also gives emphasis to housing delivery at the heart of the strategy.
- 1.4 In preparing this latest version of the Strategy, we have commissioned Breeze Strategy, preeminent global experts in inward investment strategy to undertake an external review of the realism and ambition of our inward investment aspirations. Breeze Strategy count among their clients Tennessee and Ontario alongside Bristol, and Manchester in the UK. Their review of our proposals was positive and optimistic and their recommendations have now been given full effect throughout the text.

- 1.5 There have been significant changes in the approach recommended in response to the changing nature of high streets especially in the context of COVID19. We have added specific reference in the revised text to the challenges currently presented by COVID19 to the economy as a whole, to the actions of business support and impact mitigation already delivered, and to the future expectation of delivering further financial support while working alongside local businesses to further develop resilience and sound business continuity plans.
- 1.6 Logistics opportunities present themselves in the same context – the opportunity that corresponds to the threat of changing retail habits for near instantaneous delivery of infinite choice using our location at the intersection of key routes East to West, and North to South and particularly using the river as a key transport corridor for freight consolidation.
- 1.7 Throughout emphasis is given to the prudent use of limited resources – land, money and human resources – to optimise the benefits for local people.
- 1.8 A review is proposed of the corporate commitment to the provision of free public Wi-Fi which has now largely been technologically superseded by the ubiquity of 4G and 5G.
- 1.9 While the collective effect of these changes is transformative, the basic proposals are for the most part ones that have already been approved.

2. Implementation Plan

- 2.1 The Implementation Plan describes a programme of indicative projects and work streams. Cabinet is not expected to endorse or approve any particular project but instead consider the balanced programme of interventions which is proposed towards the delivery of the strategy.
- 2.2 All revenue activities proposed for 20/21 and 21/22 are containable within the current budgetary envelope. Approval for spend beyond the term of the current MTFS is not being sought at this time.
- 2.3 The Implementation Plan expresses an aspiration for the delivery of a number of major capital projects not currently included in the agreed Capital Programme. It is not the intention that such projects should be approved at this time by Cabinet. It is rather the generality of the programme and the expression of the Council's aspirations for the future for which Cabinet approval is sought.
- 2.4 All projects not currently approved to proceed will be brought back for approval through the established protocols of the Council in due course

REASONS AND OPTIONS

3. Reasons for the decision:

- 3.1 The Inclusive Growth Strategy has been developed in the context of comprehensive baselining and analysis over the past 2 years. The selection of specific strategic objectives is recommended against the backdrop of this research. The detail of the logic chain pursued can be found in the background papers as Appendix 4.

Other options considered:

- 3.2 Do nothing: If Cabinet chooses not endorse the Inclusive Growth Strategy, there is a danger that inclusive growth intervention selection will be made on a purely tactical basis without sight of any longer term aspiration or plan for the Borough. This outcome must be regarded as suboptimal.

IMPLICATIONS AND RISKS

4. Financial implications and risks:

- 4.1 The proposals are consistent with anticipated revenue budgets for 20/21 to 21/22 except as indicated by shaded boxes on the Implementation Plan the following items:

High Streets Investment
Digital Inclusion
Job Brokerage

- 4.2 The current budget and its planned deployment is set out below.

Identified Budget 2020/21	£
Economic Development	95000
Town Centres	20000
Total	115000
To be funded from identified budget	£
Equal Access to Employment	5000
Young Entrepreneurs	3000

Supporting existing and new businesses	6000
Key Growth Sectors	32000
Inward Investment	10000
Social Value	4000
Workspace	50000
Service Development	5000
Total	115000
Projects contingent upon grant funding	£
Digital Inclusion	194000
Job Brokerage	206000
Total	400000

- 4.2 No growth has been built into the Council's future capital or revenue budgets for the High Streets investment at the current time due to the budget pressures currently facing the Council due to Covid-19. This situation will be kept under review as the Council's medium term financial position becomes clearer.

5. Legal implications and risks:

- 5.1 s1 Localism Act 2011 gives the Council a general power of competence. The Council may rely on this, together with other enabling powers to implement the strategy. Relevant powers will be identified when specific decisions in relation to implementation are sought.
- 5.2 There is no statutory duty placed upon the Council to have an Inclusive Growth Strategy however the Strategy aligns with existing strategies and plans of the Council, including the Local Plan and provides a framework within which they may be progressed.
- 5.3 There will be a number of financial and legal implications arising from any decision to endorse the Strategy and Implementation Plan. These will be the subject of further reports to Cabinet where a key decision is required.

6. Human Resources implications and risks:

- 6.1 Proposals will not result in any change to personnel establishment beyond those changes the subject of separate reorganisation review.

7. IT Implications and Risks:

- 7.1 The proposals reviewed will impact on IT systems and infrastructure but will be subject to separate review before approval is sought to proceed.

8 Equalities implications and risks:

8.1 The Public Sector Equality Duty (PSED) under section 149 of the Equality Act 2010 requires the Council, when exercising its functions, to have due regard to:

- i. The need to eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010;
- ii. The need to advance equality of opportunity between persons who share protected characteristics and those who do not, and;
- iii. Foster good relations between those who have protected characteristics and those who do not

Note: 'Protected characteristics' are: age, gender, race and disability, sexual orientation, marriage and civil partnerships, religion or belief, pregnancy and maternity and gender reassignment.

8.2 The Council is committed to all of the above in the provision, procurement and commissioning of its services, and the employment of its workforce. In addition, the Council is also committed to improving the quality of life and wellbeing for all Havering residents in respect of socio – economics and health determinants. The proposals relating to this report, if they are implemented, will improve the business environment in the borough and consequently the employment prospects and socio- economic status of residents.

8.3 An Equalities Assessment (EA) is attached as Appendix 3 to this report.

BACKGROUND PAPERS

Appendix 1 - Inclusive Growth Strategy

Appendix 2 - Indicative Implementation Plan

Appendix 3 - Equalities Impact Assessment

Appendix 4 - Economic Evidence Base Havering v5 (Long Slidedeck)

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LONDON BOROUGH OF HAVERING

Shaping Growth and Delivering Opportunity

Havering's Inclusive Growth Strategy

2020 – 2045

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Foreword from the Leader of the Council

Representing the very best of being both part of a global city and retaining an Essex spirit of independence and entrepreneurialism, Havering is a fantastic place to live, work or set up a business. Easy access to the city and the wider South East via the M25, relatively affordable housing, and a wealth of green and open space has made Havering an attractive haven for businesses and residents.

Thanks to our ambitious regeneration programme, as well as extensive support for local businesses and start-ups, we have already seen significant pay-offs in terms of growth. Regeneration is intricately linked to economic development, and we want to capitalise on that link by supporting businesses to locate and expand within the borough, and make sure our residents are the first to benefit from such growth with the wide range of jobs this will create.

As one of the most diverse boroughs in London in terms of our range of business bases – from cultural and creative industries to logistics, constructions and engineering – there has never been a better opportunity to demonstrate Havering as *the* place for your business needs.

We are proud of our business community, and have worked closely with them when putting this strategy together, in order to address the very real challenges facing businesses today.

This Inclusive Growth Strategy provides an analysis of Havering's economy, identifies the types of employment growth and locations for growth over the coming years, and sets out the Council's approach to inward investment and business support. The strategy also incorporates our Employment and Skills Plan, and links to the regeneration programme, ensuring the large-scale developments generate social value, benefiting those that need it most.

We will also engage Central Government and the Mayor of London in order to facilitate the investment in infrastructure that is so critical to growth in Havering. It is going to take willingness from all the public agencies as well as the private sector, to achieve the growth and development that we all want to see for the benefit of residents and businesses over the coming years.

The Strategy identifies the tactical and operational interventions that the Council will take to facilitate growth, and the part that other agencies must play if we are to fulfil our bold ambitions. Over the coming years, Havering will lead the way in pursuing a prosperous future for businesses and residents, using innovative regeneration and development programmes to facilitate meaningful growth and an even brighter future for Havering.

At this time we face the uncertainties and vulnerability of the COVID19 pandemic. Recovery from the economic effects of the pandemic are already being given the highest priority alongside the need both to mitigate its impacts and build an even more resilient future for Havering.

Councillor Damian White
Leader of the Council

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Executive Summary

Havering features high quality of life, award-winning parks and green space, and these attributes are attracting growing numbers of people and businesses to locate in the Borough. The opportunities for continuing growth in Havering are substantial. Over 13,700 new homes will be built in the Borough over the next decade. The Elizabeth Line will increase the already good rail links into Central London and to Heathrow. Town Centre regeneration will transform Romford back into a destination of choice, building on the growing creative and office-based business sectors. The potential for growth in housing and employment in Romford has led to its designation as an Opportunity Area in the London Plan. We will continue to review the strategy as the impacts and implications of the Covid Pandemic become more apparent and consideration will be given to how Havering and its business community responds to the new working environment.

The Borough offers the advantages of a London location, alongside excellent road connections to the South East and the rest of the country. Rainham and Beam Park is part of the London Riverside Opportunity Area which includes extensive land in both Havering and adjoining Barking and Dagenham. The London Riverside Opportunity Area Planning Framework (2015) identifies that the wider area has the capacity to provide 26,500 new homes and 16,000 new jobs across the two boroughs. In Havering, the focus will be on the intensification of industrial land in the Rainham Employment Area and the creation of new residential communities served by a new railway station at Beam Park.

A comprehensive body of evidence has been commissioned to inform the Council's approach, including an economic evidence base, a survey of 400 businesses, interviews with a wide range of local businesses and organisations, and stakeholder workshop discussions. The findings from the analysis of the evidence are that Havering has significant potential for additional investment and growth, but currently is projected to become a residential base for increasing numbers of commuters, with housing growth outstripping business growth.

The business base is diverse. Industrial sectors such as logistics, engineering, manufacturing and construction are important, as is retail, although this is vulnerable to the impact of online and other changes in shopping dynamics, and is likely to consolidate over the coming years. There are also a number of new sectors, growing rapidly - professional, scientific and technical, IT and creative. Health, education, and social care are the biggest employers. Productivity is relatively low, and despite good GCSE performance in the Borough's schools, skills levels post-16 are also low, and we will need to work to co-ordinate provision under the new Further Education (FE) reforms.

Romford will be the subject of intensive programmes of regeneration and housing development, improvements to the Market, the Ring Road, and the shopping centres. Romford's Business Improvement District will bring benefits to the local trading environment. This strategy will complement and aim to align with the Romford Masterplan which sets out a vision for Romford to maintain its strategic role within Havering, North East London and Essex for the next 20 years.

The Rainham Strategic Industrial Area has a diverse industrial base and, as part of the London Riverside Opportunity area, is part of one of the few remaining areas of this type in London. It serves the Borough well in providing a wide range of jobs for all skills levels. It has new office space at SEGRO Park, and the Centre for Engineering and Manufacturing Excellence (CEME) at its core. Growth sectors such as construction and e-commerce are becoming increasingly significant. Its growth needs to be driven by high quality spaces, and connectivity through ultra-fast broadband, and multi-modal physical access. It provides low, medium and high skilled jobs and the opportunity to work close to relatively low cost housing and high quality green space. It benefits from established and collaborative partnerships with businesses through the successful Business Improvement District, and key business and agency partners.

The first of the strategy's priorities for action is providing the foundations for continued growth. Businesses need adequate transport and digital infrastructure and access to skilled labour to function efficiently and grow. Improvements in this infrastructure are needed, particularly in certain sectors and in the Rainham employment area. Skills infrastructure in the form of training programmes, facilities and relationships between employers and training providers is vital for boosting productivity and growing employment. This strategy will complement the work of the Infrastructure Team within the Planning Service and recognise that infrastructure needed to support communities will also play a central role alongside infrastructure to support businesses.

The second priority for action is support for enterprise and innovation. Havering is a great place to start a business, and we will continue to encourage business startups through the Invest in Havering inward investment service. We will target our new business growth programme to support those businesses that want to develop and grow. We will also boost productivity through a new innovation support programme and working with key partners to develop sector-based innovation hubs. We will encourage and support the local construction sector through public sector supply chain initiatives to ensure local businesses can access opportunities to tender for contracts and benefit from development.

Our third priority is the delivery inward investment to the Borough. We recognise that Havering as a brand is not widely recognised and that winning investment for Havering will require us to partner with other stakeholders – with other London boroughs and London more broadly, and with Essex to the East. Our inward investment work will make sure that Havering benefits from new investment from overseas companies, UK based companies outside of the Borough and also from local occupiers that choose to expand within the Borough where decision are made elsewhere – so-called 'investor development'. We need to seize opportunities as they arise by carefully marshalling our partners and the unique advantages of our programmes and location. We will work with our partners more effectively to maximise the potential benefits of technological changes within public and private sectors. The development of health technologies, for example is particularly important given the size of the health and care sectors in the Borough. We will improve our marketing and promotion through our website and promotion activity and our enquiry

handling, and co-ordinate activity with our partners. We will also work more effectively with commercial agents in London as well as maintaining our links with those in the Borough. We will target key sectors for investment, and identify mechanisms to incentivise investment where possible.

The fourth priority for action is support for boosting our key growth locations through regeneration. Romford is the location for a Business Improvement District, and will be the focus for major regeneration and development, as well as improvements to the trading environment and infrastructure. Expanding on its role as a major retail centre, we will turn Romford into a major new destination, and support the growth of professional, creative and IT industries. We will support Hornchurch, Upminster, Elm Park, Harold Hill, Collier Row and Rainham Village centres by strengthening existing businesses, and encouraging diversification. The Rainham Strategic Industrial Area will become a highly competitive industrial location with a strong partnership of agencies working with the business community. Together they will enhance infrastructure, innovate, improve productivity, and provide the right training to residents to put them in the best position to access the area's jobs. New, focused partnerships with businesses and agencies will be the key to achieving our ambitions in both these areas, and across the Borough.

Our fifth priority for action is to ensure the skills of residents meet the current and future needs of employers. Employer demand is continually increasing; there is an increased need for higher levels of formal qualifications, which must match the demands and skills required of our workforce. Residents with few or no qualifications are becoming more vulnerable when seeking jobs and financial security, and require motivation and support to upskill. Employer demand is also continually changing; there is a growing digital skills gap that needs to be addressed. Digital skills are near-universal requirements, and they are in demand in all employment sectors. The move up the career ladder from low- to high-skill jobs comes with increased demand for specific digital skills, and specific digital skills may help workers avoid the risk of automation.

We will engage with employers and with skills providers through the Employment and Skills Provider Forum in key sectors, particularly Construction, Logistics, Engineering and Manufacturing.

We will develop the education workforce through the Havering Academy of Leadership, to combat low ambition, to promote apprenticeships and workforce development within other key sectors, in particular construction, engineering, logistics and manufacturing, and the digital and creative industries.

We will engineer skills pathways within health and social care through the Health and Social Care Academy linking to local businesses and health organisations to enable career progression opportunities to be clearly signposted.

We will work closely with the newly established London Enterprise Adviser Network to help young people build the skills and experiences they need to lead successful futures by connecting businesses with schools and colleges.

We will influence and encourage equal access to opportunities for skills training, qualifications and employment for Havering residents, with specific focus on the Council's role as a Disability Confident Employer.

Finally, we will monitor future skill requirements and work with the local education and training sector to deliver the skills for the future.

We will know that we are achieving our objectives through monitoring employment and business growth, improvements in the proportion of higher level adult qualifications, monitoring business views and the health of the town centres.

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1. Shaping growth and delivering opportunity

1.1 Vision and ambition

Havering is London's big opportunity. We are proud of the Borough's heritage, and the new developments coming on stream will open a new chapter in Havering's story. With our culture and leisure offer, quick links into London and the wider South-East, high quality homes, extensive town centre regeneration programmes and our award-winning parks and open spaces, Havering will be an even better place to live, work and visit.

The Council has set out its priorities within its Corporate plan, and is seeking to provide its existing and new residents with vibrant culture and leisure facilities, and thriving town centres. The strategy will complement private housing development across the borough and the Council's housing regeneration programmes including the 12 Estates Regeneration programme which will bring 3,500 new homes into the borough over the next 12-15 years.

The Inclusive Growth Strategy will translate these priorities into actions that will secure its vision. We will support sustainable economic growth that generates local wealth and opportunities, as well as securing investment in high-quality skills and careers.

We want to capitalise on our location with fast and accessible transport links into Central London, Essex and the South East, and the world. These include the M25, A12, A13 and A127 and rail links including the Great Eastern Mainline railway (GEMR), Essex Thameside line (the C2C), London Overground, TfL Rail and the London Underground District Line. There will be improved public transport access to Central London via the new Elizabeth Line, the Lower Thames Crossing and the new railway station at Beam Park. Within the Borough we want improved local accessibility, including north-south routes and into the Rainham Strategic Industrial Location. We will continue to improve digital connectivity for businesses as well as residents. Enhancing our connections will strengthen the Borough's offer as a business hub.

This vision provides the framework for the Inclusive Growth Strategy. The Council has set up four joint venture development companies in order to contribute to the achievement of significant housing growth. We are committed to a major transformation of Romford through a masterplanning process, restructuring of the ring road and Market Place, and with our partners will also see improvements to the town centre through the new Business Improvement District and the redevelopment and improvements to the shopping centres.

The Inclusive Growth Strategy provides the mechanism to match the growth in the population with business and employment growth. The Employment and Skills Plan agreed by the Council in April 2018¹ identifies the ways in which these additional opportunities will

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<http://democracy.havering.gov.uk/documents/s28341/FINAL%20Havering%20Employment%20and%20Skills%20Plan%202018-%202021.pdf>

support local residents to meet their potential and improve income levels across the area. To complement that, the Inclusive Growth Strategy sets out how the Council can achieve :

- More jobs and greater opportunities for residents to increase their skills, resilience and incomes;
- A higher profile for the Borough with the business community, potential investors, government and partners; and,
- A more diverse and sustainable economic environment with increased footfall in Romford and other town centres.

1.2 Opportunity for growth

Havering will undergo significant change over the coming decade, with an expected 13,700 new homes, major regeneration programmes, and improvements in infrastructure including the arrival of the Elizabeth Line and a new railway station at Beam Park. The resulting population growth will increase local spending power, and the attractiveness of the Borough as a business location, but the Council also wants to support the growth of the local economy, to provide more jobs and improve productivity. This will help to maintain and improve the opportunities available in the area, and help to counter the increasing need for our residents to commute into Central London to work.

Havering's strategic industrial locations are key economic assets. The Borough has strengths in transport and distribution, construction, and the traditional sectors of manufacturing and engineering, and new sectors including professional, scientific and tech sectors are growing strongly. The borough has the advantage of being within London with proximity to Europe alongside excellent road connections to the south east and the rest of the country.

The Borough is also supporting growth in its town centres though the scale of growth varies across the town centres – Romford, Hornchurch, Upminster, Elm Park, Harold Hill, Rainham Village, and Collier Row - which provide a location for businesses as well as providing local services for our communities. Romford is recognised in the London Plan as a Metropolitan Centre and has the potential to be a main destination for shoppers and visitors. The ambition for Romford is that it becomes a focus for the growth of professional and creative businesses within Havering which want to realise this potential through planned regeneration and development.

Those areas that have a long-term vision, and implement programmes designed to encourage investment, will have a better chance of harnessing the impact of wider social and economic changes. Havering has that vision, and strong local partnerships, and we will secure the economic future over the Borough through our actions over the coming years.

1.3 A Note on Baseline Data

The development of this strategy has been undertaken over many months and to a large extent our proposals are based on baseline data gathered in 2017 which itself may rely on primary data from earlier periods. In reviewing the strategy we gave careful consideration to whether it might be appropriate to bring this baseline data up to date but took the view that the impact of the referendum to leave the EU has had a destabilising effect on many of the measures upon which we comment, and thus any revised data might be considered to be less reliable than the previous 'steady-state' analysis to which it is not unreasonable to suppose that in time we will in future return. Commissioning further studies in order to generate more 'up to date' data is therefore deemed not necessary. The strategy will remain under constant review.

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2. Economic and policy context

There is considerable uncertainty about the future of the UK economy, and growth forecasts are relatively low. It is worth noting some of the external factors that are likely to impact on the prospects for growth for Havering businesses over the coming years.

2.1 Immediate and long-term economic trends

PWC in their July 2019 economic outlook revised their forecast for growth in 2019². Their prediction is for UK growth was forecast to slow to 1.4% in 2019 and 1.3% in 2020 assuming an orderly exit from the EU. They also note that Q2 growth in 2019 was due to slow to near zero but with continuing volatility quarter to quarter in the lead up to the UK's exit from the EU. Looking beyond the EU, the key challenge for the government is to boost UK productivity growth, which has according to the OECD in November 2018 slumped from the fastest growing economy at the start of 2016 to the second slowest in the G7 at Q2 2018. This will require increased public and private investment in housing, transport infrastructure, skills and innovation. PWC also published in 2017 a report on a number of likely longer-term changes in "*The Long View – How will the economic order change by 2050?*"³. There are a number of long-term trends that will impact on the national and local economy over the coming decades. These include the continuing growth of emerging markets – in particular China and India, but also other countries, such as Mexico coming to the fore, with the EU forming a far smaller share of world GDP. For the time being, today's advanced economies will continue to have higher than average incomes, but this gap will close by 2050.

The retail sector is experiencing structural change with the rise of online shopping, and the consumer desire for a shopping experience being catered for within a smaller number of major centres. Continuing technological changes will continue to transform business and societies, enabling increases in productivity, but eliminating jobs in some areas. Unless society, and the people working in these industries are able to adapt by gaining new skills and/or using their time in a different way, their incomes will be seriously impacted.

These issues raise a number of potential priorities for the Council, including supporting increased productivity within local businesses, and rethinking skills infrastructure. We need to recognise the significance of health and social care both for the ageing population and because of the scale of employment in that sector. As Havering and the rest of the country eventually emerge into post-COVID environment the council needs to support the local economy and business community to be resilient in the face of national and global economic upheaval.

² <https://www.pwc.co.uk/economic-services/ukey/ukey-july2019.pdf>

³ The Long View: How will the global economic order change by 2050? PWC, Feb 2017
<https://www.pwc.com/gx/en/world-2050/assets/pwc-the-world-in-2050-full-report-feb-2017.pdf>

2.2 Industrial Strategy

Productivity improvements are central to current Government policy. The Government's Industrial Strategy⁴ seeks to improve living standards and economic growth by increasing productivity and driving growth across the country in the context of Brexit. It emphasises the need to improve productivity and support key growth sectors where there is a comparative advantage. It also emphasises the need to close the gap between the most and least productive places in the country.

2.3 The London policy context

The Mayor of London has published a draft London Plan⁵, which when adopted will provide the framework for London's growth and development and complement the Transport Strategy published in 2018. The London Riverside Opportunity Area Planning Framework (2015) identifies capacity for 26,500 new homes and 16,000 new jobs across Havering and Barking and Dagenham. In Havering, the focus will be on the intensification of industrial land in the Rainham Employment Area and the creation of new residential communities at Rainham and Beam Park. The scope for this is as a result of the provision of a new station at Beam Park and the opportunity to provide space for essential local services. New social infrastructure including a school and health hub to support new communities will also be introduced into Rainham which will complement infrastructure to support businesses.

Currently the Adult Education Budget is devolved allowing the Mayor of London to direct funding to address the skills needs of adults across the city. London government – the Mayor of London and London Councils – has come together to call for a new devolution and funding deal from government to establish an integrated, properly funded skills and employment system that can meet the city's challenges now and in the future. This call asks for the full range of skills funding including careers advice, non levy apprenticeships and 16-18 skills funding to be devolved to enable the creation of an integrated system that is better able to respond to the needs of the city, its businesses and communities.

The Mayor of London set out a Skills for Londoners Strategy which has three priorities:-

1. empower all Londoners to access the education and skills to participate in society and progress in education and work
2. meet the needs of London's economy and employers now and in the future
3. deliver a strategic city-wide technical skills and adult education offer

The creation of the Mayor's Construction Academy, a quality mark for construction training provision is part of a range of initiatives to ensure that training provision is relevant to the needs of employers, the New City College Group in the name of the former Havering College

⁴ Industrial Strategy, Building a Britain fit for the future, HM Government, 2018
https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/664563/industrial-strategy-white-paper-web-ready-version.pdf

⁵ The London Plan, the Spatial Development Strategy for Greater London, draft for consultation, July 2019
<https://www.london.gov.uk/what-we-do/planning/london-plan/new-london-plan/draft-london-plan-consolidated-suggested-changes-version-july-2019>

and STC Ltd both achieved the quality mark in 2018 and are active members of the MCA network engaging with developers to meet their employment and skills needs.

In June 2018, the Mayor of London announced the expansion of the London Enterprise Adviser Network to support state secondary schools, Pupil Referral Units and Further Education Colleges in every London borough. The London Enterprise Adviser Network helps young people to build the skills and experiences they need to lead successful futures. It does this by connecting businesses with schools and colleges. This ensures that young people are aware of all the career pathways and opportunities available to them.

The Mayor's economic development strategy for London⁶ aims to support the conditions for growth through providing employment space, digital and transport infrastructure, education and entrepreneurship. It identifies sectors where growth offers opportunities to achieve the vision. These are advanced urban services (eg architecture, engineering, property), cultural and creative industries, finance and business services, life sciences, low carbon and environmental goods and services, technology and digital industries, and tourism.

Employment growth, productivity and resilience in Havering is an integral and important component of the overall growth of London and the national economy. As such it is in the interests of regional and national governments to ensure that the infrastructure to support that growth is in place.

2.4 Havering Emerging Local Plan 2016-2031

In March 2018 the Council submitted the proposed Havering Local Plan to the Secretary of State. The emerging Local Plan was subject to an Examination in Public in October 2018 and May 2019. The Council is currently working with the Inspector to confirm a schedule of main modifications to the plan to be publically consulted on. The emerging Local Plan identifies both Romford and the Rainham and Beam Park area as 'Strategic Development Areas' which are anticipated to be the main areas for accommodating Havering's growth over the plan period. Both areas have been identified as Opportunity Areas within the draft London Plan and have Housing Zone status. The plan states that the Council places a very high priority on ensuring that Havering has a prosperous economy. The Plan's Spatial Strategy includes a number of objectives for the borough including protecting and enhancing employment across the Borough. The Local Plan is underpinned by the infrastructure delivery plan and references are made in the plan to improving the north south connectivity issue in the borough between Romford and Rainham.

In particular it identifies the following objectives:

- Regeneration of Romford Town Centre, providing a more diverse and higher quality retail, leisure, cultural and employment offer

⁶ The Mayor's economic development strategy for London, draft for consultation Dec 2018
<https://www.london.gov.uk/what-we-do/business-and-economy/economic-development-strategy>

- Directing an appropriate scale of retail, culture, service industries and office development to the Borough's network of town centres
- Protection of the Borough's Strategic Industrial Locations (SIL) (Rainham Employment Area, Harold Hill Industrial Area, King George Close Estate and Freightmaster Estate) for continued industrial use
- Protection of the Borough's Locally Significant Industrial Sites (LSIS) (Harold Wood, Hillman Close, the Seedbed Centre, Lyon Road and Crow Lane) for continued industrial and employment use
- Intensification of the Borough's designated industrial areas to optimise the use of the land and support transformational new developments which will maximise the economic benefits for the Borough

2.5 Havering Employment and Skills Plan

In April 2018 Cabinet approved an Employment and Skills Plan for the Borough. This has three core themes. The first of these is to develop the local workforce by recruiting local people at key employment sites and in sectors facing workforce challenges, and making better use of the Council's resources and relationships, contracting and procurement activity to secure greater social value for businesses and residents.

The second is to improve the prospects for and prosperity of those residents with employment needs, particularly those stuck in long term unemployment or low paid / temporary / low quality work, lone parents, and young people.

Thirdly, growing our own by building on the strengths of an entrepreneurial Havering, supporting the growth of micro businesses to create opportunities. These priorities complement the priorities set out in this document. Far though from being mere context for a strategy which elsewhere might have been about supporting economic growth in the hope that the benefits of this growth might have 'trickled down' to those most in need, this inclusive growth strategy rejects the long-discredited philosophy of trickle-down economics. Instead it commits itself to delivering for residents furthest from the labour market, those in work whose life chances are not yet fully optimised, and those whose contribution to our growth has been stifled by the very system in place to bring opportunity. To this end, this Inclusive Growth Strategy seeks to integrate key elements of the Employment and Skills Plan so that its interventions might be delivered in concert to delivery opportunity for all.

2.6 Digital Skills

Digital skills are not only required for high-skill jobs. They are now called for across the full span of the labour market ranging from entry-level call centre workers to sophisticated information technology roles. The Government's Digital Strategy also recognises this important point, acknowledging that the benefits of digitalisation are not limited to the 'traditional tech sectors' and that digital transformation can make every business in every sector more productive.

The rise of technology in the job market has sparked intense debate about the future of work. Digital skills have become an unavoidable necessity for job seekers looking to get ahead, however automation and artificial intelligence are expected to disrupt the job market in the coming years.

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3. Evidence and Issues for the Strategy

Within the policy context set out above, a comprehensive body of evidence has informed the content of the Strategy. This includes:

- An evidence base commissioned from SQW and BBP consultancies, on the local economy and labour market – February 2018
- A survey of 400 businesses, commissioned from BMG in 2018
- Interviews with a wide range of local businesses and organisations, along with discussions with Council service providers
- Stakeholder workshop discussions

The key issues emerging from the evidence and conclusions informing the Strategy are set out below. As referenced throughout the document issues and matters that will arise because of the COVID pandemic will continue to be monitored and the strategy revisited in light of the impact of the virus.

3.1 The local economy and business base

Havering's economic position needs to be understood as a function of its geographical location on the eastern boundary of London forming a bridge into greater Essex, and its historical development as one of the key industrial bases in the region. Studies and policies underpinning this document include the employment land review and leisure studies that were prepared for the local plan.

Havering has seen substantial growth over the last fifteen years in terms of employment, business stock and population (including the working age population). These trends relate to the expansion and increasing national dominance of the London economy, and notwithstanding the current economic uncertainty, are expected to continue in the years to come.

Havering's population grew from 225,000 in 2001 to 253,000 in 2016⁷ and it is forecast to grow to almost 300,000 by 2030⁸. While the working-age population rose by 12% between 2001 and 2016⁹, the Borough has more recently seen faster growth among other older and younger age groups since 2008. The implication is that dependency ratios are increasing, which could pose increasing challenges for the Council in the future, and also means that the pattern of demand for local services are likely to change in the future.

⁷ ONS Population Estimates

⁸ GLA Population Projections, central trend, 2017-2030

⁹ GLA Population Projections

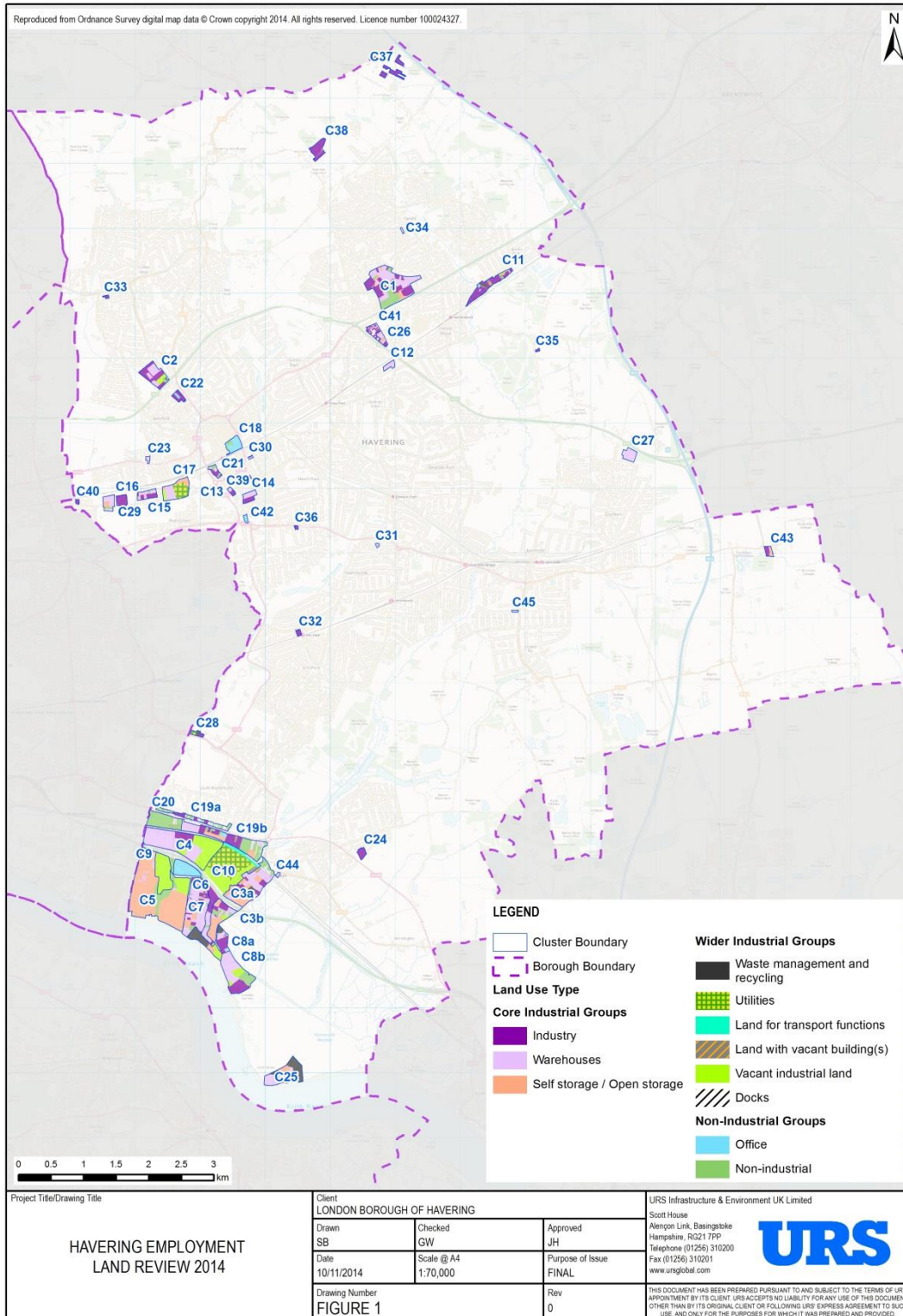
The Borough's ethnic diversity is also increasing. The size of the Black, Asian and Minority Ethnic (BAME) population grew by 38% between 2011 and 2016¹⁰. National Insurance number registrations suggest there also has been an increase in the EU-born population, especially from Eastern Europe¹¹.

The main business locations in Havering are shown in the figure below. The largest industrial locations are at Rainham Riverside and in Romford, with other industrial areas around the Borough including Harold Hill. The business base has grown quickly since 2010, from 6,700 enterprises then to 9,800 in 2017¹², largely. This growth is largely among small and medium-sized enterprises (SMEs).

¹⁰ GLA Ethnic-group Population Projections, central trend, 2011-2016

¹¹ Department for Work & Pensions, National Insurance Number Registrations of Overseas Nationals, Borough and MSA

¹² ONS UK Business Counts, 2017



Growth has been particularly strong among firms in the professional/scientific/technical sector, where numbers have risen by 75%, and information/communications, where numbers grew by 96% (and creative, a cross-cutting sector, where numbers more than

doubled)¹³. Construction, the largest sector in terms of business numbers also grew strongly (+35%). By contrast, other sectors saw modest growth in business numbers. Examples include retail, which saw a 6% growth in enterprise numbers, and manufacturing (10%).

The sectors in which the Borough's jobs are distributed provides a different picture of the local economy. The biggest sectors in terms of jobs are health (13,000 employee jobs), retail (10,000), education (8,000), business administration and support (8,000), and construction (7,000)¹⁴. Professional, scientific and technical (4,500 employee jobs), and information and communications (2,250), were both more modest sources of employment. However, these areas are now growing rapidly, and have the potential to support the growth of new, office-based industries in the Borough, and particularly in Romford.

Productivity in Havering stands at 78% of the London average, although 106% of the England average¹⁵. This is reflected in lower wages for people working in the Borough than the London average. However, the majority of Havering residents commute out of the Borough to work. They commute principally to neighbouring boroughs with many commuting into Central London, and bringing home higher wages than they would obtain in Havering¹⁶.

The employment rate in Havering is very high, at not far off 80%, and unemployment correspondingly low¹⁷. However, despite the good schools, adult qualification levels in Havering are relatively low. This reflects at least in part, the industrial heritage of the Borough, as well as a perception that formal qualifications are not important. Those achieving top grades at A level are only half the average proportion for the country¹⁸. Occupations of residents are becoming increasingly polarised, with higher numbers in professional occupations, but also higher numbers in service occupations. This is likely to become an increasing trend, and its social implications could be exacerbated unless the skills system is able to support more people to increase their skills levels.

3.2 Business Survey

The BMG business survey results from 2018 show that businesses in Havering are positive about their prospects. 40% of businesses at the time of the survey were trading as expected with 33% stating that they were trading reasonably or extremely well, with a similar number expecting improvements over the coming 12 months. Businesses in Rainham are most likely to have taken on additional staff and be aiming to grow further in the coming year. However, transport infrastructure is cited as the most significant barrier to growth. Half of

¹³ ONS UK Business Counts, 2017

¹⁴ ONS Business Register and Employment Survey: open access, 2016

¹⁵ SQW Analysis of ONS Jobs Density 2015, ONS Regional GVA (Income Approach) by Local Authority in the UK, 2015 and ONS Sub-regional Labour Productivity: Nominal (smoothed) GVA per filled job (£): NUTS 3 sub-regions, 2015

¹⁶ ONS Annual Survey of Hours and Earnings

¹⁷ ONS Annual Population Survey

¹⁸ Department for Education, A level and other 16-18 results (provisional): 2016/17 - Local Authority and regional level tables

businesses had not provided any training for staff. Yet 40% of businesses recruiting find that applicants don't have the required level of skills. There is a considerable amount of local trading amongst the Borough's businesses, and nearly one third are considering moving over the next 12 months.

3.2 Business and agency views

There were a number of strong messages provided by partners during the consultation interviews and workshop discussions. In summary these were:

- Havering is a good place to invest, with low property prices and the Elizabeth Line enhancing access, but the Council should protect office space and encourage better quality
- The Council should facilitate the development of grow-on space for existing businesses and inward investors, and a wider offer, including culture and leisure
- The Council should be more flexible on changing from retail uses in South Street
- The environment around Romford Station is a key gateway into the town centre and needs improving
- The market should provide a broader and more attractive offer
- In Rainham the Council should co-ordinate work with partners on intensifying and marketing sites; and consider which types of businesses we want to attract
- Transport routes north-south need improving – particularly into and around the Rainham SIL area
- The Council should identify ways of providing opportunities for local businesses through supply chain and procurement interventions

There is enormous support from the business community, and across public sector partners who are keen to work with the Council on achieving these improvements.

3.3 Key issues arising from the evidence

The Inclusive Growth Strategy is being produced at a time of global economic change and uncertainty surrounding the impact of leaving the European Union. In addition there are major technological changes under way that will have differential impacts across sectors, and communities. Havering has experienced significant population and employment growth in recent years, and its industrial structure is changing, with the growth of service industries and in particular creative industries. As sectors of the economy will be affected by economic changes in different ways, and the implications vary for particular places across the Borough, sector dynamics and place issues need to feature in the Strategy. Population growth is projected to grow at a faster rate than employment growth.

Havering has a need to deliver additional homes to support economic growth

Havering forms part of both the London-wide housing market area and the outer north east London sub housing market area with the London Boroughs of Barking and Dagenham,

Newham and Redbridge. In line with the requirements of the National Planning Policy Framework, the Council has worked with these authorities to prepare a Strategic Housing Market Assessment (SHMA).

The Outer North East London SHMA indicates that Havering's full objectively assessed housing need is for 25,200 new homes over the period 2011-2033 or 1,145 homes per annum. Since the initial SHMA was undertaken, updated population projections have been published by the GLA. The updated population projections were reflected in an update of the SHMA which identified an increased housing need in Havering of 30,052 new homes over the period 2011-2033 (1,366 new homes per year – this figure is extrapolated elsewhere in this strategy to give a 10-year forecast of 13,700).

The SHMA also identifies the need for affordable housing and the size of properties required. Of the 30,052 new homes needed 35% are required to be affordable.

Romford must make significant improvements to its offer, the provision of commercial space, and the overall trading environment in order to realise its potential as a diverse and thriving metropolitan town centre

Romford has seen the loss of around 118,144 sq ft of office space under permitted development rules as office space has been converted for residential use. housing, Romford has become over-reliant on the retail sector, which is facing major restructuring due to the growth of online shopping. It needs to improve its offer and its appearance. Although there is a real opportunity to attract creative businesses and other new sectors, Romford doesn't have the high quality, flexible, serviced business space that businesses want. Romford has the potential to benefit from its accessibility to Central London and its relatively low commercial property costs. It is the focus for the projected growth in offices in the Borough, cannot realise this growth without an increased supply of appropriate space. It is clear from the evidence that major improvements are required to make Romford an attractive destination. This needs to include improvements to Market Place, a better offer in South Street, transformation of the area around the station to provide the gateway to Romford, and fit for purpose office accommodation as part of mixed-use schemes. The market will need to operate differently in order to respond to changing demand.

Smaller town centres are relatively healthy, but are increasingly vulnerable to continuing change in retail

The district centres of Hornchurch, Upminster, Elm Park, Harold Hill, Collier Row and Rainham Village all provide important local service and retail centres for local residents, as well as a base for many independent retailers. Regular health checks are undertaken and we know that despite relatively healthy performance to date, in the future they will need to develop a broader offer and adapt to new circumstances. This should include continuing to develop the retail offer, and promote cultural assets such as the Queen's Theatre and other arts centres as part of the Borough's cultural and creative offer. There are few development opportunities in these town centres but it will be important to take any opportunities that arise to consolidate retail functions and promote alternative uses including leisure and providing business space possibly as part of mixed-use schemes. The town centres also have

the potential for residential development which may help to support the delivery of innovative mixed use developments that provide flexibility and support for start ups and existing microbusinesses. Research has shown that 95% of UK businesses are microbusiness and most are or have been run from the owners home. They generate a third of all employment and a fifth of all turnover (Reuschke & Houston - 2016 - Microbusinesses and the city). The ongoing covid pandemic has resulted in more home working and with the delivery of new homes in Romford and Beam Park in Rainham there is the potential to support the delivery of new housing/working typologies to support start ups and existing new businesses.

Throughout the COVID pandemic consumers have been turning to local options to replenish basics and get assistance. This could have further repercussions for the town centres throughout Havering as local stores have played an important role providing essential top services and finding new ways to support the community (including shopping hours for vulnerable people and click-and-collect services).. They will continue to serve a wider role long term, even as restrictions are lifted, with office work unlikely to return to pre-COVID-19 levels. The effect may result in an increase in shopping or possibly town centres could be re-purposed as they evolve post-COVID. The trends will need to be monitored and acknowledged within the town centre health checks.

Havering has significant potential for additional investment and growth

Havering has key locational advantages, which are often under-sold. The access to Central London and the M25, combined with relatively low land values relative to inner London, make Havering an ideal location for a wide range of industrial activities, and increasingly now also professional and creative firms. The availability of relatively low cost housing and access to open space make it an attractive residential location for people moving into the Borough. London Riverside SIL, along with the other industrial areas in the Borough, is both protected and supported by the GLA for development. Major regeneration programmes are taking place across the Borough, and will provide increased opportunities for new and existing communities and businesses.

Jobs growth is not keeping up with projected housing and population growth

The Council is committed to housing regeneration through a coordinated strategy that promotes sustainable development with the correct balance of services that a growing population needs. . However, it does not want to become a dormitory for London commuters. It is proud of its heritage as an industrial location and high profile market town, and of its close work over the years with, and in support of, the business community. To ensure continuing high levels of employment in the Borough, the Council's ambition is to increase the rate of employment growth over and above that forecast by the GLA to match its population growth rate.

Havering is still a key location for London's remaining manufacturing, logistics, engineering and construction industries, but infrastructure is a barrier to growth

Havering has 442.8 ha of employment land, with 320.6 ha allocated as Strategic Industrial Locations. Much is functioning very effectively and providing a location for these industries, along with waste and motor trades for example, that benefit from its access to the national as well as London road networks, relatively low land values, and the availability of reasonable quality premises. The majority of the land in Rainham SIL is open storage and has the potential to be used more intensively. Significant areas are vacant despite the strong demand for premises, raising questions about the match between demand and supply. The industries in these areas provide a good range of employment, and are an increasingly important source of business rates. Existing occupiers and land-owners are seriously concerned about the quality of digital and transport infrastructure, which is acting as a barrier to growth. If it is not possible for staff to access the area, businesses will be unable to locate or expand in the area.

Havering has a diverse business base, comprising sectors with different support requirements

Industrial sectors such as Logistics, Engineering, Manufacturing – which have not demonstrated recent growth, but remain the foundation of the Borough’s industrial base. These businesses need to be supported to intensify land use and increase employment, as well as to upskill staff and innovate in order to improve productivity levels

Construction – a major sector for Havering, with potential to link into the regeneration programmes across the Borough

Retail – vulnerable to the impact of online shopping, and likely to consolidate over the coming years, meaning that as well as supporting existing independent retailers to increase their resilience, different approaches to supporting town centres are required. The decline of many household names has affected the high street and suggests a change in shopping habits. Often these retail business were also significant employers and their decline may have an effect on employment levels throughout the borough.

New growth sectors - professional, scientific and technical, IT and creative – growing, locating in Romford, but lacking appropriate office space; creative industries need support to grow, and connections to local markets and support services

Health, education, social care - the biggest employers – and sectors with potential for strategic alliances to increase technology and higher education presence in the Borough; and to collaborate in up-skilling, recruitment and retention of staff. Health and social care integration, and the need to develop a sustainable social care market are critical sector change requirements over the coming years, and will also impact on labour market demand

Productivity is relatively low

Productivity is low compared with the London average. The presence of the London Riverside Business Improvement District and other partners in the area including the GLA and SEGRO, the New City College Group and the Centre for Engineering and Manufacturing Excellence (CEME) will provide the basis for an increased emphasis on increased innovation and productivity improvements as well as support for business growth.

Skills levels post-16 are low and skills infrastructure is changing

Despite the good quality schools and attainment levels at GCSE, the residential workforce is relatively poorly qualified. As employers are increasingly seeking higher skilled staff, more will need to be done to ensure that the education and training sectors in the area meet the future needs of both residents and businesses, while supporting increased levels of workforce training, and formal qualifications for residents.

Havering's lack of higher education institutions will have impacted on resident's access and ambition to acquire higher-level qualifications. Though major universities exert considerable influence on their communities, the specific dimensions of their economic impact are rarely appreciated. Universities are important hubs for their local area, boosting employment and spending. Allied to this, their social and cultural influence places them at the heart of the community. Universities are major employers in their own right – often one of the largest in their area. Such anchor institutions generate further jobs indirectly, through their spending on local goods and services.

Digital skills are becoming ever more important in today's economy, and employers indicate that they find about one-third of vacancies difficult to fill being, to some degree, attributable to a lack of appropriate digital skills amongst applicants¹⁹. In addition, baseline digital skills are required for day-to-day living for residents, especially as core public services become digitalised.

The newly established London Enterprise Adviser Network will bring together the worlds of education and business through engaging businesses, as senior business volunteers, to inspire young people to consider all the pathways available to them, and equip them with the right skills to fulfil their potential.

Although relatively understated, the employment and skills activity already taking place in the Council has the potential to be transformative, particularly for residents where investment and support to date has been minimal or less effective than it might have been.

The challenge for Havering is making its case for investment for government funding. Havering has relative wealth and is without the same scale of disadvantage (in terms of numbers of people affected) as other areas within its devolved sub-region. There are many unknowns about the future, but we are beginning to see the impact of the London housing market and low value employment sectors in the Borough (like others) on the cost of living and homelessness.

Combined, and if left unaddressed, these factors will inevitably create greater polarisation between wealth and disadvantage, and leave those already stuck in long term

¹⁹ M. Winterbotham, D. Vivian, et al., "Employer skills survey 2017, Research report", Department for Education, 2018

unemployment or poor quality jobs further behind. Ultimately it will also lead to increased demand on Council services and budgets in the short and longer term.

4. Priorities for Action

The issues arising from the evidence have been discussed within the Council and with stakeholders in order to develop priorities for action, and these have been put together into five key priorities, summarised below and discussed in the following chapters. The key issue for Havering is maintaining and enhancing the quality of life for residents in the borough. The five priorities described below will lead to greater economic growth, a more prosperous borough and will contribute towards maintaining and enhancing the quality of life for residents in the borough.

The first of the Strategy's priorities for action is providing the foundations for economic growth. This means ensuring that infrastructure is in place for businesses to operate successfully. Transport infrastructure is critical for logistics, construction and manufacturing industries to enable the movement of components to their business, and products to the market. Digital infrastructure is an essential input for business growth for all types of businesses to keep pace with changing demand, maintain competitiveness and increase productivity. There are gaps in provision of both of these types of infrastructure, which are, and must continue to be priorities for the Council and strategic partners to fill over the coming years.

The second priority for action is enterprise and innovation. Havering is a great place to start a business, as demonstrated by our high level of start-ups. We also want to support the continuing survival and growth of businesses, and we will target our new business growth programme to support those businesses that want to develop and grow. To increase productivity and support intensification of employment we will introduce a new innovation support programme, and work with partners to target key sectors for innovation and productivity improvements through new innovation centres. We will encourage and support the local construction sector through Public Sector supply chain initiatives to ensure local businesses can access opportunities to tender for contracts, and improve our business offer as a council where we can. Currently, Havering works in partnership with East London Business Place who are delivering the building legacies programme which assists businesses in Havering and East London in securing contracts through supply chain initiatives.

Our third priority is the maximisation of inward investment. We recognise that Havering as a brand is not widely recognised and that winning investment for Havering requires us to partner with other stakeholders – with other London boroughs and London more broadly, and with Essex to the East. Our inward investment work will make sure that Havering benefits from new investment from overseas companies, UK based companies outside of the Borough and also from local occupiers that choose to expand within the Borough where decision are made elsewhere – so-called 'investor development'. There needs to be a more acute understanding and clarity on why Havering needs inward investment and a realistic

assessment of what can be achieved in the short, medium and long-terms. This is 'the why' of inward investment and is the driving *raison d'être* for all subsequent activities. For our communities it is all about supporting local people into work with higher skills and wages; and achieving a game-changing shift in perceptions.

The fourth priority for action is supporting our key growth locations. Romford is the location for a new Business Improvement District, major regeneration and development, and improvements to the trading environment and infrastructure. Expanding on its role as a major retail centre, we will turn Romford into a major new destination, and support the growth of professional, creative and IT industries. The Rainham Strategic Industrial Area will become a highly competitive industrial location with a strong partnership of agencies working with the business community to enhance infrastructure, innovate and improve productivity, and provide the right training to residents to put them in the best position to access the area's jobs. We will work more collaboratively with our partners in the area to improve the area's potential for private sector investment and to secure that investment for the benefit of the Borough as a whole.

Our fifth priority lies in training, educational facilities, and relationships between employers and training providers which are also vital for boosting productivity. Businesses need access to a skilled workforce, and the Borough's residents need opportunities to access training to update their skills in line with current demand. Although the availability of skilled workers has been one of the strengths of the area, resident qualification levels are low, and it will become an increasing problem for a new generation as demand for higher level qualifications continues to rise.

During the drafting this strategy the global COVID 19 pandemic has had a dramatic impact on our communities and on our economy. Our high street and local centres have been forced to close for all except essential supplies as the country and the World has sought to control the virus and limit the death toll. Thousands of workers have been furloughed and the economy shrank at a rate matched only during the Second World War. At this time (November 2020), the National economy has recovered yet still remains around 10% below its pre-COVID position. Public sector borrowing is at an all time high. While the end of the pandemic is almost in sight, we recognise that it falls to the Council and its stakeholder partners to deliver important interventions both to mitigate the economic impacts of the pandemic and to give leadership as we emerge from the crisis.

With this in mind, the Council has already provided nearly £40m of direct financial assistance to local companies, provided telephone hotline services signposting businesses to essential support, and guiding businesses on how they can trade while maintaining bio-security. We have supported our local high streets with communications campaigns promoting 'shop local' and curated key information channels during a period where messaging was changing dynamically.

For the future, we will be working towards providing further financial support, delivering programmes of information and guidance, and supporting the development of business continuity plans across the entire business community so that we can emerge from the pandemic stronger and more resilient than before.

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5. Priority 1 - Foundations for growth

5.1 Transport Infrastructure

One of the key attractions of business locations in Havering is the connectivity provided by its strategic transport connections and routes. However, it is clear from the evidence that transport infrastructure improvements are needed to enable business growth. The lack of north-south connections between Rainham and Beam Park, Romford, Collier Row and Harold Hill, and in particular the almost complete absence of public transport routes within the Rainham SIL is a key barrier to growth. Lack of public transport in the Riverside BID area is a key problem for many businesses in terms of staff recruitment and retention. The Council is developing proposals for remodeling the A1306 through the Beam Parkway scheme this will be in conjunction with Transport for London (TfL) and dependent on funding from them. The Council also supports the proposals developed by the London Riverside BID in relation to electric vehicle charging points.

The Romford Ring Road is a barrier to accessing the town centre from the neighbouring housing areas in particular for pedestrians and cyclists. It also gets heavily congested, particularly at the weekend with shoppers trying to access the main car parks in the town centre. The Liveable Neighbourhoods scheme is a key part of our response to tackling the Ring Road barrier again this initiative will be in conjunction with TfL and reliant upon funding from them.

The Council is conducting a feasibility study into tram/light rail links from Rainham to Romford and north to Collier Row, and this is likely to recommend route options. The Council is lobbying TfL for the redevelopment of Gallows Corner, which is a major roundabout with a flyover and experiences significant congestion particularly at peak periods. The level of growth forecast to be delivered in East London generally and in Havering over the next 15 years is expected to put additional pressures on the local and strategic highway network. The Lower Thames Crossing will afford opportunities for Havering and the wider South East of England and address these issues to an extent. Though the pressure on the local and strategic highway network will remain and this issue will need to be addressed with strategic partners such as Transport for London as well as neighbouring local authorities outside the GLA boundary such as Essex County Council. Havering will continue to work closely with Transport for London because of the key role that it has had in ensuring that the growth envisaged in the London Plan for East London and, in particular, London Riverside, can be accommodated on the existing network or with specific interventions.

Improvements in transport infrastructure are a key requirement for employment as well as housing growth, and continuing to push for them is therefore a key priority for the Strategy.

5.2 Digital Infrastructure

The Council recognises the growing importance of the need for modern, effective communications systems to serve local residents and businesses and their crucial role in

both the national and local economy. The benefits of enhanced digital connectivity are far reaching with wider access to broadband not only encouraging local enterprise, but also paving the way for flexibility so residents can work from home, save on transport costs and reduce congestion.

Our Strategic Industrial Areas including the London Riverside BID area suffer from very poor digital connectivity, which does not enable proper functioning in a modern business environment, particularly in industries that need to develop and innovate, as in engineering, manufacturing, logistics and construction. Businesses consistently report problems with digital infrastructure. Providing ultra-fast broadband is a key priority, particularly within the Rainham SIL where there have been consistent complaints from the business community about digital connectivity. The first steps towards implementing improvements will be made through the use of funding secured by the Borough and Local London partner boroughs.

We will also explore other potential improvements appropriate to the business environment there and elsewhere in the Borough, and in particular the potential to secure access to 5G. In order to maximise the innovation potential of the area, we aim to future-proof the area by early adoption of hyperfast or gigabit broadband speeds where the opportunity arises, and we will seek to secure these improvements through the Council's emerging Digital Strategy. In the context of the fast pace of technological development, and the high levels of market penetration of mobile data, we no longer feel that town centre Wi-Fi delivery represents a good use of public funds.

5.3 Workspace

We will promote opportunities for start-up and small enterprises by expecting commercial and mixed-use schemes to provide a minimum of 10% of its floorspace as affordable workspace within the Borough's network of town centres, and employment areas. This will be a mechanism to strengthen local growth sectors and enable local people to thrive. The Council intends to use affordable workspace as a key driver to support a flourishing local economy, and the provision and preservation of affordable and suitable workspaces that can easily be sub-divided for different uses will increase the opportunities for small business which are essential to Havering's economic vitality and a catalyst for regeneration. In common with other local authorities, we will seek to develop a small investment portfolio of suitable commercial and industrial workspace that can be used to generate surpluses to fund mainstream economic development activity.

6. Priority 2 - Enterprise and Innovation

6.1 Business starts

Havering is a good place to start a business – it was the Start-up Capital of Britain in 2015²⁰. Supporting business starts and providing incubation space has been a core element of the Council's business support programme. It will continue to be an element of future programmes, while support for businesses with potential for high growth becomes increasingly important. We want to make sure that we have a diverse business base across the economy, and will ensure our support programmes help to achieve that. We need to balance the need to build of pipeline of companies with the potential to grow, with the very much higher cost of supporting early growth opportunities – companies with around 10 employees offer opportunity for growth at much lower cost.

6.2 Business support and growth

Many businesses are content to maintain their current level of trading into the future. In the current uncertain economic climate, we want to encourage businesses to consider their growth potential and diversification into new technology, and to access the advice and support that would help them to achieve it. The business survey identified a number of priorities, and we are also aware that bespoke and specialist advice is often critical for growth businesses. We want to make sure that we are able to help businesses access specialist advice (such as business finance, marketing and exporting) where this is needed.

6.3 Innovation and productivity

Logistics, engineering, manufacturing and construction firms are all experiencing major competitive challenges, and are the focus of significant information, data and AI/AMR developments. Increasing productivity through innovation and training is essential for the Borough to maintain and grow its key industrial sectors.

We need to make sure that we access the benefits of wider developments and technological enhancements in these sectors, and promote them across our business community. The Council has secured funding to support innovation as the first step in achieving its ambitions to improve productivity. Work with key partners, including SEGRO and the New City College Group is focusing on this area and on developing innovation hubs to target key sectors for adoption of new technologies and processes. We are also continuing work with CEME, to support provision for early stage and growing businesses.

6.4 Business networks and engagement

²⁰ Experian Start-up Capital of Britain 2015

A large proportion of small businesses in Havering rely on trade within the Borough. Business to business trading can be promoted by the Council with its business networks, and we will focus on this and on ensuring that local businesses can access public sector supply chains. This will include improving information, advice and access to contracts. Local trade networks are particularly important for the emerging cultural and creative industries. We will help connect these businesses to local markets and support services. In construction, where the potential for links into the regeneration programmes could be particularly beneficial for the sector, and networking and information opportunities will be developed.

6.5 Sector Development

Havering is home to 9,800 enterprises, provides 11,100 commercial units, and 92,000 jobs²¹. The key employment sectors in Havering are Construction, Health, Retail, Tech, Professional, and Scientific.

Construction

The Construction sector remains Havering's largest sector. It grew substantially between 2010 and 2017²² and this growth is expected to continue over the next decade due to Havering's ambitious regeneration programme. With availability of industrial land at affordable prices, Havering has strong competitive advantages for the construction sector. Durable partnerships with education and training providers will guarantee that the Borough is best placed to ensure the steady flow of a skilled workforce to take advantage of planned infrastructure projects and activity in the housing market. Supply of skilled labour will increasingly threaten our preeminence in this sector and we must work to innovate to mitigate this threat. The Mayors Construction Academy is attempting to address this by supporting training providers to have a dialogue with developers to ensure the training they deliver is relevant to the skills needs of the sector. Two training providers within the Borough, the New City College Group and STC Ltd have achieved the MCA quality mark.

Health

The Health sector is a vital market for Havering and the leading sector by employment due to Queen's Hospital being located in Romford. It is a premier acute hospital providing complex care and specialist services for the population of North East London and Essex. The Borough has the largest population of people aged 65 and over in London – and we are committed to working with providers to develop a stimulating, diverse and active market ensuring that our residents needs continue to be met. Like the Construction sector, the Health sector will also suffer from a demand for labour which will almost certainly outstrip the supply of appropriately skilled staff. We will work with the sector through the Health & Social Care Academy to identify skills development needs and where possible procure resources to address these needs.

²¹ ONS UK Business Counts, 2017 and ONS Job Density, 2015

²² ONS UK Business Counts, 2017

Finance and Professional Services

Romford is Havering's key hub for office-based employment and is home to over three quarters of the Borough's Class B1 Business property. The majority of this is concentrated within the Romford old office quarter, mainly in the Western Road and Eastern Road areas, which despite being conveniently located in close proximity to the town's main line railway station and major bus interchange facilities, has suffered under the Government's Permitted Development Rights and is now a mix of residential and office uses. Moreover, the office accommodation is dated and not necessarily well suited to modern working practices.

The town centre benefits from very high levels of accessibility and these will be enhanced when the new Elizabeth Line services become operational in 2020/2021. This accessibility contributes considerably to the importance and significance of the Romford old office quarter in employment and economic terms, and could deliver good quality office space within a business orientated environment to mainly professional services, with rental rates that are low in comparison to central London boroughs. With an impressive and very extensive range of town centre facilities on the doorstep, plus numerous amenities, public transport links, road connectivity and services, the area is considered a key location by many businesses.

Tech

The exploitation of opportunities in tech has been one of the most important drivers of productivity growth over past decades. All new technologies essentially rest on an interconnected 'smart world', where objects, machines, people and the environment are increasingly closely interlinked.

The Tech sector is an enabler of economic progress and also an important driver for the future development of the digital economy. It integrates the digital ecosystem, which is a network of economic and social activities, such as the Internet, mobile and sensor networks. Technology brings change to virtually every sector – offshoring in accountancy, cloud computing, autonomous machine reasoning, high frequency algorithmic stock and options trading, etc. Traditionally, Central London and the City have been the most attractive locations for Tech companies, however the increase in flexible and serviced office accommodation in Romford, the comparative low rental rates, the high speed public transport links into the City, and high quality data links, have enabled Romford to host this growing sector.

Retail

The retail sector share in Havering is one of the largest in London. Havering has seven designated town centres; a Metropolitan town centre and six district town centres. Romford is the Metropolitan town centre within the Borough and is the 5th largest within the London region. Hornchurch, Upminster, Collier Row, Elm Park, Harold Hill and Rainham are the district town centres within the London Borough of Havering.

Romford town centre has a diverse range/special mix of national high street shops/brands, unique specialist independents, restaurants, cafés plus a traditional outdoor market dating

back to 1247. The restaurant offer within the town centre remains vibrant and busy, though the offer is largely aimed at the value end of the market rather than high end dining. As a metropolitan centre within greater London we will look to create a vibrant safe night economy by liaising with developers and entertainment venue operators and town centre groups via the community safety team. Moreover, in a post covid environment the food and drink offer within Romford will have to reconfigure itself which may have implications for employment numbers and the physical way that customers are accommodated.

Romford has three large vibrant shopping and leisure malls plus a shopping arcade; The Brewery, The Liberty, The Mercury and The Romford Shopping Hall.

Hornchurch, Upminster, Collier Row, Elm Park, Harold Hill and Rainham offer a diverse range of multiples and unique specialist independent shops and restaurants all within conventional high streets and historical locations.

We recognise that retail is changing at a faster pace than since the 1970s. Over the past 12 months, footfall on the high street has declined by around 5% with supplier able to offer better price competition built on lower premises costs outside traditional retail centres. As customer choice take them towards online retailers, our retail centres must adapt by offering the customer something which can only be had by spending time on the high street; by delivering an experience without sacrificing the convenience of limitless choice and almost immediate availability for delivery to the customer's home. While we can encourage an emphasis on service sector offers on the high street to reduce our dependency on take away products – we can do this through the provision of a mix of traditional retail with leisure, food and drink, entertainment, and animation – we must also address the demand for immediate availability. We will thus need to innovate and Havering is no less well placed than other locations to experiment in new retail models. Alongside this, we are prepared to innovate in the taxation of retail to mitigate the advantage that e-tailers have over the high street. The recommendations for a new retail offer and experience for consumers will be consistent with existing land use policies and a commitment towards high quality urban design.

We note the anecdotal evidence that the withdrawal of retail banking service from some of our high streets is having a perceived negative impact on footfall. The same might be said of the closure of Crown Post Offices. We see both these perceptions as part of the undoubted evolution of the high street but cannot be sure whether this impact is real or merely perceived. We can however be sure that for our high street to survive, we need to develop a forensic understanding of the current state of our high streets, the factors which are driving change, and ways in which we can optimize our response to these changes in the 21 century. The analysis we will undertake will inform the interventions that are recommended in this document.

Other Key Sectors:

A Key Manufacturing Hub

The Havering Riverside Employment Area at London Riverside in Rainham is a key hub for

manufacturing businesses and employment opportunities in the Thames Gateway development zone. It is home to more than 500 firms ranging from small and medium sized businesses across a variety of sectors to major international companies. It is also home to important centres of learning and business support such as the Centre of Engineering and Manufacturing Excellence (CEME) and Havering College's Southern Campus. It also has the largest available supply brownfield strategic industrial land in London. The CEME campus offers a fantastic education centre for young people interested in manufacturing, engineering, design and technology has been created and delivered in partnership with distinguished businesses such as Ford and Network Rail and universities including University College London. Through these initiatives and others of a like kind, we will continue to work to broker connections between industry and academia to bring new technologies, processes and products to market to improve our productivity and thus our attractiveness on the national and international stage.

Logistics

Like other sectors, we recognise that the logistics sector is changing as processes are automated and productivity increases. This will likely lead to larger facilities with smaller head counts. With land at a premium, we will give priority to logistics businesses with higher levels of added value and thus yielding opportunities for high levels of employment.

Beyond this however, we regard the logistics sector as offering opportunities for real innovation and growth. In particular, while online commerce might present itself as a threat to our high streets, it offers an opportunity for the development of modern and sustainable mode for 'last mile' delivery in a manner that can mitigate the impact of higher volumes of deliver being undertaken using efficient point-to-point paradigms. Our key location serves us well from our position at the gateway between London and Essex but also at the key lowest crossing point of the Thames and close to the launch point of the anticipated and hoped for, new Thames Crossing. Finally, we see our riverside location as potentially playing a significant role in the development of freight consolidation models for the carriage of goods into Central London using the Thames as a key arterial route. We are already in discussion with the Port of London Authority in scoping out this potential.

7. Priority 3 Increasing inward investment

7.1 Role of Inward Investment for Havering - the why?

We recognise that Havering as a brand is not widely recognised and that winning investment for Havering will require us to partner with other stakeholders – with other London boroughs and London more broadly, and with Essex to the East.

Our inward investment work will make sure that Havering benefits from new investment from overseas companies, UK based companies outside of the Borough and also from local occupiers that choose to expand within the Borough where decision are made elsewhere – so-called ‘investor development’.

We need to seize opportunities as they arise by carefully marshalling our partners and the unique advantages of our programmes and location. We will work with our partners more effectively to maximise the potential benefits of technological changes within public and private sectors. The development of health technologies, for example is particularly important given the size of the health and care sectors in the Borough.

We will improve our marketing and promotion through our website and promotion activity and our enquiry handling, and co-ordinate activity with our partners. We will also work more effectively with commercial agents in London as well as maintaining our links with those in the Borough. We will target key sectors for investment, and identify mechanisms to incentivise investment where possible.

There needs to be a more acute understanding and clarity on why Havering needs inward investment and a realistic assessment of what can be achieved in the short, medium and long-terms. This is ‘the why’ of inward investment and is the driving *raison d’être* for all subsequent activities. For our communities it is all about supporting local people into work with higher skills and wages; and achieving a game-changing shift in perceptions.

7.2 Place brand, awareness and inward investment - the where?

Promotional activity however is not always a requirement but proactive business engagement based on use of corporate tracking and intelligence tools most certainly is.

There is a complex and often misunderstood relationship between branding, awareness and inward investment. While it seems logical that the better known a location, the more likely they are to attract investors however this is not the case. Some of the best known place brands in the UK, like Liverpool or Sheffield, receive far less inward investment than the less famous brands of Milton Keynes, Reading and Slough. It would be a mistake to focus on awareness raising activities in the hope that it will translate into investment success.

The issue of place brand is further exacerbated by the fact that Havering has poor brand recognition while our actual brands like Romford lack positive resonance. This is not as much a problem as it might appear. From a branding perspective, Havering should be seen as very much part of the London brand for inward investment and all collateral and communications should reflect this fact. It also means that relationships with London & Partners and others in the capital is a fundamental part of the approach which Havering will adopt.

Havering enjoys a great strategic location at the gateway to London from the East and to Essex from London. It also sits alongside the lowest crossing point of the Thames which remains an under exploited asset that could be used for activities including distribution and passenger transport. Havering is also situated on a key transit route around London's outer fringe linking the Midlands and the East of England with key and key markets in mainland Europe. More than this though it also forms part of the M11 corridor in the development of high end technological development. These locational benefits and the wider recognition of its strengths in key sectors of logistics, construction; finance and professional services, care, manufacturing, and importantly, retail, offer considerable opportunity to attract significant inward investment. Havering's brand identity is respected but weak – Rainham, Romford, Hornchurch and Upminster are better known but still lack identification as preeminent in any particular field. Establishing the identity and recognition of our place must therefore sit high on our list of challenges and opportunities.

7.3 Targets: markets, sectors, types - the who

What and who is Havering for? Coming up with a clear targeting plan is a necessary precursor to inward investment activity. The targeting plan will articulate the geographic markets that are to be prioritised (eg London, South East, UK, Europe, USA etc) as well as the sectors (healthcare, professional services, technology, manufacturing) and the types (startups, scaleups, SMEs, large firms). Following the targeting plan, there will be compelling propositions developed and tailored to suit each market, sector and type.

7.4 London opportunities

In the pre-COVID world, there were on average between 2 and 5 new inward investment projects each week which land in London. In most cases, these new arrivals would tend to take space in short-term flexible offices or serviced offices such as WeWork or Regus. From the outset, the high-costs, congestion and lack of available grow-on space in places like Paddington and Shoreditch is rarely an issue. As these companies grow, however, they recruit more staff and the challenges of growing in central London become more evident. Before new inward investors establish deep roots in their first landing location, there are opportunities for Havering to engage and explain the benefits of a more affordable London location with space to grow.

7.5 Process - the how

Creating an inward investment service that is fit-for-purpose, proactive and customer-focussed does not cost millions. In fact it has very little to do with financial resources.

Havering recognises that there is an opportunity to create a 'best-in-class' service that outshines all other London Boroughs and teams across the wider South East.

Havering will set out its ambition to be:

- *'London's most welcoming borough'*
- *'London's most business friendly borough'*
- *'London's most ambitious borough'*

All of these mantels are achievable as they are within the control of the council and are not a result of current performance or future funding. It requires having a small, effective and agile inward investment team that uses free online tools for research and intelligence, coupled with high proficiency in using social media platforms like LinkedIn to engage with potential targets. Most importantly though, it requires a business culture and customer-service ethos. It also needs the council to guarantee an element of independence and autonomy in order for the team to focus on attracting business and not be diluted or distracted by broader issues.

7.6 Business Retention & Expansion (Investor Development)

The importance of working with existing businesses in the Borough is not just good for local companies, it is an essential part of inward investment too. According to the latest DIT figures for inward investment (2018-19), some 60% of foreign direct investment projects are from existing investors already in the UK and 31% are expansions of an existing facility. Working with the existing firms in Havering is the best way of securing future jobs growth for the Borough. Local firms also represent an opportunity to engage with suppliers and customers of existing investors, who are located outside of the area; this can be a lucrative source of potential leads.

7.7 Leveraging Partners

Leveraging partner resources and support central to our plan. This includes public and private sector organisations that are active in advising companies - such as Department for International Trade, London & Partners and intermediaries such as bankers, lawyers and accountants.

The relationship with DIT is particularly important as there is a perceived tendency to pigeon-hole 'London' as the place for financial services, new technology and big headquarters - and to refer more back-office and manufacturing opportunities to places in the 'Midlands Engine' and 'Northern Powerhouse'. This strategy is aimed at educating partners and intermediaries that there is a place, inside London, which has the demographics, space and cost-base to attract a wider array of projects than those currently choosing London.

8. Priority 4 – Regeneration

The Council has established three joint venture companies and Mercury Land Holdings, in order to play its part in delivering housing growth, and these will create £3 billion of development activity in the Borough over the coming years. We want businesses to benefit from this and contribute to the development itself, through supporting access to local supply chains (as discussed in the previous section), and through providing apprenticeships, and increasing the range of jobs available locally.

The Council wants to see economic growth keeping pace with the housing growth projected for the Borough. The Romford masterplan acknowledges the need to create new and better types of business space and within future developments, and we will increase our inward investment activity to market available space. We will consider any opportunities to develop and improve business space, including direct intervention through joint ventures with the private sector, and work with partners, developers and through existing regeneration programmes to support the incorporation of employment space.

Business and employment growth will be encouraged across the Borough. However, in Rainham Employment Area Romford Town Centre, employment growth features within Opportunity Area Frameworks and larger scale growth is more likely to take place. District Town Centres are also key priority areas for the Council, and could provide locations for both housing and employment growth. There are three principal geographical areas for business growth and investment, set out below.

8.1 Romford Town Centre

Romford Town Centre is a key location for growth, but currently under-performing. Major improvements in the operating environment are needed, and significant transformation is already planned through works to the ring road, investment in the Market Place, the redevelopment and improvements to the shopping centres, and investment in events, signage, and community safety through the Romford Business Improvement District. As previously stated the Romford masterplan will add value and enhance the town centre and this strategy will aim to align with the masterplan. This will include a commitment towards delivering a major public scheme linked to the reconfiguration of the Romford ring road.

A critical finding from the evidence is that we need to improve the quality and supply of appropriate and flexible office space in Romford. There is unmet demand for high quality grow-on space and wherever practicable, the Council's regeneration programmes should incorporate business space through incorporation of mixed use schemes, and this should feature in the forthcoming Romford masterplan.

The Romford Town Management Partnership secured agreement of businesses to establish a Business Improvement District for the Town Centre in June 2018. Now established, the Council will work with the BID to co-ordinate improvement plans for Romford.

8.2 District Town Centres

The District Town Centres of Hornchurch, Upminster, Harold Hill, Elm Park, Collier Row and Rainham Village provide vital centres for local businesses and communities. We want to maintain a network of thriving town centres across the Borough to provide good access to services for local communities, increase sustainability and convenience by reducing the distance needed to travel, and improve trading opportunities and business resilience. As stated throughout the document local centres may become more important as we emerge into a post covid world. The Covid pandemic has exposed the reliance on global markets and we may see a move towards using local markets and local centres. It is unlikely that home working will cease even as the nation emerges from the pandemic and Havering district centres may become more important as people are encouraged to use local facilities.

In the context of the structural changes impacting on the retail sector, it is vital to understand the dynamics of the centres, and to support them to adapt to changes and to respond in order to continue to meet local needs. District Centres may need to adapt to social and economic changes, and the Council will support this process by developing bespoke plans for each of these centres. The plans will set out, for each of these centres, the potential for strengthening and diversifying their offers, and promoting workspace development as well as housing growth where appropriate.

We will continue to undertake regular health checks within the Town Centres across the Borough, incorporating vacancy, footfall and classification analysis. The health checks will also incorporate a broader approach considering a holistic view of the uses of the town centres including analysis of dwell time, use of parks and green spaces and quality of visitor experience. An audit of the public realm in the town centres will also inform policy relating to the accessibility and inclusivity of the town centres for all residents.

We will continue our programme of town centre support and capacity building, and work to increase the effectiveness of local town partnerships to increase trading. We will roll out the successful business support digital delivery programme that has been initiated in Hornchurch town centre by encouraging increased online trading, digital exposure and marketing. We will also help to improve the trading environment in town centres through marketing, branding and improved signage.

We will look for opportunities to diversify the local offer by increasing leisure, services, and space for business where that is viable. Moreover, as we move into a post covid environment any diversification of leisure services will incorporate changes to maintain the physical and mental health of residents. We will develop a strategy for each town centre that takes account of social, economic and cultural inward investment opportunities, to place the town centres on a more sustainable footing for the future

We will also look at the feasibility of supporting additional Business Improvement Districts in Hornchurch and Upminster as a mechanism for sustainable funding for improvements into these town centres by consulting with our business partners and town teams.

We will incorporate Hornchurch, Rainham and Upminster into a strategic programme of support for cultural and creative industries, to maximise the impact of the Borough's cultural assets including the Queen's Theatre, Fairkytes Arts Centre, Langton's House and Gardens, Upminster Windmill, Tithe Barn, Museum of Nostalgia, The Old Chapel, and Rainham Hall. Romford will maintain its position as cultural and leisure hub with facilities including the library, museum, theatre and cinema complex's. We do acknowledge that during the covid pandemic and even as we move into a post covid environment their maybe changes in how these venues are used and configured. The Council will also consider supporting outdoor events/performances which will support creative organisations during and after the pandemic.

8.3 Strategic industrial Locations

The strategic industrial locations in the Borough are essential locations for growth. In that context we will continue to identify potential barriers to growth and to tackle them where possible, or work with partner agencies to address them. However there are a number of critical and immediate priorities.

Rainham Riverside: Alongside the new community to be housed at Beam Park as part of the Council's regeneration programme, the south of the Borough is a premier business destination. The area does suffer from poor connectivity though it is highly competitive compared to other areas within London. A number of sectors have grown in this environment, particularly in the logistic, transport and distribution sectors. Manufacturing and engineering are also key sectors for Havering where we want to see intensification, development and innovation.

This is the key location for intervention to support the intensification and growth of the Borough's industrial firms. This process has already started, and East Plus is the first phase of the SEGRO development and will see a new innovation village created alongside larger units creating up to 1700 new jobs. We will develop a programme of interventions with our key partners in the area – notably the Greater London Authority and SEGRO, the London Riverside Business Improvement District and CEME. Intensification may mean strategic targeting of investment in particular locations in order to maximise the potential for growth and retaining existing businesses where appropriate.

We need to seize strategic opportunities for support in the area – for example, resources from the GLA to support regeneration and development in key areas like Salamon's Way. We are also working with our partners to support wider investment, for example the development of innovation hubs to support productivity improvements. A strong partnership exists in the area, including the BID, the GLA and SEGRO, and CEME. We will strengthen the partnership and incorporate the New City College Group and wider business community, and agree an updated action plan for the area.

Harold Hill: Harold Hill Industrial Estate, at almost 31 hectares in size is one of Havering's strategic industrial locations. It is just off the A12, which has direct access to the M25, making it a very convenient and attractive location for businesses. Harold Hill Industrial Estate has a number of detached warehouse and industrial units, many of which include high quality office facilities. There is also a mixture of new and established properties currently used for business purposes including offices, factories and retail outlets. Much of the area's commercial real estate is well located with sufficient distance away from residential developments. We will monitor the continuing growth and prosperity of the area and tackle specific local barriers to growth here and in other industrial locations where possible.

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9. Priority 5 – Employment and Skills

Demand and supply of skills is a critical issue for employers, and for people seeking jobs and financial security.

Employer demand is continually increasing; there is a stronger need for higher levels of formal qualifications, which need to match the demands and skills required of our workforce. Residents with few or no qualifications are becoming more vulnerable when seeking jobs and financial security, and require motivation and support to upskill.

Employer demand is also continually changing; there is a growing digital skills gap that needs to be addressed. Digital skills are near-universal requirements, and they are in demand in all employment sectors. The move up the career ladder from low- to high-skill jobs comes with increased demand for specific digital skills, and specific digital skills may help workers avoid the risk of automation.

The skills system is undergoing major changes. Skills devolution will change the way that further education is commissioned and provided, and for the first time local government will be represented on the Local Skills and Employment Board along with local businesses.

Colleges are merging to provide much larger institutions. Havering College and Havering 6th Form College have merged and are now part of the New City College Group, Havering has a Careers College that provides Higher as well as Further Education.

Skills provision is hard to navigate, and we have the opportunity now to better co-ordinate provision through the Adult Education service, New City College Group, and the new Employment and Skills Provider Forum, to make more sense of the system and make it more accessible and responsive for local businesses.

Our assessment of the case for action has focused on understanding the impact unemployment, poor quality jobs and low skills have on the costs of Council services. We have also determined where the Council is missing out on employment and skills investment by not having a strategic plan which is resulting in opportunities lost for the Council, businesses and its residents.

The Council will maximise the funding it secures through ESF, the UK Shared Prosperity Fund and all other potential funding streams. We will improve processes for engaging and supporting providers to work in the Borough to help residents access training and employment. We will develop programmes that better target and support residents at risk of placing high demand on council services. We will make the best use of our resources to support people into work and ensure this is sustainable. We will support to help people manage the transition to employment and ensure they sustain employment

We will work effectively to support key and growth employment sectors within the Borough using secured funding to help make savings in social care through workforce development. We will develop responsive and integrated sector focused interventions. We will work with stakeholders to increase the provision of digital skills training for children, young people and adults.

Our findings have shown that there is real potential for the Council to use this plan to act on several fronts. We have structured our proposed interventions around three principles with clear ambitions for change and for the future.

- First Principle - Working towards the Havering Vision

Recommendations and actions have a clear relationship to, and contribute towards, the achievement of the Havering vision (see section 2.2).

- Second Principle - Embedding a Havering way of working

Recommendations and actions rely on greater cross-service collaboration and developing a universal 'Havering way of working' that is client centred and focuses on reducing duplication and costs.

- Third Principle - Preparing Havering for the future

Implementation of the Employment and Skills Plan should build the policy and delivery infrastructure for maximising employment and skills funding and investment into the Borough beyond 2020.

By including these elements from the Employment and Skills Plan 2018 -2021 in this Inclusive Growth Strategy, we are confident that it provides a blueprint for the Council to:

- take concerted action, with clear returns in savings and cost avoidance to support demand management, and
- a practical way forward to build capacity within the organisation to prepare the ground for, and be more resilient to, changes in policy and funding for employment and skills beyond 2020.

Accordingly, our priorities emerging from the evidence are:

9.1 Employer Engagement

We will work closely with New City College Group's Career College Board, and with other providers through the Employment and Skills Providers Forum, to increase employer engagement in course design and delivery in key sectors, particularly Construction, Logistics, Engineering and Manufacturing.

We will support the newly established London Enterprise Adviser Network to bring together the worlds of education and business through engaging businesses, as senior business volunteers, to inspire young people to consider all the pathways available to them, and equip them with the right skills to fulfil their potential.

We will work directly with employers and stakeholders to identify and address the current and potential future digital skills gap to ensure Havering's adults and young people can access high-skilled jobs.

We will work with businesses directly to understand their skills needs, sharing information with local providers so they are better able to respond and provide suitably skilled candidates.

We will use our existing business networks to promote the brokerage service to provide the connection between residents seeking work and local employers.

We will use our contracting and procurement processes to leverage employment and skills opportunities for local people, ranging from businesses engaging with schools and colleges delivering careers information sessions, projects and work experience to offering apprenticeships and job opportunities.

9.2 Raising Ambition

To develop an aspirational programme through the Havering Academy of Leadership, to combat low ambition among young people and their parents. The Local Authority has worked with the early year's providers, schools, and colleges to develop a shared Education Vision for the Borough. Through this consultation, three key priorities were identified; Leadership, Inclusion, and Aspiration, which link into the wider Vision for Children's Services.

With regard to Aspiration, the following areas were highlighted to focus on, and will be developed further into a roadmap for the future;

- Develop an innovative educational offer, matched to the needs of the local communities.
- Ensure a broad, relevant and inclusive curriculum is on offer.
- Develop partnerships with the private sector to develop pathways linked to key employment opportunities.
- Raise aspirations of local communities, developing routes through to Apprenticeships, Further, Adult and Higher Education.
- Develop sector-led improvement model, promoting provider-to-provider support.
- Capitalise on Havering's location to access opportunities for children and families.
- Raise aspirations of local communities to develop the digital skills required in today's world, and in the future.

9.3 Navigating Skills Routes

The Skills system is complicated. We will support residents with information and brokerage support to enable them to be able to access the opportunities available and improve their skills.

We will work with local skills providers to develop a local network so they build their understanding of the provision and support that is available in order to provide a joined up offer to residents.

We will utilise the Mayors Construction Academy and the Health and Social Care Academy in partnership with local employers to open up career ladders.

We will promote the transferability of digital skills in all employment sectors to encourage more diversity in our resident's career pathways.

9.4 Apprenticeships and Workforce Development

Apprenticeships have evolved from their previous form and can now represent an exciting option for both apprentice and employer. Employers are now appreciating the benefits brought by changes to funding, minimum requirements, and the development of occupation-focused standards that have enhanced the quality of apprenticeships.

The Council already works in partnership with the local education and training sector to provide a programme of activity that encourages young people to consider apprenticeships, including Higher Apprenticeships as a viable option after sixth form or college.

The Council offers work experience, apprenticeships and a Graduate Scheme that encourages residents to consider local authority career opportunities. By working with our public sector colleagues we could develop a more holistic offer that enables residents to utilise transferable skills through public service.

The Council will investigate utilising the Apprenticeship Levy Funds, where the opportunity arises, to fund the delivery of Apprenticeship standards within local businesses linked to the priority sectors for the area.

We will develop the education workforce through the Havering Academy of Leadership; Promoting apprenticeships and workforce development within other key sectors, and in particular engineering, logistics and manufacturing, and the digital and creative industries.

We will become proactive in bidding and securing funds to support residents working in low skilled and/or low paid employment to enhance their skills and enable them to improve their earnings.

9.5 Equal Access

Ensuring that all residents have equal access to the skills and employment opportunities that enables them to reach their aspirations is imperative.

People with disabilities are less likely to be employed even if are capable and wish to work. The Council, as a Disability Confident Employer, will act as an influencer, encouraging businesses in the area to become Disability Confident and promote the employment of individuals with disabilities including the promotion of the DWP Access to Work funds. It will do this by :

- Hosting and attending employer events promoting equal access, Disability Confident and
- Providing information and features on the employment support available to employers and residents through Council communications e.g. Living Magazine
- Promotion through employer facing services - e.g. licensing, council tax
- Holding targeted events - e.g. the International Day of the Disabled
- Seeking specialist training and support services that provide upskilling opportunities, especially in digital skills
- Working with employers to provide flexible working that supports individuals remaining in employment, and identify progression opportunities that enhances a person's career pathway
- Ensuring the Employment and skills team (Havering Works) and its services are accessible to people with disabilities enabling individuals to access employment opportunities.
- Ensuring the collaboration between the Community Development and Employment and Skills teams when working with local specialists in the community to link services for people with disabilities to enable a joined up offer to individuals, reduce duplication and where possible enhance the offer.
- Monitoring published data over time to measure the impact of its measures

Those in retirement are least likely to have basic digital skills, however these skills are required for day-to-day living, especially as core public services become digitalised. The Council will utilise funded programmes that offer digital skills and will support those who are not engaged and active online to ensure these residents are able to engage in the local economy.

10. Delivering the strategy

This is a three year Strategy, but designed to put in place programmes and approaches to economic growth that will achieve significant growth over the coming decades. We cannot achieve our ambitions without the involvement of our partners, and we need to have structures in place to agree joint interventions, co-ordinate activity and monitor achievements. The following paragraphs set out how we propose to do this.

10.1 Partnership and co-ordination

The Council is proud of the relationship it has developed with business in Havering, and is committed to maintaining and strengthening it in order to deliver its growth ambitions. Regular business network discussions have helped to inform the contents of this Strategy. We have now agreed with our key partners that with the increased complexity and intensity of regeneration programmes and economic interventions in the Borough, we need to develop partnership arrangements that can meet current challenges and engage a range of appropriate partners.

We are therefore planning to establish a Romford Forum to:

- Ensure that business activities are coordinated with the development programme in Romford
- Provide a consultative mechanism on council initiatives in and around Romford;
- Engage businesses across a wider area to discuss support and development of creative and digital industries, and workforce recruitment and development

We will establish a Rainham Riverside Forum to:

- Co-ordinating developments in and around Rainham SIL
- Provide a consultative mechanism on council initiatives in and around Rainham SIL
- Engage businesses across a wider area to discuss support and development of key sectors, including innovation and workforce recruitment and development

10.2 Demonstrating achievements

This will be done at the strategic level through monitoring key performance indicators relating to the high level objectives set out in the Strategy. The high level indicators are:

- Employment growth year on year (matching the rate of population growth)
- Growing the business base year on year
- Improving productivity rate
- Improving adult skills levels
- Improving business perceptions of the operating environment in Romford and Rainham SIL
- Minimising town centre vacancy rates

More detailed indicators will be put in place for programmes and projects implemented through council and partnership management structures.

10.3 Delivering Havering Council Corporate Themes

In developing this Inclusive Growth Strategy we have throughout borne in mind the delivery of the Council's overarching vision for its stewardship of Havering. We have in particular ensured that the key themes of Opportunities, Communities, Places, and Connections are all fully represented in its recommendations.

In fully integrating the Council's Employment and Skills Plan, we have ensured that our residents and business are placed at the centre of our thinking: our work is to deliver real benefits for the People who make up our Borough.

We recognise that the Council does not have control of all of the levers in influence: we have the power to convene our Communities to work together to deliver change for the better.

For all that is good about Havering, we recognise that we can perform better and be better; we can optimise our performance to play our part economically on the national and international stage while at the same time bringing the regeneration and reimagining of our built environment – our Places.

Finally, we know that our performance can only be optimised if we address the need to improve the Communications infrastructure that makes our success and growth sustainable and inclusive – highways, transport, data and workspace.

These are times of great challenge and great opportunity. It is the core purpose of this strategy to support this development so that the benefits can be felt by our entire community.

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	<p>Equal Access The Council, as a Disability Confident Employer, will act as an influencer, encouraging businesses in the area to become Disability Confident and promote the employment of individuals with disabilities including the promotion of the DWP Access to Work funds.</p>			5000	5000	5000	5000	5000	5000						
	<p>London Living Wage The Council, as a large employer in Havering, will promote the London Living Wage and support businesses to become better employers through paying the London Living Wage, supporting apprentices and providing training and career progression.</p>														

Brokering sustainable employment opportunities														
Job Brokerage The Council will continue to deliver a job brokerage service to residents who are unemployed, low skilled or low paid, which will include • CV building, interview techniques and employment skills support	Job Brokerage The Council will continue to deliver a job brokerage service to residents who are unemployed, low skilled, low paid or require reskilling.	Job Brokerage The Council will continue to deliver a job brokerage service to residents who are unemployed, low skilled, low paid or require reskilling.	Job Brokerage The Council will continue to deliver a job brokerage service to residents who are unemployed, low skilled, low paid or require reskilling.	206000	230,000	230000	230000	230000	230000					
Upskilling people in future growth sectors														
Young Entrepreneurs The Council will encourage young people to develop their entrepreneurial skills through events held on International Women's Day and International Men's Day; utilising local	Young Entrepreneurs The Council will encourage young people to develop their entrepreneurial skills through events held on International Women's Day and International Men's			3000	3000	3000	3000	3000	3000					
Higher Education The Council will work with Higher Education providers to ensure local schools and further education providers are providing relevant training for	Higher Education The Council will work with Higher Education providers to ensure local schools and further education providers are providing relevant	Higher Education The Council will work with Higher Education providers to ensure local schools and further education providers are providing relevant training for future growth sectors.												
London Enterprise Adviser Network The Council will support the introduction of the Enterprise Adviser Network, helping young people to build the skills and experiences they need to lead	London Enterprise Adviser Network The Council will continue to support the Enterprise Adviser Network, helping young people to build the skills and experiences they													
Mayor Construction Academy The Council will support the introduction of the MCA Hub in Havering, developing links between construction businesses and local training	Mayor Construction Academy The Council will continue support the MCA Hub in Havering, ensuring new and innovative skills are													
Employment and Skills Provider Forum We will engage with employers and with skills providers through the Employment and	Employment and Skills Provider Forum We will continue to engage with employers and with skills providers through the													
Raising Ambitions The Council will promote the transferability of digital skills in all employment sectors to encourage more diversity in our resident's career pathways.	Raising Ambitions We will continue to develop the education workforce through the Havering Academy of Leadership, promoting apprenticeships													
Health & Social Care Academy We will develop skills pathways within health and social care through the Health and Social Care Academy	Health & Social Care Academy We will develop skills pathways within health and social care through the Health and Social Care													

Enterprise & Innovation Plan															
Supporting existing and new businesses															
	<p>Business Support The Council will seek to not duplicate initiatives that are already provided by external providers (i.e. London Growth Hub). Instead, we will negotiate better</p>	<p>Business Support The Council will continue to build relationships with key stakeholders to ensure local businesses can easily access support provision; whether online or face-to-face.</p>		1,000	1,000	1,000	1,000	1,000	1,000						
	<p>We will work closely with London Growth Hub, British Library, Prince's Trust, and the Department of International Trade to build our knowledge</p>			1,000	1,000	1,000	1,000	1,000	1,000						
	<p>Havering Chamber We will continue to work closely and maintain an open dialogue with Havering Chamber of Commerce & Industry, including supporting the annual Showcase event, to ensure that local</p>			1,000	1,000	1,000	1,000	1,000	1,000						
	<p>One Council Business Support We will adopt the 'one Council' approach; making the best use of existing resources and maximising capacity to support the business community. In doing so, we will redevelop the Council's business pages to ensure signposting to services is quick and easy.</p>	<p>One Council Business Support We will develop digital solutions that will enable the Council's business-facing teams to deliver business advice and support through existing third party online demonstrations, e-workshops, video toolkits, e-networking and other</p>	<p>One Council Business Support The Council's business-facing teams will have a fully integrated a digital engagement system that enables businesses to access relevant advice and support online.</p>	2,000	2,000	2,000	2,000	2,000	2,000						
	<p>Procurement Support We will develop a Procurement Support programme for Havering businesses that will:</p> <ul style="list-style-type: none"> • Deliver workshops that enable businesses to understand Havering Council's procurement processes • Create opportunities for businesses offering innovative 	<p>Procurement Support Continue to deliver a Procurement Support programme for Havering businesses.</p>	<p>Procurement Support We will utilise digital solutions to provide an online Procurement Support programme that offers the same level of engagement as previous years, but enabling wider engagement and a more accessible offer.</p>	1,000	1,000	1,000	1,000	0	0						
	<p>Responsible Procurement Policy The Council will develop a Responsible Procurement Policy that will encourage pioneering socially, environmentally and economically sustainable</p>														
	<p>Business Summit We will deliver an annual Business Summit in June of every year. The Summit will</p> <ul style="list-style-type: none"> • Provide an opportunity for businesses to meet Council buyers and decision makers • Promote inward investment; encouraging businesses to relocate in Havering • Showcase the opportunities available in Havering • Provide business-to-business support and engagement • Incorporate a new element to 	<p>Business Summit We will deliver an annual Business Summit in June of every year. The Summit will</p> <ul style="list-style-type: none"> • Provide an opportunity for businesses to meet Council buyers and decision makers • Promote inward investment; encouraging businesses to relocate in Havering • Showcase the opportunities available in Havering 	<p>Business Summit We will utilise digital solutions to provide an online Business Summit that offers the same level of engagement as previous years, but enabling wider engagement and a more accessible offer.</p>			15,000	10,000	7,500	7,500						
	<p>Havering Business Growth Vouchers We will explore the scope for the Council to establish a growth support voucher funding opportunities for local businesses that have the attitude, resilience and potential to grow. This will take the form of an annual competition, whereby only the best 10 SMEs that can demonstrate growth opportunities within their business will be chosen to receive dedicated business support and coaching.</p>	<p>Havering Business Growth Vouchers As appropriate we will offer opportunities for local businesses that have the attitude, resilience and potential to grow their business through a growth support voucher scheme.</p>	<p>Havering Business Growth Vouchers As appropriate, continue to offer opportunities for local businesses that have the attitude, resilience and potential to grow their business through a growth support voucher scheme.</p>			30,000	30,000	30,000	30,000						

Supporting the growth of key employment sectors, including engineering, construction, manufacturing and creative industries												
<p>Innovation Havering is one of the few remaining locations in London with a strong sector representation in manufacturing, engineering and construction. The Council will drive innovation by working with key stakeholders on delivering long-term solutions for ensuring the borough provide the right skills, training, connections and commercial space for these sectors to flourish. The London Gateway Innovation Hub will create the right facilities, knowledge and expertise to play a key role in innovating, improving and enhancing people's lives, businesses and public services.</p>	<p>Innovation The Council will continue to invest in the London Gateway Innovation Hub, along with its partners, to ensure the right facilities, knowledge and expertise are delivered to enable innovation in the borough's manufacturing, engineering and construction sectors. The Havering Innovation Recognition will sit alongside the re-established Havering Business Awards, however it will seek to reward and recognise innovation through: • business technology innovations and their impact on customer experience, employee engagement, operations</p>	<p>Innovation The Council will continue to support the London Gateway Innovation Hub, which should be generating enough income to become self-sufficient. However, the Council will seek to understand the impact of this Hub on other sectors in the borough; recognising that innovative growth should have a positive impact on the wider community. The Havering Innovation Recognition will continue to reward and recognise innovation in the Borough.</p>	5,000	5,000	61,400							
<p>Key Accounts The Council will seek to identify and engage with key private sector organisations to act as 'Champions' for the business community in Havering to: • Help to raise the profile of Havering</p>	<p>Key Accounts The Council will continue to engage with key private sector organisations to act as 'Champions' for the business community in Havering.</p>	<p>Key Accounts The Council will continue to engage with key private sector organisations to act as 'Champions' for the business community in Havering.</p>										
<p>Construction The Council will utilise regeneration opportunities to support the growth of the local economy; to provide more jobs and improve productivity, and to create a legacy of construction excellence. The Havering Construction Supply Chain Programme will provide a 3 tier support service for the Havering construction sector. • Construction business database • Meet the Buyers/Suppliers • Tender Readiness support (including access to Havering</p>	<p>Construction The Council will continue to invest in the Havering Construction Supply Chain Programme by offering a 3 tier support service for the Havering construction sector. Tracking success of tenders and growth through support will demonstrate the impact of the Programme.</p>	<p>Construction The Council will re-develop the Havering Construction Supply Chain Programme to utilise digital solutions that enable contractors to engage with businesses directly, with sufficient data monitoring, and tender readiness support to be provided through a fully integrated a digital engagement system that enables businesses to access relevant advice and support online.</p>	27,000	30,000	30,000	30,000	30,000	30,000				
<p>Creative Industries The Council will drive forward this sector through initiatives including: • Engage with the GLA to position Rainham as a strategic location for creative production within the Thames Estuary Production Corridor (TEPC). • Support larger businesses and cultural/creative leaders in the borough (eg Queens Theatre, CEME) to develop a creative business network. Work with HE providers, including New City College Group, to develop a HE offer in the borough with a focus on creative skills.</p>	<p>Creative Industries The Council will continue to drive forward this sector through: • Establish a creative business network to provide a platform for creative enterprises to collaborate to access new supply chains.</p>	<p>Creative Industries The Council will establish a 2,000 seater mixed use venue in Romford, if feasible.</p>										

<p>Social Value Implementation The Council has already adopted a Social Value Strategy, which ensures 'Supply Chain Opportunities and access to business growth and development workshops for existing businesses'. We will develop business support, tender readiness and growth monitoring across key sectors that will be impacted by the new Strategy, to ensure that Section 106 contributions are utilised to improve the economic growth of the borough.</p>														
---	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Inward Investment Plan													
Partnership Development Establish partnerships with: Local London, London and Partners, Local London, DIT, Essex County Council, South East LEP, Thurrock, Brentwood and Basildon Councils, Thames Estuary Production Corridor, LEAP													
Market perception research and analysis Commission external research on business awareness of Havering across target geographies. Test competitor						20,000							
Place Identity Brand Establish brand guidelines for new place identity. Identification of supply needs to support inward investment – land and property, skills, specialist formats, innovation partnerships.													
Investment Pitchbook Develop concise collection of investable projects that can be promoted nationally and internationally													
Compile Target Database of workspace providers – all formats													
Review CRM and	Maintain CRM	Maintain CRM		10,000	10,000	10,000	10,000	10,000	10,000				
Develop and review business case for single corporate sign-on for businesses to access Council services													
Website review and refresh	Maintain Website	Maintain Website											
Sector development research Identify key sectors for support and development and elaborate sector development plans													
Sector Development Implementation	Sector Development Implementation	Sector Development Implementation				50,000	50,000						
Review expo attendance and participation MIPIIM 2020 MIPIIM 2021	Review expo attendance and participation	Review expo attendance and participation											
Enquiry Handling	Enquiry Handling	Enquiry Handling											
Aftercare protocol development													
Aftercare	Aftercare	Aftercare											
University Explore scope for establishing large scale campus for new university or extra-mural base for existing institution.		Deliver new campus											

Service Development Plan													
	Economic Observatory Scope the costs and benefits of establishing a Havering Economic Observatory either separately or with adjoining districts to provide comprehensive and timely monitoring and Analysis of economic, social and environmental data	Sustain	Sustain										
	Network Development Establish sector specific, thematic and place networks to advise, guide and inform the Council on its priorities while at the same time building sustainable communities of interest	Encourage Established and Self-Sustainable Networks without further public support	Encourage Established and Self-Sustainable Networks without further public support	5,000	5,000								
	Strategy Review and Horizon Scanning Establish sector specific, thematic and place networks to advise, guide and inform the Council on its priorities while at the same time building sustainable communities of interest	Strategy Review and Horizon Scanning Keep this strategy and associated implementation plans under continuous review. Maintain intelligence connections to horizon scan for opportunities for future	Strategy Review and Horizon Scanning Keep this strategy and associated implementation plans under continuous review. Maintain intelligence connections to horizon scan for opportunities for future focus										
	New Project development and Resource Procurement Ideation, development, resource procurement, mobilisation of new projects identified from strategy review and economic observatory work	New Project development and Resource Procurement Ideation, development, resource procurement, mobilisation of new projects identified from strategy review and economic observatory work	New Project development and Resource Procurement Ideation, development, resource procurement, mobilisation of new projects identified from strategy review and economic observatory work										
	Corporate Support Play a full role in supporting, implementing and evaluating corporate projects relevant to the service especially saving, earning and investment projects and activities of corporate entrepreneurship.	Corporate Support Play a full role in supporting, implementing and evaluating corporate projects relevant to the service especially saving, earning and investment projects and activities of corporate entrepreneurship.	Corporate Support Play a full role in supporting, implementing and evaluating corporate projects relevant to the service especially saving, earning and investment projects and activities of corporate entrepreneurship.										

Smart Cities Plan														
<p>Foundations of a Smarter Havering</p> <ul style="list-style-type: none"> • Work in conjunction with partners to deliver and contribute towards Smarter Havering as part of Smarter London Together. Link into initiatives that promote programme and skills development. • Link into educational providers and existing emerging assets including the innovation hub to promote and encourage smarter thinking. • LBH will have developed a digital strategy and vision for Havering by March 2021. • Create a trading platform for businesses throughout the borough by March 2022 • Undertake an assessment of the level of demand for E-business support programmes by March 2022 • Secure funding opportunities to develop E-business support programmes 	<p>Digital Infrastructure and technological change</p> <ul style="list-style-type: none"> • Provide a modern, digitally enabled infrastructure and connectivity that is globally competitive by March 2024 • Create a business environment which allows a wide range of businesses to flourish and encourage new high value firms to locate in the borough • Ensure businesses are resilient to technological change and well placed to incorporate new technologies to boost productivity 	<p>Future Industries and the growth of the borough</p> <ul style="list-style-type: none"> • Ensure Havering has become a centre for emerging and established industries including: AI, FinTech, CleanTech, GovTech, Digital Health, EdTech, SportTech etc. • Ensure that smarter infrastructure has been incorporated into buildings, spaces and streets 												

Social Value Implementation Plan													
<p>Implementation Implementation of the social value in procurement policy for Havering as part of a best value approach to public procurement. SV to be enshrined into Contract Assessment and the Council's obligation to monitor the</p>	<p>Implementation Review of the Social Value Strategy and target areas. To ensure alignment of the targets with the Administrative direction of the Council</p>	<p>Sustained</p>											
<p>Integration Integration of social value across all Council Services</p>	<p>Integration Lateral commissioning that delivers on societal values that deliver the best outcomes for communities.</p>	<p>Sustained</p>											
<p>Outcomes Licence to use the Social Value Portal as the key tool for measuring and translating social value outcomes to reflect a collective benefit.</p>	<p>Outcomes Setting corporate targets and performance indicators that are based on previous performance and forecasted procurement</p>	<p>Outcomes Continued improvement in performance demonstrating best value.</p>											
<p>Network & Partnership Engagement with and learning from public and third sector organisations to understand how SV can be used to maximise the social wellbeing. Engaging with the Regeneration Joint Ventures to establish social value programmes that meet the aspirations of the Council. Assessment of social value as</p>	<p>Network & Partnership Engagement and partnership working with private sector organisations operating in the Borough</p>	<p>Network & Partnership Council is fully engaged with local operators for the delivery of societal benefits</p>											
<p>Section 106 The Council will develop enhanced planning policy and skills negotiations regarding Employment, Skills, Training & Enterprise.</p>	<p>Section 106 We will utilise funding from S106 contributions to continue to improve investment opportunities, business growth and the lives of residents, beyond job opportunities but through career pathways</p>		4000	4000	4000	4000	4000	4000					

Town & District Centres Plan														
<p>Town Centre Audit – Council service delivery</p> <ul style="list-style-type: none"> Mapping all Council services involvement/investment within the town centre re: projects and initiatives delivery which will determine scope for future development and delivery. Set up an Officers steering group that meet on a Quarterly 	<ul style="list-style-type: none"> Continued town centre officers steering group to ensure continuity to service delivery across the Council. 	<ul style="list-style-type: none"> Continued town centre officers steering group to ensure continuity to service delivery across the Council. 												
<p>Town Centre Health Check – Quarterly</p> <ul style="list-style-type: none"> Monitor the economic performance of Havering's town centres via health checks Installation of additional footfall camera infrastructure Benchmark vacancy, footfall pedestrian counts/ statistics for town centres 	<ul style="list-style-type: none"> Continued monitoring of the economic performance of Havering's town centres via the collation of town centre health check data. 	<ul style="list-style-type: none"> Continued monitoring of the economic performance of Havering's town centres via the collation of town centre health check data. 	55346	61133	55346	61133	55346	61133						
<p>Town Centre Consultation - key stakeholders needs analysis</p> <ul style="list-style-type: none"> Businesses, consumers, young people and older people consultation focusing on physical improvements to the town centre Review analysis from previous surveys, re-run a consumers survey 	<ul style="list-style-type: none"> Consultation exercise to obtain feedback from consumers on improvements to the town centre – satisfaction surveys to achievable measurable outputs Demographics and customer profile mapping 	<ul style="list-style-type: none"> Futuristic consultation methods to be explored via digital technology progression 	30000	30000	15000	15000	15000	15000						
<p>Streetscape - creating a welcoming environment</p> <ul style="list-style-type: none"> Deliver a feasibility study for physical street scene improvements - Public Realm improvements to include street furniture, pavements and street lighting Declutter of street clutter, to create a uniformed street furniture programme Design/ scope a soft landscaping programme to 	<ul style="list-style-type: none"> A major public realm improvement scheme delivered that incorporates soft landscaping, public highways, street furniture, street lighting improvements for the town centre 	<ul style="list-style-type: none"> A review of the technological advances in public realm street furniture and provisions. A feasibility study to highlight future requirements. 							30000	30000	2,500,000	2,500,000	2,530,000	2,530,000
<p>Accessibility – convenience and ease of access to the town centre</p> <ul style="list-style-type: none"> Wayfinding signage feasibility study, preliminary designs to enhance the pedestrian navigation throughout the town centre Welcoming gateway signage feasibility study and preliminary designs Improve the routes into the town centre from surrounding areas for those arriving on foot or by bike, linked to public realm feasibility study Public transport mapping 	<ul style="list-style-type: none"> Implementation of a wayfinding and gateway signage scheme Preliminary design concepts and cost to be finalised on future cycle routes/ feasibility and surrounding gateways to the town. Effective community services being delivered within town centres with linkages to the Community Hub service delivery. 	<ul style="list-style-type: none"> A review of the technological advances in public realm street furniture and provisions. A feasibility study to highlight future requirements. 							50,000	50,000	120,000	120,000	100,000	100,000

<p>Create a safe, vibrant, attractive and a memorable destination to visit</p> <ul style="list-style-type: none"> • Develop a Place Brand strategy that will highlight the unique characteristics (USP) and identity of the place that celebrates the nostalgia and heritage of the town centre • Develop a marketing and promotional campaign to launch and showcase the Place brand that incorporates the usage of digital platforms • Implementation of town centre events/ initiatives with a view for an events programme to be delivered by the business community/key stakeholder's town partnership, town teams etc • Commission a needs assessment to seek to broaden the availability of leisure, entertainment and cultural opportunities within town centres to create a vibrant cultural and leisure destination 	<ul style="list-style-type: none"> • Place brand embedded throughout the town, on gateway signage, street infrastructure generating a sense of place • Continued marketing and promotional campaigns being delivered by established town centre partnership to showcase the place/town • A seasonal events programme delivered by the business led partnership (Town team, BID) self-funded • Devise a grant/fund programme for established town centre partnership / town team to access funds for the delivery of events within the town centre • Entertainment and cultural opportunities pilot satellite sites delivered subject to needs assessment outcome and preferred locations. 	<ul style="list-style-type: none"> • A town centre that adapts to changes and generate an experience on the high street that are embedded with cultural and recreational experiences • A town centre that understands how people feel in a space – 3d audio to transform locations within the town centre 'the space'. • Digital content to navigate throughout the store. Creation of a virtual town with an experience and targeted marketing 	80000	120000	70000	30000																											
<p>Promoting a Clean and Healthy Environment</p> <ul style="list-style-type: none"> • Map waste management, recycling provisions procedures within the town centre in conjunction with the Council waste management team. To include plastic reduction/recycling initiatives • Encourage greater use of sustainable public transport to reduce congestion, emissions by carry out a feasibility study (TDP) enhancing the facilities available within the town centre, e.g.: electric charging points for electric vehicles and improved cycle route/provision • Map out logistic deliveries within the town centre by working with businesses to 	<ul style="list-style-type: none"> • Coordinated waste management systems implemented, subject to business will • Sustainable public transport improvements implemented subject to feasibility study findings and funds • Coordinated deliveries to reduce carbon emissions implemented. • Solar powered initiatives delivered within the town centre 	<ul style="list-style-type: none"> • Business infrastructure and consumers change to shop transactions, consumers will be able to scan shopping on the phone and then place in their own bag to reduce plastic 		10000	10000																												
<p>A Digitally Connected Town Centre</p> <ul style="list-style-type: none"> • Deliver digital skill programme to SME businesses to embrace digital technology within their business • Explore the potential to create digital hubs / flexible workspace provisions within the town centre, linkage to the Community Hub transformation programme • Assessment of town centre digital technology – linkage to the Smart Cities technology delivery plan 	<ul style="list-style-type: none"> • Develop a borough wide digital on-line platform for business within town centre linked to a Havering loyalty card scheme that encourages communities to shop local • Online trading platform for business to upload commodities/ offers/ incentive drivers. • Click and collect infrastructure implemented • A digital connectivity action plan adopted for the town centre • Digital hubs- flexible 	<ul style="list-style-type: none"> • Implementation of smart cities technology – see smart cities delivery programme • Business successful with online platform trading in the digital world but still operate a physical premises. • Wireless charging points within the town. • Automated robotics, drone collection points for consumers. • Automated cashless check outs • Future transaction will be completely contactless, business support required for the correct infrastructure 		15000																													

<p>Business Support/ Programmes within the town centre</p> <ul style="list-style-type: none"> • Signposting to relevant Council services • Business referrals via the enterprise and innovation delivery plan • Support business to access small business rate relief • Deliver a visual merchandising programme to businesses within the town centre • Support businesses to reduce overhead costs by a coordinated approach to buying electricity 	<ul style="list-style-type: none"> • Develop an incentivising business growth/investment programme for town centre relocation • Discretionary business rates discounts for new SME start-ups, long term vacant outlets • Business improvement grants of up to £1,000 or 50% of costs for shop front improvements which have a beneficial impact on the wider streetscape • Business expansion incentives of up to 5K to help with fit out cost • Implement a joined up business electricity buy up 	<ul style="list-style-type: none"> • SME business town centre ambassador • Encouraging businesses to adopt to consumers changing needs – e.g. vegan consumers • Encourage businesses that consumers like to know the impact of buying one product over another. Social values • Business support programmes to support business creating a brand proposition 		15000										
<p>A Sustainable Town Centre Partnership/Management and Funding Streams</p> <ul style="list-style-type: none"> • Build the capacity of the business community to establish a formalised partnership (e.g. Town Team) businesses and key stakeholders with a Terms of Reference • Explore sustainable funding streams/options for example a Business Improvement District (BID) feasibility study. Crowd funding initiative, S106 contributions and central 	<ul style="list-style-type: none"> • S106 funds allocated to specific town centre development/enhancement programmes • Deliver the BID development stage (which will include a business plan) through to ballot and establish a formalised BID (if a successful vote is achieved) which will support the sustainability/longevity of town centre initiatives with KPI's and an exit strategy. 	<ul style="list-style-type: none"> • A self-sufficient managed town centre led by businesses who seek funding for initiatives and project for their town centre that delivers and understands their consumer base 		15000										
<p>Residential investment within the town centre that recognises the unique identities and invests in the future of the town centre</p> <ul style="list-style-type: none"> • Encourage the development of residential accommodation in the town centre in a manner which enables its co-existence with town facilities and amenities • Encourage good quality, 	<ul style="list-style-type: none"> • Property – securing of sites to consolidate the town centre footprint / outlets. • Identify opportunities for development either through partnership with property owners or through direct Council intervention • Explore the development potential of live/work units. 	<ul style="list-style-type: none"> • A consolidated town centre with less retail and more leisure provisions, community services, increased residential 												

Equality Impact Assessment (EIA)

Document control

Title of activity:	Inclusive Growth Strategy
Type of activity:	The introduction of an Inclusive Growth Strategy for Havering
Lead officer:	Howard Swift
Approved by:	
Date completed:	16/10/2020
Scheduled date for review:	November 2021

The Corporate Policy & Diversity team requires **5 working days** to provide advice on EIAs.

Did you seek advice from the Corporate Policy & Diversity team?	Yes
Does the EIA contain any confidential or exempt information that would prevent you publishing it on the Council's website?	No

1. Equality Impact Assessment Checklist

The Equality Impact Assessment (EIA) is a tool to ensure that your activity meets the needs of individuals and groups that use your service. It also helps the Council to meet its legal obligation under the [Equality Act 2010 and the Public Sector Equality Duty](#).

Please complete the following checklist to determine whether or not you will need to complete an EIA. Please ensure you keep this section for your audit trail. If you have any questions, please contact the Corporate Policy and Diversity Team at diversity@havering.gov.uk

About your activity

1	Title of activity	Inclusive Growth Strategy
2	Type of activity	The activity relates to the publication of a new Inclusive Growth Strategy for Havering.
3	Scope of activity	<p>To support the achievement of the Council's wider vision, the Inclusive Growth Strategy will:</p> <ul style="list-style-type: none"> • Provide an analysis of Havering's economy, including sector strengths and potential for growth; • Identify the types of employment growth and locations for that growth to inform its approach to inward investment and business support; and, • Identify the strategic and operational interventions that the Council will take to facilitate growth.
4a	Is the activity new or changing?	Yes
4b	Is the activity likely to have an impact on individuals or groups?	
5	If you answered yes:	
6	If you answered no:	

Completed by:	Howard Swift Interim Economic Development Manager London Borough of Havering Development Town Hall, Main Road, Romford, RM1 3BD
Date:	20/10/2020

2. Equality Impact Assessment

The Equality Impact Assessment (EIA) is a tool to ensure that your activity meets the needs of individuals and groups that use your service. It also helps the Council to meet its legal obligation under the [Equality Act 2010 and the Public Sector Equality Duty](#).

For more details on the Council's 'Fair to All' approach to equality and diversity, please visit our [Equality and Diversity Intranet pages](#). For any additional advice, please contact diversity@haverling.gov.uk

Please note the Corporate Policy & Diversity Team require **5 working days** to provide advice on Equality Impact Assessments.

Please note that EIAs are public documents and must be made available on the Council's [EIA webpage](#).

Understanding the different needs of individuals and groups who use or deliver your service

In this section you will need to assess the impact (positive, neutral or negative) of your activity on individuals and groups with **protected characteristics** (this includes staff delivering your activity).

Currently there are **nine** protected characteristics (previously known as 'equality groups' or 'equality strands'): age, disability, sex/gender, ethnicity/race, religion/faith, sexual orientation, gender reassignment, marriage/civil partnership, and pregnancy/maternity/paternity.

In addition to this, you should also consider **socio-economic status** as a protected characteristic, and the impact of your activity on individuals and groups that might be disadvantaged in this regard (e.g. carers, low income households, looked after children and other vulnerable children, families and adults).

When assessing the impact, please consider and note how your activity contributes to the Council's **Public Sector Equality Duty** and its three aims to:

- eliminate discrimination, harassment and victimisation;
- advance equality of opportunity, and
- foster good relations between people with different protected characteristics.

Guidance on how to undertake an EIA for a protected characteristic can be found on the next page.

Guidance on undertaking an EIA

Example: Background/context							
<p><i>In this section you will need to add the background/context of your activity. Make sure you include the scope and intended outcomes of the activity being assessed; and highlight any proposed changes.</i></p> <p style="text-align: right;"><i>*Expand box as required</i></p>							
Example: Protected characteristic							
<p>Please tick (✓) the relevant box:</p> <table border="1"> <tr> <td>Positive</td> <td><input type="checkbox"/></td> </tr> <tr> <td>Neutral</td> <td><input type="checkbox"/></td> </tr> <tr> <td>Negative</td> <td><input type="checkbox"/></td> </tr> </table>	Positive	<input type="checkbox"/>	Neutral	<input type="checkbox"/>	Negative	<input type="checkbox"/>	<p>Overall impact: <i>In this section you will need to consider and note what impact your activity will have on individuals and groups (including staff) with protected characteristics based on the data and information you have. You should note whether this is a positive, neutral or negative impact.</i></p> <p>It is essential that you note all negative impacts. This will demonstrate that you have paid ‘due regard’ to the Public Sector Equality Duty if your activity is challenged under the Equality Act.</p> <p style="text-align: right;"><i>*Expand box as required</i></p>
Positive	<input type="checkbox"/>						
Neutral	<input type="checkbox"/>						
Negative	<input type="checkbox"/>						
<p>Evidence: <i>In this section you will need to document the evidence that you have used to assess the impact of your activity.</i></p> <p><i>When assessing the impact, please consider and note how your activity contributes to the three aims of the Public Sector Equality Duty (PSED) as stated in the section above.</i></p> <p><i>It is essential that you note the full impact of your activity, so you can demonstrate that you have fully considered the equality implications and have paid ‘due regard’ to the PSED should the Council be challenged.</i></p> <ul style="list-style-type: none"> - <i>If you have identified a positive impact, please note this.</i> - <i>If you think there is a neutral impact or the impact is not known, please provide a full reason why this is the case.</i> - <i>If you have identified a negative impact, please note what steps you will take to mitigate this impact. If you are unable to take any mitigating steps, please provide a full reason why. All negative impacts that have mitigating actions must be recorded in the Action Plan.</i> <p style="text-align: right;"><i>*Expand box as required</i></p>							
<p>Sources used: <i>In this section you should list all sources of the evidence you used to assess the impact of your activity. This can include:</i></p> <ul style="list-style-type: none"> - <i>Service specific data</i> - <i>Population, demographic and socio-economic data</i> <p><i>Suggested sources include:</i></p> <ul style="list-style-type: none"> - <i>Service user monitoring data that your service collects</i> - <u>Havering Data Intelligence Hub</u> - <u>London Datastore</u> - <u>Office for National Statistics (ONS)</u> <p><i>If you do not have any relevant data, please provide the reason why.</i></p> <p style="text-align: right;"><i>*Expand box as required</i></p>							

The EIA

Background/context:
<p>The Council has set out its priorities within its Corporate Plan, and in relation to economic growth and regeneration, is seeking to provide its existing and new residents with thriving town centres and a vibrant cultural offer. The Inclusive Growth Strategy complements the Corporate Plan by recommending sustainable and inclusive growth that generates local wealth and opportunities. Interventions within the strategy include supporting commercial development of companies in the borough to generate first – class business opportunities as well as securing investment in high-quality skills and careers. Further recommendations include the need to increase footfall in Romford and other town centres and raise the profile of the borough with the business community and potential investors.</p> <p style="text-align: right;"><i>*Expand box as required</i></p>

Age: Consider the full range of age groups	
<i>Please tick (✓) the relevant box:</i>	Overall impact:
Positive	✓
Neutral	
Negative	
<p>The strategy will benefit all age groups with recommendations covering some specific age groups. There is currently a low level of qualifications within the adult population and a particular concern is to improve the skills and qualification levels within the working age population in the borough to ensure they are better equipped to secure employment opportunities which will increasingly demand higher level qualifications. The strategy identifies emerging priorities including working with local education providers and greater employer engagement in key sectors.</p> <p>Other recommendations include the creation of an aspiration programme through Havering Leadership Academy to combat low ambition among young people and their parents. The strategy also recommends the promotion of apprenticeships and workforce development within key sectors.</p> <p style="text-align: right;"><i>*Expand box as required</i></p>	

Evidence:

The evidence base for the strategy highlighted the strengths and weaknesses of the Havering economy and how certain interventions could help residents (particularly young people) to improve their economic well - being. There is evidence that the adult population has a low level of qualifications relative to London.

**Expand box as required*

Sources used:

Two consultancies were commissioned (SQW and BBP) to assist in the production of the strategy, activities included surveying local businesses, evaluation of existing policy documents and stakeholder workshops. These sources and data were used to inform the evidence base of the strategy.

**Expand box as required*

Disability: Consider the full range of disabilities; including physical mental, sensory and progressive conditions

<i>Please tick (✓) the relevant box:</i>		Overall impact: The strategy will benefit residents by generating greater economic opportunities for both able bodied and disabled residents. The strategy explicitly acknowledges that the Council, as a Disability Confident Employer, will act as an influencer, encouraging businesses in the area to become Disability Confidant and promote the employment of individuals with disabilities including the promotion of the DWP Access to Work funds.
Positive	✓	
Neutral		
Negative		

**Expand box as required*

Evidence:

While there is a considerable body of evidence that disabled people are considerably disadvantaged in the labour market, we do not have evidence relating to the make-up of the business population. We will ask our business support providers to ensure that their services are accessible to people with disabilities and to monitor take up in the future.

**Expand box as required*

Sources used:

**Expand box as required*

Sex/gender: Consider both men and women

<i>Please tick (✓) the relevant box:</i>	Overall impact:
--	------------------------

Positive	<input checked="" type="checkbox"/>	The strategy will benefit all people regardless of gender.
Neutral	<input type="checkbox"/>	
Negative	<input type="checkbox"/>	
Evidence:		
<i>*Expand box as required</i>		
Sources used:		
<i>*Expand box as required</i>		

Ethnicity/race: Consider the impact on different ethnic groups and nationalities		
<i>Please tick (✓) the relevant box:</i>		Overall impact:
Positive	<input checked="" type="checkbox"/>	
Neutral	<input type="checkbox"/>	
Negative	<input type="checkbox"/>	
		<p>The strategy should benefit everybody regardless of ethnicity or nationality.</p> <p>In the context of an increasingly diverse population in the borough, it will be important to ensure that there is a good range of employment opportunities. The strategy is designed to do that, and to help to diversify the economy, increase the numbers of high skilled jobs, and jobs in new growth sectors. Equally it will be critical to ensure that training is in place to equip residents to access the jobs available, and make sure that the training is responsive to business need.</p> <p>Mechanisms to do this have been proposed within the strategy, including bringing businesses together with training providers in relation to particular sectors. In addition, the business base is diverse, and business support programmes will be put in place to respond to the needs of businesses and support them to develop, innovate and grow.</p>
		<i>*Expand box as required</i>

<p>Evidence:</p> <p>There is evidence from the Annual Population survey and NINO registrations that the population of Havering is becoming increasingly diverse.</p> <p style="text-align: right;"><i>*Expand box as required</i></p>
<p>Sources used:</p> <p>Annual population survey and NINO registrations.</p> <p style="text-align: right;"><i>*Expand box as required</i></p>

<p>Religion/faith: Consider people from different religions or beliefs including those with no religion or belief</p>							
<p><i>Please tick (✓) the relevant box:</i></p> <table border="1"> <tr> <td>Positive</td> <td><input type="checkbox"/></td> </tr> <tr> <td>Neutral</td> <td><input checked="" type="checkbox"/></td> </tr> <tr> <td>Negative</td> <td><input type="checkbox"/></td> </tr> </table>	Positive	<input type="checkbox"/>	Neutral	<input checked="" type="checkbox"/>	Negative	<input type="checkbox"/>	<p>Overall impact:</p> <p>The strategy will benefit people of all religions and beliefs.</p> <p style="text-align: right;"><i>*Expand box as required</i></p>
Positive	<input type="checkbox"/>						
Neutral	<input checked="" type="checkbox"/>						
Negative	<input type="checkbox"/>						
<p>Evidence:</p> <p style="text-align: right;"><i>*Expand box as required</i></p>							
<p>Sources used:</p> <p style="text-align: right;"><i>*Expand box as required</i></p>							

<p>Sexual orientation: Consider people who are heterosexual, lesbian, gay or bisexual</p>							
<p><i>Please tick (✓) the relevant box:</i></p> <table border="1"> <tr> <td>Positive</td> <td><input type="checkbox"/></td> </tr> <tr> <td>Neutral</td> <td><input checked="" type="checkbox"/></td> </tr> <tr> <td>Negative</td> <td><input type="checkbox"/></td> </tr> </table>	Positive	<input type="checkbox"/>	Neutral	<input checked="" type="checkbox"/>	Negative	<input type="checkbox"/>	<p>Overall impact:</p> <p>The strategy will benefit everybody regardless of their sexual orientation.</p> <p style="text-align: right;"><i>*Expand box as required</i></p>
Positive	<input type="checkbox"/>						
Neutral	<input checked="" type="checkbox"/>						
Negative	<input type="checkbox"/>						

Evidence:

**Expand box as required*

Sources used:

**Expand box as required*

Gender reassignment: Consider people who are seeking, undergoing or have received gender reassignment surgery, as well as people whose gender identity is different from their gender at birth

<i>Please tick (✓) the relevant box:</i>		Overall impact: The strategy will benefit everybody regardless of gender reassignment and gender identity.
Positive	<input type="checkbox"/>	
Neutral	<input checked="" type="checkbox"/>	
Negative	<input type="checkbox"/>	

**Expand box as required*

Evidence:

**Expand box as required*

Sources used:

**Expand box as required*

Marriage/civil partnership: Consider people in a marriage or civil partnership

<i>Please tick (✓) the relevant box:</i>		Overall impact: The strategy will benefit all people including people who are married or in a civil partnership.
Positive	<input type="checkbox"/>	
Neutral	<input checked="" type="checkbox"/>	

Negative		<i>*Expand box as required</i>
Evidence:		
<i>*Expand box as required</i>		
Sources used:		
<i>*Expand box as required</i>		

Pregnancy, maternity and paternity: Consider those who are pregnant and those who are undertaking maternity or paternity leave		
<i>Please tick (✓) the relevant box:</i>		Overall impact: The strategy will benefit people including women who are pregnant and individuals who are undertaking maternity or paternity leave. <i>*Expand box as required</i>
Positive		
Neutral	✓	
Negative		
Evidence:		
<i>*Expand box as required</i>		
Sources used:		
<i>*Expand box as required</i>		

Socio-economic status: Consider those who are from low income or financially excluded backgrounds		
<i>Please tick (✓) the relevant box:</i>		Overall impact: The Inclusive Growth Strategy provides a number of recommendations
Positive	✓	

Neutral		and suggestions to improve the economic well - being of residents within the borough. The strategy aims to stimulate more jobs and greater opportunities for residents from low income backgrounds by increasing their skills and incomes.
Negative		<p>The strategy addresses the poor levels of productivity that is prevalent in the borough, recommending interventions that will increase innovation and productivity within Havering. Interventions that are proposed within the strategy will assist and help residents from low income and financially excluded backgrounds.</p> <p>The overarching aim of the inclusive growth strategy is to ensure all residents are included in economic growth and are in a position to exploit opportunities arising from this growth.</p>
<i>*Expand box as required</i>		
<p>Evidence:</p> <p>The evidence base for the strategy highlighted the strengths and weaknesses of the Havering economy and how certain interventions could help residents from a low income or financially excluded background.</p>		
<i>*Expand box as required</i>		
<p>Sources used:</p> <p>In drafting the strategy two consultancies (SQW and BBP) were commissioned to critically evaluate the local economy and undertake a review of existing council policies relating to inclusive growth. As part of the evaluation they also analysed the strengths and weaknesses of the local labour market.</p> <p>Activities included stakeholder workshops, the surveying of 400 businesses within the borough and interviews with a wide range of local businesses and organisations. The information that was collected from these sources was used to inform the strategy.</p>		
<i>*Expand box as required</i>		

Action Plan

In this section you should list the specific actions that set out how you will address any negative equality impacts you have identified in this assessment.

Protected characteristic	Identified negative impact	Action taken to mitigate impact*	Outcomes and monitoring**	Timescale	Lead officer
N/A	N/A	N/A	N/A	N/A	Howard Swift

* You should include details of any future consultations you will undertake to mitigate negative impacts

** Monitoring: You should state how the negative impact will be monitored; how regularly it will be monitored; and who will be monitoring it (if this is different from the lead officer).

Review

In this section you should identify how frequently the EIA will be reviewed; the date for next review; and who will be reviewing it.

The EIA will be reviewed annually twelve months after the publication of the strategy and an officer from Regeneration will review it.

Economic evidence base: Havering

SQW and BBP Regeneration, January 2018

Structure

PART I

Borough-wide analysis, set within a wider spatial context, focusing on:

- **Workplace economy:** businesses, workplaces and jobs within the Borough; their sectoral profile; and the earnings and GVA linked to these
- **Residence-based economy:** the profile of Havering's residents: the jobs in which they are working, their occupations, their qualifications and the earnings they are generating

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PART II

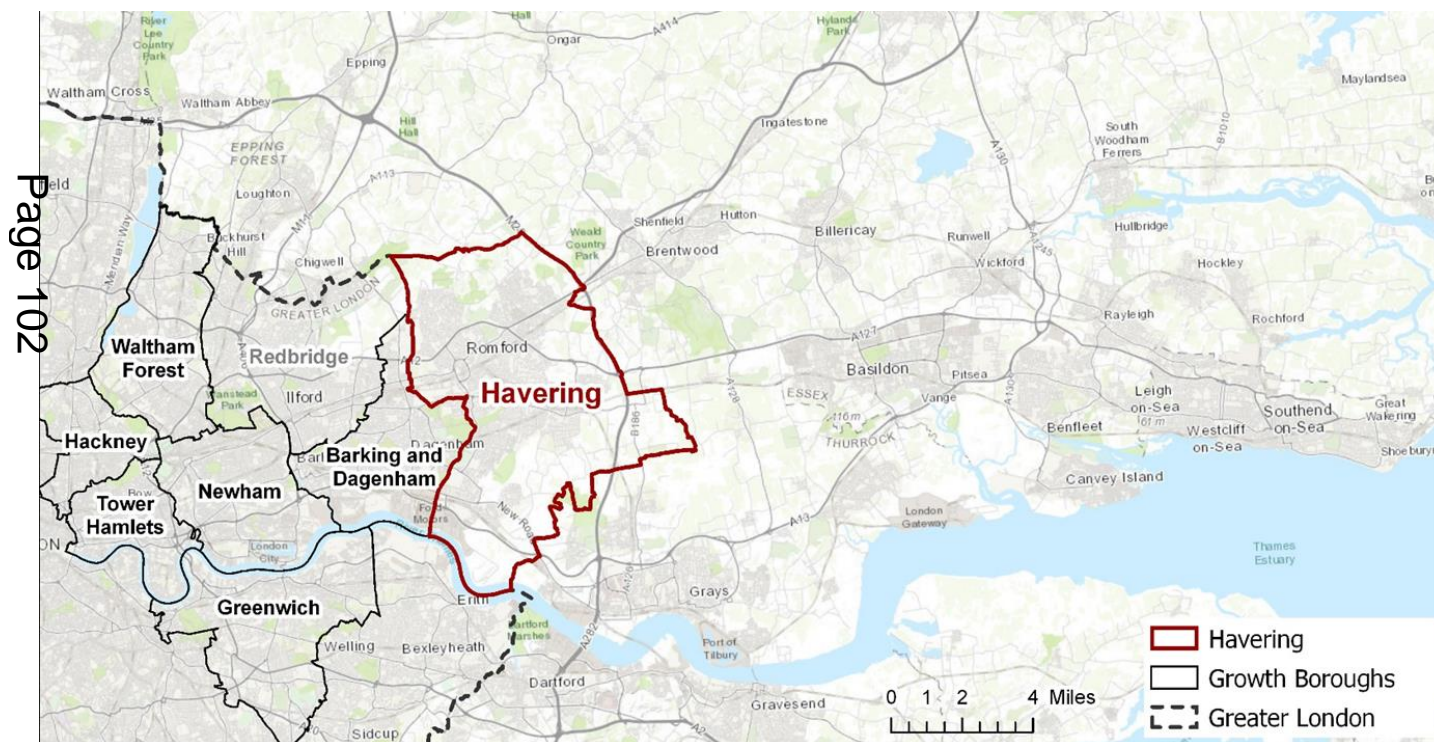
Local area narrative, focusing particularly on the property market in:

- Romford
- Rainham Riverside
- Other town centres (Upminster, Hornchurch, etc.)

Part I: Borough-wide analysis

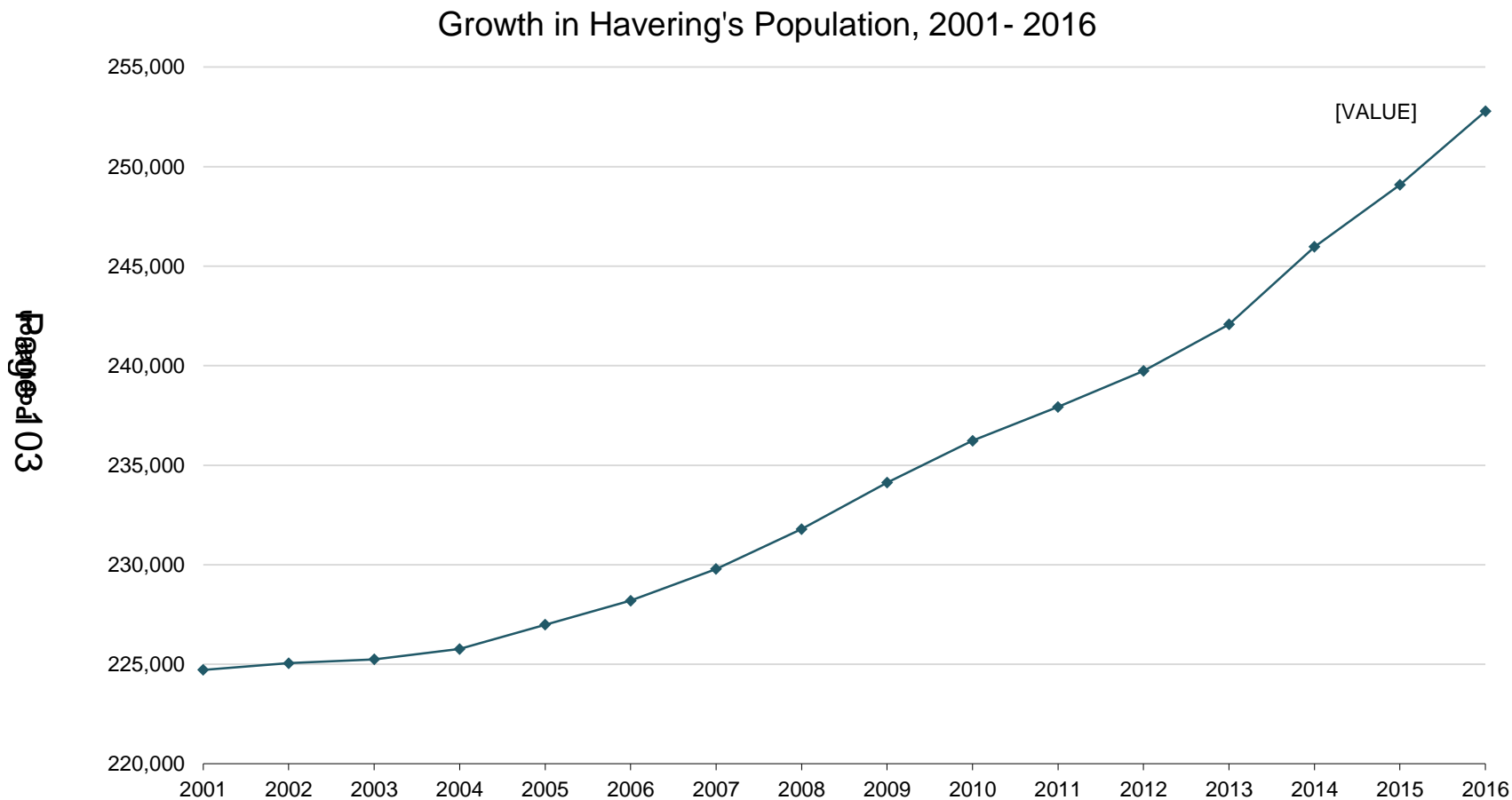
Havering's wider spatial context

Havering is both “part of London” and (functionally) “part of South Essex” – it has strong links with both



Source: Produced by SQW 2017. Licence 100030994. Contains OS data © Crown copyright [and database right] [2017] and data from Esri and the GIS User Community.

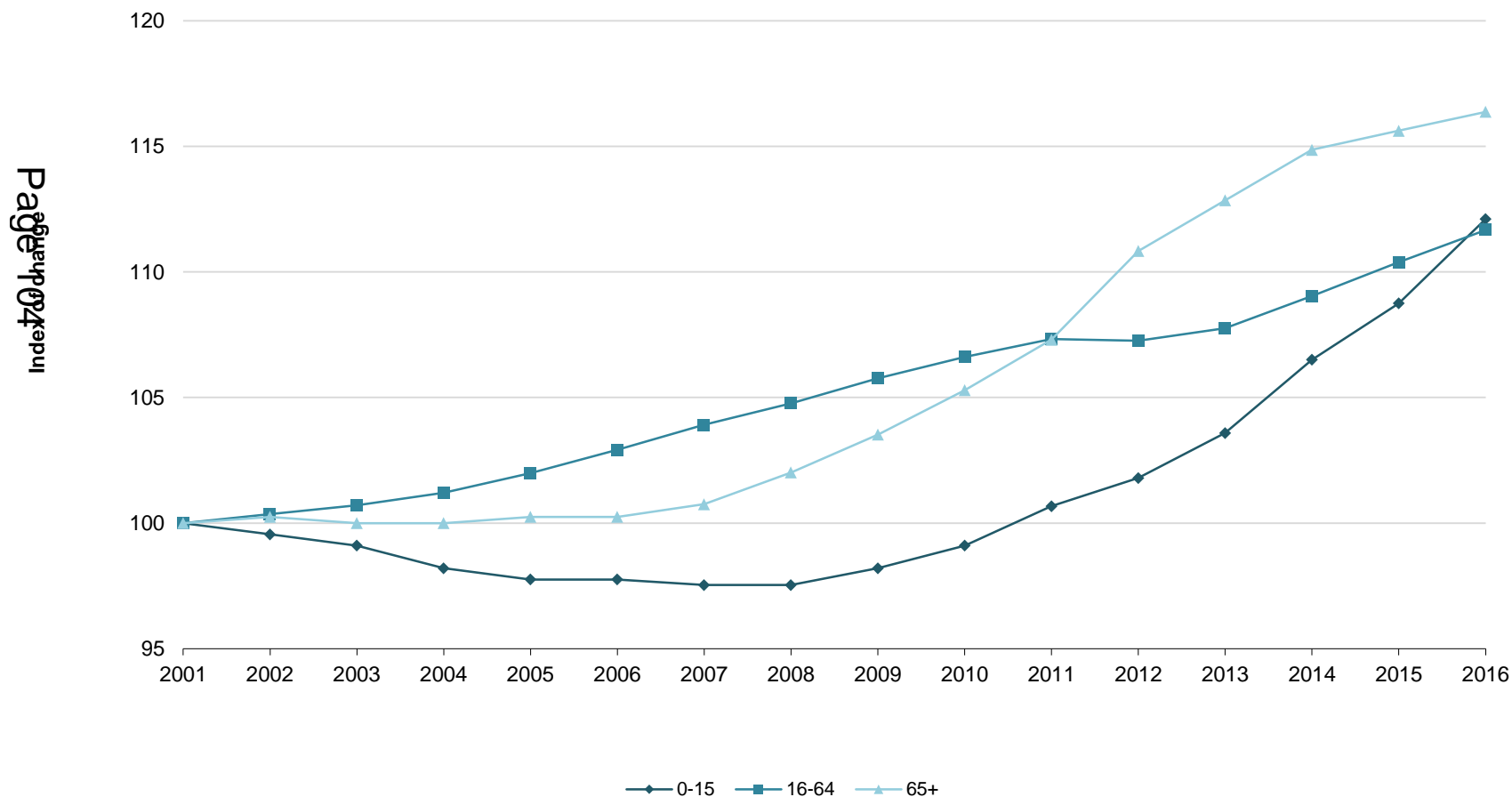
Havering's population has grown steadily over the last 15 years



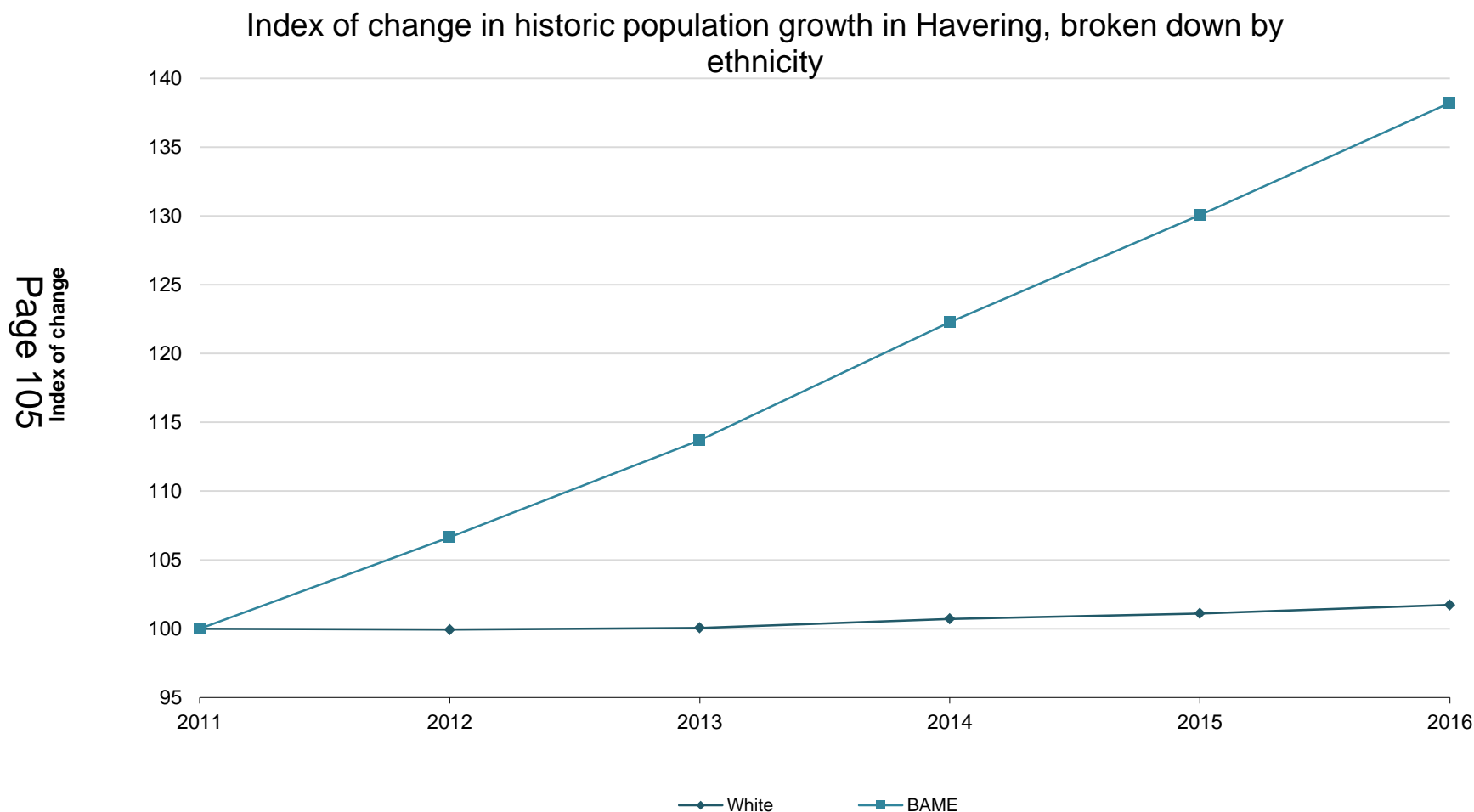
Source: ONS Population Estimates – local authority based by single year of age, 2001-2016

Its age profile is changing; more old people, but in the last few years, more children too

Historic population growth in Havering, broken down by age



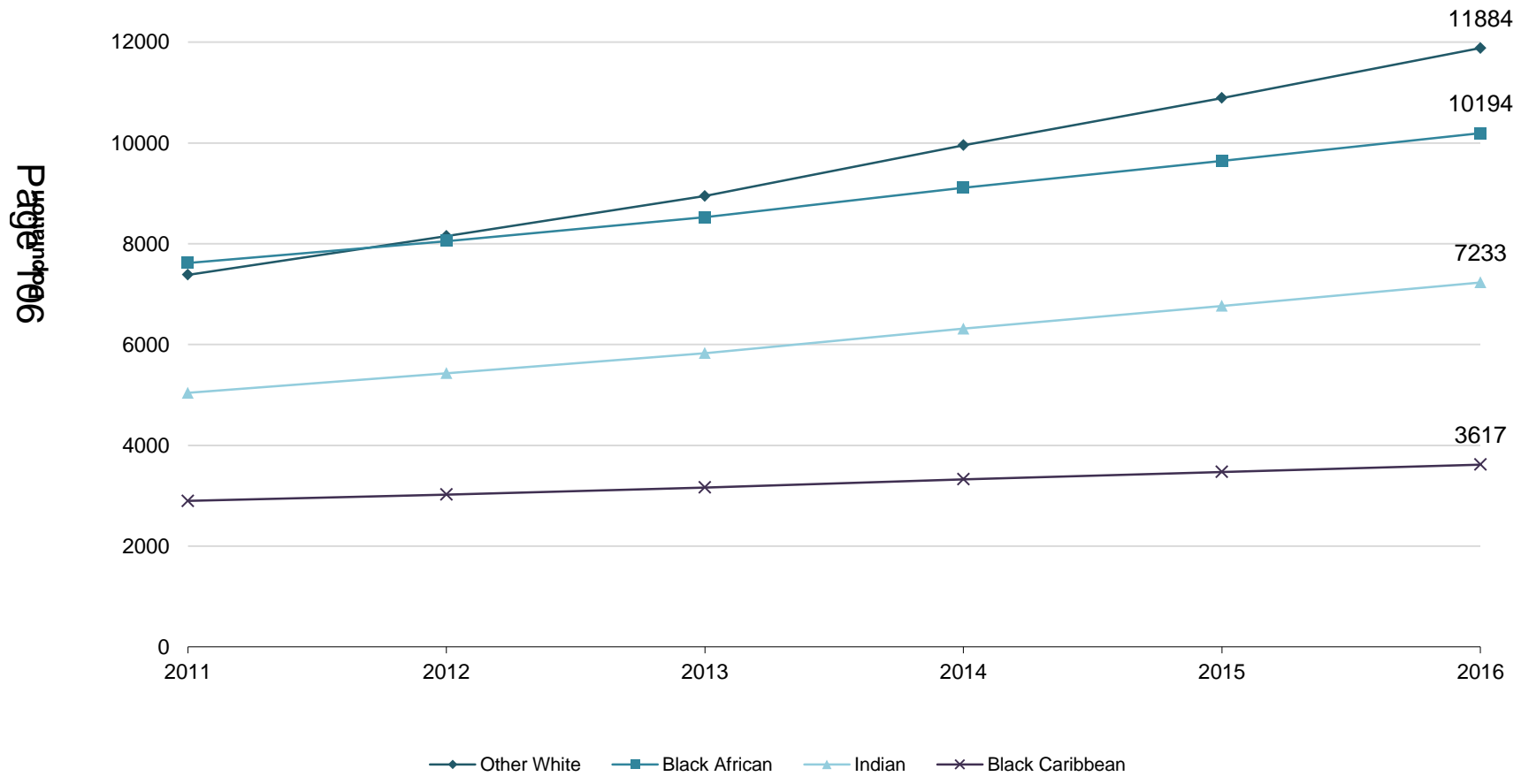
The Borough is also becoming more ethnically diverse: its Black, Asian and Minority Ethnic (BAME) population grew by more than a third between 2011 and 2016



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Index of change

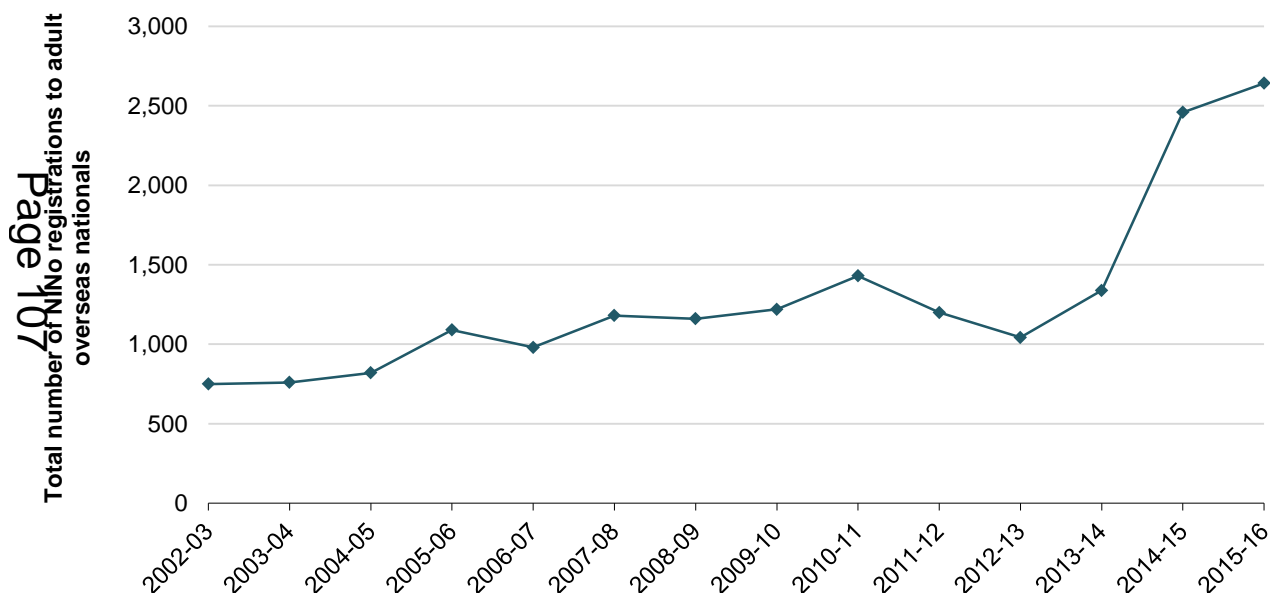
Ethnic minority populations are growing at different rates – currently ‘other white’ is the fastest growing of the four biggest groups

Historic population growth in Havering, broken down by the four largest ethnic groups after White British



National Insurance Number registrations issued to overseas nationals have risen sharply in recent years

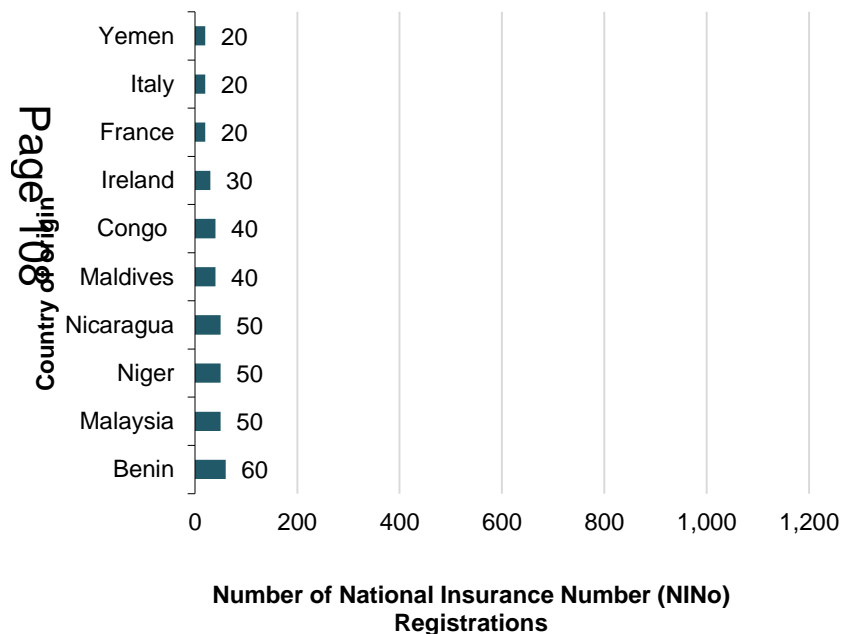
Total number of National Insurance Number (NINo) registrations to adult overseas nationals entering the UK in Havering for 2002-03 to 2015-16



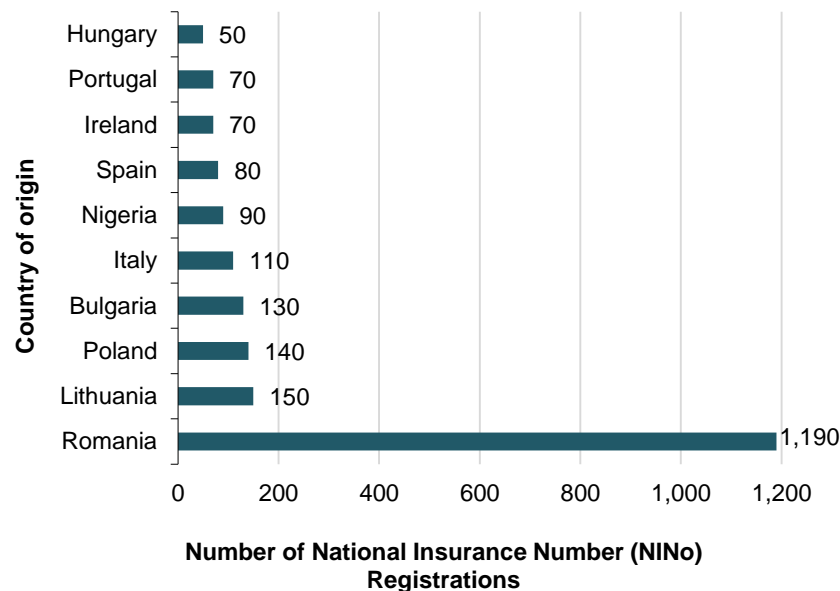
Source: Department for Work & Pensions, National Insurance Number Registrations of Overseas Nationals, Borough and MSOA

There has been a shift towards EU nationals in NINo registrations over time

Top 10 countries of origin for National Insurance Number (NINo) registrations to adult overseas nationals entering the UK in Havering 2002-03



Top 10 countries of origin for National Insurance Number (NINo) registrations to adult overseas nationals entering the UK in Havering 2015-16



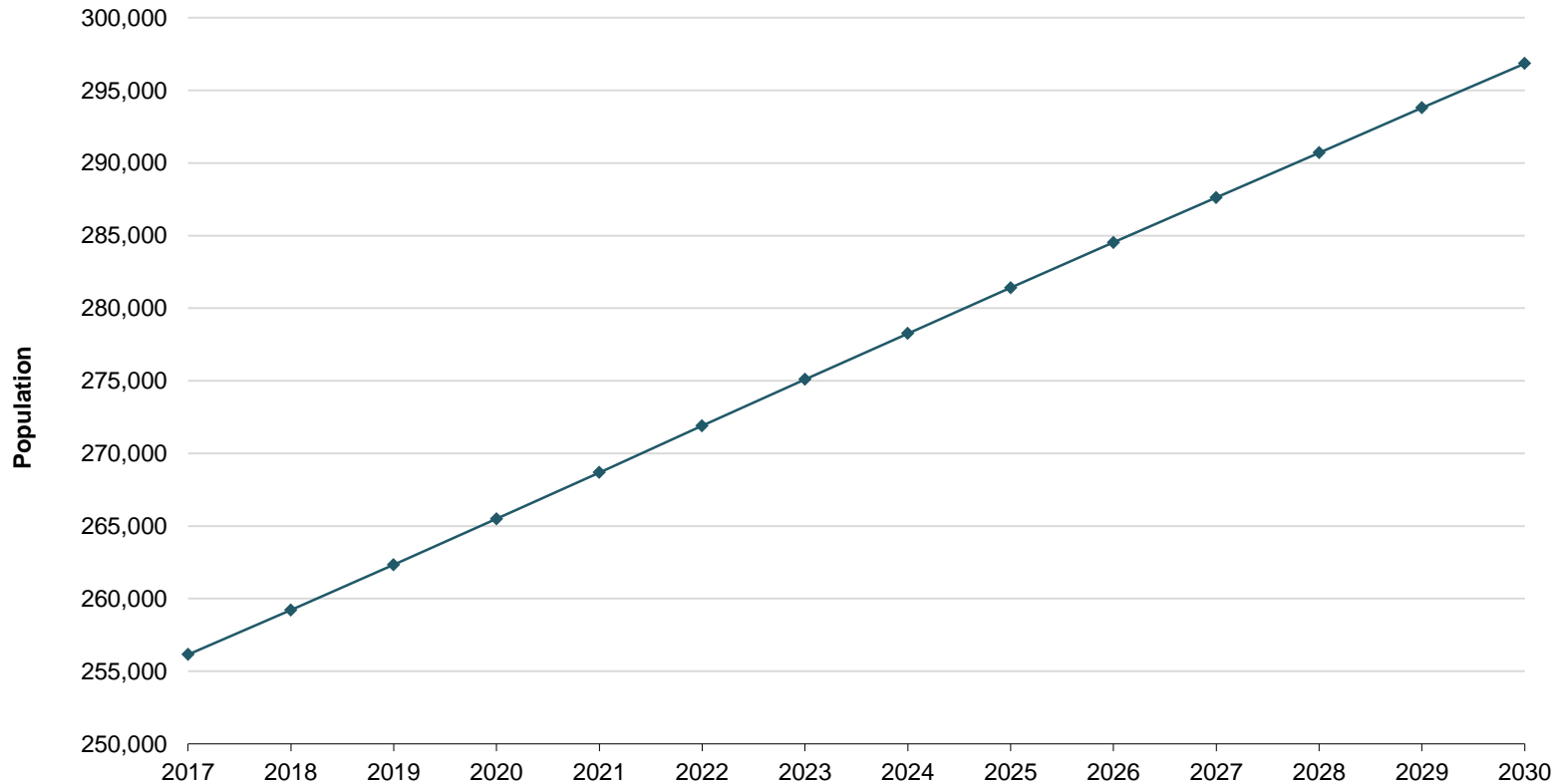
Source: DWP, National Insurance Number Registrations of Overseas Nationals, Borough and MSOA via GLA

Source: DWP, National Insurance Number Registrations of Overseas Nationals, Borough and MSOA via GLA

These demographic changes are projected to continue – the population of the Borough is expected to grow by 40,000 people by 2030

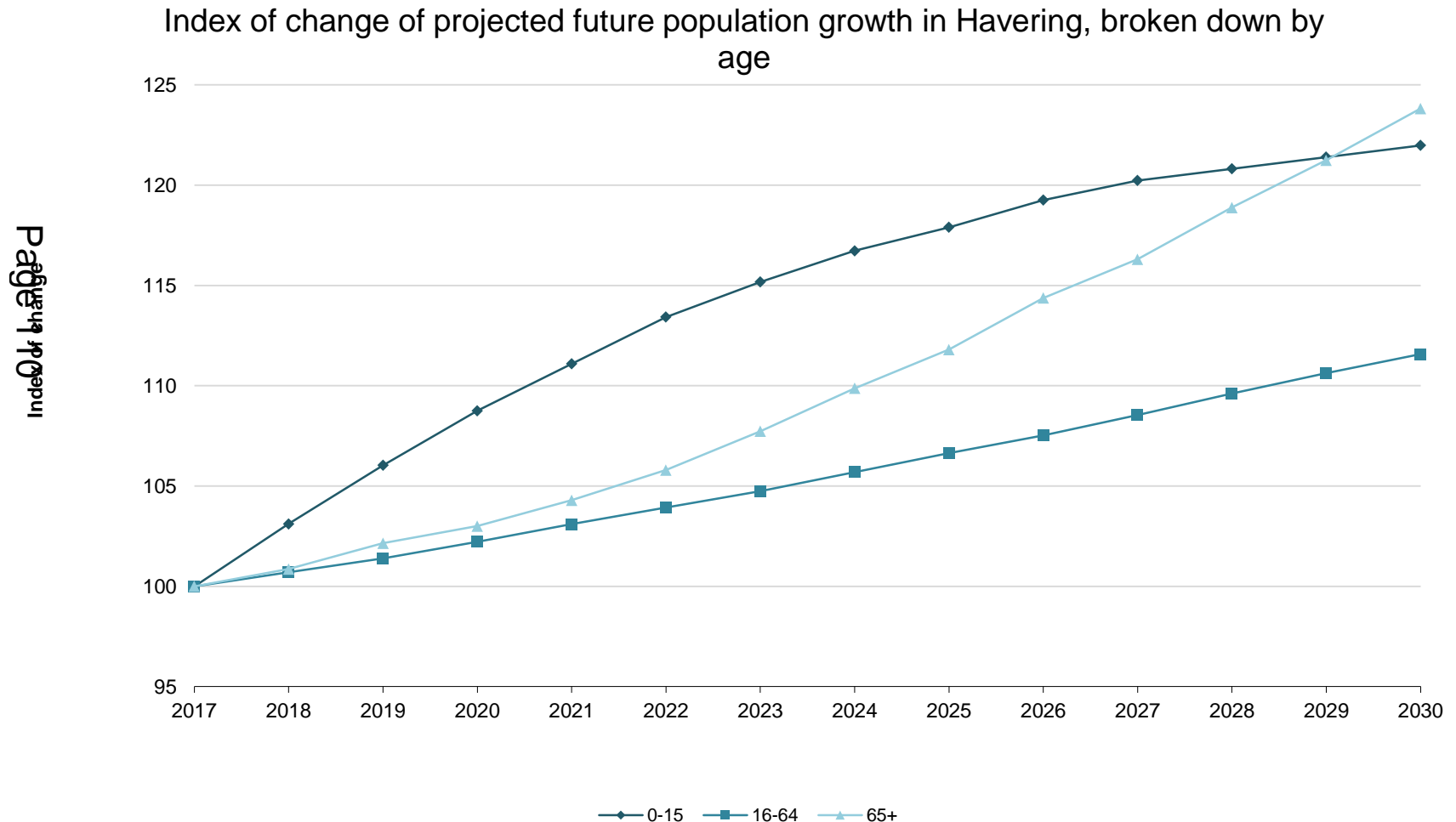
Projected future population growth in Havering

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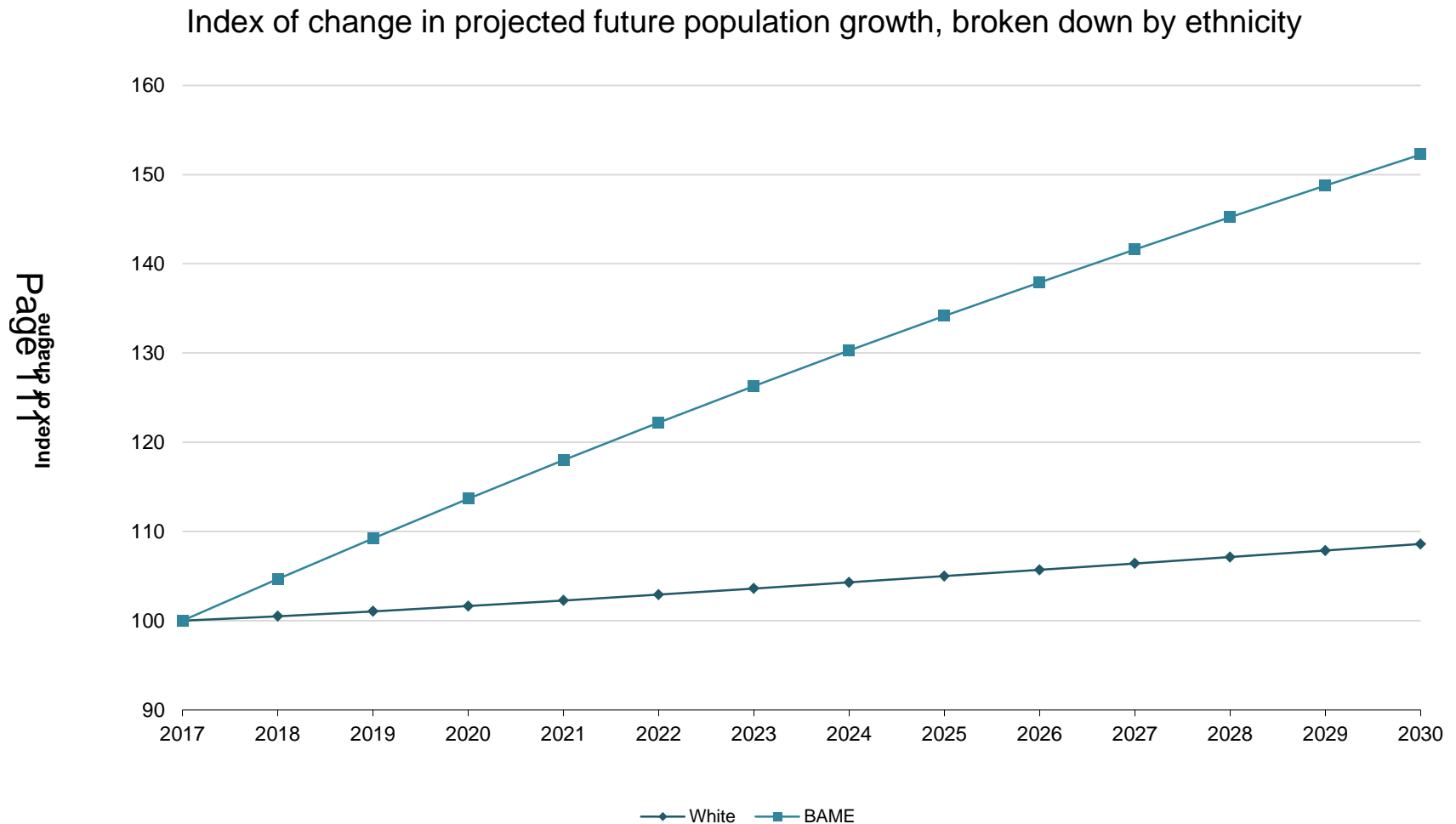


Source: GLA Population Projections, central trend, 2017-2030

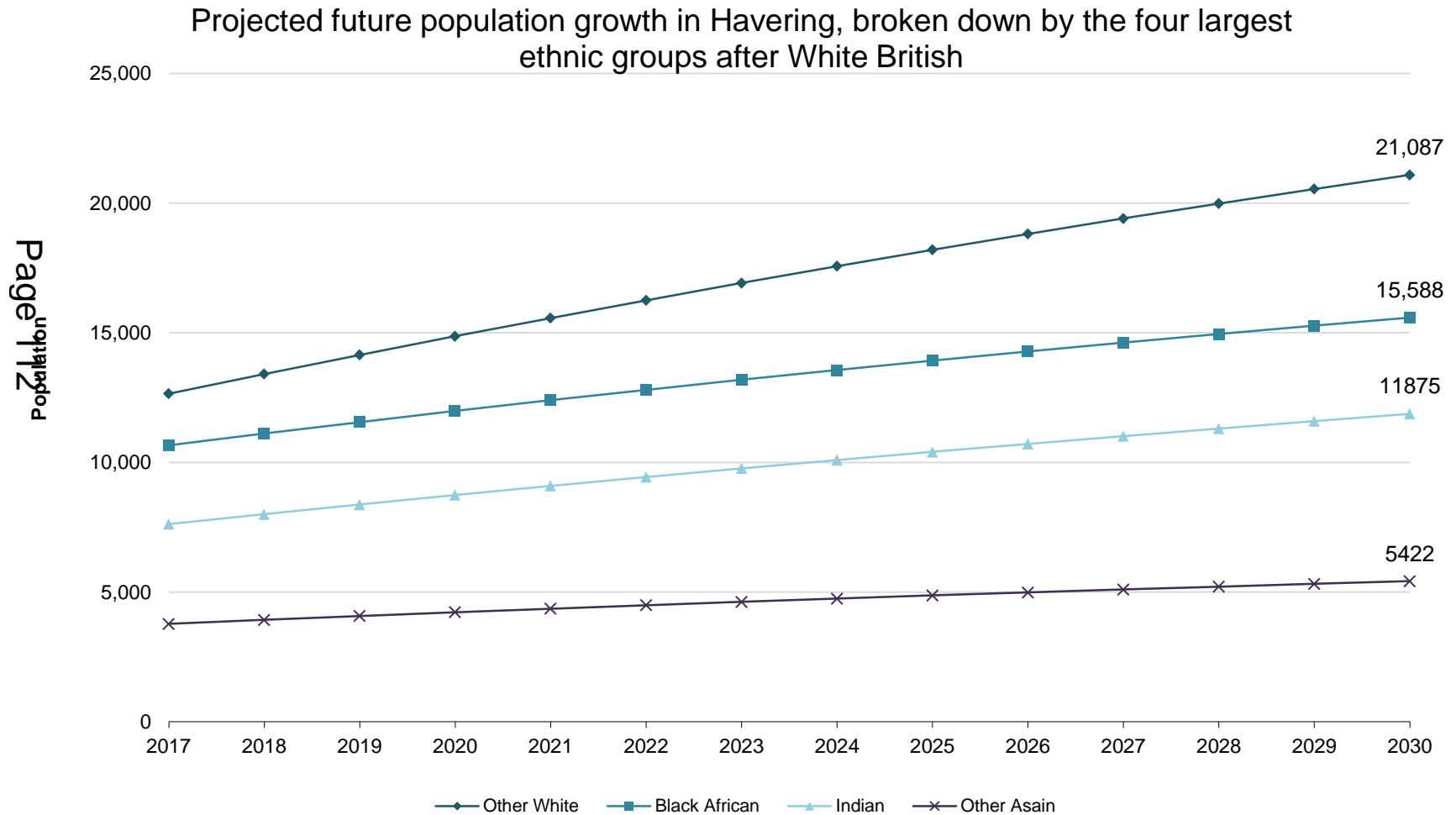
The relative growth in both the younger and older age cohorts is projected to continue, while the working age population is projected to grow more slowly



And the Borough's BAME population is projected to continue to grow more quickly than its White British population



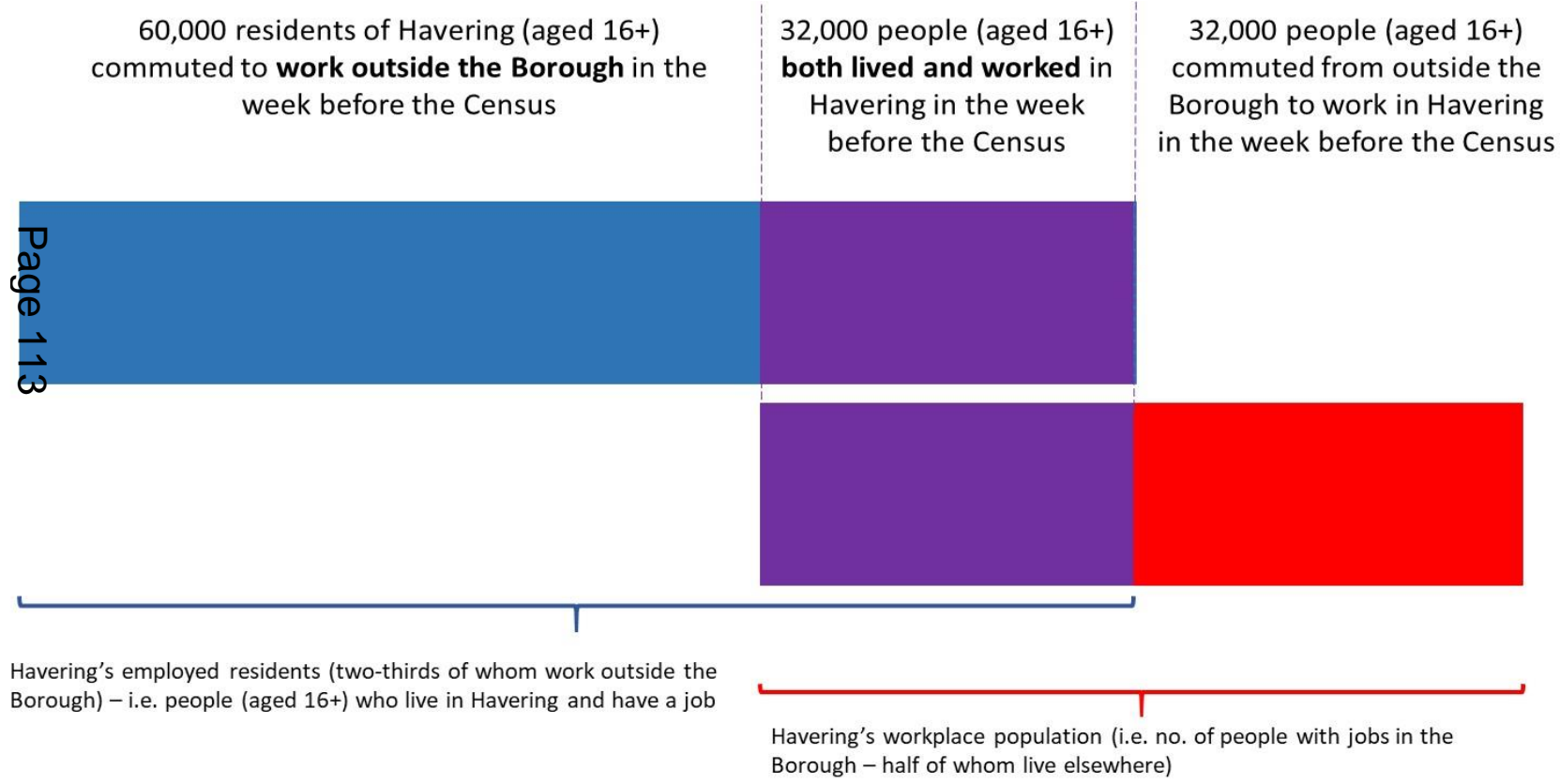
... though again, the rate of growth is expected to differ across BAME groups



Source: GLA Ethnic-group Population Projections, central trend, 2017-2030

Havering has a very “fluid” economy because of commuting flows

The people who work in the borough and are employed by local businesses are (in large part) a different ‘population’ from the working residents, the majority of whom commute out of the borough each day



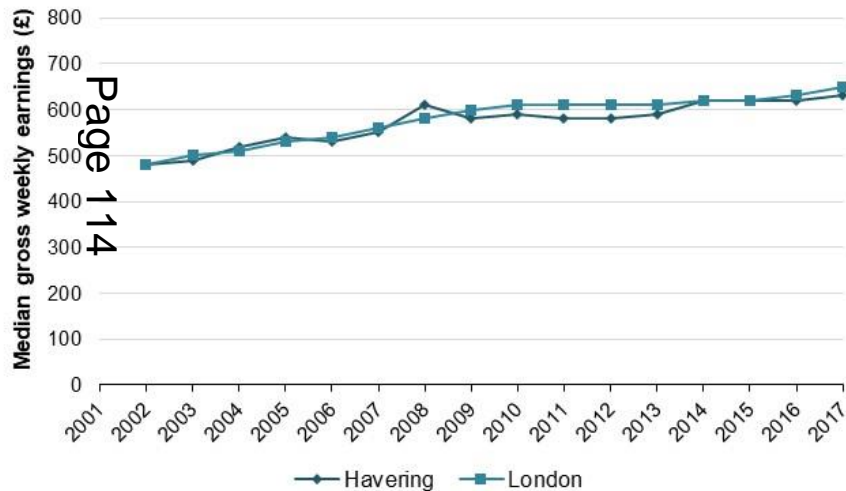
Havering's employed residents (two-thirds of whom work outside the Borough) – i.e. people (aged 16+) who live in Havering and have a job

Havering's workplace population (i.e. no. of people with jobs in the Borough – half of whom live elsewhere)

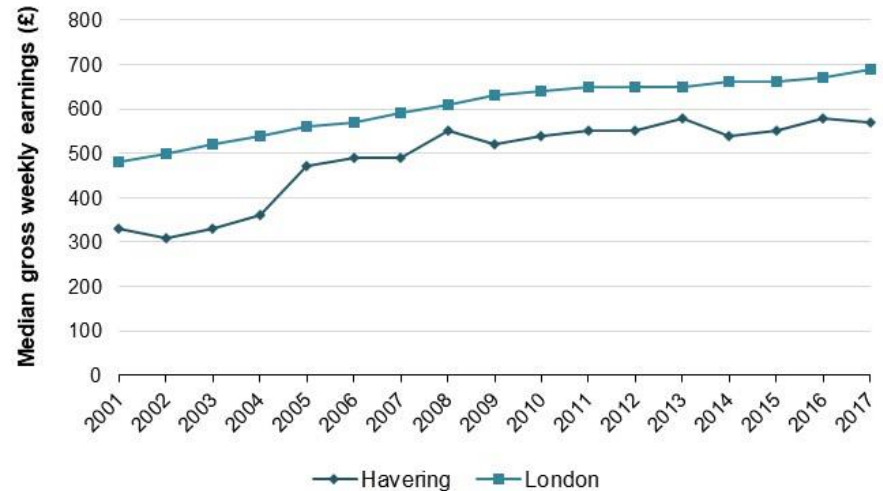
[Note though that the commuting data excludes people with jobs at no fixed location, etc. – which is a large number – so implied jobs numbers are significantly understated]

...and there are differences between the two groups: people who work in Havering generally earn less than its residents, while the residence-based economy (on this measure) is very similar to London

Median gross weekly earnings of full time employees (resident analysis)



Median gross weekly earnings of full time employees (workplace analysis)



Source: ONS Annual Survey of Hours and Earnings

Havering's workplace economy

Havering's workplace economy: a snapshot

	Havering	Barking and Dagenham
Total number of enterprises	9,800	6,800
Total number of local units	11,100	8,000
Total number of jobs	92,000	61,000

Source: table contains data from 2017, ONS UK Business Counts and 2015, ONS Jobs Density

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economic output for Havering and Barking and Dagenham (in combination):

- **£8.9bn** GVA generated by Havering and B&D (2014, ONS Regional GVA NUTS 3)

Headline measure of **productivity**:

- **GVA per filled job** (for Havering and B&D) is **£58,500**:
 - 83% of the figure for London
 - 113% of the figure for England

(ONS Subregional Labour Productivity: Nominal (smoothed) GVA per filled job (£): NUTS 3 subregions, 2015)

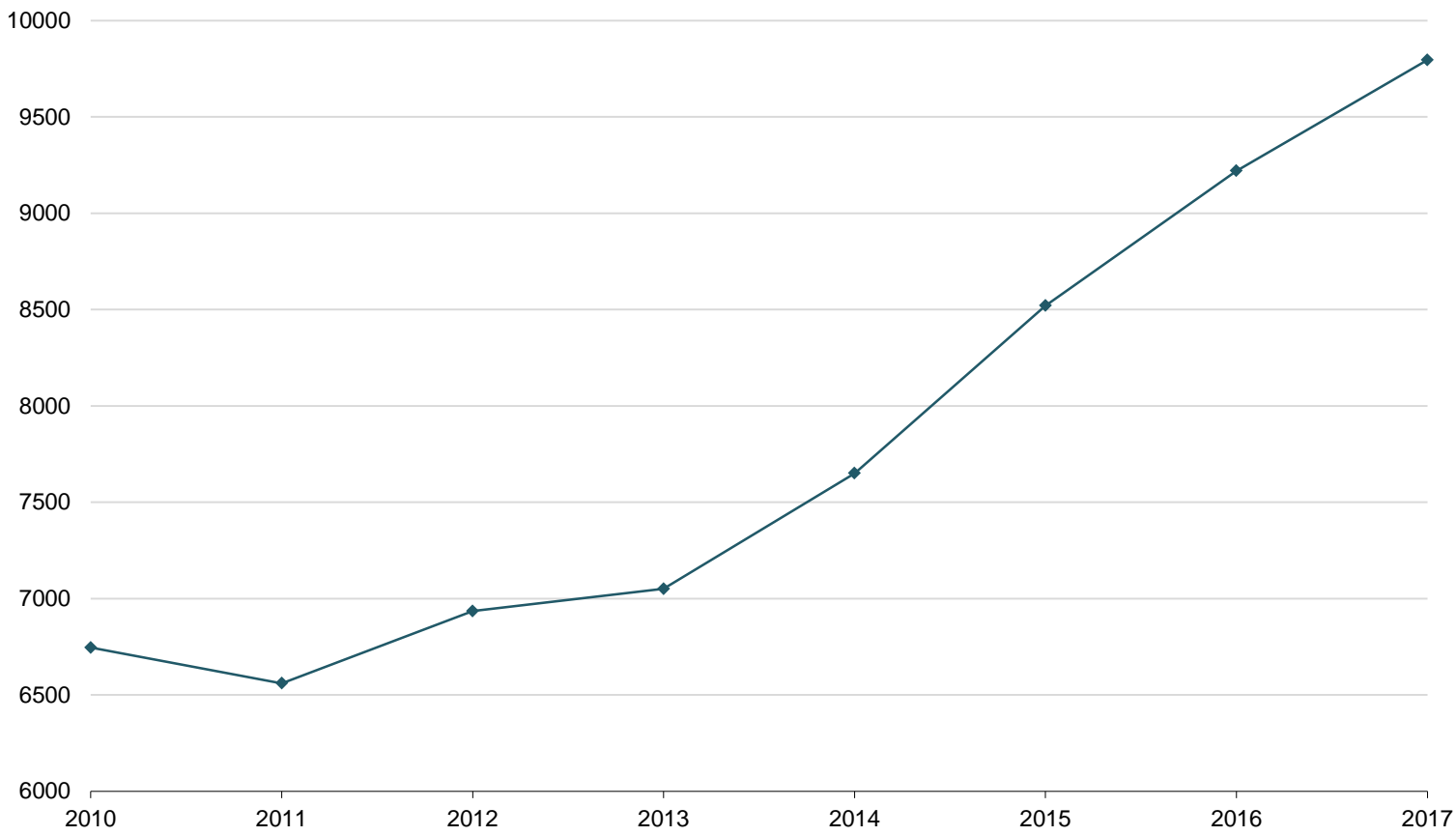
The number of enterprises in the Borough has grown and their sectoral distribution has changed

- Overall, the number of enterprises rose from **6,700** in 2010 to **9,800** in 2017
- The number of enterprises grew in absolute terms in all sectors, but the pattern been very uneven...
From 2010 to 2017, some sectors saw a large increase in numbers..
 - **professional, scientific and technical** sectors saw an increase of over 600 enterprises (+75%) – although many will be small
 - **information and communications** saw a growth of 390 (+96%)... while other sectors have been almost static
 - **retail** grew by 55 enterprises (+8%)
 - **manufacturing** increased by 35 enterprises (+9%)

Business numbers have been growing sharply in recent years

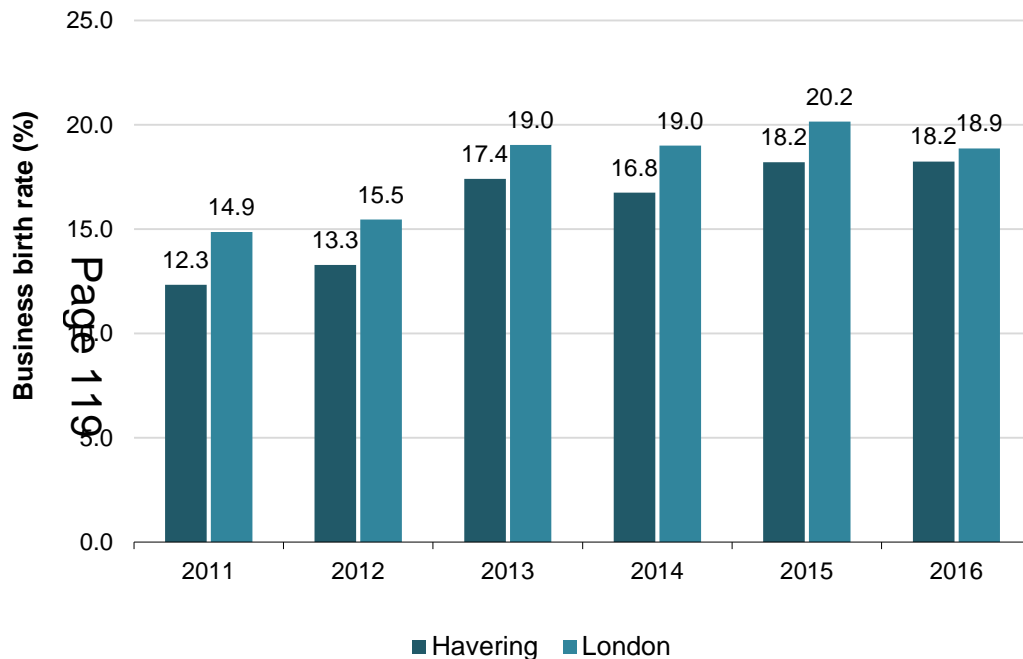
Total number of enterprises in Havering, 2010-2017

Page 118
Number of enterprises



Source: ONS UK Business Counts, 2010-2017

Havering has seen the growth of its business stock – and an enterprise process that is similar to London...



There were 1,850 business births in 2016

Overall pattern of growth and survival is similar to London:

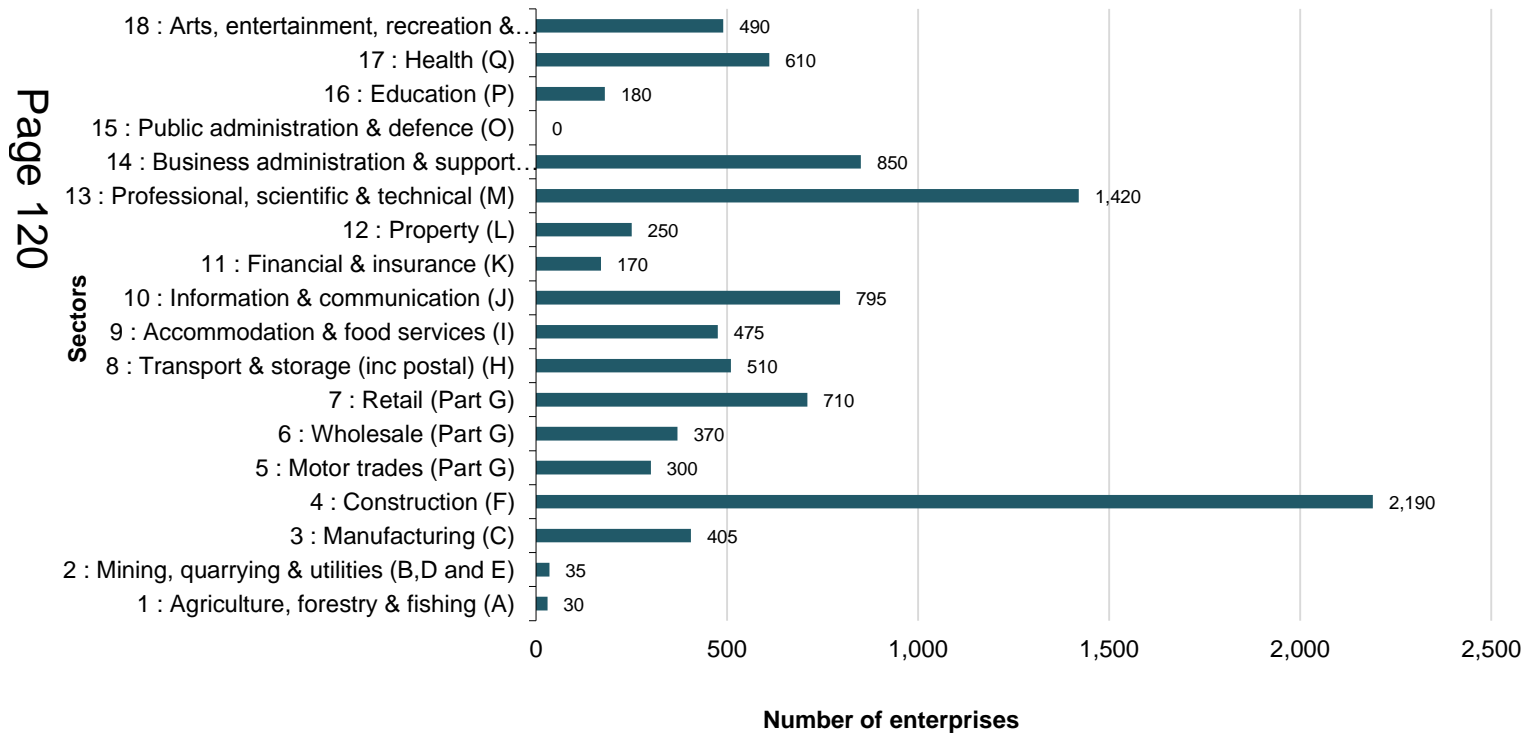
- business birth rate for Havering was 0.7 percentage points lower than London in 2016
- five year survival rate for businesses “born” in 2011 was 42.8% in Havering compared to 41.7% in London

Source: ONS Business Demography

The largest numbers of businesses are found in Construction; and Professional, scientific and technical

Sectoral profile:

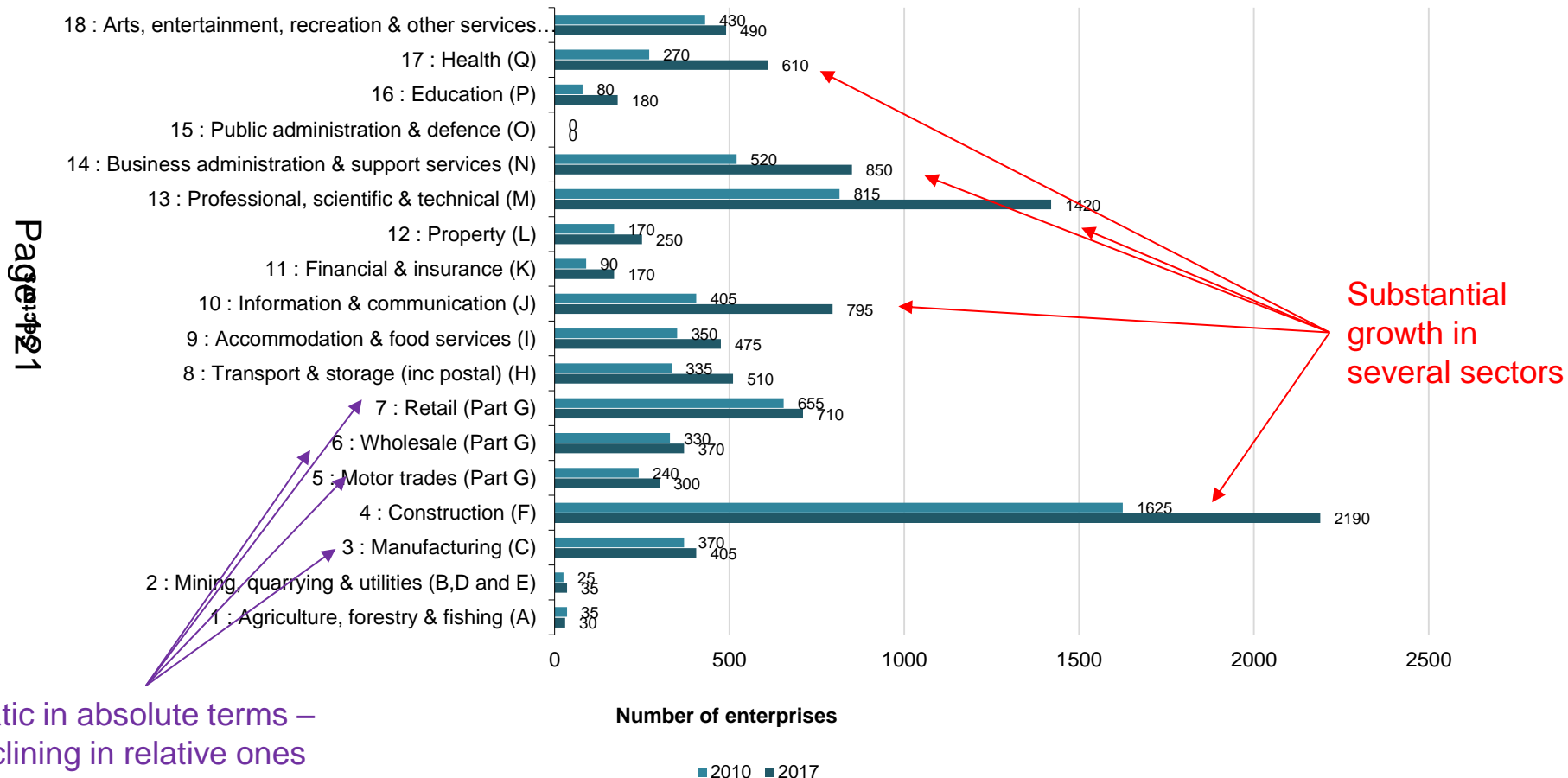
Sectoral distribution of enterprises in Havering, 2017



Source: ONS UK Business Counts – enterprises by industry, 2017

..but the sectoral distribution of enterprises seems to be changing substantially and in important respects

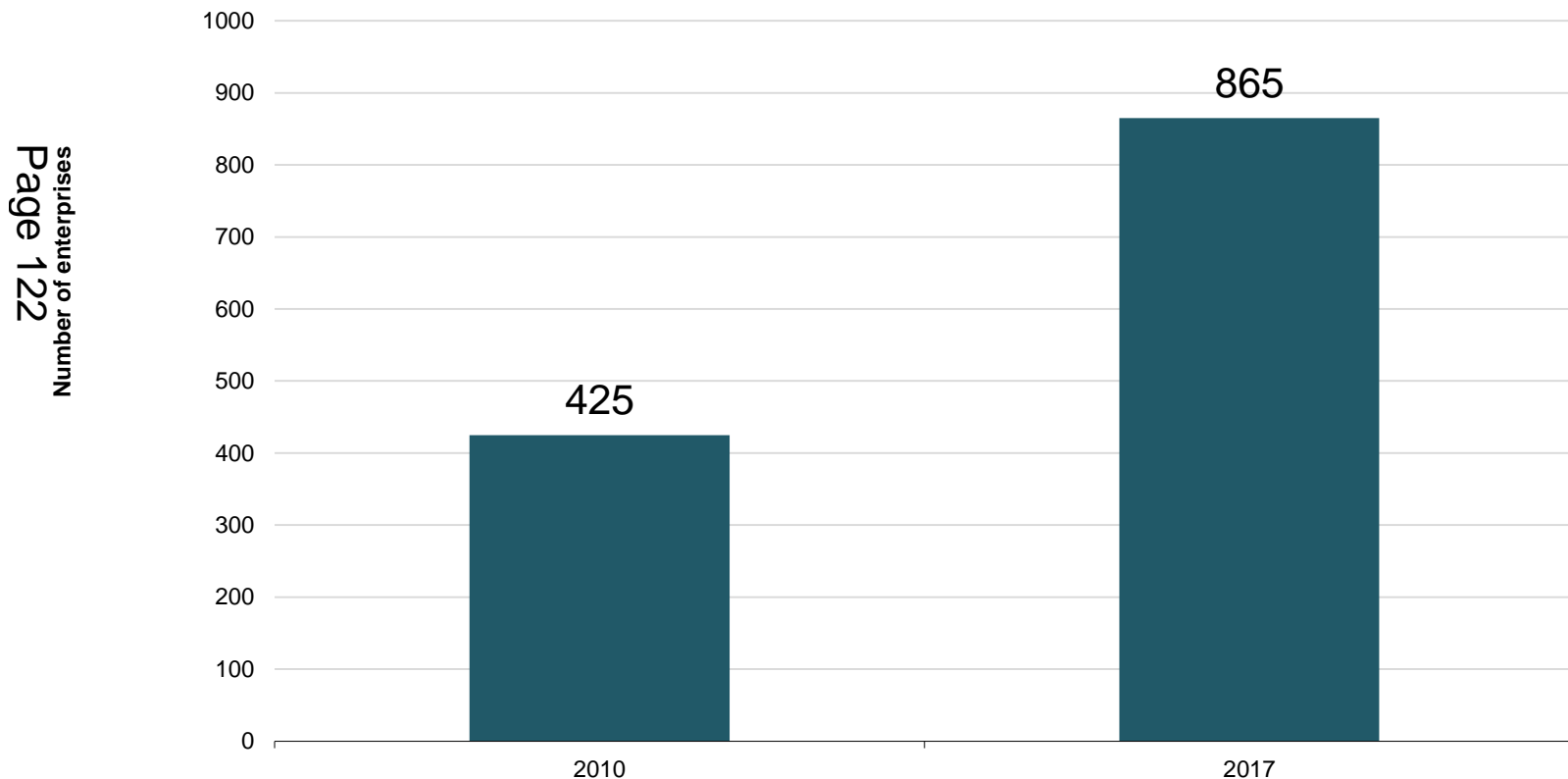
Sectoral distribution of enterprises in Havering, 2010 and 2017



Source: ONS UK Business Counts – enterprises by industry, 2010 and 2017

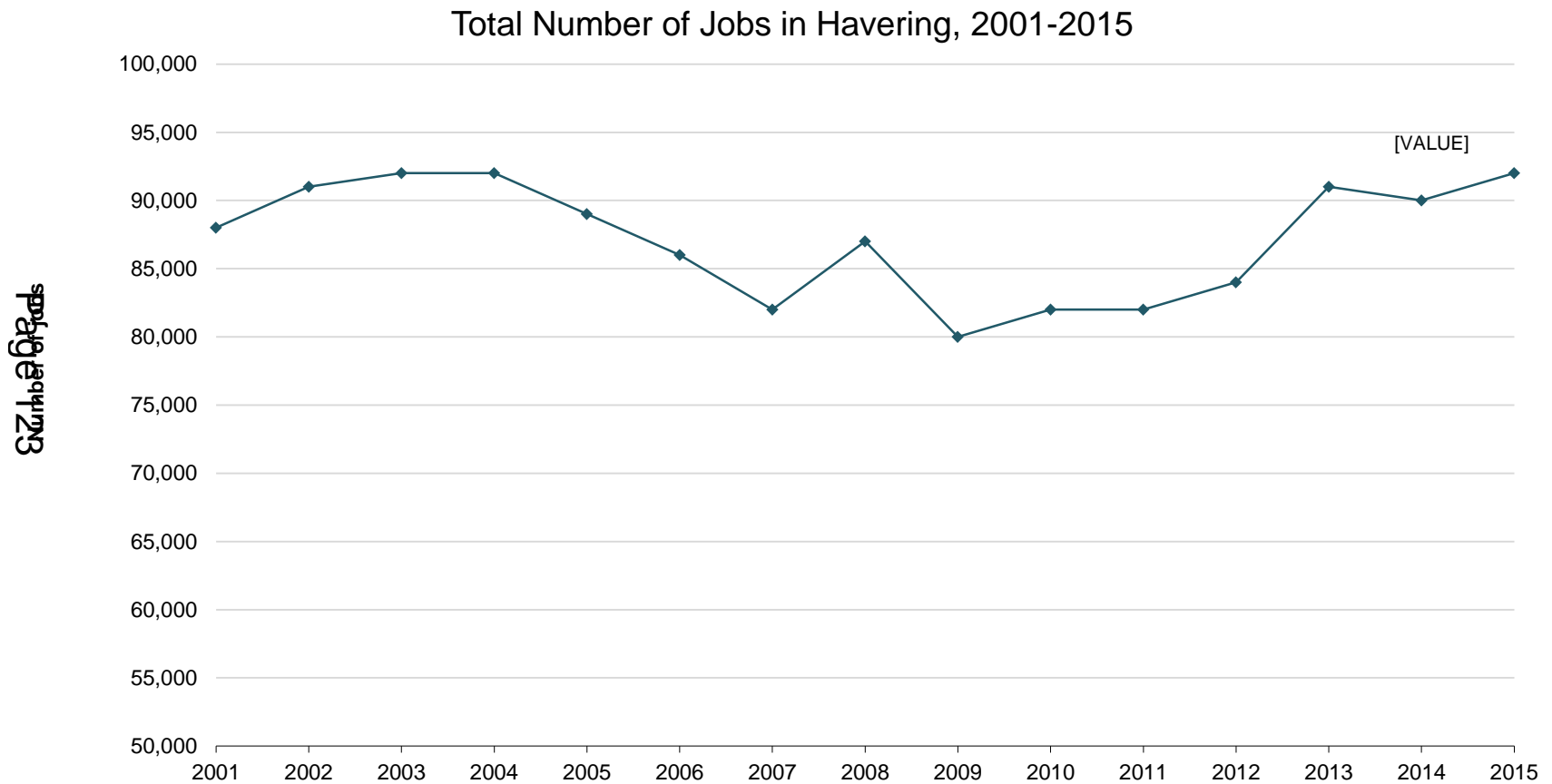
The creative sector (which cuts across the conventional sector classification on previous slide) has seen strong growth in business numbers – more than doubling its numbers

Total Enterprises in the Creative Sector in Havering



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Number of enterprises

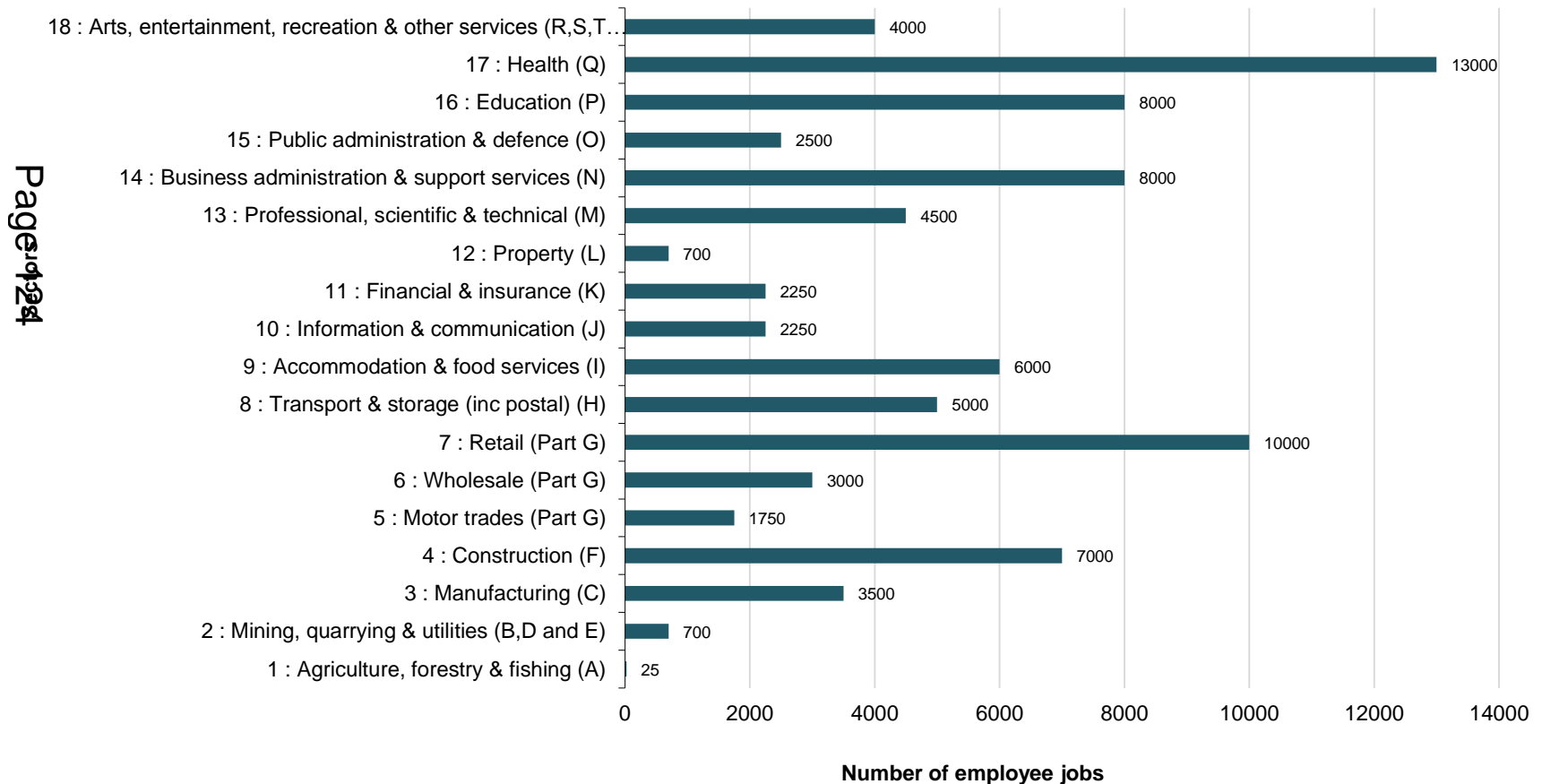
The total number of jobs in Havering has fluctuated over time, but is now back to its previous (2003-04) peak (though its population is bigger now)



Source: ONS Jobs Density, 2001-2015

The largest number of employee jobs by sector is found in Health; Retail; Education; and Business admin and support

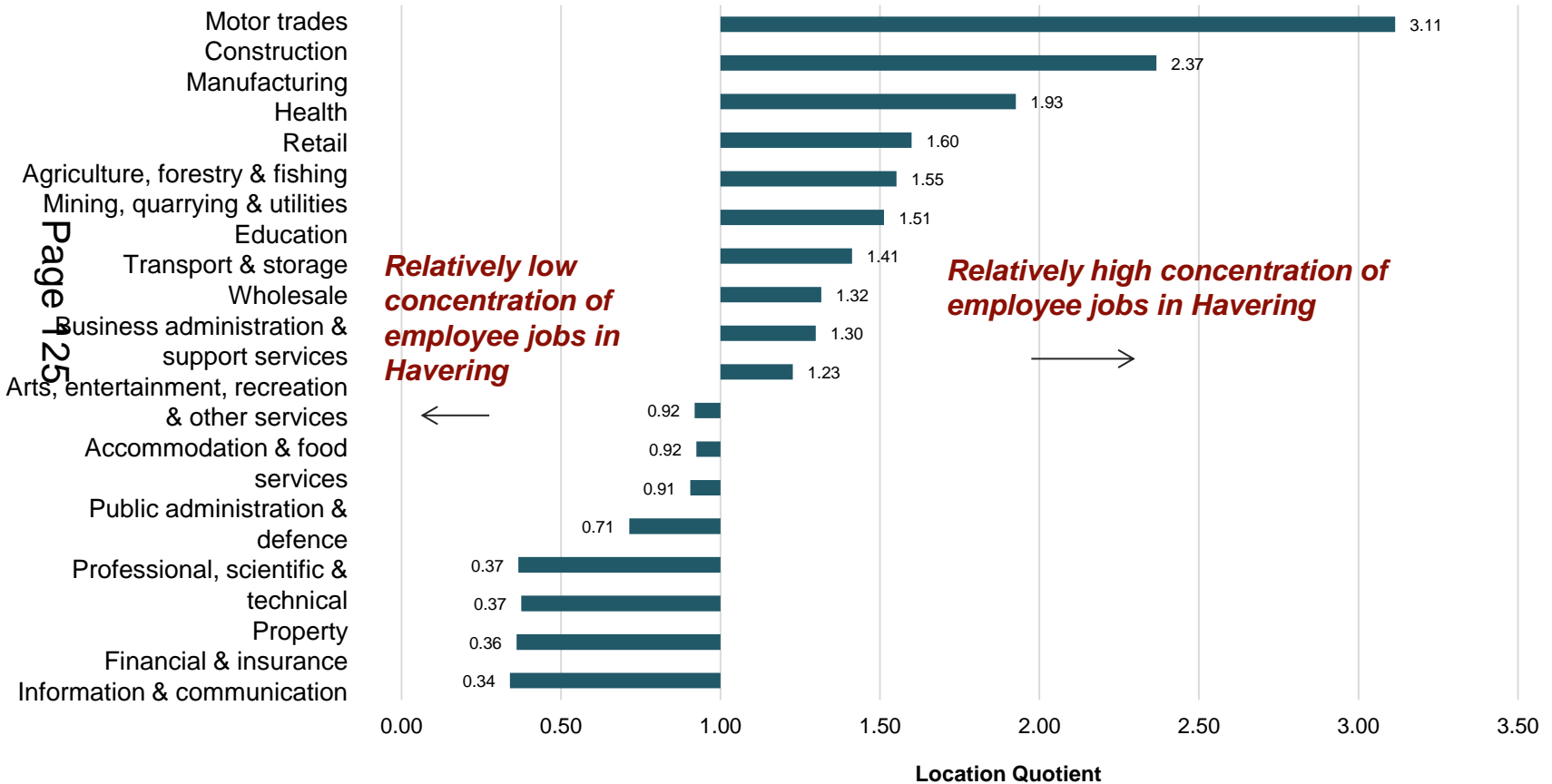
Sectoral distribution of employee jobs, 2016



Source: ONS Business Register and Employment Survey: open access, 2016

Location Quotients show how Havering's sectoral employment pattern compares to that of London in relative terms

Sectoral distribution of employee jobs, Location Quotient to London, 2016



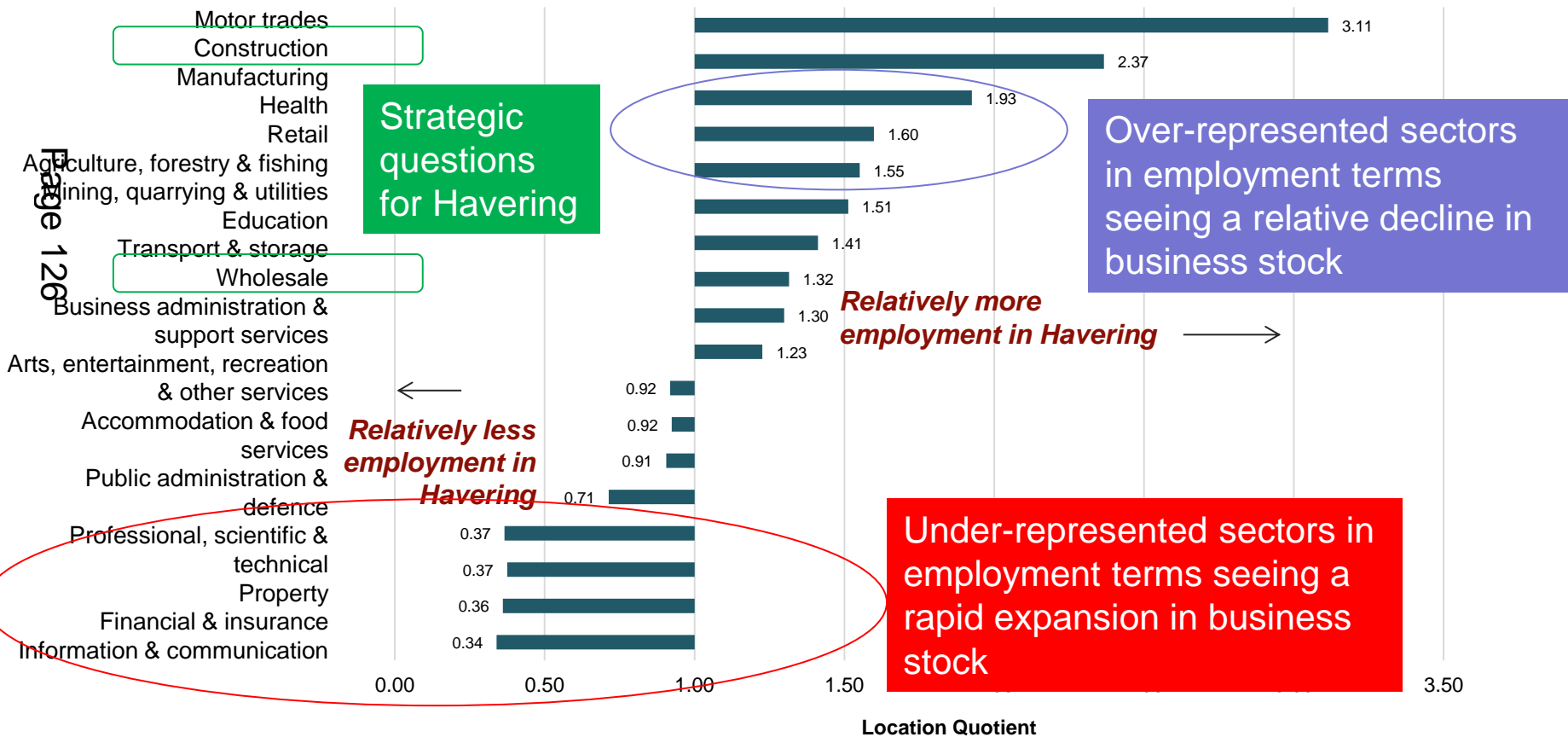
Relatively low concentration of employee jobs in Havering

Relatively high concentration of employee jobs in Havering



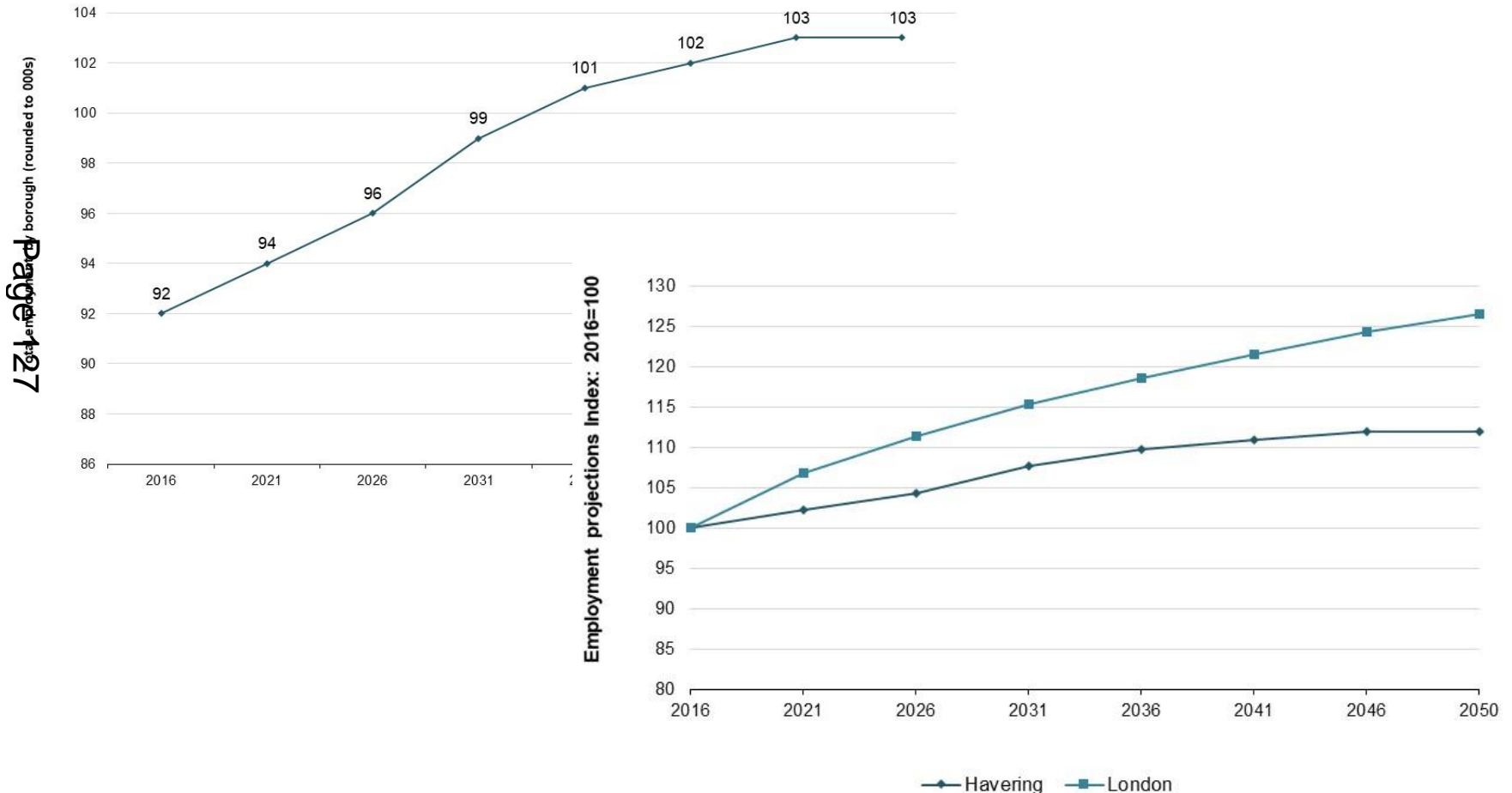
Putting the changing distribution of enterprises alongside the employment data points to some opportunities and challenges for the Borough

Sectoral distribution of employee jobs, Location Quotient to London, 2016



Looking ahead, steady employment growth is anticipated within Havering – but at a rate that is slower than for London

Total Employment Projections for Havering, 2016-2050

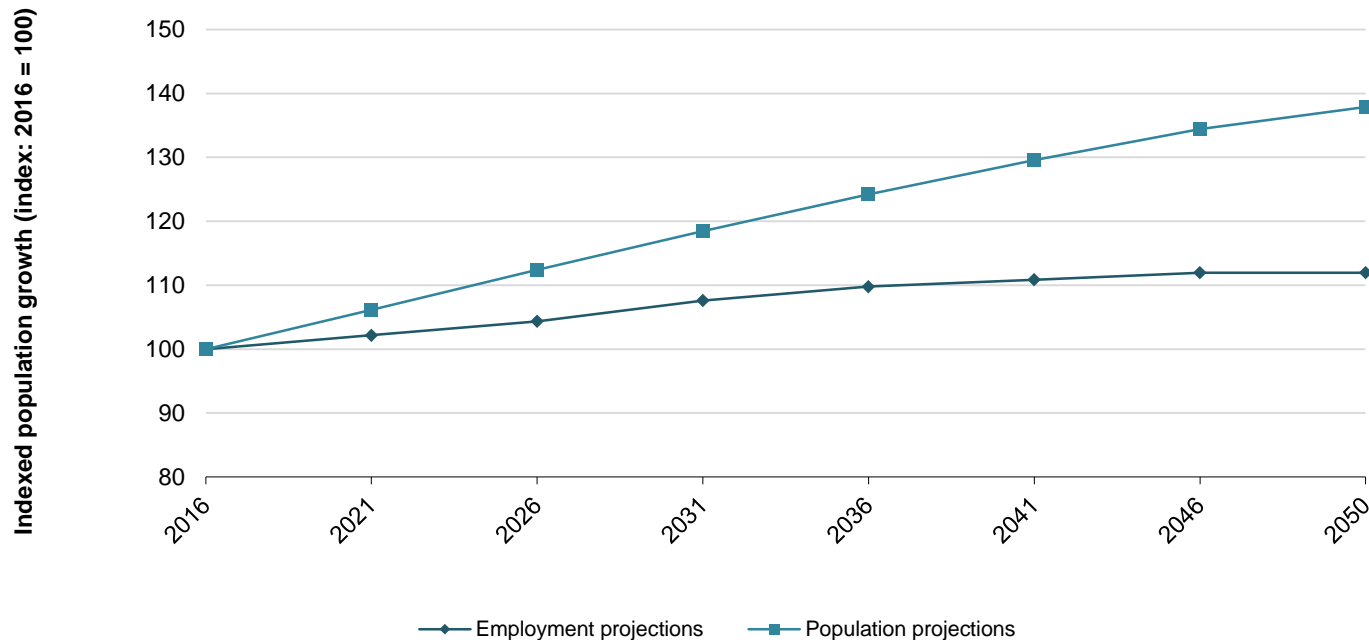


Comparisons between different GLA projections suggest that the Borough's population is projected to grow more quickly in relative terms than the number of jobs

...this means that the Borough's 'dormitory' function is expected to become more pronounced

Indexed population and employment projections for Havering for 2016 to 2050

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Source: GLA Population Projections, central trend, 2017-2050
 Source: GLA Employment projections for London by borough 2016-2050

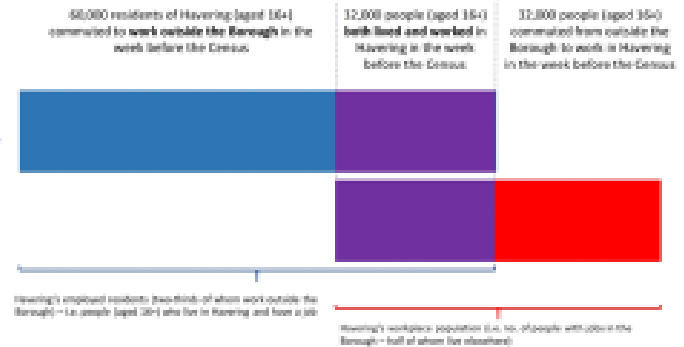
Havering's residence-based economy

Havering's residence-based economy: a snapshot

- Havering's working age population is **157,300** (Jul 2016 – Jun 2017, ONS Annual Population Survey)
- Of which:
 - 82% is economically active (compared with 78% in London and 78% in England)
 - 78% is in employment (compared with 74% in London and 75% in England)
 - 12% is self-employed (compared with 14% in London and 11% in England)

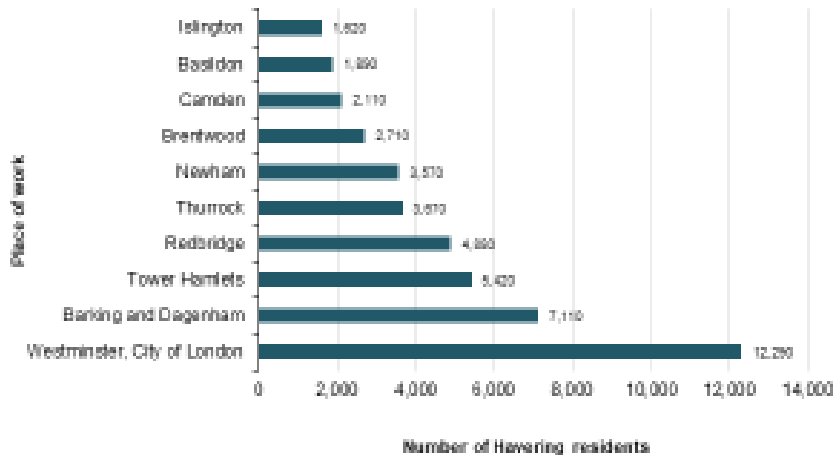
Havering residents exhibit two patterns of commuting behaviour: a) to neighbouring areas and b) to central London

Where are Havering's residents working?



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Chart showing top 10 locations for Havering residents aged 16+ to travel to work in the week before the 2011 census



The employment rate for Havering residents is consistently higher than for London

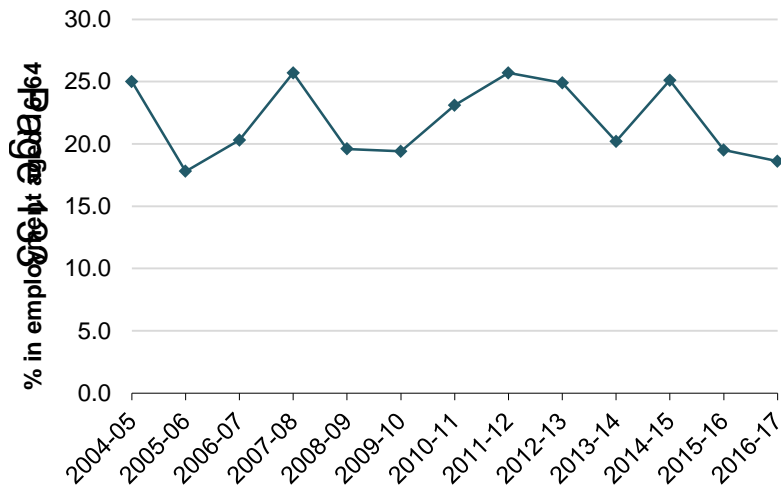
Employment rate: the number of people in employment expressed as a percentage of all people aged 16-64



Source: ONS Annual Population Survey

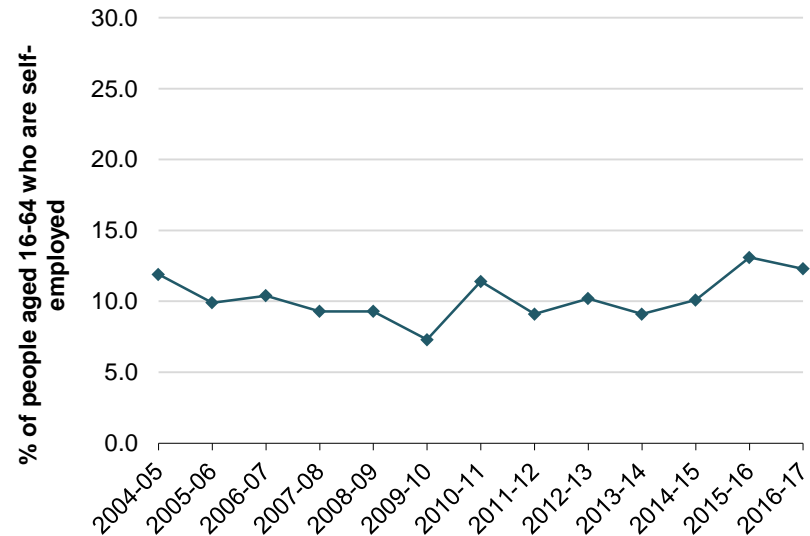
In Havering, around 20-25% work part-time, while 10-12% are self-employed

Part-time working (% in employment working part-time – aged 16-64)



Source: ONS Annual Population Survey

Self-employment (% in self-employment – aged 16-64)



Source: ONS Annual Population Survey

The single largest group of employed residents (20%) work in professional occupations

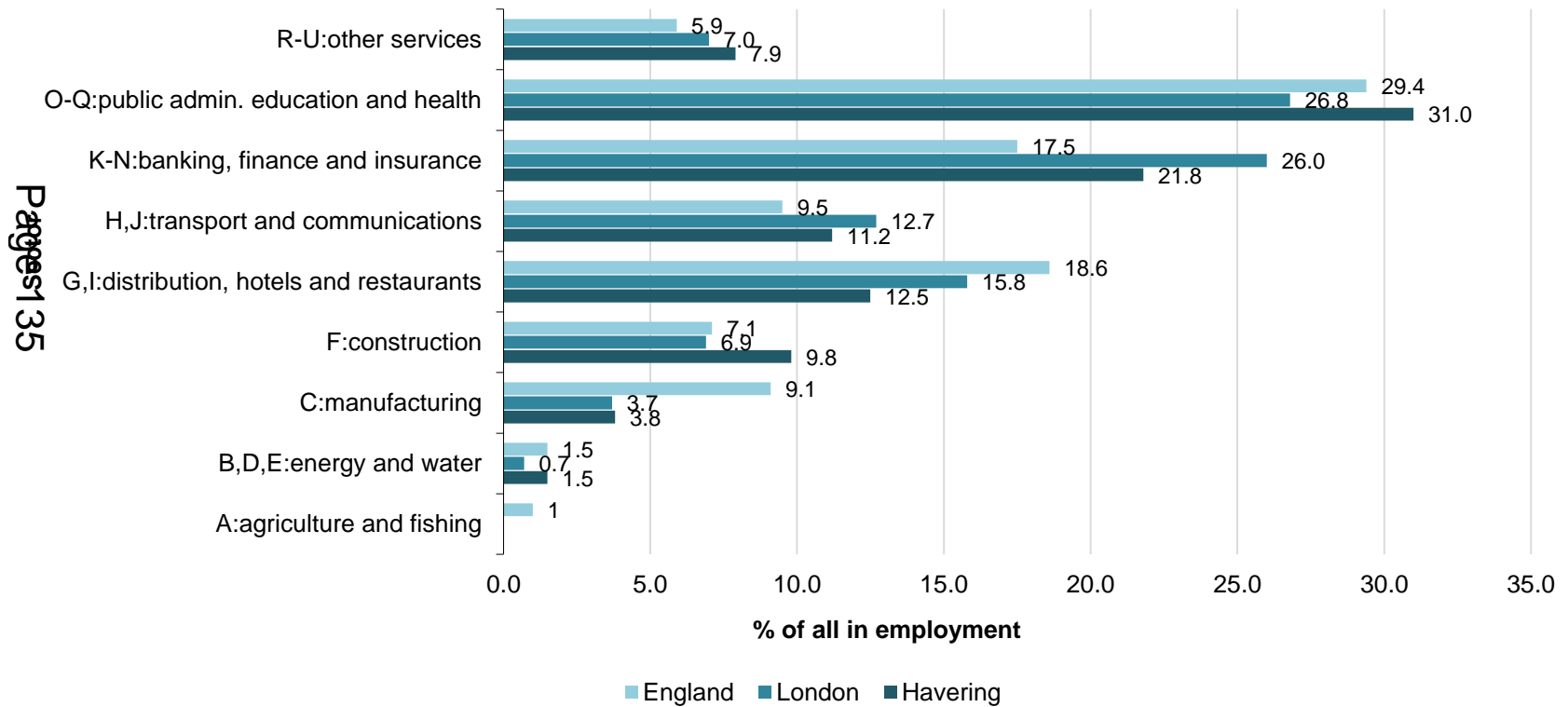
Occupation of all those in employment Jul 2016 – Jan 2017



Source: ONS Annual Population Survey

By sector, Havering residents are most likely to work in Public admin, education and health

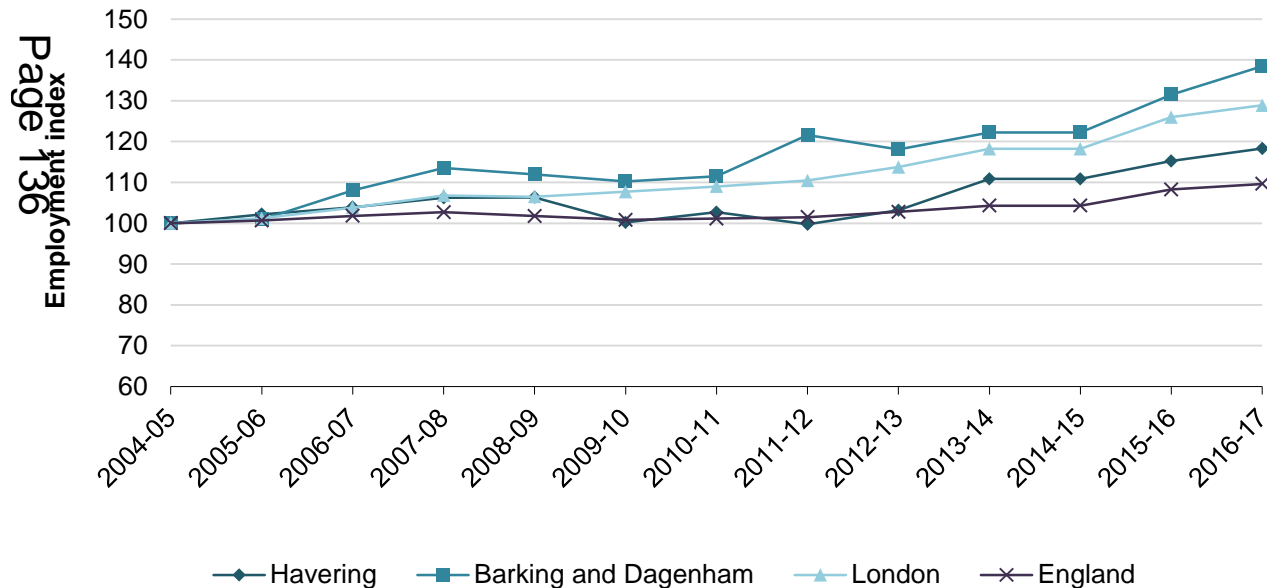
Employment by sector Jul 2016 – Jul 2017



Source: ONS Annual Population Survey

The Borough's employed population is growing – but more slowly than for London as a whole

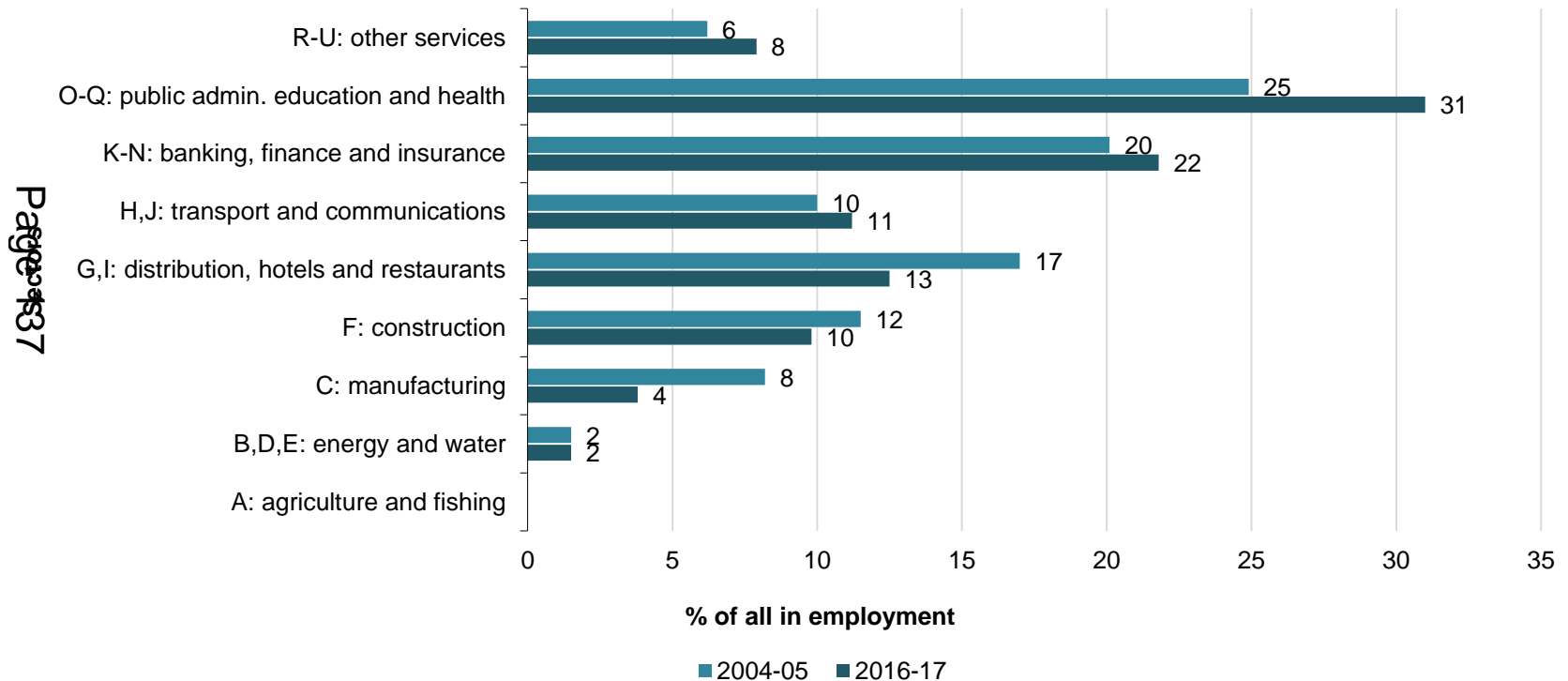
Index of total number of residents aged 16-64 in employment (index: 2004-05 = 100)



Source: SQW analysis of ONS Annual Population Survey

In just over a decade, the share of residents working in Public admin, education and health has grown, but it has declined in Construction; and Distribution, hotels and restaurants

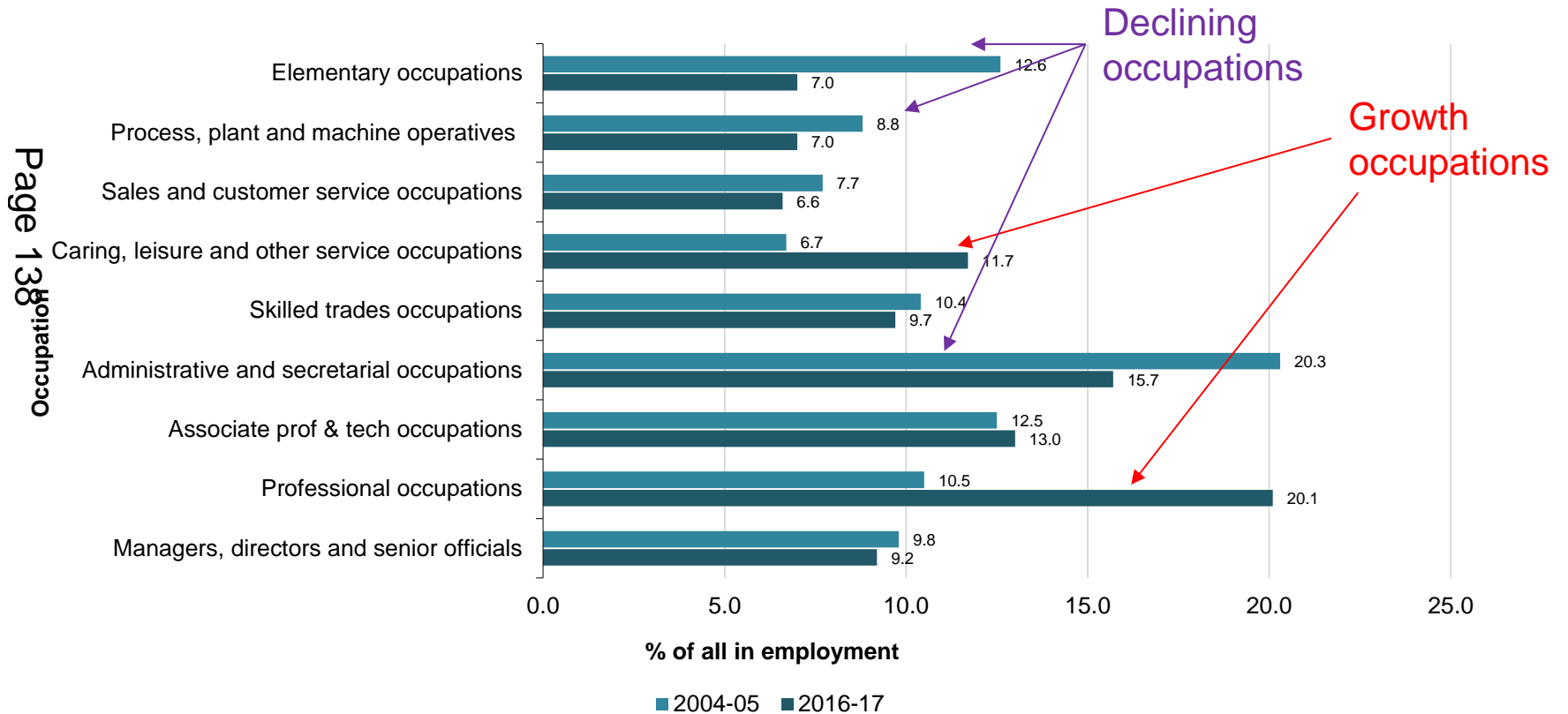
Changing sectoral structure of residents' employment



Source: ONS Annual Population Survey

The big shift in occupations (amongst residents) is the growth of professional occupations and caring occupations... and the demise of elementary, admin and process ones

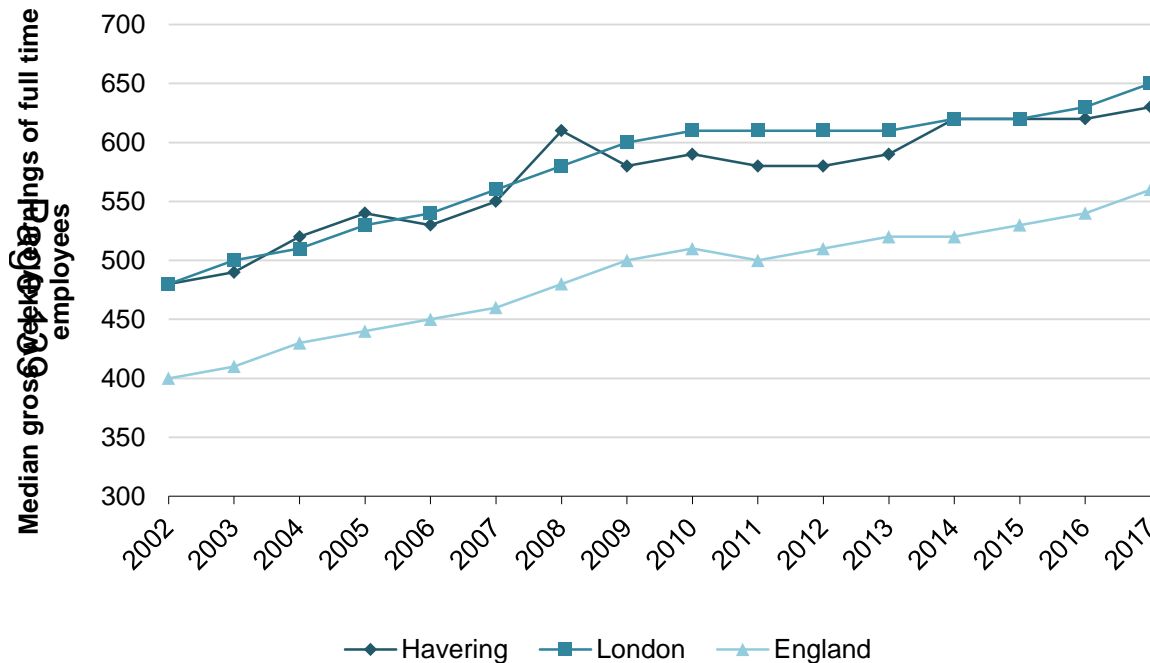
Changing occupational structure of residents' employment



Source: ONS Annual Population Survey

The earnings of residents have grown broadly in line with London trends in the 2000s

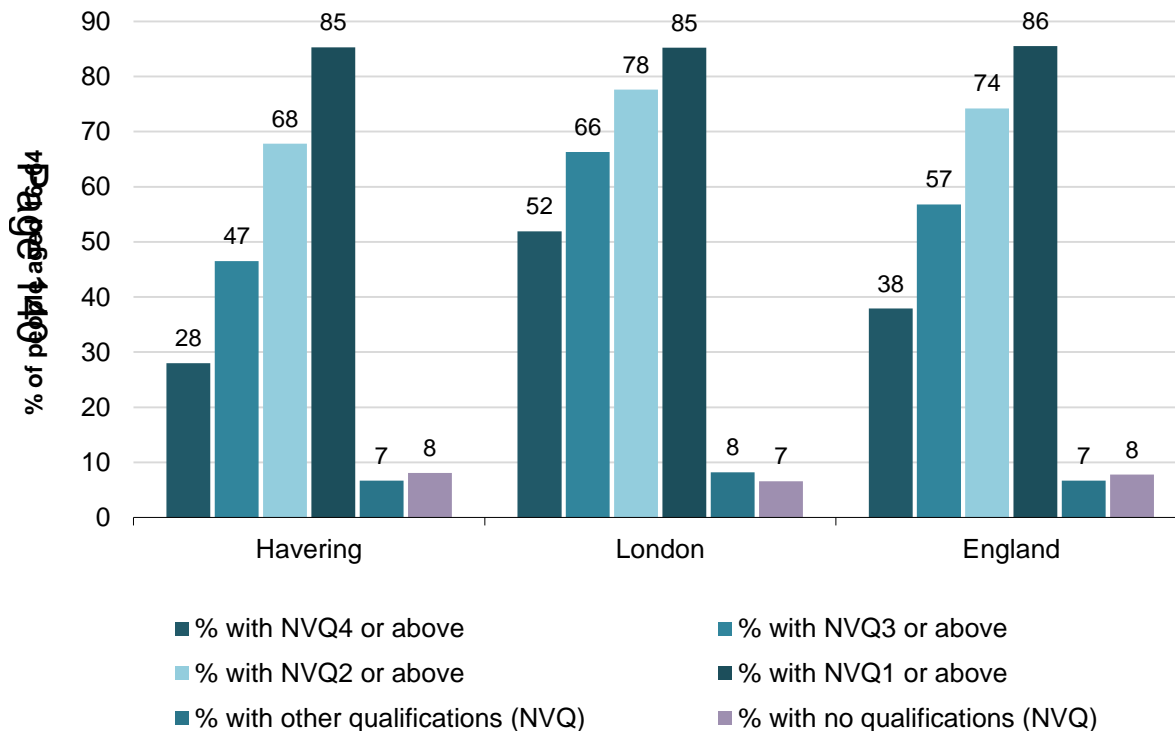
Chart showing median gross weekly earnings of full time employees for 2002 to 2017



Source: ONS Annual Survey of Hours and Earnings (Resident Analysis)

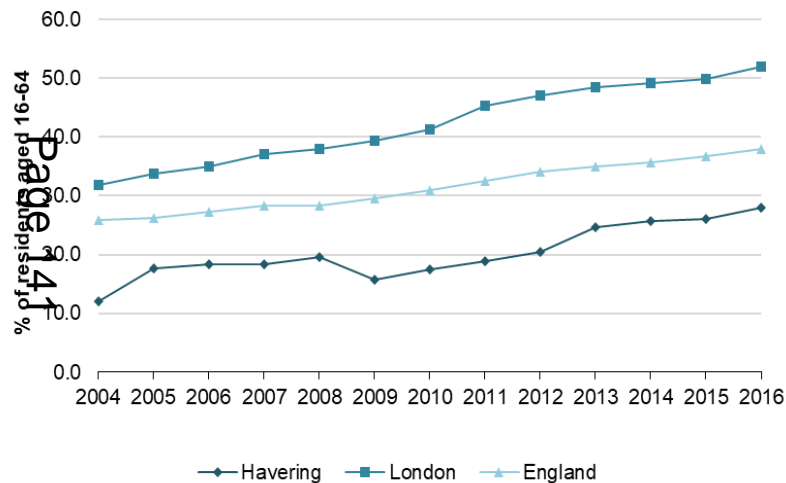
Havering residents tend to be less qualified than the English and London averages. The gap is especially wide at the NVQ4+ (degree) level: Havering is more than 20 percentage points behind the London average at that level

Qualification levels of residents aged 16-64 (in 2016)

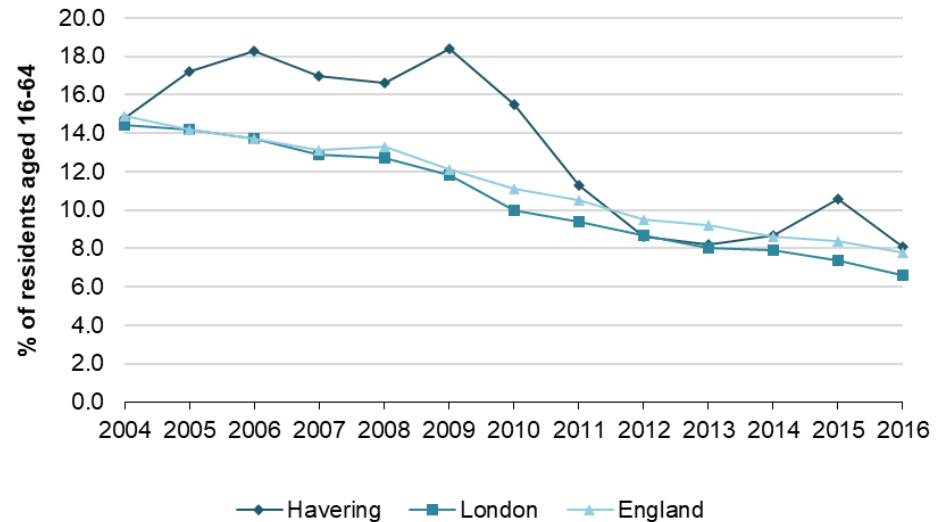


Havering's residents' qualification levels have been improving in recent years, at both the top and bottom end of the scale, at rates similar to those seen in London and England more generally

Residents aged 16 to 64 that have obtained NVQ4 or above



Residents aged 16 to 64 that with no qualifications



Source: ONS Annual Population Survey 2004 to 2016

Havering's students do better than the London average at KS2, perform much the same as London at GCSE, but fall behind at A Level, especially when comparing percentages achieving the highest A level grades

Attainment at the end of KS2 in reading, writing and mathematics, 2017

	% of pupils reaching the expected standard	% of pupils reaching a higher standard
Havering	72	11
London	67	11
England	62	9

Source: Department for Education, SFR69/2017: National curriculum assessments at key stage 2, 2017 (revised), published December 2017

English and Maths GCSE achievements, 2016/17 (Provisional)

	% of pupils entered for components	% of pupils who achieved a 9-5 pass	% of pupils who achieved a 9-4 pass
Havering	98	46	67
London	97	48	67
England	90	39	59

Source: Department for Education, SFR57/2017: GCSE and equivalent results in England 2016/17 (provisional), %s rounded to whole numbers, Oct 2017

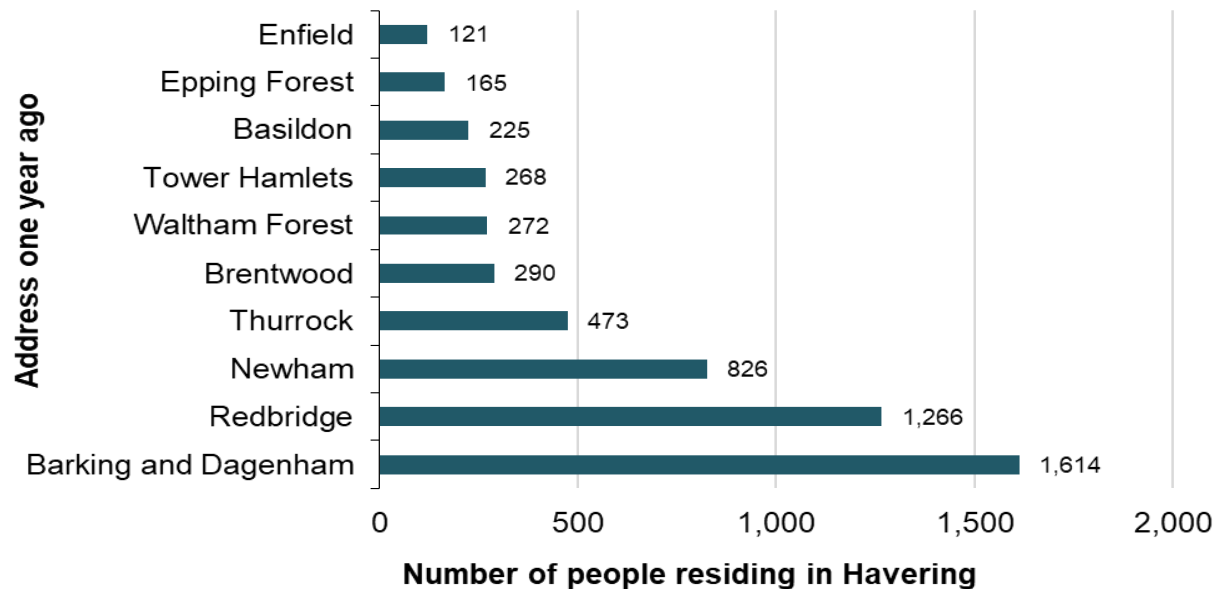
A Level attainment of all state-funded students at the end of 16-18 study, 2016/17 (Provisional)

	Average Point Score (APS) per entry	% of students achieving at least 2 A Levels	% of students achieving 3 A*-A grades of better at A level	% of students achieving grades AAB or better at A level
Havering	28.80	71	5	11
London	31.16	73	11	20
England	32.12	76	13	22

Source: Department for Education, A level and other 16-18 results (provisional): 2016/17 - Local Authority and regional level tables: state-funded schools and colleges, %s rounded to whole numbers, published October 2017

People who move to Havering tend to do so from neighbouring areas

Top 10 locations of the usual resident population of Havering who were living at a different address within the UK one year before the 2011 Census



Source: ONS 2011 Census, MM01CUK_ALL - Origin and destination of migrants by age (broad grouped) by sex

Some moved in from much further afield in the UK

Usual resident population of Havering who were living at a different address within the UK one year before the 2011 Census

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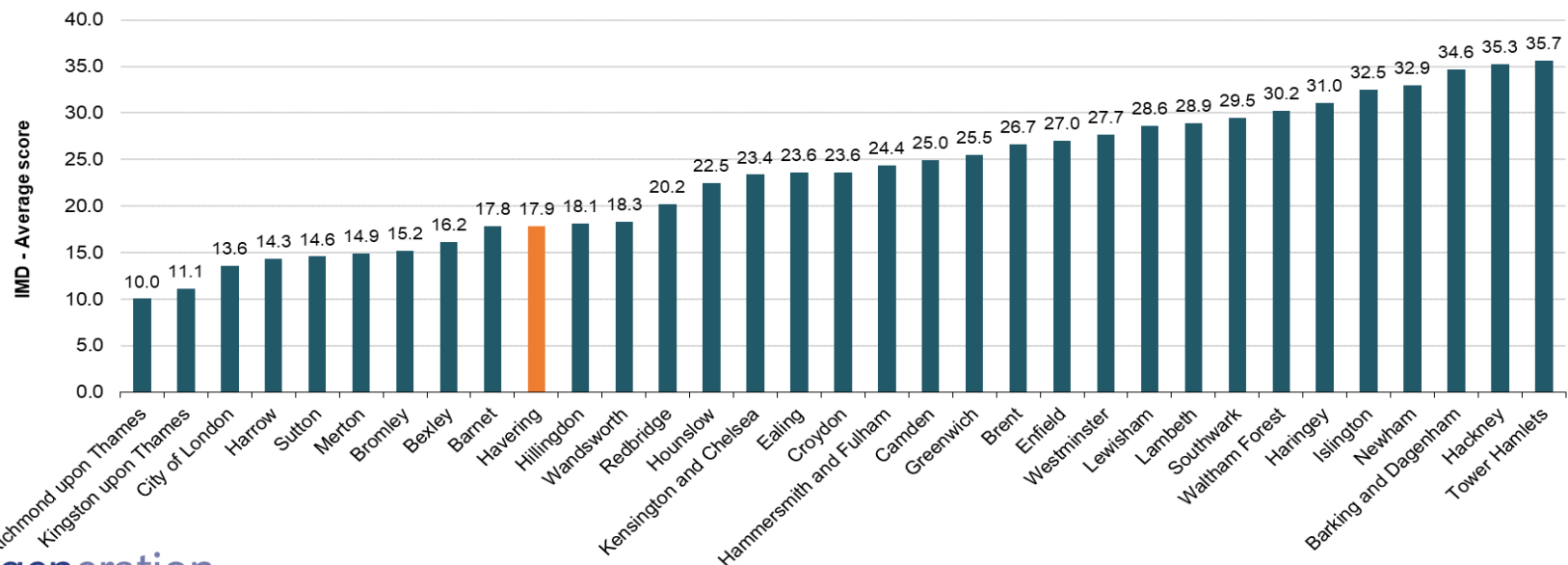
Address one year ago: region	Usual resident population of Havering
London (excluding Havering)	5,317
East	1,926
South East	452
South West	135
West Midlands	108
East Midlands	96
North West	89
Yorkshire and The Humber	79
Scotland	52
Wales	51
North East	21
Northern Ireland	6

Source: ONS 2011 Census, MM01CUK_ALL - Origin and destination of migrants by age (broad grouped) by sex

Havering is mid ranking on the overall Index of Multiple Deprivation

- Measured by 'rank of average rank', in 2015 Havering was the 166th most deprived borough out of 326 local authorities in England (In 2010 Havering was 172nd)
- Within the IMD, Havering scored less well on some domains:
 - Crime: rank of average rank - 59th
 - Education, Skills and Training: rank of average rank – 89nd
 - Income deprivation affecting children: rank of average rank - 102nd

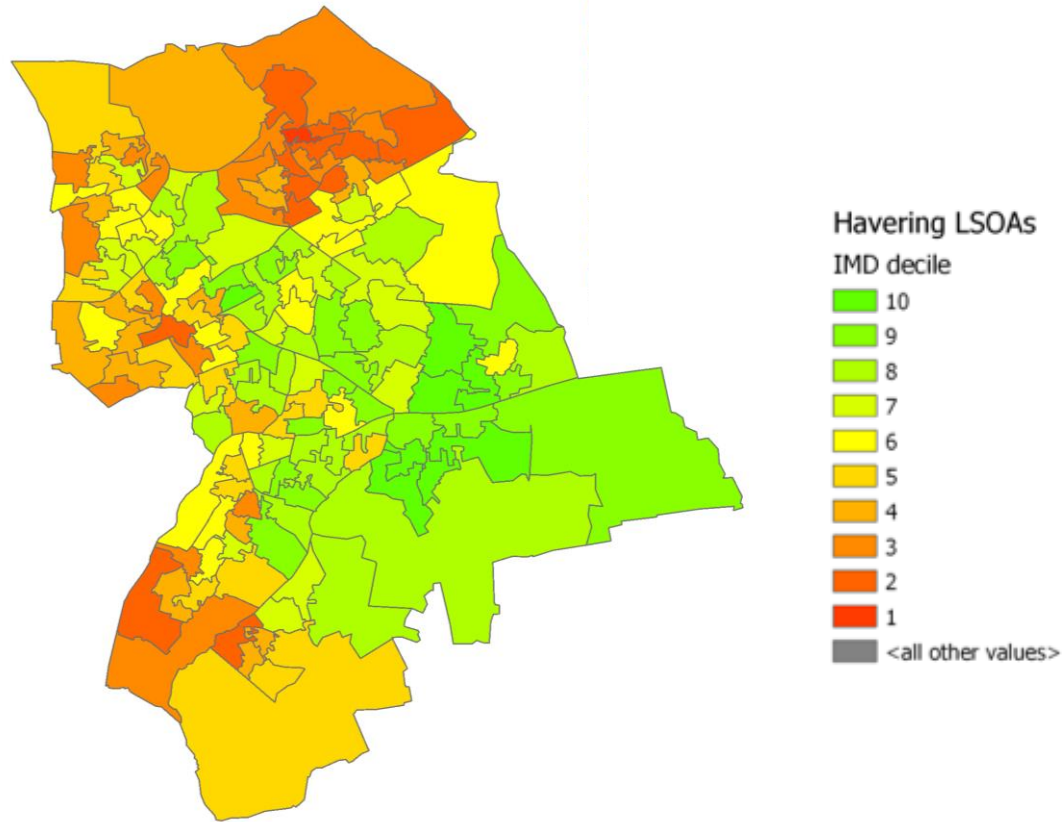
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Source: DCLG English Indices of Deprivation 2015 – Index of Multiple Deprivation

At a sub-Borough level, levels of deprivation are lowest in the central and eastern areas

Index of Multiple Deprivation 2015 in Havering by LSOA



Source: Produced by SQW 2018. Licence 100030994
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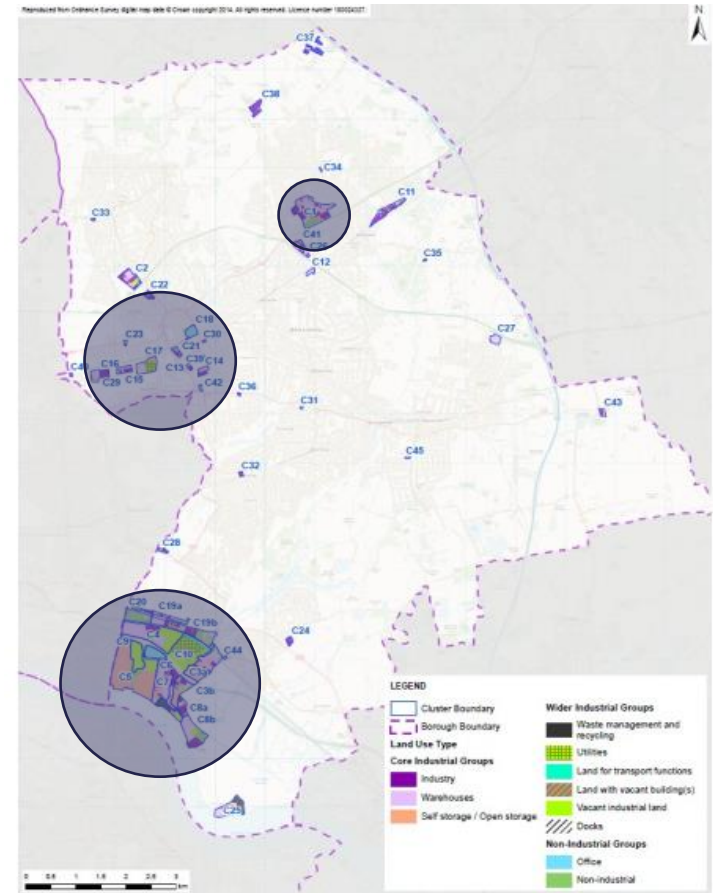
Source: DCLG English Indices of Deprivation 2015 – Index of Multiple Deprivation, IMD decile (where 1 is most deprived 10% of LSOAs)

Part II: Havering's places

Havering – Employment clusters (1)

- The majority of designated employment clusters are well functioning, predominantly industrial, clusters of employment land
- Most have good/ very good access to the strategic road network and are in adequate condition, being identified as either in “very good”, “good” or “average” condition
- The latest ELR identified 48 clusters comprising a total area of 442.8ha, with the amount of vacant land totalling 56.2ha.
- The majority of surveyed land was Strategic Industrial Land (320.6ha)

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Source: URS (2015)

Havering – Employment clusters (2)

The table below shows designated land in the three key clusters identified in the Borough:

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Clusters	Industrial (ha)	Warehouse (ha)	Open storage (ha)	Vacant industrial (ha)	Office (ha)	Non industrial (ha)
Rainham Riverside	28.9	47.1	72.8	29.6	7.3	35.5
Romford	7.4	10.3	2.7	0.8	0.0	1.2
Harold Hill	11.6	11.2	1.6	0.0	0.0	5.9
Total	47.9	68.6	77.1	30.4	7.3	42.6

Source: Estates Gazette (EGi) data

The Borough-wide observations from Part I relate to different “places” within Havering

- Sectors with rising business numbers but relatively low employment shares (e.g. science & tech, information and comms, financial (and creative)):
 - are usually office-based and/or focused on informal working spaces
 - value ‘buzzy’, town-centre, environments which are well-connected by public transport
 - employ highly educated workers

Currently, Romford accounts for most of the Borough’s office space and it is the main urban centre

Sectors with large employment shares (by London standards) but stagnant business numbers (motor trades, manufacturing, construction, some wholesale/ distribution) may:

- need industrial/ warehousing space
- employ workers with mixed levels of skills

Currently, Rainham Riverside is a key location, with Harold Wood/Hill as a secondary centre

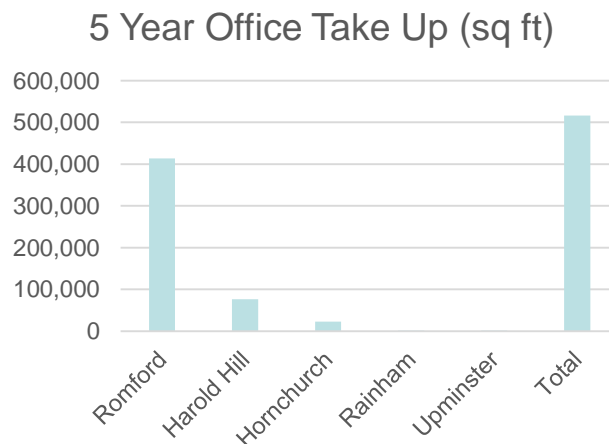
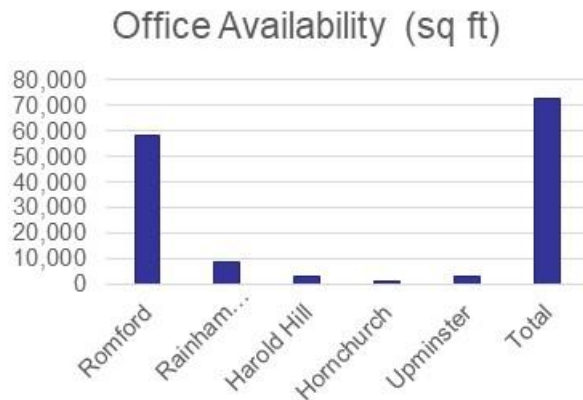
- Retail is under some pressure, and the sector is changing quickly

Town centres are the principal locations

Office space and Romford

Property market perspectives: Office space

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- Romford is the principal focus
- Rents are relatively low – but the quality of provision is not good and vacancy rates are high
- Employment Land Review states that:
 - new, flexible space for smaller businesses is required
 - key gap in provision is in affordable and flexible serviced office accommodation to meet the needs of start-up companies
 - Council wants new developments to include 20% affordable workspace

Office space: additional property market analysis (1)

Evidence from Estates Gazette (and other sources) suggests that:

- The majority of office space is located in Romford (28 units)
 - The Romford Office Quarter has good access to facilities and amenities, public transport, the strategic road network, and good parking facilities
 - Relatively high vacancy rates suggest that demand for the type of units is declining – although there may be some opportunities associated with expansion of Crossrail
- Page 153
- Average asking rents (Romford) are c. £14 psf
 - The Total Office Availability in Havering is c. 72,500 sq ft in 43 units with an average unit size of 1,680 sq ft
 - There are 11 units in Rainham Riverside (mostly in CEME – 9 units)
 - All of the recorded units are second hand space showing an ageing office stock, which once vacant proves difficult to re-let given that characteristics may no longer appeal to modern occupiers

Office space: additional property market analysis (2)

- Take-up rates of office floorspace in Havering has been slow in recent years
- Where demand exists, good quality premises are required with good links to public transport and amenities
- Over the last 5 years:
 - 60 office deals recorded, or about 516,000 sq ft of offices – average of 100,000 sq ft per annum
 - 50 of these transactions occurred in Romford (415,000 sq ft)
- There were some transactions in Hornchurch, Harold Hill, Rainham and Upminster with average achieved rents of £11.50 psf
- Average achieved rents are recorded at £15.50 psf in Romford with majority of transactions done at c.£13 psf.
- The projected growth in office floorspace is mainly attributed to ongoing demand for space within Romford Town Centre, and to a lesser extent demand from SMEs for smaller units in Romford

Romford – other information

- Romford Town is the ward with the fastest-growing population in the borough
 - It has grown from 15,900 in 2011 to estimated 18,700 in 2015
- Romford Town residents more likely to be of working age than average in borough
 - 67% of population of working age, median age 35 in 2013 (vs 62% and 40 for Havering as a whole)
- Romford has historically been a major retail/ entertainment/ office centre for east London/ Essex
- Well-connected by public transport
 - Public Transport Accessibility Level (PTAL) score 4.2, vs 2.5 for Havering
- Draft London Plan indicates that Romford town centre will accommodate 5,000 new homes and 500 new jobs (it is rated as having high commercial and residential growth potential). Romford was designated as a Housing Zone in 2016.

Havering Local Plan's ambitions for strengthening Romford's role as a metropolitan centre

- The Council will support development proposals within the town centre boundary that:
 - Reinforce South Street as the main shopping street and spine of activity in the town centre
 - Diversify and improve the quality of the retail, cultural and leisure offer that contribute to the daytime and evening economies;
 - Provide new modern retail units or refurbishment of existing retail units
 - Positively transform the Market Place into a high quality civic space, accommodating a reconfigured, successful and vibrant market with a re-imagined public space and an enhanced retail and restaurant offer;
 - Create a vibrant mix of commercial uses adjacent to the station;
 - Accommodate mixed uses, with residential and commercial space provided above ground floor level where this does not prejudice the operation of the ground floor for retail and town centre activity;
 - Provide new, fit for purpose office development as part of mixed use schemes
 - Provide affordable office accommodation within or funded by new commercial and mixed use developments.

Havering Local Plan: Assets to be delivered in Romford by 2031

- Romford Leisure Centre
- New and enhanced public open spaces
- New health hub
- Additional school places in line with the Council's Commissioning Plan and Schools Expansion Programme over the Plan period (Existing schools within the area are already at full capacity)
- Additional primary school provision
- A 6/8 FE secondary school in the second phase of the Plan period (5-10 years)

Romford: nightlife/ entertainment/ culture

- Romford was traditionally a centre of nightlife for Essex/ east London
- Council clamped down on it through licensing laws to tackle anti-social behaviour
- Local Plan aims to ensure developments in Romford meet the needs of the area while encouraging cultural and community-led activities
- Assets include:
 - Brookside Theatre – 140 seat studio theatre
 - Havering Museum
 - Made Public – a Community Interest Company (formerly known as Romford Contemporary Arts Programme) organises cultural projects “that aim to revitalise the community and showcase home-grown creative talent”

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Romford: leisure offer

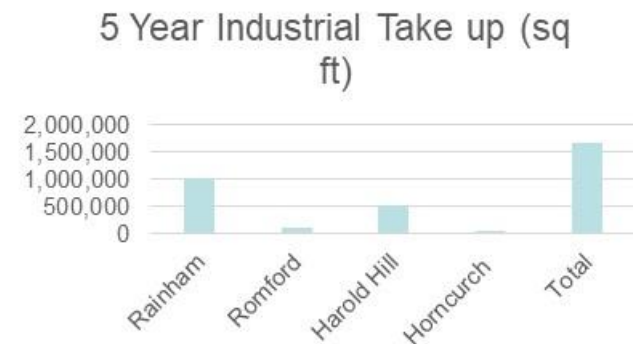
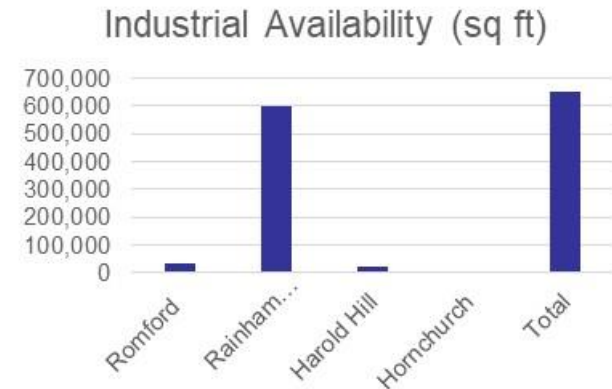
- Local Plan notes that the current provision of restaurants and cafés is quite basic, serving a budget and youth market. Provision concentrated in South Street and the Brewery.
- Market Place not fulfilling its potential in this respect, but could be a 'key civic space' in the borough. Currently hampered by extensive provision of surface car parking
- River Rom is underused asset – new cycle/ pedestrian link proposed
- Some innovative activity:
 - > The Retailery – a business incubator “with a twist” - restaurant start-ups on ground floor, office-based start-ups on first floor

Industrial space and Rainham Riverside

Property market perspectives: Industrial space

- Rainham Riverside accounts for much of the Borough's industrial space
- Market dominated by lower grade space – but there is much demand for larger facilities
- Strong demand for B8 space along the A13 Corridor

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Source: Estates Gazette data

Havering industrial land: more details (1)

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- Demand levels for industrial premises are stable, having experienced a fall at the onset of the economic downturn
- Although new high-quality premises have recently been built, second hand stock dominates the market at present
- There is a shortage of large distribution facilities or available land to build such premises, meaning that when demand for such premises arises, occupiers have to look elsewhere

Havering industrial land: more details (2)

Evidence from Estates Gazette data indicates that:

- Currently, there are 653,000 sq ft (31 units) of mixed industrial space recorded on the market in the Borough
 - These are mainly large units – average size of 21,000 sq ft per unit.
 - 21 units (596,000 sq ft) are located in Rainham Riverside
 - 4 units are available in Harold Hill (19,500 sq ft)
 - Asking rents are c. £7-8 psf for lower grade space and c.£12psf for high spec.

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The vast majority of these units are second hand, but

- Three industrial units are marketed as newly refurbished – two units at the Thamesview Business Centre in Rainham and 1 unit at Rodwell Hosue, Hornchurch.
 - There is a Design & Build opportunity available at Ferry Lane – Avocet Distribution Park
- There were 145 industrial transactions (2,062,200 sq ft) recorded in the last 5 years translating to an average take-up of 412,440 sq ft per annum.
 - Most is in Rainham Riverside – 87 units/ c.1m sq ft (c.204,000 sq ft a year)

Rainham Riverside – observations

Our overall observations:

- Some strengths – strong demand for B8 space all along the A13 corridor from firms displaced elsewhere in London
- Designated as Strategic Industrial Land (SIL), a Business Improvement District (BID) in place
- CEME innovation centre is full, but not much grow-on space
- Some big employers have assets there – Ford, Tesco – but no big plots unspoken for at this stage
- Barking & Dagenham’s plans for its part of Riverside seem more advanced; LBBD wants to push its ‘dirty’ industries out of the borough (possibly into Havering)
- Part of biggest development area in London currently: Housing Zone to take 3,500 homes, mostly on large sites in Rainham and Beam Park Strategic Development Area
- But mostly low-level industrial uses – warehousing and storage, car breaking and repair, waste and recycling, food production and distribution. These serve London-wide market
- Some landowners (e.g. Rainham Steel) taking a long-term view, presumed to ultimately want their land to go for residential

Retail in town centres

Retail space in town centres

- Romford is the principal focus for retail in Havering
 - ranked as the 45th most important centre in the UK
 - challenging position in the overall retail hierarchy
- Outside Romford, provision is dominated by independents serving local customers

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Town Centre	Footfall Q3 2017	Number of outlets	Vacancy rate	% A1 use	% multiple	% independent	Rents
Romford	4,142,674	410	8.5%	67%	55%	45%	£22.50-£30 psf
Hornchurch	909,566	190	7.9%	47%	41%	59%	£17-19 psf
Upminster	474,006	178	5.1%	56%	26%	74%	£20-25 psf
Elm Park	627,739	122	7.4%	66%	21%	79%	
Collier Row	234,795	77	7.8%	56%	32%	68%	£20-25 psf
Harold Hill	645,409	70	5.7%	76%	35%	65%	£20-25 psf
Rainham	311,280	43	4.7%	44%	22%	78%	

Retail property – further details

- The majority of available retail floorspace is located in Romford town centre, which also has the highest take up
- Data from Estates Gazette (EGi) suggest that rental levels vary:
 - Average rents in Romford: c. £22.50-£30 psf
 - Elm Park and Rainham transact at £15-£17 psf
 - Rents in Hornchurch: c. £17-£19 psf
 - Evidence shows rents at Upminster, Collier Row and Harold Hill to be low to mid £20s perhaps due to constrained supply.

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	Average unit size (sq ft)	Average Annual Take Up(sq ft)
Romford	6,194	147,416
Hornchurch	1,442	1,730
Elm Park	1,123	4,493
Rainham	1,088	870
Upminster	874	3,145
Collier Row	1,190	5,473
Harold Hill	513	616

Romford's retail offer has been strong but faces challenges

- Romford is 'retail-heavy' as an economy, but faces increasing competition from likes of Stratford Westfield and Lakeside. Local Plan recognises upgrades to retail offer are needed.
 - Town centre data suggest Romford has 410 outlets attracting 4.1m visitors (q3, 2017)
 - Romford is the only town centre in Havering in which multiples make up majority of shops (55%)
 - Romford's retail offer ranked 4th in outer London (behind Kingston-upon-Thames, Croydon and Bromley) and 45th in the UK on Javelin Group's Venuescore (although score has declined by 5% since previous year)
- South Street is integral to town but includes many value retailers and small units. The Brewery forms an important part of the retail offer within Romford, but 'turns its back' on the centre.

Other town centres

- Apart from Romford and Rainham, they are:
 - Hornchurch
 - Upminster
 - Elm Park
 - Colliers Row
 - Harold Hill

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- Hornchurch is much the most visited of other town centres (after Romford), though it has only a few more outlets than Upminster. All the town centres have a majority of independent shops.
- Local Plan “*The vitality and viability of the borough’s town centres is under pressure due to changing shopping patterns and competition from shopping locations outside of the borough*”

Other town centres: culture and leisure assets

- Hornchurch

- Queen's Theatre (500 seat producing theatre). Reported to have raised its game in recent times
- Fairkytes Arts Centre (community arts centre)
- Langtons House and Gardens
- Sports Centre

- Upminster

- Upminster Windmill, Tithe Barn Museum of Nostalgia

- Havering bidding for London Borough of Culture in 2020

District centres – key issues

Our overall observations:

- Low level of “multiple” outlets – high proportion of independent traders
- Low rental and capital levels
- Variable vacancy rates
- Very low levels of new / redevelopment – viability challenges, even for mixed use schemes
- Few new development sites / opportunities
- Poor quality retail offers and physical environments
- Established patterns of retail on ground floor and residential above, making redevelopment difficult
- In some cases main catchment is relatively low income areas

Some district centres have a wider role...

- Centres with good accessibility and a wider retail / leisure / business role e.g. Upminster, Hornchurch & Elm Park
- Retail – maintain mix of uses, unit sizes and quality
- Leisure / food & drink – concentrate on breadth of offer
- Explore flexible business space offer
- Examine better ways of using “upper floors”, and identify in-fill development opportunities where possible
- Look at mixed use schemes with a combination of business / retail / leisure and residential uses (refurb & new)
- Carefully consider buildings of architectural value and potential for conversion / refurbishment
- Potential for increased density “hubs” around the station - decked parking and redevelopment areas

...while some have a more local role

- Centres with “poor” wider accessibility e.g. Harold Hill and Collier Row
- Retail – maintain mix of mainly independent uses, unit sizes and quality
- Leisure / food & drink – concentrate on broadening offer
- Look at bringing other uses into surplus residential accommodation - particularly flexible business space
- Examine better ways of using “upper floors”, where not in residential use and consider in-fill development potential
- Link business activities around “communal” facilities - Library, Boxing Club, Youth Centre, Community Centre, Health Centre etc and develop links to HE / FE

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OVERVIEW AND SCRUTINY BOARD

24 November 2020

Subject Heading:

Update of the Council's Medium Term
Financial Strategy (MTFS) and budget for
2021/22

SLT Lead:

Jane West

Report Author and contact details:

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Finance Strategy Manager, oneSource
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The subject matter of this report deals with the following Council Objectives

Communities making Havering	[x]
Places making Havering	[x]
Opportunities making Havering	[x]
Connections making Havering	[x]

SUMMARY

Attached is the update of the Council's Medium Term Financial Strategy and budget for 2021/22.

RECOMMENDATIONS

The Board is requested to scrutinise the issues summarised within the report and take any action it considers appropriate.

IMPLICATIONS AND RISKS

Financial implications and risks:

None arising from this report

Legal implications and risks:

None arising from this report

Human Resources implications and risks:

None arising from this report

Equalities implications and risks:

None arising from this report



CABINET

Subject Heading:

Update of the Council's Medium Term Financial Strategy (MTFS) and budget for 2021/22

Cabinet Member:

The Leader, Councillor Damian White

SLT Lead:

Jane West
Section 151 officer

Report Author and contact details:

Richard Tyler
Finance Strategy Manager, oneSource
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Policy context:

The report provides an update on the Medium Term Financial Strategy for the period 2021/22 to 2023/24. It also sets out the process and timetable the Council will follow in order to achieve a balanced budget for 2021/22 including proposals for consultation.

Financial summary:

This report includes:

- the current national funding outlook
- a summary of the Council's current financial situation
- the approach to setting the Council's 2021/22 budget and MTFS for the following years
- proposed arrangements for budget consultation

Is this a Key Decision?

Yes – Significant effect on more than two wards

When should this matter be reviewed? February 2021

Reviewing OSC: Overview and Scrutiny Board

The subject matter of this report deals with the following Council Objectives

Communities making Havering	[X]
Places making Havering	[X]
Opportunities making Havering	[X]
Connections making Havering	[X]

SUMMARY

The Cabinet and full Council last received a report on the Council's Medium Term Financial Strategy (MTFS) in February 2020 when the MTFS and balanced budget for 2020/21 was agreed prior to the COVID pandemic. Since then every aspect of Council business including its finances has changed in a way unimaginable in February 2020.

This report updates Cabinet on the Council's current financial position. It presents an overview of the national economic and financial environment within which all local authorities are currently developing their financial plans in the medium term. It explains the continued uncertainty caused both by the pandemic and the Government's approach to financially supporting local authorities.

The report goes on to set out the Council's approach to achieving a financially balanced budget in 2021/22 and the medium term financial strategy thereafter. The report includes proposals for budget consultation during the autumn.

This report consists of the following sections:

- Policy and strategic context
- Summary of the Council's current financial situation
- Update on the Medium Term Financial Strategy
- Proposals to close the funding gap
- Risks and uncertainties
- The proposed consultation process

RECOMMENDATIONS

The Cabinet is asked to:

1. Note the financial context and position set out in the report
2. Agree the proposed consultation process and associated timetable as set out in section 6.

REPORT DETAIL

1. Background

- 1.1 This report presents an update of the Medium Term Financial Strategy (MTFS) between 2021/22 and 2023/24 that will be developed to continue to deliver the Council's vision, objectives and priorities. The report includes an update on the current financial position as the Council continues through the recovery period following full lockdown. The implications of the second wave of COVID are not included as it is too early to assess them at this point. The Council needs to maintain tight financial control in this difficult period and the MTFS aims to ensure prudent levels of reserves and balances are kept.
- 1.2 The COVID pandemic has resulted in additional demand on local government which could not have been imagined when the 2020/21 budget was set in February 2020. During the first phase of the pandemic while lockdown was in place, the Council managed its services through its emergency planning arrangements referred to as Gold/Silver/Bronze and enacted a wide range of business continuity plans. The Council has acted swiftly and robustly to a series of new challenges to shield and support our most vulnerable citizens. Over 10,000 residents were supported through over 17,000 phone calls, 2,700 residents were supported through the Havering Volunteer Centre who were delivering food, pharmacy items and doing odd jobs as necessary. The Council provided more than 850 food parcels and managed the distribution of PPE across care homes, funeral directors and the Council itself.
- 1.5 The Council had to adapt its ways of working firstly through the lockdown period and then as the recovery period commenced. The majority of staff worked from home using the new Smart Working equipment that was rolled out over 2019 and early 2020. Councillors also adopted the Smart Working equipment as all Member meetings moved onto Zoom. The Council ramped up its communications to residents to support them through the crisis, electronically and through social media, including online public meetings.

Many services from social work support to business support through to music school lessons moved online.

- 1.6 New COVID responsibilities have been passed to local government by central government including roles in infection control across care settings, setting up local testing facilities, track and trace responsibilities, the policing of compliance with COVID rules in businesses, workplaces and other public settings plus the distribution of grants to small businesses and emergency payments to people on low incomes who need to self-isolate. Funding has been provided by central government for some but not all of this activity.
- 1.7 Demand for Council services also changed dramatically. Many face to face services had to close down eg children's centres, libraries, sports centres, community centres. Activity had to stop on legal enforcement eg debt enforcement as the courts were only dealing with limited, mainly criminal cases. As shops, hospitality and leisure facilities were closed and people were told to stay at home except for essential journeys, there was little demand for parking facilities in the borough. Most services restarted over the summer but reduced capacity due to social distancing rules has continued to dampen demand while costs have increased due to the need for PPE and physical adjustments to protect staff and residents.
- 1.8 In summary, the Council has faced both new pressures and loss of income as a direct result of the pandemic. The impact of the pandemic will last into future years and the budget process will need to take account of this. The Council will continue to face pressures over the medium term to support the community through future waves of the pandemic.
- 1.9 The Government has provided financial support during 2020/21 with approximately £20 million in un-ringfenced grants to mitigate general pressures and a series of specific grants to support particular areas and initiatives. But this has been insufficient to meet the financial pressures the Council faces.

2 Update on the likely Government approach to the 2021/22 financial settlement

- 2.1 The economic outlook is bleak with national finances set to be very tight for a number of years following the pandemic. GDP grew over the summer but is has still only recovered to half the pre COVID levels. Unemployment has risen sharply and is set to stay high for at least the next year.
- 2.2 The Government has announced a four week lockdown from 5th November to 2nd December. This announcement is in response to the rapidly increasing infection rates in the last few weeks and will result in temporary closure of most non-essential businesses. This will have a big effect on an already fragile economy and will impact many already struggling

businesses. To support this sector the Government has announced an extension to the furlough scheme to March 2021. The speed of recovery of the economy will be totally dependent on how quickly the Government can reduce the R rate and allow businesses to trade effectively again.

2.3 The Government has proposed a one year Spending Review which will be held this November and will dictate the level of funding local government can expect to receive for 2021/22. The previously announced reforms to local government finance, social care and the business rates system have all been delayed to 2022/23 at the earliest.

2.4 The Government had previously indicated that it was planning a multi year spending review this autumn but there is a degree of uncertainty at the moment due to the emerging second wave of the COVID pandemic. The Government has therefore announced this year's review will be for one year only with a multi year review potentially in 2021. Havering like other authorities have lobbied Government to recognise the unprecedented financial situation all councils are facing.

2.5 There is very little to go on to predict exactly how much Government support the Council will receive next year so at present the Council is assuming that the 2021/22 local financial settlement will be largely based on the 2020/21 figures and apportionments eg

- Specific grants such as the Improved Better Care Fund (IBCF) and Under Indexation will continue for at least one more year
- The Government will continue to supplement funding for Adult Social Care for a further year with the Social Care Grant
- Business Rate Pooling for London will continue with the current 67% pool (in place for 2020/21, reduced from 75% in 2019/20)
- Public Health Grant will be funded at 2020/21 levels as a minimum
- That the outcomes of the Fair Funding Review and long awaited Adult Social Care Green or White paper will not be published until 2021 at the earliest.

2.6 During the summer the Government also consulted on proposed changes to the rules regarding borrowing from the Public Works Loans Board. The Consultation closed at the end of July and the Government have said to expect an outcome by the end of March 2021 - although they may tie it in with upcoming one year spending review on 25 November. The consultation was very much focussed on the rules regarding local authorities borrowing for commercial purposes rather than house building.

2.7 The impact of the reforms would be to potentially provide favourable rates for borrowing specifically for house building but to restrict or even prohibit borrowing for more commercial means. The Government have indicated that borrowing will still be available for investment in infrastructure and public

services and have already cut the interest rates for investment in social housing (HRA) by 1%.

3 The Council's Current Financial Position

3.1 The Council has faced significant pressures in 2020/21 due to the COVID pandemic. The Council is currently projecting £12m of COVID related pressures and a further £12m of lost income due to the lockdown and restrictions thereafter.

3.2 The government have recently announced the 4th tranche of general funding (£919m nationally). Havering received £3.731m to add to the £15.781m received in tranches 1-3. It should be noted that this funding is partially in recognition of costs associated with the second wave and so the Council needs to recognise that any emerging additional pressures from the second wave will potentially add to the revised gap. The Government has also announced at the same time £100m to support leisure centres across the country. Further details are awaited on this announcement.

3.3 The Council will also receive compensation for lost fees and charges and has reclaimed £2.7m for the first 4 months of the year. It is anticipated at least £4m will be claimable by the end of the year.

3.4 The Council also currently has business as usual pressures and unachieved savings resulting in a significant gap.

3.5 The table below sets out the financial position as presented to the October 2020 Overview and Scrutiny Board as at the end of period 5 (August), updated for the 4th tranche of general funding.

Financial Position	£m
Projected COVID Expenditure for the year	11.870
Potential income loss for the year	12.194
Potential gap in 2020/21 MTFS savings delivery	6.879
Business As Usual Net Position	5.055
Total Pressures	35.998
Government Support to date including food supply	(15.781)
4 th tranche funding to support second wave	(3,731)
Projected value of Government support on loss of income	(4.000)
Corporate Underspends	(1.906)
Remaining Gap	10.580
Required use of reserves and balances	(10.580)
TOTAL	0.000

3.6 Clearly if this position remained at year end the Council's reserves and balances would be significantly depleted. The Council currently holds £13.6

million in general reserves and on 31 March 2020 held £49.7 million in Earmarked Reserves. Departments are working hard to contain the BAU overspends and the Council continues to lobby hard for extra funds from central government. It is anticipated that the £4m government support for loss of income is likely to be understated unless the Government change the rules for the remaining claims.

- 3.7 The Government has also announced £8 per head of population for Councils in tier 2 to support local lockdowns. Havering is set to receive £2m to help outbreak control systems. At this stage this is not included in the table above as the Council needs to consider whether additional measures and costs will be needed locally.

4 The Council's Medium Term Financial Position

- 4.1 Forecasting the medium term financial position of the Council is a challenge with so much uncertainty about future service requirements and the ongoing impact of the COVID pandemic. The Council has been proactive in addressing this task and has used the following process to firstly establish the gap for 2021/22 and then to identify savings and efficiencies to close that gap.

4.2 Process to update the Medium Term Financial Strategy to identify the financial gap

We have:-

- Reviewed the local government funding settlement assumptions in the plan
- Reviewed all other pressures in the plan including demographic and inflationary assumptions
- Reviewed savings yet to be achieved in 2020/21 and included them in the gap for services to consider the likelihood of delivery in 2021/22
- Reviewed all savings assumptions already built into the medium term financial strategy for 2021/22 and assessed the likelihood of their delivery
- Considered corporate adjustments that need to be made in order to recognise the ongoing impact of the pandemic including the projected 2020/21 overspend and its effect on the contributions needed to replenish balances.

4.3 Review of the settlement assumptions:

In the February 2020 Budget Report the Council assumed that the reforms of Local Government Finance would take place during 2020 for implementation in the 2021/22 budget. All the indications have been that the reforms would be adverse for London taking funding away from the capital

and passing it to other parts of the country. The Council as a result took a very prudent view of the potential impact of these changes and included pressures in its medium term financial strategy for 2021/22 to prepare for the reform changes.

The Government are now expected to announce that all reforms will be delayed for at least for a year. It is therefore likely that the settlement will be at or similar to the previous year's figures. This means that the Council can update its assumptions to present a neutral position for 2021/22 and delay the impacts of the funding reform to 2022/23.

The pandemic has had a significant impact on the nation's finances and the chancellor will need to consider how to control spending whilst releasing funding to allow the growth required to kick start the economy. There is significant risk that the public sector will be squeezed again in the future. The chancellor is also under pressure to recognise future health demand and this may also result in a squeeze on the public sector funds made available to local government.

Local government has made its case very clearly to Government but it remains to be seen the extent to which the sector is protected in future spending reviews and settlements. There has been no indication that any reductions would affect the 2021/22 settlement but until the chancellor sets out his spending plans in the medium term there remains a significant risk to the public purse.

4.4 Review of all other pressures in the plan including demographic and inflationary assumptions

The Council has reviewed all the assumptions it currently has in the Medium Term Financial Strategy to test if those assumptions are still valid or need to be updated.

The following changes were identified.

- Reduction in the Cost of Concessionary Fares (Freedom Pass costs)

The usage of freedom passes has understandably reduced dramatically in the current year. Future year settlements with TFL are negotiated with the previous year's pass usage as one of the key factors. The reduced figures are therefore likely to result in an estimated £850k reduction in the cost of the freedom pass for 2021/22. The reduction is expected to continue through 2022/23 but it should be noted that costs are then forecast to rise significantly in 2023/24 as usage returns to normal.

- The Capital Programme

The pandemic has understandably had an effect on the Capital Programme with delays to the regeneration programme as the joint ventures are reviewed. The joint ventures will generate significant income streams in the medium term but in the short term the delays have put back borrowing costs which were expected to be incurred.

Capital charges to revenue are planned to increase over the next two years in line with the existing capital programme. A proportion of this growth is offset by income in the short term eg approved business cases for Mercury Land Holdings are delivering income yields from the investments which partially offset borrowing costs. Some capital investment projects also deliver savings by reducing ongoing revenue expenditure eg the Oracle Fusion project and the Customer Relationship Management system replacement.

- Review of central contributions to reserves and risk budgets.

As part of its medium term planning the Council sets aside funds to ensure risks are adequately covered and that the Council is moving towards its target of £20m general balances. The 2020/21 forecasted budget position is likely to result in a deficit at year-end which may diminish current balances. The Council is working hard to mitigate this position and will only use general balances and then earmarked reserves when all other options have been utilised. The revised medium term financial strategy recognises the need to replenish general reserves and continue to move towards the £20m target.

- Revised Inflation Assumptions

The 2020/21 pay award was agreed at 2.75% which was in excess of the original budget assumption of 2%. The gap has been funded from contingency in 2020/21 but will need to be included in the base budget from 2021/22 onwards. All other budgets including income have been reviewed to ensure that it is appropriate to apply uplifts.

- Potential Collection Fund Deficit

The COVID Pandemic has resulted in lower than planned collection of Council Tax and some businesses are struggling to pay their business rates. The position is changing all the time and it is hoped that the position will improve before April. At this stage however it is likely there will be a deficit on the collection fund which will need to be recovered in future years. The Government has indicated that it will allow councils to recover this deficit over 3 years rather than all the following year as normally is the case. This will be a likely pressure on the budget for the next three years.

- SERCO Contract extension

The SERCO contract extension agreement will require additional funds in 2021/22

4.5 Review of Savings and Efficiency Proposals

In February 2020 the Council set a balanced budget for 2020/21 including £14.5m of savings and efficiencies. The medium term financial strategy presented at the same time in that report also included a further £12.5m of savings for 2021/22. Whilst many of the 2020/21 savings were realised, the COVID pandemic has forced the Council to delay some proposals. As part of the budget process the Council has recognised that some 2020/21 savings are delayed and has conducted a full review of all these proposals and the 2021/22 savings to ensure only deliverable savings remain in the plan.

To facilitate this, the most transparent approach was to initially take out these savings from the medium term financial strategy causing a larger gap but then to present a new revised savings schedule which has been ratified by officers and is considered to be deliverable. This revised list incorporates delayed savings from 2020/21, deliverable savings from the originally planned 2021/22 list and new savings identified by departments.

These reviews are then put together to update the medium term financial strategy. The tables below show:

- Movement in assumptions since the budget was set in February
- Updated Medium Term Financial Strategy
- A breakdown of the Corporate Pressures in the plan
- Proposed savings analysed by Department (further detail on the savings proposals can be found in Appendix A)

Movement in the Medium Term Financial Strategy since February 2020

UPDATES TO THE MTFS	2021/22 £m	2022/23 £m	2023/24 £m	4 Year Plan £m
STARTING PRESSURES FEB 2020	20.878	12.751	8.244	41.873
Delay to Funding Reforms	-3.000	3.000	0.000	0.000
Collection rates and grant loss	0.945	0.000	0.000	0.945
Delays to Capital Programme	-2.448	4.848	0.502	2.902
Replenish Reserves and Balances	2.100	2.000	0.000	4.100
Reduced Concessionary Fares Payment	-1.150	-0.150	1.000	-0.300
Pay Award in excess of current provision	0.750	0.000	0.000	0.750
Recovery of collection fund deficit (Over 3 years)	2.000	0.000	0.000	2.000
Serco contract	0.467	0.500	0.000	0.967
Updated Parking discounts and rates	0.533	0.000	0.000	0.533
revised inflation assumptions	0.013	-0.200	-0.200	-0.387
Delete business risk Contributions	-1.322	-1.114	0.000	-2.436
Unachieved 2020/21 Savings	7.207	0.000	0.000	7.207
Starting gap before savings	26.973	21.635	9.546	58.154

Updated Medium Term Financial Strategy

The table below sets out the updated medium term financial strategy

Medium Term Financial Strategy	2021/22	2022/23	2023/24	TOTAL
	£m	£m	£m	£m
Corporate pressures	13.685	14.602	2.596	30.883
Demographic pressures	3.131	5.026	4.923	13.080
Inflationary pressures	2.950	2.007	2.027	6.984
Unachieved MTFS savings 2020/21	7.207	0.000	0.000	7.207
Revised gap	26.973	21.635	9.546	58.154
2020/21 savings back on the table	-2.537	0.000	0.000	-2.537
2021/22 savings back on the table	-7.152	-1.300	-0.500	-8.952
New savings	-9.293	-2.027	-0.727	-12.047
Total savings to date	-18.982	-3.327	-1.227	-23.536
Remaining gap	7.991	18.308	8.319	34.618

The table shows that even after £19.0m of savings proposals have been identified there is still a bottom line gap currently of £8.0m. The budget is currently at a draft stage and work will be ongoing to review options to close the gap. This process will also include the forthcoming public consultation process which will aim to seek views on the budget and how the Council can prioritise services and seek efficiencies.

4.6 Corporate Pressures

The table below provides more detail on the corporate pressures that are included at present in the medium term financial strategy. All these figures will be reviewed regularly throughout the budget process and updated when new information becomes available

CORPORATE PRESSURES	2021/22	2022/23	2023/24	Total
	£m	£m	£m	£m
Revenue cost of Capital Programme	6.081	7.147	0.669	13.897
Updated Parking discounts and rates	0.533	0.000	0.000	0.533
Replenish Reserves and Balances	2.100	2.000	0.000	4.100
Planned contribution to pension fund	1.000	0.000	0.000	1.000
Reduced Concessionary Fares Payment	-0.850	0.150	1.300	0.600
Recovery of collection fund deficit (Over 3 years)	2.000	0.000	0.000	2.000
Serco contract Extension	0.467	0.500	0.000	0.967
Assumed changes to government grants and support	1.973	3.867	0.000	5.840
ELWA Levy Cost uplift	0.381	0.938	0.627	1.946
CORPORATE PRESSURES	13.685	14.602	2.596	30.883

4.7 Savings Proposals incorporated into the Medium Term Financial Strategy

The table below splits the proposed savings by Department. All proposals put forward have been through a governance process to ensure they are achievable. The savings are a combination of previously identified proposals that have been refreshed and new proposals. Appendix A provides more detail on these savings proposals.

4.8

TOTAL SAVINGS by DEPT	2021/22	2022/23	2023/24	Total
	£m	£m	£m	£m
Adults	-5.680	-0.800	0.000	-6.480
Childrens	-0.617	0.000	0.000	-0.617
Housing	-0.500	0.000	0.000	-0.500
Neighbourhoods	-1.934	0.000	0.000	-1.934
COO	-1.088	0.168	0.000	-0.920
OneSource	-3.172	-0.875	0.000	-4.047
Regeneration	-4.201	-1.320	-0.727	-6.248
Corporate	-1.790	-0.500	-0.500	-2.790
TOTAL	-18.982	-3.327	-1.227	-23.536

stressing that the delivery of new savings becomes more difficult each year, particularly for a Council such as Havering which is recognised as being low

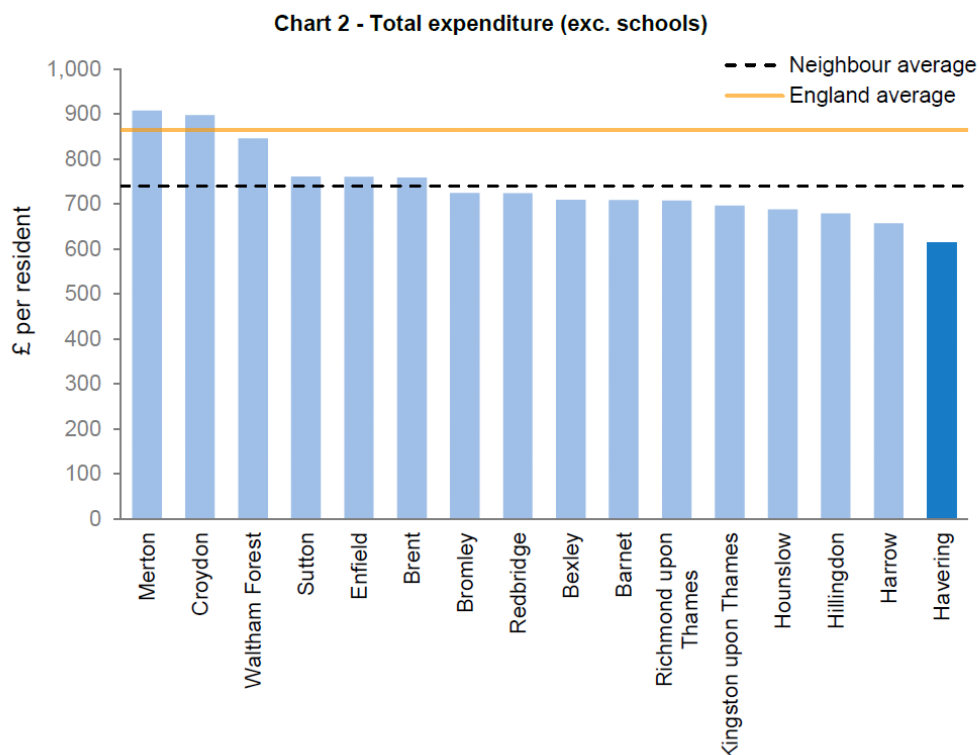
cost. The Council has for the last two years running been the 5th most productive council in England and last year was the only London Borough on the list compiled by IMPOWER.

4.9 The following graph from LG Futures compares Havering's overall costs to those of its nearest neighbours (statistically).

5. Overview of unit costs

In 2020/21, Havering's total expenditure per resident (excluding schools) was 16.9% lower than the nearest neighbour average. It was ranked 16th highest out of the 16 authorities in the group.

Its position relative to its nearest neighbours is illustrated in the chart below.



5 Risks and Uncertainties

5.1 There are a number of risks associated with the current MTFS position. These include significant risks in relation to:

- Continued impact of the COVID pandemic
- Central Grant Funding uncertainty
- The current year revenue monitoring position.

- 5.2 The Council maintains a finance risk register and reviews it regularly in order to ensure that it has considered all risks in setting the budget each year. Assessment of the risks is also included in the S151 statement of robustness which forms part of the Council Tax setting report in February each year. The current financial risk register can be seen at Appendix B
- 5.3 Each year part of the Council Tax residents pay funds GLA services such as transport and the police. The Council is a collection agent for the GLA and has no control over how much this element of the Council Tax increases as the rate is set by the Mayor of London and the GLA Assembly. The GLA budget like all others has faced extreme pressures and difficulties due to the COVID pandemic. There is a risk to taxpayers that the Government will allow the Mayor to increase the precept significantly to recover a proportion of these costs. Whilst this will not impact on the Havering budget it would result in a Council Tax increase for residents.

6 Budget Consultation

- 6.1 Consultation on the budget is an important part of the annual budget cycle. It is proposed to consult with residents and key stakeholders on the impact of the COVID pandemic and how this has affected Council services. This will then inform the budget setting process in the new year. This consultation will be launched on 26th November and will run until 3rd January.
- 6.2 The Council will seek views from the general public, all key stakeholders and business ratepayers during this period via its online consultation tool, Havering Consultations.
- 6.3 The consultation paper is included at Appendix C and the outcomes will be fully incorporated into the budget setting process in the new year.

REASONS AND OPTIONS

Reasons for the decision:

The Council has a statutory obligation to consult on its budget proposals. This report sets out the proposed method to be used for the 2021/22 budget and MTFs. The Council strongly values the opinion of its residents and key stakeholders and welcomes their input into the budget process.

Other options considered:

N/A

IMPLICATIONS AND RISKS

Financial Implications and Risks

The financial implications of the Council's MTFS are the subject of this report and are therefore set out in the body of this report. The consultation process set out in this report will be used to inform decision making on the budget

Legal Implications and Risks

Under S151 of the Local Government Act 1972 a local authority has to make proper arrangements for the administration of its financial affairs.

Under S 28 of the Local Government Act 2003 a local authority has to review its budget calculations from time to time during the financial year and take appropriate action if there is any deterioration in its budget.

The Council is under a duty to "make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness." S3 Local Government Act 1999. As part of that process it must consult tax payers, those who use or are likely to use services and others who may have an interest in an area where the Council carries out its functions.

The budget consultation and approval process is separate from individual decisions which may need to be taken for example in relation to service delivery; these may require a separate consultation process and equality impact assessment before a final decision is taken.

Where consultation is undertaken it must comply with the 'Gunning' principles; namely it must be undertaken at a formative stage, sufficient information should be provided to enable feedback, adequate time should be given for consideration and responses and the feedback should be taken into account in any decision taken. The plans set out in the report in relation to the budget comply with these rules.

Human Resource Implications and Risks

The Council continues to work closely with its staff and with Trades Unions to ensure that the effects on staff of the savings required have been managed in an efficient and compassionate manner. All savings proposals or changes to the funding regime that impact on staff numbers, will be managed in accordance with both statutory requirements and the Council's Managing Organisational Change & Redundancy policy and associated guidance.

Equalities and Social Inclusion Implications and Risks

Havering has a diverse community made up of many different groups and individuals. The Council values diversity and believes it essential to understand and include the different contributions, perspectives and experience that people from different backgrounds bring.

The Public Sector Equality Duty (PSED) under section 149 of the Equality Act 2010 requires the Council, when exercising its functions, to have due regard to:

- (i) the need to eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010;
- (ii) the need to advance equality of opportunity between persons who share protected characteristics and those who do not, and;
- (iii) foster good relations between those who have protected characteristics and those who do not.

Note: 'Protected characteristics' are: age, gender, race and disability, sexual orientation, marriage and civil partnerships, religion or belief, pregnancy and maternity and gender reassignment.

The Council demonstrates its commitment to the Equality Act in its decision-making processes, the provision, procurement and commissioning of its services, and employment practices concerning its workforce. In addition, the Council is also committed to improving the quality of life and wellbeing of all Havering residents in respect of socio-economics and health determinants.

All front line proposals relating to the Medium Term Financial Strategy for the period 2021/22 to 2023/24 will be subject to an Equality and Health Impact Analysis or assessment, which will be developed following the consultation process for inclusion in the further reports to Cabinet before the budget is finalised in February 2021. This will further highlight where the MTFS has the potential to positively impact on health and wellbeing of residents through targeted provision of services, and where any identified negative impacts may be mitigated.

BACKGROUND PAPERS

None

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APPENDIX A - PROPOSED SAVINGS

TOTAL SAVINGS BY DEPT	Description	2021/22	2022/23	2023/24	3 Year total
		£m	£m	£m	£m
Adults'		-5.680	-0.800	0.000	-6.480
Children's		-0.617	0.000	0.000	-0.617
Housing		-0.500	0.000	0.000	-0.500
Neighbourhoods		-1.934	0.000	0.000	-1.934
Chief Operating Officer		-1.088	0.168	0.000	-0.920
oneSource		-3.172	-0.875	0.000	-4.047
Regeneration		-4.201	-1.320	-0.727	-6.248
Corporate Budgets		-1.790	-0.500	-0.500	-2.790
TOTAL		-18.982	-3.327	-1.227	-23.536

TOTAL ADULTS' SAVINGS	DESCRIPTION	2021/22	2022/23	2023/24	3 Year total
		£m	£m	£m	£m
Move clients from out of borough residential homes into In borough supported living schemes	Delivery of revenue savings from the supported housing development/build programme, through having the right home environment for people currently living out of borough	-0.193			-0.193
Better Living	Working differently with residents to develop and link into their own personal networks rather than relying on a statutory service	-3.569	0.000		-3.569
Local Area Coordination	Continued roll-out of LAC model to reduce reliance on statutory services	0.000	-0.500		-0.500
ASC Commissioning - Disabilities	Recommissioning with providers to deliver more efficient contracts, targeted reviews (eg reducing double handed care packages to single handed), greater use of shared lives, introduction of complex placements pathways	-0.970	-0.300		-1.270
ASC Commissioning - Prevention	Home care demand management, working with NHS to deliver discharge to assess models of working	-0.373			-0.373
ASC Commissioning - Personalisation	Increased use of direct payments	-0.395			-0.395
ASC Commissioning - Integration and Pathways	Assistive technology and new ways of working linked to integration with health and placed based care	-0.180			-0.180
TOTAL ADULTS SAVINGS		(5.680)	(0.800)	0.000	(6.480)

TOTAL CHILDREN'S SAVINGS	DESCRIPTION	£m	£m	£m	£m
Children's Centres	who deliver midwifery services from five of the centres. Alternative venues for service delivery have also been scoped, providing opportunity for greater outreach however the Covid-19 restrictions are creating limitations.	-0.047			-0.047
Children's Review of Admin Processes	There are currently resources available that support the administration and back office functions across the Directorate. It is expected there are cashable savings that can be discovered from conducting a full review of these processes and the organisational structures around them.	-0.150			-0.150
Early Help and education inclusion	Currently, 'inclusion' in schools is supported by a number of teams and staff across Education and Children's Social Care. It is proposed to review the range of support provided by existing teams, to identify any potential duplication, and gaps in early intervention services with children and families.	-0.100			-0.100
Fostering recruitment and retention	Strategic review as agreed by members is due to take place in Autumn 2020. By recruiting more foster carers and retaining experienced carers we are able to review existing placements and manage moves to more cost effective and more local placements.	-0.125			-0.125
Review of passenger transport	to 2020/21. SEND cases are currently being reviewed to see if there are alternate transport arrangements and if savings can be made on existing routes. Covid has impacted on the size and type of transport to maintain distancing. The review will be via a procurement exercise to find a suitable specialist organisation that can conduct the review. Formal public consultation is required and the review will impact on the overall management of travel assistance provisions across the Council including: - The processing and assessments of applications for home to school travel assistance across departments	-0.145			-0.145
Scale and spread of Pathways Innovation Programme in Children's Social Care	Ongoing application of the systemic model of practice to reduce levels of new and forecasted receptions into care.	-0.050			-0.050
TOTAL CHILDRENS SAVINGS		(0.617)	0.000	0.000	(0.617)

TOTAL HOUSING SAVINGS	DESCRIPTION	2021/22	2022/23	2023/24	3 Year total
		£m	£m	£m	£m
Allocation Policy	Amendments to the allocation policy will support the prevention of homelessness thereby reducing pressure on numbers in temporary accommodation.	-0.200			-0.200
Brunswick Court	Additional supported housing for single vulnerable people and mothers and babies, will reduce pressure on social care budgets.	-0.100			-0.100
Property Compliance Procurement	Efficiencies through joint procurement of contracts.	-0.050			-0.050
Private Sector Leasing (PSL) Capital Letter	Efficiencies through procurement of temporary accommodation through external agencies and access to government grant. 50 properties a year at £2k per unit.	-0.100			-0.100
PSL MLH Leasing Scheme	Efficiencies through replacing units of PSL with MLH properties. 25 properties a year at £2k per unit.	-0.050			-0.050
TOTAL HOUSING SAVINGS		(0.500)	0.000	0.000	(0.500)

TOTAL NEIGHBOURHOODS SAVINGS	DESCRIPTION	2021/22	2022/23	2023/24	3 Year total
		£m	£m	£m	£m
Commercialise DSO*	Commercialisation of the DSO and schemes teams. Training and development revenue costs	-0.080			-0.080
Highways contract renegotiation	the service strengths and weaknesses, opportunities for commercialisation and potential further outsourcing / in-sourcing.	-0.075			-0.075
Improve Debt Recovery	To actively collect debts from PCNs there are several actions the service needs to implement	-0.050			-0.050
Integrate Public Realm	budget deficit, a saving of £100K can be made through restructuring that will have minimal impact on services delivery, performance or standards.	-0.100			-0.100
Moving Traffic Enforcement	Officers are also recommending that the review and issuance of moving traffic is brought in house to reduce costs and so enhance savings.	-0.925			-0.925
Parking CCTV Review	Bring CCTV review in house from Chipside - current costs £1.49 per PCN	-0.062			-0.062
Planning Structure	Review to look at both structure and service offer and opportunities for further outsourcing	-0.027			-0.027
Restructure Highways, Traffic and Parking*	This review is aimed to ensure consistency in roles and grades of staff, allow capacity for staff development and progression and ensure strength of the service.	-0.080			-0.080
School Streets fines	Implementation of school streets across the borough. 2020 based on 13. 2021 based on remaining schools all being implemented	-0.075			-0.075
Soft Market Test Highways, Traffic and Parking*	Renegotiate the Marlborough contract with a 2 year extension and amalgamation of contracts into this larger term contract, such as all signs and lines, concrete etc.	-0.200			-0.200
TES Car Decant	Discontinue use of CCTV vehicles - already complete from Sept. 20	-0.024			-0.024
Waste Disposal Cost Reduction	Identify alternative disposal arrangements for waste generated by the Highways DSO in order to reduce disposal costs. An alternative disposal point has been agreed but the	-0.075			-0.075
Other small savings of under 50k across Neighbourhoods	Various savings	-0.161			-0.161
<i>* Note the three savings with an asterisk cannot all be achieved and a decision needs to be taken on which of these options to take forward</i>					
TOTAL NEIGHBOURHOODS SAVINGS		(1.934)	0.000	0.000	(1.934)

TOTAL ONE SOURCE SAVINGS	DESCRIPTION	2021/22	2022/23	2023/24	3 Year total
		£m	£m	£m	£m
Asset Management Restructure	Review of management and service structures to reflect changing service needs	-0.150			-0.150
Consolidation of Electronic Document Management Systems	Proposed as part of a wider review of document management	-0.040			-0.040
Exchequer Restructure	Automation and the implementation of robotics will enable services to be more Efficient. As the use of Fusion is enhanced, development plans will be discussed and	-0.100			-0.100
Fusion Efficiencies	Automation of processes could lead to reductions in manual processes	-0.070	-0.070		-0.140
ICT Restructure	A complete re-structure of the IT service over the next two financial years to ensure the service is fit-for-purpose for the needs of the council.	-0.400	-0.150		-0.550
Increase in trading income - Asset Management	Increasing sales to external customers for those services that already trade successfully (e.g. Health & Safety, Transport)	-0.100			-0.100
Increase net contribution from providing enforcement to others OSS	When conditions are appropriate, further expansion of enforcement services may be possible	-0.100	-0.450		-0.550
Increase trading income and review of fees - Legal	management of overall spend to deliver savings through the most cost effective provider; demand management and reducing failures that cause legal costs.	-0.370			-0.370
Move all outbound postage to 2 nd class	Proposed as part of a wider review of document management Agreement with multiple services across the council to stop 1st class postage and move to 2nd class	-0.100			-0.100
One Source Shared 20/21 Savings	Achievement of savings previously planned for 2020/21	-0.756			-0.756
One Source Non Shared 20/21 Savings	Achievement of savings previously planned for 2020/21	-0.225			-0.225
Re Modelling of Finance	Reviewing the proportion of finance staff at different levels	-0.055	-0.055		-0.110
Re-platforming Planning Systems	Contract efficiencies in the cost of the provision of hosted systems	-0.015			-0.015
Robotic Process automation OSS	Dependent on enhanced use of fusion and identification of suitable processes		-0.150		-0.150
End corporate funding of apprentices as now mainstreamed into departments	continuation of the scheme dependent on service funding	-0.058			-0.058
Release Mercury House	Reduction in office space as a result of revised working arrangements. Subject of a separate report to December Cabinet on Asset Rationalisation and Smart Working	-0.633			-0.633
TOTAL ONE SOURCE SAVINGS		(3.172)	(0.875)	0.000	(4.047)

TOTAL CHIEF OPERATING OFFICER SAVINGS	DESCRIPTION	2021/22	2022/23	2023/24	3 Year total
		£m	£m	£m	£m
Business Intelligence	A project is underway to identify further opportunities for utilising the Council's existing data warehouse to identify opportunities to save money. This is being led by the new Corporate Insight and Business Systems Team which has been established by centralising expertise from across the Council. The team are working with their counterparts in other boroughs to identify potential projects.	-0.306			-0.306
Events savings	Fewer large events such as the Havering Show and Langton's Summer Concert will be held unless their cost is fully covered by ticket sales or sponsorship.	-0.050			-0.050
Customer Services savings	During the pandemic the Council has been operating without the PASC public access location. The plan is to continue to provide most customer support through telephone and online as has been the case over the last nine months. Once the pandemic is over, face to face support will in future be provided through the libraries and the new community hubs which should deliver significant savings. Savings are also expected to be delivered through demand reduction.	-0.212			-0.212
Delay in extending Library opening hours	It was agreed last year to extend library opening hours but this has been delayed due to the pandemic. Given the pandemic is likely to continue into 2021, it is proposed to delay the extension of opening hours until 2022/23.	-0.200	0.200		0.000
Digital Living in Havering	This saving will be delivered by no longer printing copies of Living in Havering unless the print cost can be met by sponsorship.	-0.030			-0.030
Digital Platform	A new digital platform will go live during 2021/22 which should deliver more efficient processes requiring fewer staff. The business case for the investment in this platform was signed off through Cabinet previously and the funding is included in the existing capital programme.	-0.193			-0.193
PASC Lease and service charge costs	This is the saving in rent and service charge that will be delivered by closing the PASC public access location.	-0.097	-0.032		-0.129
TOTAL COO SAVINGS		(1.088)	0.168	0.000	(0.920)

TOTAL REGENERATION SAVINGS	DESCRIPTION	2021/22	2022/23	2023/24	3 Year total
		£m	£m	£m	£m
Bridge Close transfer to the HRA	Business case to be presented to Cabinet with the review of the HRA BP.	-1.697	-1.169	-0.727	-3.593
Capital reprofiling	Further slippage over the £2m in the corporate capital programme.	-0.132			-0.132
Capitalisation	Schemes now moving towards start on site thus achieving threshold for capitalisation. Future years provision to be assessed annually and, subject to nothing unforeseen, would achieve a similar amount annually over the MTFS period.	-0.300			-0.300
Income from Mercury Land Holdings schemes	Income is based on the projections in business cases to cabinet from the MLH schemes in 2019. Delays to the programme will affect income levels but also reduce the need to externally borrow in the short term	-1.822			-1.822
Regeneration Restructure	At risk due to legislative changes to the Public Sector service termination provisions and associated amendments to the LGPS.	-0.100			-0.100
Review of S106	Complete review of existing s106 commitments has identified additional allocation of s106 commitments to reduce expenditure on projects requiring capital funding in	-0.150	-0.151		-0.301
TOTAL REGENERATION SAVINGS		(4.201)	(1.320)	(0.727)	(6.248)

TOTAL CORPORATE SAVINGS	DESCRIPTION	2021/22	2022/23	2023/24	3 Year total
		£m	£m	£m	£m
Review of business systems management, programme support, complaints, Freedom of Information requests, Member support and all other business support	Business systems support has already been centralised into the Corporate Insight and Business Systems Team. Project Management support is also being considered for centralisation. This should deliver savings through economies of scale. The new Fusion system has increased self-service and reduced administration in the departments. A new and more efficient complaints, FOI and Member support system will be delivered as part of the Digital Platform project. These two projects should reduce the requirement for Business Support resources across the Council.	-0.900			-0.900
Contract Review Savings	The Procurement Team has been reviewed and upskilled during 2020/21. A target has been set for a renewed focus on driving cost out of contracts from 2021/22.	-0.500	-0.500	-0.500	-1.500
Full Cost Recovery/Review of income	Continued review of services to compare and benchmark fees and charges and also to review budgets to ensure they represent current fee income	-0.200			-0.200
Oracle Fusion Project	This represents the saving in licensing costs between the old One Oracle system and the new Fusion system. This saving was presented as part of the original Business case signed off by Cabinet in 2019.	-0.190			-0.190
TOTAL CORPORATE SAVINGS		(1.790)	(0.500)	(0.500)	(2.790)

Appendix B – Corporate Finance Risk Register

Ref	Title	Description	Value	Likelihood	Impact
COVID 1	Financial Pressures caused by the pandemic	The continued Pressures to support our most vulnerable clients through the pandemic is not fully supported by Government Funding	Unclear	4	3
COVID 2	Lower Collection rates	The pandemic is causing hardship across the borough. This is directly affecting the ability of households to pay Council Tax and the ability of businesses to pay rates	Unclear	4	3
COVID 3	Hidden extra demand	The pandemic has resulted in changing circumstances for everyone especially during lockdown periods. There is a significant risk particularly in Children's that the difficulties caused by the effects of COVID will result in additional demand for Council services	Unclear	4	3
COVID 4	Delayed Savings and efficiencies	The Pandemic has caused a delay to many of the 2020/21 savings proposals. The Council is putting together revised proposals to set the budget for 2021/22. There is however a risk that if the effects of the pandemic continues well into 2021 that again proposals will be delayed	£19m Savings Proposals	2	2
COVID 5	Recruitment of Staff	For the Council to run efficiently there is a need to recruit high calibre staff to replace those who leave either through retirement or to move to other jobs. The pandemic is preventing population mobility both from elsewhere in the country and from abroad. This could impact on the need to recruit qualified staff to key positions such as social care and result in expensive temporary cover being needed	Unclear	2	2
COVID 6	Potential end of free Travel for under 18's	There is an agreement between the Government and TFL that free travel for under 18's will continue to March 2021. The cost of this thereafter will need to be included in the Mayoral budget and be funded from savings or additional	Unclear	2	2

		income. If the free travel were to end this would impact on poor families and there is a significant risk that the Council will need to support travel for these children			
C1	Spending Review 2020 and 2021	The Spending Review will determine the control totals Local Government have available over the next few years. There is a risk that the spending review will result in an adverse outcome for Havering.	Unclear - Last spending round reduced funding by approx £5m per year	2	2
C2	Outcome of Fair Funding Review	The government are now likely to implement the outcome of the fair funding review in 2022/23. There is a significant risk that the revised formula will redistribute funds from London to others areas in the country.	Unclear	3	2
C3	Impact of Leaving the EU	The potential implications of leaving the EU are wide ranging on local authorities including interest rates, the value of the pound and the costs of products, services and staffing.	Unclear	4	1
C4	Loss/reduction in Business Rates	In recent years as a result of austerity and the general reduced footfall from the high streets, a number of local businesses have failed. Business rates are in part locally retained meaning that significant downturn in yield will have a direct impact. The London wide pool will smooth this effect but could also result in a far more significant impact if some larger businesses in central London closed.	Unclear	2	2
C5	Affordability of Capital Programme	The Capital programme is based on a robust funding strategy. Significant overspends or enhancements to projects will result in a revenue pressure through increased contributions on higher borrowing and MRP costs	Unlikely to be significant	1	1
C6	New Legislation	The Government could at any time introduce new legislation or transfer new burdens to local government. History has shown that frequently new legislation is not accompanied by enough associated funding	Unlikely to be significant	2	1

C7	The impact of delays, changes, and market fluctuations to the Regeneration Programme	The regeneration models contained in the business cases make assumptions regarding inflation, interest rates and the property market. Changes to these factors could affect the expected yields. There is also a significant cost associated with delays to the programme either caused by changes to proposals or any other reason	Could be significant	2	3
C8	Interest Rate change	An increase in interest rates will have a direct impact on the Council's treasury strategy. Potential increases in borrowing will directly impact on the Councils MTFP and affordability decisions on major future Capital Plans	£1m per 1%	2	1
C9	Higher than expected inflation	If there was a significant increase in inflation this would result in cost of services increasing and potential pay awards all of which would be a direct pressure on the MTFs.	£1.5m per 1%	2	2
C10	Higher than expected population growth/ demographics	The Council's plans recognise the effect of population growth and the demographic pressures that brings particularly to Social Care. If either the population increased at a higher rate or factors such as poverty and deprivation resulted in increased demand above current planned amounts then this would have a direct impact on the MTFs	Unclear	1	2
C11	IBCF and other Grants	The 2021 settlement announced a continuation of grant funding in line with the previous 4 year settlement. Funding from 2021-22 onwards is far less clear and whilst this is taken into account in the MTFs a loss of smaller grants will impact on planning.	Unlikely to be significant	2	1
C12	Pension Fund Performance/Actuarial Review	A downturn in the performance of the pension fund could result in increased contributions being required at the next triennial review. This will have a direct impact on the MTFs assumptions	Unlikely to be significant	1	2
C13	Budget Failure/ Overspends	The MTFs allows for any recognised ongoing budget pressures. Unbudgeted overspends will depleted general and earmarked reserves. This could lead to future year	Unlikely to be significant	1	2

		budget pressures either through planned contributions to reserves or through continued overspends.			
C14	IT System Failure	Significant IT failure could result in loss of service provision, potential loss of data and additional repair or replacement costs	Unclear	1	3
C15	Future Waste disposal arrangements	There are already significant sums built into both the ELWA budget and the Councils MTFS to cover the preparations for the end of the waste contract in 2027. These costs however could easily increase as 2027 gets nearer.	Unlikely to be significant	1	2
C16	Adverse Weather/Cold winter	A cold or wet winter can result in increased environmental costs through gritting or possibly flood alleviation. Freezing weather also can break up road surfaces resulting in emergency repairs	Unclear	2	1
C17	Fraud	The Council has measures in place to minimise the risk of fraud. If a major financial fraud were discovered this could have a reputational risk and result in additional costs both to improve systems and to mitigate any uninsured losses.	Unclear	1	2
C18	JV Failure	The JV's all have business cases with returns on investments at various points to the Council. Failure of a JV could be for a number of reasons but will result in both additional costs and loss of income to the Council	Significant - several £m	1	3
C19	Collection Rates	Council Tax is set on assumed collection rates. Failure to achieve those rates will have an impact on the collection fund and the level of bad debt provision required. Both of these items will impact on future planning.	Unlikely to be significant	1	1
C20	Public Health Joint Funding	The Public Health Grant has reduced over the last two years and is quite likely to continue to be squeezed. This could potentially impact on the future funding of Council Services	Unclear	1	1
C21	Proposed 95k cap on redundancy payments	The Government are currently consulting on proposals to introduce a 95k cap on redundancies. Introduction of the new rules would significantly limit the ability of the Council to make savings through restructures as redundancies would	Unclear	3	1

		become difficult to achieve			
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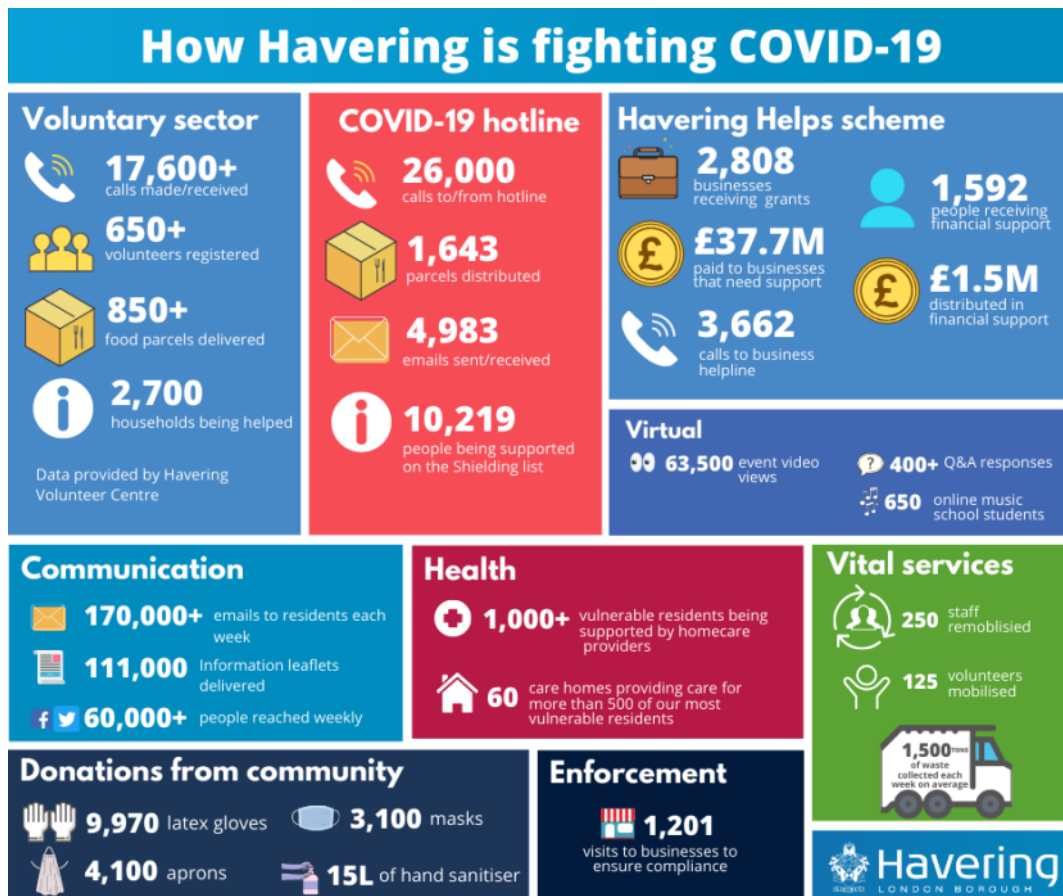
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Havering Budget Consultation Paper 2020

The COVID pandemic has resulted in additional demand on local government which could not have been imagined when the 2020/21 budget was set in February 2020. The Council has acted swiftly and robustly to a series of new challenges to shield and support our most vulnerable citizens.

As part of this, working with the voluntary sector, we supported many residents and businesses. We contacted over 10,000 residents with over 17,000 phone calls with 2,700 residents receiving food deliveries pharmacy items and doing odd jobs as necessary. In addition the Council provided more than 850 food parcels and managed the distribution of PPE across care homes, funeral directors and the Council itself.

Here is a snapshot of this support:



Demand for Council services has also changed dramatically. Most services restarted following the lockdown, but reduced capacity due to social distancing rules, has meant demand has gone down while costs have increased due to the need for PPE and physical changes to protect staff and residents.

We know that some impacts from the crisis have yet to be felt in full. We have now seen a second spike in cases and it is likely that there will be further waves of COVID. This means we will continue to support our most vulnerable residents, thinking about the recovery of our economy, our communities and our public services.

As the second wave of the pandemic gathers pace, we are also seeing a move in Government to devolve responsibilities to local government to deal with introducing measures to reduce infection rates, such as track and trace, and the responsibility to provide support for the most vulnerable people in our community, such as the provision of food supplies and well-being support.

As we move towards setting the budget for 2021/22, we are very keen to understand the views of our residents and key stakeholders. We are launching this budget consultation paper to give as many people as possible the opportunity to say how the pandemic has affected them. We are interested in pressures and hardships you may be experiencing and how you believe the Council can help and support you in the next year.

We will take into account all views in the budget setting process with the aim of setting a budget for 2021/22 that truly understands and supports the needs of our residents. The outcomes from this will also feed into the longer term plans and strategies for the Council over the next few years

The COVID outbreak has had huge impact on the country, day to day lives and the economy. We want to know what you believe are the biggest challenges the Council faces and how we should prioritise our resources to meet those challenges.

Section 1: About you

1. Please tell us the first part of your postcode (this will be 3 or 4 characters):

[Open ended textbox]

2. How did you find out about this consultation?

- Facebook
- Twitter
- Havering Council's website
- Newspaper
- From friend or relative
- Councillor
- Voluntary or community sector organisation
- Other

3. Please tell us in what capacity you are completing this questionnaire:

- Havering Resident
- Representative of an organisation or community group
- As a Havering Council Employee (resident)
- As a Havering Council Employee (non-resident)
- An employer or business owner in the borough
- Other (please specify)

Section 2: Council services and priorities

4. What would you say are the three most important issues the borough is likely to face in the next year?

- Coronavirus/ pandemic diseases
- Economy/economic situation
- Education/Schools
- EU/Brexit
- Crime/Community safety
- National Health Service/Healthcare
- Morality & individual behaviours
- Social Care provision
- Housing
- Race relations
- Aging population
- Poverty/inequality
- Low pay/ wages
- Environment/climate change
- Inflation/prices
- Unemployment
- Personal finances
- Population levels/over-population
- Other (please specify)

5. What three things that most concern you going forward?

- My physical health and fitness
- My mental health and wellbeing
- Being lonely
- Climate change
- Keeping a roof over my head
- Housing affordability
- Staying in work / employment stability
- Future job prospects
- Paying bills
- Educational provision
- Raising children
- Being a victim of crime
- Anti-social behaviour in my community
- The local environment/ pollution
- Cleanliness of street and local area
- Community relations
- Public transport

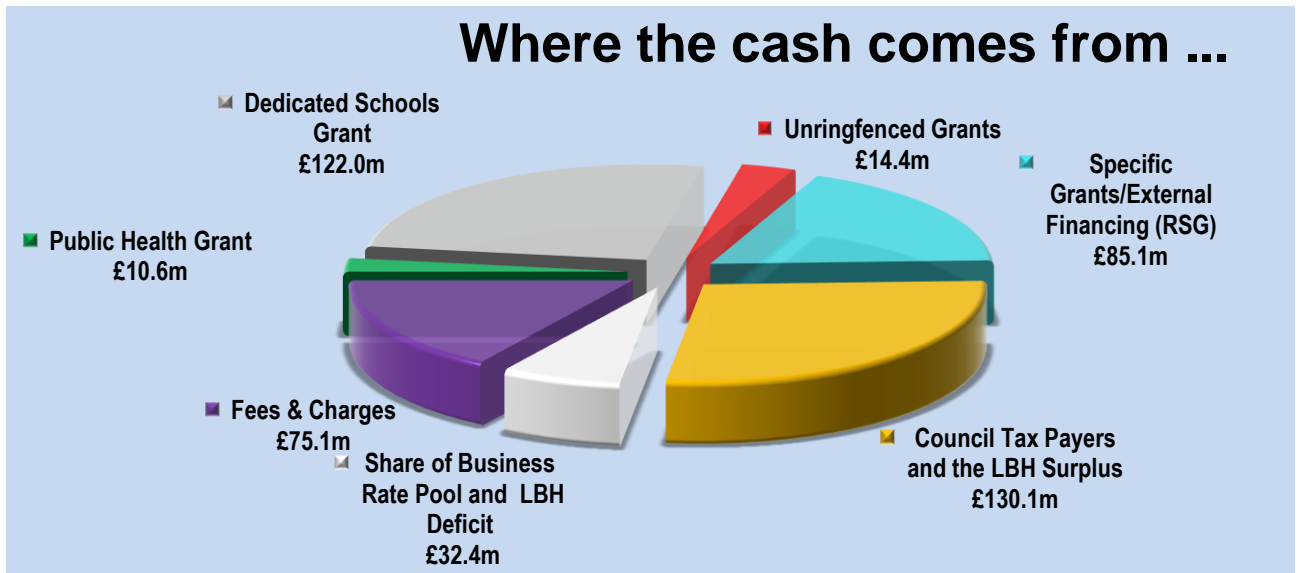
- None of these
- Other (please specify)

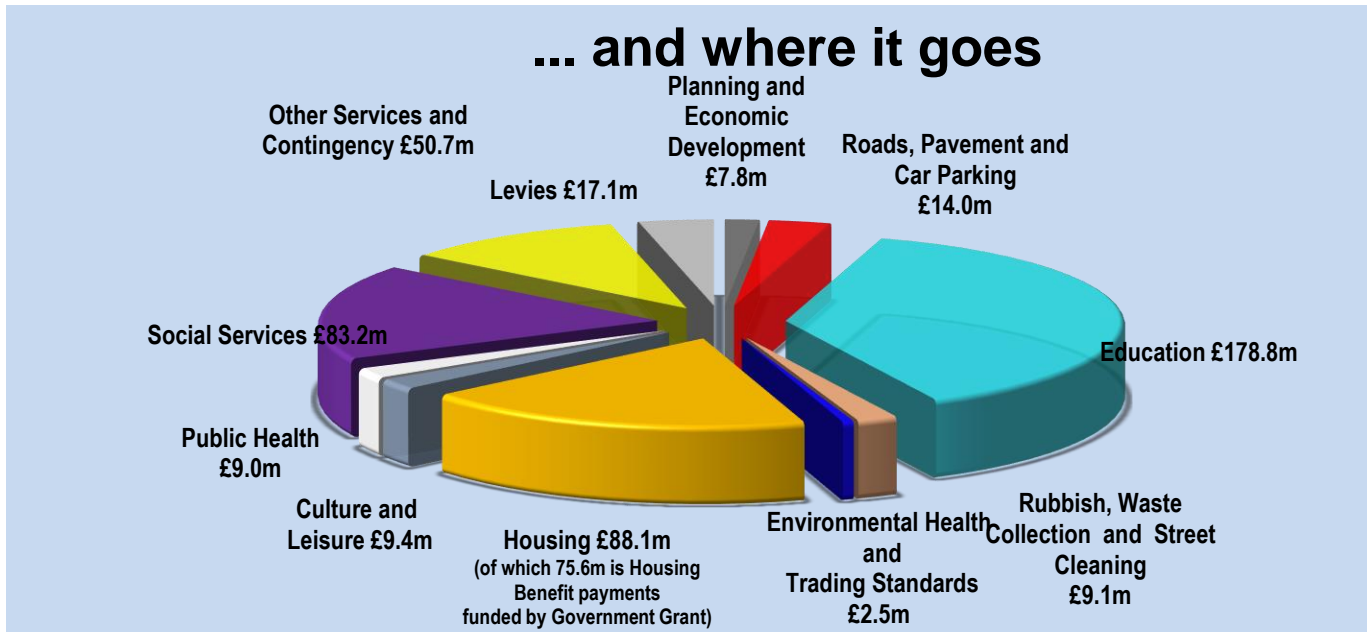
6. Thinking about your answers to the last question, how do you think the Council could support you?

[Open-ended text box]

Section 3: The Councils Budget position looking forward to 2021/22

The Council spends its money across various key services for our public. The Council however will have to make difficult choices about our spending plans in order to meet the increasing demand for our citizens. The graph below set out how Havering spends its money to give you an idea of how it allocates resources.





The COVID outbreak will place even greater pressure on our resources. Some of this pressure has been funded by the Government, but not all of it. Next year we know we will face further costs as it is clear that things will not be back to normal and many of our residents will require continued extra support through the hardship they may be facing. The Council's income from different areas will continue to be affected and collection of this income will be down on previous years. We are aware that increasing unemployment will reduce residents' ability to pay council tax and many businesses are facing hardship or even failure.

7. Overall, how well informed do you feel about the financial challenges facing the Council?

- Not very well informed
- Not well informed at all
- Don't know
- Fairly well informed
- Very well informed

We have proposed a number of savings that will help offset our budgetary pressures and we are deciding on how to bridge that gap [DETAILS ON THE DIFFERENT PROPOSALS TO BE PROVIDED].

8. For the following savings proposals, do you agree or disagree that the proposal is an appropriate way of balancing our budgets?

	Strongly disagree	Disagree	Neutral	Agree	Strongly Agree
Proposal 1					
Proposal 2					
Proposal 20					

9. Are there any other areas that you think we should be considering?

[Open-ended textbox]

Section 4: Reserves and Council tax

“Just as residents often keep some money back to deal with problems that arise, councils keep reserves to pay for crises or unexpected events. In February 2020 we set a balanced budget for 2020/21 and was did not plan to use general reserves to fund expenditure. Dealing with the impact of Covid-19 has meant we have had to spend more money to support our residents. The Government has provided some financial support but the extreme pressure the Council has faced means that to keep budgets balanced in the current year we will potentially need to use £10m of our reserves. Our budget consultation this year proposes that we add more money into our reserves to protect residents against unforeseen events that may happen in future years.”

10. In future years, we may seek to rebuild and increase our reserves to handle any crises. If we did this, would you agree or disagree with this proposed course of action?

- a. Strongly disagree
- b. Disagree
- c. Neutral
- d. Agree
- e. Strongly agree

Our proposals do not include particular assumptions on a Council Tax increase as there is still too much uncertainty about the impact of Covid-19 and the funding we are likely to receive next year.

But for illustration, each 1% increase in Council Tax adds 28p per week (£14.64 per year) to a typical band D property and increases our income by approximately £1.3 million. Any increase in Council Tax will mean fewer reductions would need to be made across services.

11. If we were to increase our council tax, which one of the following options for Council tax would you support:

- a. I support an increase of up to 2%
- b. I support an increase above 2%
- c. I do not support an increase
- d. Don't know / no opinion

The financial challenge we face in 2021-22 is significant and means we will need to make some difficult decisions in February 2021 if we do not get sufficient Government funding. It is important to understand what you would do in our situation, so we are asking you to consider what your priorities are in terms of the services we fund.

12. If you had to remove £1 from one of the services areas, please tell us where you would remove your £1 from?

Adult Social Care
Bereavement & Registration
Building Control
Children's Social Care
Community Services
Corporate Services
Early Help
Education Services
Enforcement & Safety
Environment Services
Highways, Parking & Traffic
Housing
Libraries, Arts & Music School
Leisure Centres & Sport
Public Health
Public Protection & Licensing
Regeneration and Economic Development
Social Support
Support Services (Finance, ICT, Legal, HR)
Transport Services
Waste Services

13. Please let us know of anything else you would want us to consider as we set the budget for 2021/22

[Open-ended textbox]

Section 5: Demographics

We want to reach as many people as possible with this consultation and that all groups in our community have had the opportunity to give us ideas. We would therefore like to gather some information about you so we can measure the profile of respondents to the consultation.

What is your age?

- Under 16
- 16 - 20
- 21 - 30
- 31 - 40
- 41 - 50
- 51 - 60
- 61 - 70
- 71 - 80
- 81 - 90
- 91 or over
- Prefer not to say

To which gender identity do you most identify?

- Man
- Woman
- Gender Neutral / Agender
- Trans Woman
- Trans Man
- Non-Binary
- Other
- Prefer not to say

What is your marital status?

- Married
- Single
- Widowed
- Prefer not to say
- Other, please state:

What is your religion/faith?

- Christian
- Muslim
- Hindu
- Buddhist
- Sikh
- Jewish
- None
- Not sure
- Prefer not to say
- Other, please state

What is your ethnic origin? Please tick (✓) one option only

Asian / Asian British		Mixed / Multiple ethnic groups	
Bangladeshi		White & Asian	
Chinese		White & Black African	
Indian		White & Black Caribbean	
Pakistani		Any other Mixed / Multiple ethnic background (✓ AND WRITE BELOW)	
Any other Asian background			

(✓ AND WRITE BELOW)			
Black / African / Caribbean / Black British		Other ethnic group	
African		Arab	
British		Any other ethnic group (✓ AND WRITE BELOW)	
Caribbean			
Any other Black / African / Caribbean background (✓ AND WRITE BELOW)			
White			
British			
Greek / Greek Cypriot			
Gypsy or Irish Traveller			
Irish			
Turkish / Turkish Cypriot			
Any other White background (✓ AND WRITE BELOW)			
Prefer not to say			

Disability

The Equality Act 2010 defines disability as ‘a physical or mental impairment that has a substantial and long-term adverse effect on his or her ability to carry out normal day-to-day activities’.

In this definition, long-term means more than 12 months and would cover long-term illness such as cancer and HIV or mental health problems.

Do you consider that you have a disability as outlined above? Please tick (✓) one option only

Yes

No (Please go to Q)

If you have answered 'yes', please select the definition(s) from the list below that best describes your disability/disabilities:

Hearing (such as deaf, partially deaf or hard of hearing)	<input type="checkbox"/>	Reduced Physical Capacity (such as inability to lift, carry or otherwise move everyday objects, debilitating pain and lack of strength, breath energy or stamina, asthma, angina or diabetes)	<input type="checkbox"/>
Vision (such as blind or fractional/partial sight. Does not include people whose visual problems can be corrected by glasses/contact lenses)	<input type="checkbox"/>	Severe Disfigurement	<input type="checkbox"/>
		Learning Difficulties (such as dyslexia)	<input type="checkbox"/>
Speech (such as impairments that can cause communication problems)	<input type="checkbox"/>	Mental Illness (substantial and lasting more than a year, such as severe depression or psychoses)	<input type="checkbox"/>
Mobility (such as wheelchair user, artificial lower limb(s), walking aids, rheumatism or arthritis)	<input type="checkbox"/>	Physical Co-ordination (such as manual dexterity, muscular control, cerebral palsy)	<input type="checkbox"/>
Other disability, please specify			
Prefer not to say <input type="checkbox"/>			

URGENT PRIORITY

Work with partners to reduce the health, economic and social impacts on our borough of COVID-19

Cleaner

Make sure our parks and public spaces are brilliant places to spend time in.

Campaign to encourage residents to recycle, deal with dog fouling and tackle littering together.

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Keep our communities clean with regular street-cleaning and on-time bin collections.

(Cllr Dervish)

Better reporting of and quicker fixing of potholes, fly-tipping, street lights.

Improve the transport gateways in our borough.

Safer

Review the way our enforcement team works and reduce anti-social behaviour so our residents feel safer.

(Cllr Persaud)

Develop a new CCTV strategy and continue to fund police officers to work solely in Havering.

Continue our investment making roads and pavements safer to use.

Reduce social isolation and improve cohesion between people and the borough's different communities.

Prouder

Ensure our voice is heard loud and clear on issues affecting residents like the Lower Thames Crossing, Crossrail and government funding of local services.

Make sure improvements to the infrastructure residents need goes hand-in-hand with new homes in the borough.

(Cllr White)

Attract new business to the borough by positioning Havering as a great place to live, work and invest in.

Through economy, education, leisure and lifestyle enable all our residents to live great lives.

Provide good affordable homes for local people and eliminate rough sleeping in the borough.

(Cllr Chapman)

Together

Work with schools and businesses to improve opportunities for our young people.

(Cllr Benham)

Work with businesses to invest in Havering's town centre offer.

Community hubs – an online hub and pilot hubs in Harold Hill and Rainham and longer library opening hours.

Ensure more vulnerable residents are able to enjoy their lives with as much liberty and independence as possible.

(Cllr Frost)

Working with voluntary sector organisations to enable them to deliver more of their mission.

In all we do, spend every penny wisely and get the basics right first time (and fixing it quickly if we don't!)

(Cllr Ramsey)

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