



CABINET

7.30 pm	Wednesday 6 November 2024	Council Chamber - Town Hall
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Members 9: Quorum 3

Councillor Ray Morgon (Leader of the Council), Chair

Cabinet Member responsibility:

Councillor Gillian Ford

Lead Member for Adults & Wellbeing

Councillor Oscar Ford

Lead Member for Children & Young People

Councillor Paul McGeary

Lead Member for Housing & Property

Councillor Paul Middleton

Lead Member for Digital, Transformation & Customer Services

Councillor Barry Mugglestone

Lead Member for Environment

Councillor Natasha Summers

Lead Member for Housing Need & Climate Change

Councillor Christopher Wilkins

Lead Member for Finance

Councillor Graham Williamson

Lead Member for Regeneration

Zena Smith

Head of Committee and Election Services

For information about the meeting please contact:

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Webcast

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Members of the public who do not wish to appear
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Excessive noise and talking should also be kept to a minimum whilst the meeting is in progress in order that the scheduled business may proceed as planned.

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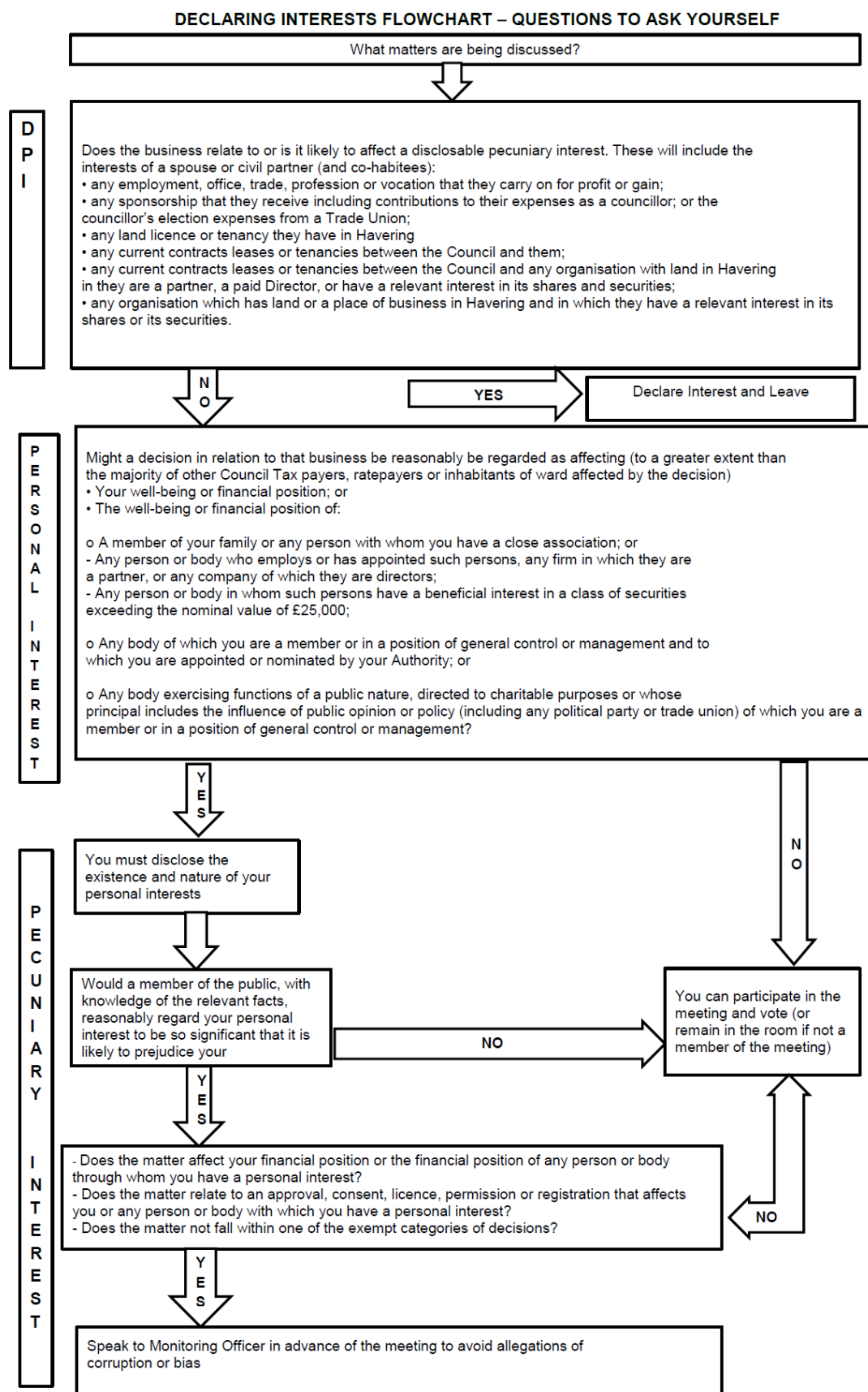
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- using any other means for enabling persons not present to see or hear proceedings at a meeting as it takes place or later; or
- reporting or providing commentary on proceedings at a meeting, orally or in writing, so that the report or commentary is available as the meeting takes place or later if the person is not present.

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Members of the public are asked to remain seated throughout the meeting as standing up and walking around could distract from the business in hand.



AGENDA

1 ANNOUNCEMENTS

On behalf of the Chair, there will be an announcement about the arrangements in case of fire or other events that might require the meeting room or building's evacuation.

2 APOLOGIES FOR ABSENCE

(if any) - receive

3 DISCLOSURES OF INTEREST

Members are invited to disclose any interests in any of the items on the agenda at this point of the meeting. Members may still disclose an interest in an item at any time prior to the consideration of the matter.

4 MINUTES (Pages 7 - 12)

To approve as a correct record the minutes of the meeting held on **9th October 2024** and to authorise the Chair to sign them.

5 APPROVAL OF THE JOINT HAVERING DEMENTIA STRATEGY 2024-2029 (Pages 13 - 44)

Please find below the following comments from the **People Overview & Scrutiny Sub-Committee** for inclusion in this Cabinet Report pack

Dementia Strategy - recommendations to Executive

Recommendation 1:

Give consideration to bringing forward the delivery of the 'Future Aspiration' entitled 'Improved signage in public places - exits and toilets' through the integration of this requirement into Council's regeneration programme and through engagement with key town centre partners (e.g. Shopping centre managers).

Recommendation 2:

Revise the Financial implications and risks section to acknowledge the delivery risks associated with elements of the Strategy which are reliant on the use of non-statutory services e.g. Local Area Coordination and Havering Volunteer Centre.

- Cabinet are asked to provide a response in advance of the next **People Overview & Scrutiny Sub-Committee**

6 2025-2029 MEDIUM TERM FINANCIAL STRATEGY UPDATE (Pages 45 - 80)

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MINUTES OF A CABINET MEETING
Council Chamber - Town Hall
Wednesday, 9 October 2024
(7.30 - 8.43 pm)

Present:

Councillor Ray Morgon (Leader of the Council), Chairman

Cabinet Member responsibility:

Councillor Gillian Ford

Lead Member for Adults & Wellbeing

Councillor Oscar Ford

Lead Member for Children & Young People

Councillor Paul McGeary

Lead Member for Housing & Property

Councillor Paul Middleton

Lead Member for Digital, Transformation & Customer Services

Councillor Barry Mugglestone

Lead Member for Environment

Councillor Natasha Summers

Lead Member for Housing Need & Climate Change

Councillor Christopher Wilkins

Lead Member for Finance

Councillor Graham Williamson

Lead Member for Regeneration

In attendance: Councillor Keith Prince (CON) Councillor Keith Darvill (LAB) and Councillor Martin Goode (EHRG).

1 ANNOUNCEMENTS

On behalf of the Chair, there was an announcement about the arrangements in case of fire or other events that might require the meeting room or building's evacuation.

2 APOLOGIES FOR ABSENCE

There were no apologies for absence.

3 DISCLOSURES OF INTEREST

There were no disclosures of interest.

4 **MINUTES**

It was noted that the minutes of the previous meeting would be presented at the next meeting of Cabinet.

5 **AWARD OF A PRE-CONTRACT SERVICE AGREEMENT TO DEVELOP THE DESIGNS FOR THE NEW BALGORES SPECIAL SCHOOL**

Report: **Award of a Pre-Contract Service Agreement to develop the designs for the new Balgores Special School.**

Presented by: **Councillor Paul McGeary, Cabinet Member for Housing & Property**

Summary:

A report detailed the procurement process to appoint a developer to design and offer firm price for the delivery of the new Special School on the Balgores Field on Balgores Ln, Gidea Park, Romford RM2 6BS, in order to provide Havering resident children with special educational needs with the educational care they required. Details were provided of the financial (capital) implications of the project and a master programme was also given, to identify where this report sat within the larger governance pathway associated with this development.

It was agreed that updates on progress with the construction of the school should be given to Overview and Scrutiny.

Cabinet **agreed:**

1. To award preferred bidder status for a 2 stage construction contract for the construction of Balgores Special School to Galliford Try Ltd; and
2. To award Galliford Try Ltd a stage 1 Pre Contract Service Agreement (PCSA) for the development of the designs associated with the new school at a value of £2,328,096.

Cabinet **noted** that:

1. The PCSA contract length is anticipated at 51 weeks.
2. Following completion of services under the PCSA, a further report will be brought to Cabinet with a recommendation for award of a construction contract at Stage 2.

6 AWARD OF CONTRACT FOR ULEZ COMPLIANT BUSES FOR PTS TO TRANSPORT CLIENTS ON BEHALF OF CHILDREN AND ADULT SERVICES

Report: **Award of Contract for ULEZ compliant buses for PTS to transport clients on behalf of Children and Adult Services**

Presented by: **Councillor Barry Mugglestone, Cabinet Member for Environment**

Summary:

A report considered the procurement of 13 replacement buses for the Passenger Transport Service (PTS), primarily for Home to School transport for SEN children, but also other transport work conducted on behalf of Children and Adults Services. These vehicles represented some of the remaining fleet assets that were not currently Euro 6 standard and therefore required replacement before the grace period for the TFL Community Bus Certificate expired in October 2025. After this date the buses would be subject to a £100 charge per vehicle per day to operate within the ULEZ.

These vehicles were also at least 3 years beyond their typical operating life and if not replaced were likely to present increased maintenance and reliability risks to PTS operations.

Cabinet **agreed** the award of contract to:

- Treka Bus Limited (Company No. 15320085) for the purchase of thirteen 16 Seater Coach Built Buses.

As set out within the exempt appendix A to the report, for the provision of replacement vehicles.

7 DIRECT AWARD OF SOCIAL CARE CASE MANAGEMENT SYSTEM - LIQUIDLOGIC

Report: **Direct award of Social Care Case Management System to Liquidlogic**

Presented by: **Councillor Gillian Ford – Cabinet Member for Adults & Wellbeing**

Summary:

A report advised that the current Liquidlogic contract was due to expire on 31st December 2024 and it was critical that the Council procured a new contract.

The new contract would support the Social Care case recording and management systems, finance systems and customer portal modules. The proposed contract would also assist with hosting, support & maintenance for Adult and Children Social Care Services. The new contract would be for a period of a total of 7 years (an initial 5-years with the option to extend for a further 2 years).

The report sought approval to direct award a new contract to Liquidlogic, using the compliant Crown Commercial Services Framework Vertical Application Solutions (VAS) Lot 2.

This report sought approval of the expenditure from the revenue budget for a maximum value of c.£1.8million over the next seven years.

Cabinet agreed:

1. To approve the award of a Call-Off contract for a 7-year (5+2) period to Liquid Logic Limited (Company Number 11227217) for the provision of a Social Care Case Management System & ContrOCC payment Systems from Liquidlogic / System C in accordance with the strategy set out in the report, by utilising the Crown Commercial Services Framework Agreement (Vertical Application Solutions - RM6259).
2. To delegate to the Strategic Director of Resources/S.151 Officer authority:
 - (a) for implementation of the contract,
 - (b) to exercise the option to extend the contract for a period of 2-years, and
 - (c) for any budgetary change variances (including price increases and expenditure in implementing any new software modules) over the contractual period.

8 COMMENCEMENT OF PROCUREMENT OF THE REPLACEMENT HOUSING SYSTEM

Report: **Commencement of Procurement of the Replacement Housing System**

Presented by: **Councillor Paul Middleton, Lead Member for Digital, Transformation & Customer Services**

Summary:

A report advised that Capita Open Housing software has been used by the Council's Housing service since 2018. The existing contract expired on 31st March 2026.

Following an in-depth review of the current systems and a market test of alternatives it had been determined that the best option for the Council was to procure a new, fully integrated Housing technology platform.

It was recommended that a mini-competition process using the Crown Commercial Services Vertical Application Solutions (VAS) framework Lot 3 (Housing, Environmental and Planning Solutions) be undertaken to identify a replacement system in accordance with the Council's procurement requirement.

This report sought Cabinet approval to procure and publish the tender as well as approval to award a contract though delegated authority via the s.151 Officer.

It was proposed that the replacement system would be subject to a 3+2+2 (total 7 year) contract. It was estimated that the total value of the contract (including implementation services) would be within a range of £970,000 to £2,368,000 depending on the supplier selected via the mini-competition process. The allocated budget has been approved.

Cabinet agreed:

1. To commence procurement of a maximum 7 year contract (3 +2 +2) for an integrated housing technology platform via a mini-competition through the Crown Commercial Services Vertical Application Solutions (VAS) framework Lot 3 (Housing, Environmental and Planning Solutions).
2. To delegate authority to the Corporate Director of Resources/S.151 Officer to:
 - a. award and implement the contract (following completion of the mini-competition referred to above) provided that the value of the contract does not exceed £2,368,000 but further provided that the s.151 Officer may authorise budgetary change variances (for example price increases and expenditure) of an additional £500,000.

Chairman



CABINET

06 November 2024

Subject Heading:

Approval of the Joint Havering Dementia Strategy 2024-2029

Cabinet Member:

Councillor Gillian Ford, Cabinet Member for Health and Adult Care Services

ELT Lead:

Barbara Nicholls, Strategic Director of People

Report Author and contact details:

Laura Wheatley

Laura.wheatley@havering.gov.uk

01708 434019

Policy context:

The Adult Social Care and Support Planning Policy states that Havering's vision is:

'Supporting excellent outcomes for the people of Havering by helping communities to help themselves and targeting resources and interventions to encourage independence'

Financial summary:

There are no financial implications associated with this decision

Is this a Key Decision?

(c) Significant effect on two or more Wards

When should this matter be reviewed?

November 2024

Reviewing OSC:

Peoples Overview & Scrutiny Board



Havering

LONDON BOROUGH

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

People - Supporting our residents to stay safe and well	X
Place - A great place to live, work and enjoy	
Resources - Enabling a resident-focused and resilient Council	



SUMMARY

This report provides an overview of the Joint Dementia Strategy for Havering, 2024-2029. Dementia remains a key national and local priority. It is therefore important that a locally agreed Joint Strategy is in place.

RECOMMENDATIONS

Members of the Cabinet are asked to:

- Note the contents of the report and the accompanying Strategy.
- Adopt and approve the local Joint Dementia Strategy for Havering.

REPORT DETAIL

Background

Dementia and dementia services remain a key national priority, and key related areas, such as the dementia diagnosis rate, are coming under significant scrutiny. Within the National Dementia Strategy: 'Living Well with Dementia: A National Strategy' (DH, 2009), Objective 14 sets out the requirement for every local area to have a joint commissioning strategy in place for dementia. The strategy has been developed to meet the national requirement, and most importantly, to set out a locally agreed vision, strategy and plan which is publicly accessible for the residents of Havering.

Process of Strategy Development

The strategy has been developed in partnership with key commissioning stakeholders, and Havering Integrated Team.

Engagement sessions have been undertaken with groups of people with dementia and their carers, and key issues and themes which they have identified so far have been included within the Strategy. These issues include:

- Need for a range of accessible, advertised information about services and support available
- Mixed experiences of accessing help and support from primary care, and the need for an increased awareness of the needs of people with dementia and their carers in primary care

Summary of key areas contained within Strategy

The Strategy sets out the local vision and principles to be achieved within Havering, and this is aligned to the Havering Health and Wellbeing Strategy.

This includes the intention to seek every opportunity for commissioners to test out the following outcome statements:

- I was diagnosed early
- I understand, so I make good decisions and provide for future decision making
- I get the treatment and support which are best for my dementia and my life
- Those around me and looking after me are well supported
- I am treated with dignity and respect
- I know what I can do to help myself and who else can help me
- I can enjoy life
- I feel part of a community and I'm inspired to give something back
- I am confident my end of life wishes will be respected

The Strategy also includes detail about:

1. The current provision and range of services within the locally agreed pathway
2. The intentions to raise public awareness and understanding of dementia, via the work of the Havering Dementia Action Alliance, JoyApp website, GP's and support of the forthcoming national Public Health England Dementia Friends Campaign.
3. How we are striving to improve the local dementia diagnosis rate, via training for GP's and primary care staff, ongoing work with Public Health, undertaking individual practice visits to provide support, piloting an iPad based dementia assessment tool in primary care and developing information sharing processes across the whole system.
4. How we are working with NELFT, as the provider of the Memory Service, to develop a revised model of service delivery, including an integrated community based service model working with local organisations to deliver different types of support.
5. Services which are currently commissioned to enable people to live well with dementia, which includes the Dementia Advisory Service, peer support, respite care, extra care housing, and care in residential and nursing homes.
6. The work being undertaken with BHRUT to improve services within the hospital for people with dementia.
7. Intentions in relation to End of Life care, including the provision of Gold Standards Framework

REASONS AND OPTIONS

Reasons for the decision:

This strategy is to replace the previous Havering Dementia Strategy 2017-2020. The new Strategy has been a product of co-production with Health and people who have dementia and carers of people with dementia.

Other options considered:

To draft a Havering Council Only Dementia Strategy. This has been rejected because, the whole system approach to tackling Dementia is proven to be more effective and best practice and the Havering Integrated Team has been established to enable true partnership working.

IMPLICATIONS AND RISKS

Financial implications and risks:

There are no direct financial implications as a result of approving the Joint Dementia Strategy.

However, a number of services underpinning the delivery of the strategy are funded on a time-limited basis, and it will be vital to monitor and review these services to ensure outcomes are achieved, as well as making timely decisions as to future funding, and if necessary to agree exit strategies with providers.

Legal implications and risks:

The Council has various duties under the Care Act 2014

- to promote wellbeing (s1)
- preventing needs for care and support (s2)
- promoting the integration of health and care provision with its health partners (s3)
- providing information and advice for adults with needs for care and support and their carers (s4)
- meeting the needs of adults who require care and support (s18)

Under the National Health Service Act 2006 s 2B The Council has the duty to take such steps as it considers appropriate for improving the health of the people in its area, which includes:

- a) providing information and advice;
- b) providing services or facilities designed to promote healthy living (whether by helping individuals to address behaviour that is detrimental to health or in any other way);
- c) providing services or facilities for the prevention, diagnosis or treatment of illness;
- d) providing financial incentives to encourage individuals to adopt healthier lifestyles;
- e) providing assistance (including financial assistance) to help individuals to minimise any risks to health arising from their accommodation or environment;
- f) providing or participating in the provision of training for persons working or seeking to work in the field of health improvement;
- g) making available the services of any person or any facilities

The Dementia Strategy fulfils these duties.

Otherwise the recommendations made in this report do not give rise to any identifiable Legal implications or risks.

Human Resources implications and risks:

The recommendations made in this report do not give rise to any identifiable Human Resources implications or risks.

Equalities 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.

People with dementia and their carers are amongst the most vulnerable in society. It is therefore vital that they are informed and supported to access the full range of high quality services available to them, in order that they live well with their dementia.

An EqHIA (Equality and Health Impact Assessment) is usually carried out and on this occasion this isn't required.

The Council seeks to ensure equality, inclusion, and dignity for all in all situations.

There are not equalities and social inclusion implications and risks associated with this decision.

Health and Wellbeing implications and Risks

The recommendations made in this report do not give rise to any identifiable Health and Wellbeing risks. The renewal of the strategy with new information and the commitment to use this strategy to deliver high quality dementia care will have positive implications on health and wellbeing outcomes of the residents suffering from dementia and their families and carers.

Environmental and Climate Change Implications and Risks

The recommendations made in this report do not give rise to any identifiable environmental implications or risks.

BACKGROUND PAPERS

Joint Dementia Strategy 2024-2029

Havering Joint Dementia Strategy 2024 - 2029

Page 19

Developed by the Havering Integrated Care Partnership (part of the North East London Health and Care Partnership) – a partnership of NHS, Local Authority, care and community and voluntary sector leads in Havering



Contents

Page 20

Pages 3-4	Foreword
Page 5	Executive Summary
Page 6	Our Vision
Page 7	Our Principles
Page 8	What we have Achieved through 2017-2020 Strategy
Page 9	How this strategy was developed
Page 10	What is Dementia
Pages 11 - 12	What the data tells us about Dementia
Page 13	Why are carers important
Page 14	Summary of existing support
Page 15	The Five Priorities of this strategy
Pages 16 - 23	Strategy Action Plan
Page 24 - 25	Future aspirations and key outcomes
Page 26	Glossary

Dr Maurice Sanomi, GP and Havering Partnership Mental Health Clinical Lead

I feel privileged and delighted to be writing this foreword for our Joint Strategy which sets out a clear vision for Dementia, in Havering, over the next 5 years.

As a GP and Mental Health Lead, I am acutely aware of the challenges we face in Havering, with regards to Dementia, giving our high elderly population, which continues to rise, compared to the rest of London.

The strategy sets out **our ambitions** and our shared vision; it builds on our experience of collaborating with stakeholders to care for, and support people living with dementia, their families, and their carers.

It also builds on our achievements and the lessons learnt from our previous strategy.

Our vision for Dementia care is “to make sure that people with dementia, their families and carers are supported to live life to their full potential.”

The strategy sets out **our principles** which include putting people living with dementia, their families and carers at the centre of what we do and to ensure we listen to them and engage with them and their families and carers. This is to support and enable them to make decisions, and informed choices about their care and their lives.

It has taken time and resources along with contribution and dedication from various stakeholders to put this strategy together. We have consulted widely with stakeholders to enable us to understand more clearly the current state of Dementia care in Havering, and the relevant issues. It has enabled us to develop a strategy fit for purpose, in our quest to improve Dementia care for our local population.

We are confident that this Joint Strategy will go a long way to improve Dementia care, both before diagnosis and after diagnosis. It will enhance care and support for our people living with dementia and their carers.

We have set the strategy around five key priorities which are, *preventing well, diagnosis well, supporting well, living well, and dying well*.

As we know, Dementia does not just affect the person with the diagnosis, it affects all of us; both the immediate families and carers and impacts the wider society through increasing health and social care costs. It is therefore essential for us to work together, to ensure we deliver on our priorities within the Joint Strategy

The Joint Strategy sets out **key outcomes** along with an **action plan** for delivering these outcomes; we hope this strategy will bring along the much-needed positive steps towards improving Dementia care, all round, for our Havering population.

We are conscious of the pressures experienced across the entire system in terms of resources, but at the same time we are hopeful that the changes in government policy and the increasing investment in Dementia Care will help us deliver our strategy for Dementia Care in Havering within the limited resources available.

We therefore need all hands to be on deck to deliver on the ambitions set out within this strategy; I appreciate that it will not be easy, but where there is sincerity of purpose and a shared vision, as we all have in developing this Joint Strategy, nothing is impossible.

Lastly, I would like to thank all our stakeholders (individuals and organisations), and everyone who has one way or the other contributed to making this Joint Strategy possible.



Cllr Gillian Ford, Lead Member for Health, London Borough of Havering

I would first of all like to thank Havering Dementia Partnership Board, people with lived experiences and the numerous groups and organisations who have all contributed to development of The Havering Dementia Strategy.

Since the last Dementia Strategy we continue to see growth in Dementia internationally, in part due to an ageing population, making it the most prevalent health issue. We have also seen the government introduction of the Integrated Care System: Havering is part of the North East London ICS. This provides a greater opportunity to work with partners and the Havering Place Based Partnership is working collaboratively with health partners, care providers, Healthwatch and the voluntary sector, to support people living with dementia and recognise the need for support for people who are in caring roles.

The aim of this strategy is to raise the profile and importance of dementia care and support, to recognise the positive improvement that has taken place and to outline the areas that need greater focus and change. The Partnership is committed to using this strategy to deliver high quality dementia care and support and have appointed a dedicated dementia lead through the Primary Care Network.



Executive Summary

The overall aim of this strategy is to raise the profile and importance of dementia care and support, and to build on the progress that Havering has already made in improving the lives of those with dementia. It is vital that the public, stakeholders, commissioners and providers develop a shared vision of aspirations for the future with regard to dementia care and services. This is particularly crucial to Havering, given the ageing population and anticipated rise in the numbers of people with a diagnosis of dementia.

Up to 40% of dementia is considered potentially preventable. What is good for the heart is also good for the brain, which is why the strategy will also include actions to tackle high blood pressure, physical inactivity, alcohol and obesity, and to promote healthy eating.

The government has already announced other measures which will help those with dementia, including:-

- ✓ the government's social care charging reforms, with more generous means testing and lifetime cap on care costs
- ✓ the integration white paper to better link health and social care systems
- ✓ the Health and Care Act, which will put the person at the centre of care, with local systems designed to deliver seamless care and support people in retaining their independence, health and wellbeing
- ✓ levelling up healthcare and reducing disparities across the country so everyone has the chance to live longer and healthier lives, wherever they come from and regardless of their background

Our Vision

Our vision is to make sure that people with dementia, their families and carers are supported to live life to their full potential. We want the people in Havering to be able to say:-



Page 24

I can live a life of my own



I live in a dementia friendly community



I know who/where to turn to for information, support and advice



I have access to timely and accurate diagnosis, delivered in an appropriate way



I have access to the right support that enables me to live well at home for as long as possible



My voice is heard, listened to, and is taken into account in relation to my own health and wellbeing



I know that when the time comes, I can die with dignity in the place of my choice

Our Principles

We will strive to:



Listen to and engage with people with dementia and their carers



Enable and facilitate people to make informed choices and exercise choice and control over their lives



Involve people in decisions about their lives



Support people to access the right services at the right time



Involve, engage and support carers



Strive to tackle the stigma associated with dementia



Commission integrated services which are straightforward to navigate and access support



Support people living with dementia in the work place and those who care for someone living with dementia



Advise on technological support, equipment and adaptations



What we have Achieved through 2017-2020 Strategy

This strategy builds on the work of the previous 2017-2020 Dementia strategy and the learning from this.

- ✓ Dementia Friendly status by the Alzheimer's Society
- ✓ Dementia Cafés
- ✓ More awareness about dementia
- ✓ Linking person with the diagnosis to their carer on IT systems
- ✓ Dementia and Delirium Team at BHRUT
- ✓ Breakthrough in treatment with drugs to manage the progression of the disease
- ✓ More support networks run by volunteers who have experience with living and looking after someone with dementia
- ✓ Havering Dementia Action Alliance
- ✓ Prevention and Wellbeing contract commissioned with the Alzheimer's Society
- ✓ Joint Carers Strategy

Development of this strategy

Development of this strategy has involved input from a number of key leads, local people, and groups.

A Dementia World Café Event was held in September 2023 and May 2024, which included ex carers, GPs, Managers of different service provisions and voluntary organisations who come into contact with people with a diagnosis of dementia and their carers.

These included:-

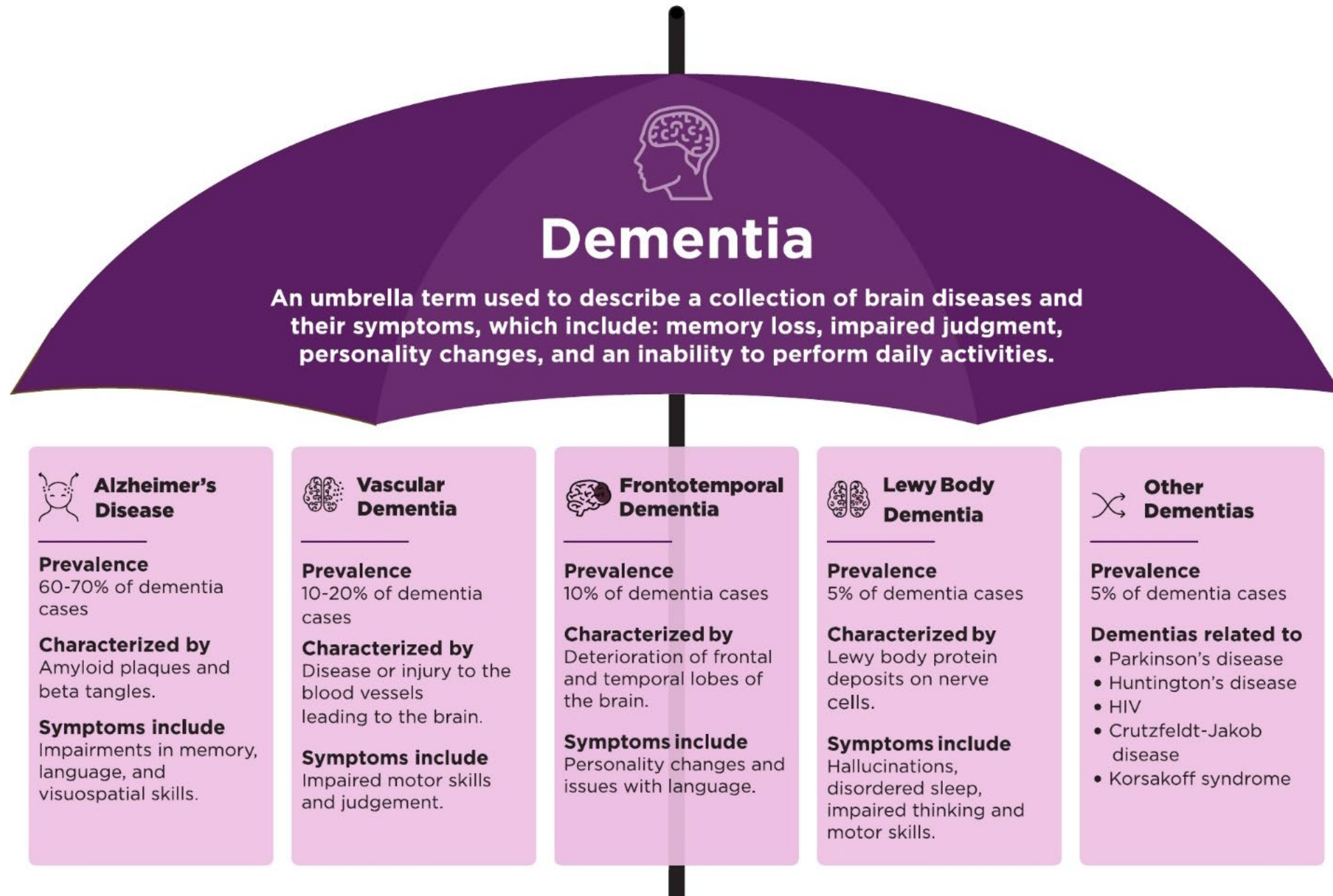
- The Havering Dementia Carers Group
- Singing for the Brain Group
- Age UK
- Councillor Gillian Ford
- Havering Over 50's Forum
- St Francis Hospice
- Dr Maurice Sanomi/ Dr Uzma Haque
- Havering Carers Hub
- Carers
- Havering dementia operational working group (system wide)



Through these groups it became clear that what was needed and could be put in place reasonably quickly, was a one page summary of information sheet at the point of diagnosis giving information about the support that is available in Havering.

What is Dementia?

Dementia is the broad term used to describe a number of different conditions affecting the brain that will trigger the decline of brain functioning over a period of time. Here are the most common types of dementia.



Dementia data nationally

Dementia – The National Picture

The number of people with dementia is expected to increase to one million in the UK this year, 1.6m by 2040 and two million by 2051. There will be over 200,000 diagnoses this year, equated to one in six people over 80 live with dementia and 1:79 of the total population. (source Alzheimer's UK).

National data also suggests that:

- 1 in 4 acute beds have a patient with dementia
- Readmissions - 25% for those with dementia to non-dementia of 17%
- 35% increase in ED presentations in people with dementia in the last 5 years
- Average length of stay for admissions of people with dementia is three times that of admissions for people without dementia.
- A significant number of admissions from care homes have an underlying condition of dementia.

The pandemic has had a considerable impact on people living with dementia with acute hospitals reporting more behaviour incidents in Emergency Departments, care homes requesting 1-1s and local carers advising they have and are still struggling with their care responsibilities due to increased agitation and challenging behaviour of the cared for and having to offer 24-hour care with services suspended during COVID with no breaks.

Acute Admission and Dementia

Most of the dementia related admissions are due to lack of intervention at the right time leading into crisis. With proper support to carers, care home and the nursing home staff and crucially being responsive when needed, this will reduce Emergency Department presentation and ultimately non-elective bed use. It is also much better for the patient to remain at home as stays in an acute bed have a very negative impact of those dementia including increased confusion, distress agitation and delirium and as stated earlier this ultimately leads to a longer length stay. This leads to a decline in functioning and independence when the patient returns home.

What the data tells us about dementia in Havering

Prevalence Data

There are an estimated 3,121 people with Dementia in Havering

In 2024, the number of people diagnosed is 1,757

A further 335 people need to be diagnosed to meet the national diagnosis target of 67%

Havering's rate is currently 56.3%

Havering

Havering has the largest older population in North East London and one of the largest in Greater London, with more than 18% of the population over 65.

Havering has an over 80's population of just under 15,000 people, with potentially around 2,500 with dementia, diagnosed or undiagnosed (based on 1:6 national ratio). Dementia diagnosis rate in Havering is also below the national standard.

In Havering additionally, medical reviews for all patients diagnosed with dementia, which is a gold standard practice, are not taking place as standard and need to be improved.

Early Onset/Younger Dementia

There has also been an increase in early onset of dementia presentations. With both cases, either early onset or age related, if there is early diagnosis and post-diagnostic support people and their carers can manage their condition well.

Memory clinic referrals

The memory service has seen an increase in demand from 2019 from 550 referrals to current referral rates (Sept 2021 figures) approximately 90-100 per month, showing year end forecast of 1000 referrals.

Why are Carers so important?

Carers play a vital role in supporting the people with dementia, particularly as they become increasingly reliant on their caregivers throughout the course of the disease. It is therefore crucially important to ensure that support also meets the needs of the caregiver to support their health and wellbeing.

For paid /professional carers, achieving the aims and objectives of this strategy is likely to require re-examination of the financial investment in dementia care; how we jointly develop the quality and capacity of care providers in Havering, and a review of the quality and cost effectiveness of current pathways of care, including respite care.

For informal and unpaid carers, the Havering Strategy for those who provide informal and unpaid care, sets out the significant amount of support and aspirations to improve outcomes. [PowerPoint Presentation \(havering.gov.uk\)](https://www.havering.gov.uk/powerpoint-presentation)



Page 31

It is important that:

Carers have access to information, advice and support

Carers have a balanced role in their caring responsibilities and are supported to have time outside of their caring role for their own wellbeing

Carers are able to look after their own health, making sure they get enough sleep and are able to manage stress and anxiety levels

Carers have support networks so they feel less alone

Carers feel reassured about the health and wellbeing of the person(s) cared for, when Carers are not with them

Carers have access to respite care and bereavement support

Summary of existing Community Support in Havering

Dementia Support	Singing for the Brain	Dementia Music and Social Club	Bring me Sunshine	Dementia Cafés	Havering Dementia Action Alliance	Alzheimer's Society
Carers Support	Havering Dementia Carers Support Group	Peabody – help with form filling and blue badge applications	Tapestry – Day Care Centres and hot meal service	Alzheimer's Society helplines/courses	Dementia Advisers	Havering Carers hub
Pre and Post Diagnostic Support	GPs	BHRUT Dementia and Delirium Team/blue wrist band/This is Me/blue butterfly	NELFT Memory Service	Admiral nurses	Carers Assessments	
Community Activities	Links to solicitors for power of attorney	Queen's Theatre for Down Memory Lane, dementia choir and dementia friendly performances	Leisure activities that cater for people with dementia	Dementia Friendly Awareness sessions	Dementia Friendly retail outlets	Carers forum (all carers); carers register and assessments

The aspirations within this strategy will be achieved through focusing five key priorities:

Preventing Well

Information which focuses on prevention of dementia, early intervention and support

Diagnosing Well

Access to a timely diagnosis with pre-diagnostic and post-diagnostic support

Supporting Well

Prevention of crisis and supporting people with dementia, their families and communities

Living Well

Improving the quality of personalised care and support planning for people with dementia

Dying Well

Including planning for the end of life, as well as bereavement support

ACTION PLAN: Preventing Well (1)

Aspiration	Interventions	Outcome
<div>Page 34</div> <p>We aim to minimise the risk of people developing dementia</p>	<ul style="list-style-type: none">▪ Work with Public Health through Health Champions and Primary Care Networks, to inform and encourage people to understand health risks leading to healthier lives ideally through exercise and lifestyle changes▪ High LDL cholesterol and vision loss are now risk factors for dementia, which may broaden the scope for the ‘at risk’ target cohorts and we will work proactively with the public and health service to raise awareness▪ Utilise the Joy Directory of services and Havering Partnership website to promote wellbeing and healthy lifestyle choices, as well as connecting people to services that support wellbeing and mitigate key risk factors▪ Through the Havering Wellbeing village events, support the BHRUT audiology team to go out into communities and increase the number of people who have access to hearing tests, and support those with hearing loss, as this is a key risk factor for developing dementia	<p>Reduce people’s risk of developing Dementia and reduce dementia diagnosis in Havering</p>

ACTION PLAN: Preventing Well (2)

Aspiration	Interventions	Outcome
<p>We will provide training and education on Dementia Prevention to appropriate Health and Social Care staff and voluntary sector</p> <p>Page 35</p>	<ul style="list-style-type: none"> ▪ Joint working with LBH, Havering Place Based Partnership, BHRUT and NELFT to identify training opportunities – both through sharing training courses and identifying opportunities to improve engagement and support prevention ▪ Train Social Prescribers, Local Area Coordinators, Health Champions and others in connecting roles to identify the risk factors of dementia and promote healthier lives connecting more people to wider wellbeing services, and in particular to link local people into services that combat loneliness and social isolation which is a key risk factor for dementia 	<p>Through expanding access to knowledge, education and training on Dementia risks we aim to reduce risk of developing Dementia and improve quality of life</p>
<p>We will promote exercise, activity and better lifestyle across our Havering Community</p>	<ul style="list-style-type: none"> ▪ Co production with Havering Dementia Action Alliance and Everyone Active Sports and Leisure to develop appropriate services and to promote Veterans/Masters sport. ▪ Work with Social Prescribers, Care Coordinators, Health Champions and other roles that connect people to support, enabled by the Joy Directory of services, to link people in to wider wellbeing support to help them to maintain active lifestyles ▪ Joint working with Voluntary Sector to promote activities 	<p>Fitter and more active Havering Community and reducing the risk of dementia. Promoting 55+ activity and sport.</p>

ACTION PLAN: Diagnosing Well (1)

Aspiration	Intervention	Outcome
<p>We will enable access to timely, accurate diagnosis, and once diagnosis has taken place, ensure that a care plan is developed, and that a review takes place within the first year</p> <p>We will ensure that ‘at risk’ groups are reviewed annually given the increased risk of early onset dementia, e.g. people with a learning disability or Downs Syndrome</p>	<ul style="list-style-type: none">▪ LBH, Havering Place Based Partnership and NELFT will work in partnership to develop more joined up care, and seamless pathways for local people, for example, closer links between those going through the memory service, and Social Prescribers / Local Area Coordinators, and use of the Joy Directory, to those diagnosed, and their carers into wider support▪ Work to address the backlog of referrals and waiting lists for hospital and GP referrals and treatment and improve accurate recording of diagnosis.▪ Work with PCNs to ensure that there are yearly health checks from 55+ for at risk groups that include consideration of dementia risk factors, and that discussion takes place with those aged 55+ via the Health checks of those risk factors, what to look out for, and helpful lifestyle changes that can be made	<ul style="list-style-type: none">▪ Improve Havering dementia diagnosis rate from bottom quartile to top quartile▪ Improve carers and cared for outcomes and care experience.▪ Improve quality of service.▪ Increase number of people with LD and Downs Syndrome who receive health checks

ACTION PLAN: Diagnosing Well (2)

Aspiration	Intervention	Outcome
<p>Ensure that people have access to early intervention advice, support, training and education</p>	<ul style="list-style-type: none"> ▪ Work with the Carers Hub to ensure that Carer and cared for information, advice and training programmes are provided alongside diagnostic services, with staff at the memory clinic trained to either use the Joy directory themselves, or refer on to Social Prescribers and Local Area Coordinators to ensure that there is full support available. We will ensure that we get the right messages in the right way across our populations including faith groups. ▪ Havering Dementia Alliance to increase number of Dementia Champions by working with the VCSE, Volunteer Centre, and other groups to promote this across the borough 	<ul style="list-style-type: none"> ▪ Better carer understanding of dementia, issues, support and advice. ▪ Improve carers and cared for experience and quality of life ▪ Reduce/remove the stigma associated with dementia
<p>Greater links to be made on digital records between a person, and their informal/unpaid carer</p>	<ul style="list-style-type: none"> ▪ Develop a single digital health and care record which identifies and notifies carer and cared for to services – Explore use of the ‘this is me’ document across the borough for those with dementia ▪ As set out in the Havering Carers strategy and action plan, increase the number of Carers for those with dementia who are identified as a carer with local services and their GP so that they receive the support that they need, when they need it 	<ul style="list-style-type: none"> ▪ Increase the number of registered carers both with the carers hub, and coded as a carer with their GP practice ▪ Improved qualitative outcomes around continuity of care and a reduction in the number of times people report they have to repeat their story

ACTION PLAN: Supporting Well (1)

Aspiration	Intervention	Outcome
<p>We will improve the support to people with dementia and their families following a dementia diagnosis</p>	<ul style="list-style-type: none">▪ LBH, Havering Place Based Partnership and NELFT will work together to improve the pathway following diagnosis – the memory clinic will be trained on use of the Joy directory and will also link those diagnosed into wider support services such as Social prescribing and Local Area Coordination to ensure that local people are linked into wider wellbeing support▪ Utilisation of the Blue Band scheme at BHRUT (in partnership with LAS and Local Care Homes) to support those with dementia to be recognised and supported throughout their journey to ensure that attendance and admission to hospital are seamless and not disruptive to the person with dementia's routine as possible.▪ Utilisation of 'this is me' document within hospital and in other areas to prevent people with dementia and their carers from having to repeat their stories and preferences, and ensure that they're treated in a way that prevents exacerbation of their condition▪ Explore implementation of the Herbert Protocol with local police to support those with dementia who may wander or get lost, to ensure that they are identified and supported back to their usual place of residence as quickly and seamlessly as possible	<ul style="list-style-type: none">▪ To provide better support for people on their dementia journey, supporting carers and helping to ensure that people with dementia are able to live full lives and remain where they wish to live

ACTION PLAN: Supporting Well (2)

Aspiration	Intervention	Outcome
<p>We will provide timely access to health and social care professional and develop a central point of access for information and guidance for people with dementia and their carers</p>	<ul style="list-style-type: none"> ▪ Work with staff across health and social care to develop more robust and integrated personalised care plans to support the carer and their cared for person, particularly encouraging them to ensure that there is a Herbert Protocol in place where appropriate, and a ‘this is me’ care plan ▪ Development and launch of the JOY directory as a central point of access for information including technology aids, and wider support services, both health, council, police, community and voluntary sector and faith groups ▪ We will ensure that we raise awareness of the importance of Power of Attorney signposting to advice and guidance on completion 	<ul style="list-style-type: none"> ▪ People with dementia and their carers know who to contact, how and when and feel more empowered to manage day to day
<p>Establishing Dementia Ambassadors in all care homes</p>	<ul style="list-style-type: none"> ▪ LBH to work with Havering Care Association and Havering Dementia Action Alliance to implement 	<ul style="list-style-type: none"> ▪ To provide leadership in all care homes in dementia care. ▪ Ambassadors to disseminate best practice and innovation to drive up standards of care

ACTION PLAN: Living Well

Aspiration	Intervention	Outcome
We aim to support people with dementia to remain in their own home or where they chose to reside as independently as possible	<ul style="list-style-type: none"> LBH and Havering Place Based Partnership will use care planning, carer support and remote monitoring services to enable people with dementia to remain in their preferred place of care 	<ul style="list-style-type: none"> To improve the quality of life for people with dementia and their carers
<div>Page 40</div> We will develop activities available for people with dementia both with and without their carers, and activities for carers, and ensure that they are made aware of these	<ul style="list-style-type: none"> We will co-produce a programme of activities, both sport and leisure, working with community partners and representatives from our population who are living with dementia. The plan will need to include consideration of respite to support involvement in activities 	<ul style="list-style-type: none"> To improve independence and quality of life for people living with Dementia Helping people to keep connected with their community
We will support Havering Care Homes(HCH) to achieve accreditation in training and educating their staff in dementia care	<ul style="list-style-type: none"> LBH will work with Care Provider Voice, HCH and Grey Matters Learning to target and provide accredited training for Care Home and Home Care staff. 	<ul style="list-style-type: none"> To improve standards of care across Havering while also increasing understanding, compassion and care in care provision.

ACTION PLAN: Dying Well

Aspiration	Intervention	Outcome
<p>We will create safe places and opportunities for people to discuss their advance care plan and end of life wishes.</p> <p>We will provide training and education for carers on the dying process and help and support in keeping the person in their preferred place of death.</p>	<ul style="list-style-type: none"> Working with health, social care and voluntary services to increase the number and quality of Urgent Care Plans (UCPs) that are developed with people with dementia and their carers. We will use “Dying Matters Week” to facilitate and promote discussion and planning, and the Hospices to provide training and education. 	<ul style="list-style-type: none"> To enable people with dementia to prepare through advance care planning to die in the place of their choice with the right support. To facilitate a “ good death” To support carers in understanding the dying process, who to call and when.
<p>We will ensure that appropriate and accessible bereavement support is in place</p>	<ul style="list-style-type: none"> LBH and Havering Place Based Partnership to review current bereavement offer and looks for opportunities to improve this 	<ul style="list-style-type: none"> To provide support for those with dementia and caring for people with dementia to cope with and understand loss and bereavement . To enable the carers to understand and manage their grief
<p>We will ensure that proactive and timely services are provided at end of life</p>	<ul style="list-style-type: none"> LBH and Havering Place Based Partnership to review services that provide support to a dying person. We will ensure that the fast track process operates as quickly as possible to facilitate support for people with dementia to be in their preferred place of death 	<ul style="list-style-type: none"> To enable people to die in their preferred place of death. Supporting carers in the most difficult times to achieve preferred place of death

Future Aspirations

Page 42

Yearly checks for people with dementia aged 65+

Respite care to be more accessible and flexible - to reduce carer load and prevent burnout and improve quality of life for carer and cared for

Implementation of the Herbert protocol

Namaste - LBH to look at opportunities to provide training in Namaste Care for Care Home providers

Improved signage in public places – exits, toilets

Commission services appropriate for early onset dementia

Key Outcomes

The key outcomes that we want to see are:

- more people have increased say and control over their dementia diagnosis and are diagnosed early enough that they can take as full a part as possible in their own care planning
- more people get earlier access to good quality, person-centred post-diagnostic support in a way that meets their needs and circumstances
- more people with dementia are enabled to live well and safely at home or in a homely setting for as long as they and their family wish with dignity and respect
- more people get timely access to good quality palliative and end of life care during the process of diagnosis and through all parts of the care journey; the critical input of family carers is encouraged and facilitated, and carers' own needs are recognised and addressed
- people with dementia's right to good quality, dignified, safe and therapeutic
- treatment, care and support is recognised and facilitated equally in all care settings – at home, in care homes or in acute or specialist NHS facilities which are flexible and tailor made
- there are more dementia-friendly and dementia-enabled communities, organisations, institutions and initiatives

Glossary of Abbreviations

ASC	Adult Social Care
B&D	Barking and Dagenham
BHRUT	Barking, Havering, Redbridge University Trust
ED	Emergency Department
GP	General Practitioner
IT	Information Technology
LBH	London Borough of Havering
NELFT	North East London Foundation Trust
UCP	Universal Care Plan

CABINET	6 November 2024
Subject Heading:	2025-2029 Medium Term Financial Strategy Update
Cabinet Member:	Councillor Chris Wilkins (Cabinet Member for Finance)
ELT Lead:	Kathy Freeman Strategic Director of Resources
Report Author and contact details:	Richard Tyler Head of Financial Strategy and Business Intelligence 01708 433 340 Richard.Tyler@Havering.gov.uk
Policy context:	The report provides an update on the progress towards setting the 2025/26 budget and the development of the 2025-2029 Medium Term Financial Strategy
Financial summary:	This report includes: <ul style="list-style-type: none">• Update on the 2024/25 revenue monitoring position (Section 6)• Update on the progress towards setting the 2025/26 budget (Section 7)• Update on the Medium-Term Financial Strategy for 2025-29 (Section 7)• Proposed consultation approach for 2025/26 (Section 12)
Is this a Key Decision?	No

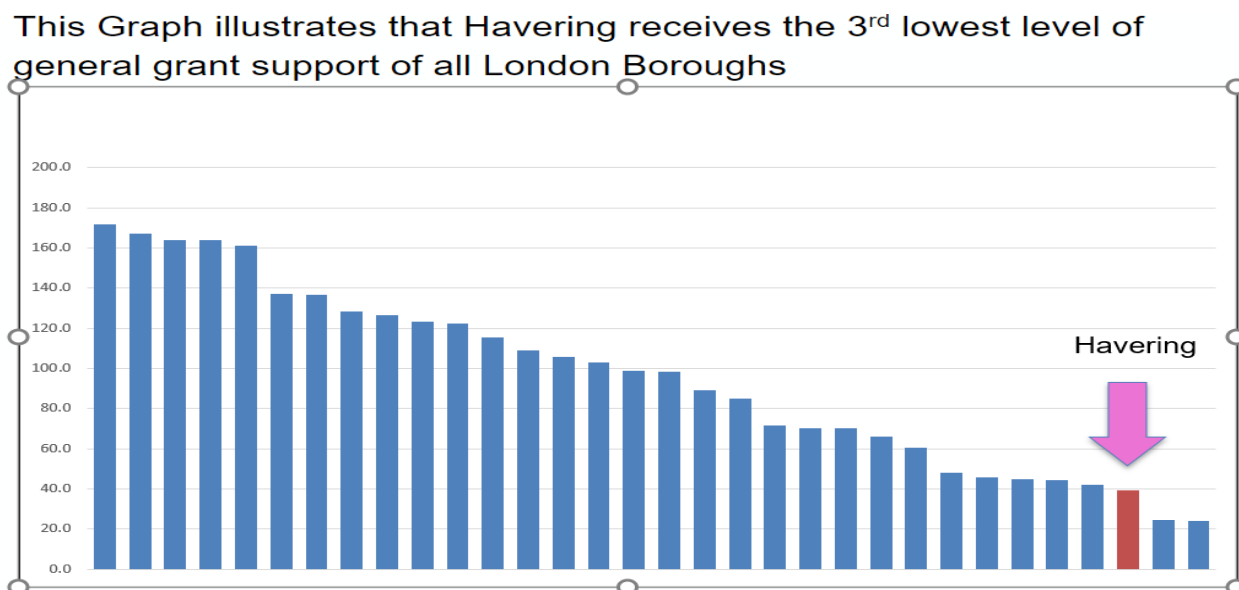
1. EXECUTIVE SUMMARY

- 1.1. This report provides an update on the progress towards setting the Council's budget for 2025/26. The report includes the latest monitoring position for 2024/25 and how this will impact on the 2025/26 budget. The report sets out the national financial context following the General election in July and how this might affect the budget position. At the time of writing the report, the measures proposed in Autumn Budget are yet to be announced.
- 1.2 The report updates the medium-term financial strategy taking account of the latest assumptions and includes detail of proposed growth and savings for the budget. The report shows the remaining gap facing the Council for 2025/26 and the cumulative estimated gap over the next 4 years. The report focuses on the Council's General Fund position. A further report on the Council's Housing Revenue Account position will follow in January and the February budget report will contain additional information on the Dedicated Schools Grant, Capital and Treasury management strategies.
- 1.3 Due to years of systemic underfunding based on data from over a decade ago, the government grant Havering receives no longer meets the fast-changing demands on the Council's services. Despite putting forward a sizeable savings programme of £15.3m, 2024/25 was the first year the Council was unable to set a legally balanced budget report without Exceptional Financial Support from the Government. This report sets out the impact of the capitalisation direction agreed for 2024/25 and the implications if future capitalisation directions were used to balance future years.
- 1.4 The Council will continue to engage with our community openly and transparently, raising awareness of the Council's financial challenges and the proposals put in place to respond to the significant financial challenges ahead.
- 1.5 In spite of everything, the Council continues to deliver for its residents and the community. A number of the initiatives the Council has delivered and/or is progressing with is captured in this report.

2. RECOMMENDATIONS

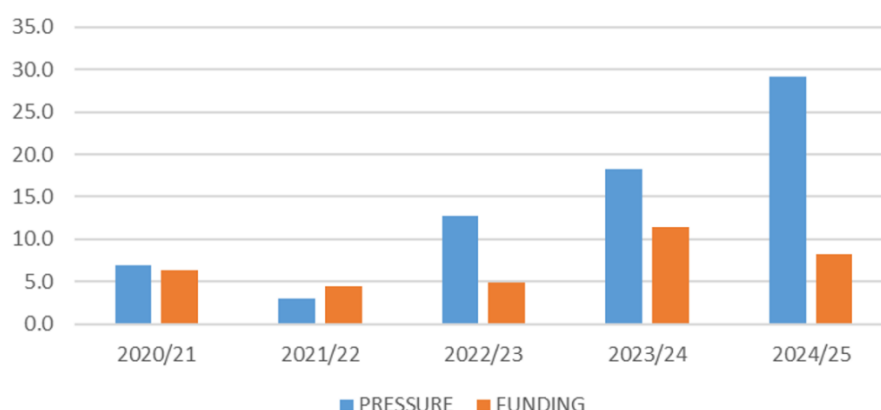
- 2.1. Cabinet are asked to note the medium-term financial position set out in this report
- 2.2 Cabinet are asked to note the proposed savings and investment set out in this report and authorise officers to start the budget engagement process, including specific OBJ consultations (where required) to deliver the savings in this report.
- 2.3 Cabinet are asked to note the position regarding further exceptional financial support from the Government and agree to the proposed steps to lobby the Government on this matter.

3.1. Havering is an efficient well-run authority which has managed its budgets carefully over many years. Over the last decade the Government has reduced the amount of funding the authority has received both in cash terms and through an inequitable funding formula which does not reflect the demographic pressures the Council faces. Despite the changes in the borough's population, Havering receives one of the lowest core grants (settlement funding assessment) across London as seen in the graph below:



- 3.2 Havering undertook a comprehensive budget exercise in setting the 2024/25 budget which identified over £66m of growth would be needed to set a budget to meet the pressures the Council was facing. The budget also included £15.3m of savings and fee increases to help mitigate the pressure. Despite the level of savings put forward, the Council was unable to set a balanced the budget without a £32.5m capitalisation directive which was agreed with the previous Government.
- 3.3 The Council's finances reached this position after years of underfunding from central Government, both in terms of the amount allocated nationally to fund social care and more significantly for Havering the outdated distribution formula used to allocate grant. Rapidly rising demand and unit costs in Social Care had resulted in pressures which far exceeded the grant received and Council Tax increases permitted by the previous Government. To illustrate this, the graph below shows the difference between additional funding against the cost of new pressures per annum for social care and temporary accommodation (TA).

Comparison of Pressure on Social Care and TA vs
New Grant and Precept increase



- 3.4 The first quarter revenue monitoring report for 2024/25 has projected a £32.3m overspend which if not mitigated would require almost the entire capitalisation direction to balance spend at year end. This has confirmed the service demand pressures which were predicted in the Council's annual budget report. These are underlying pressures and will need to be built into the 25/26 base budget together with any further projected demographic and unit cost increases.
- 3.5 The new Government was elected in July this year and have committed to a government wide review to look at reforms that could better support local government. This is welcomed and it is hoped will provide the platform to adequately fund Council services moving forward. The Government have announced an autumn statement on 30th October and it is hoped this will include new funding for Councils. As this report is written however uncertainty remains with no confirmed news of Government plans for the local government finance settlement in December.
- 3.6 The current Government have yet to confirm any intentions regarding Council Tax thresholds or the granting of Capitalisation directions in 2025/26. Havering has an structural budget deficit and will not be able to fully balance its budget for 25/26 without further external support or direction from the Government. This position is likely to continue unless Havering receives adequate funding to deliver the statutory responsibilities and services much-valued by residents.

4. GOVERNMENT POLICY AND NATIONAL CONTEXT

- 4.1. The new Labour Government have announced an Autumn Statement on October 30th which is likely to set out the Spending limits by sector for the next year. The Government have then committed to a multi-year spending review in 2025. Alongside this the Government have also announced a review to identify government reforms that could better support councils.
- 4.2. Local Government finance settlement for 2025/26 will be announced in December. Given the proximity to the autumn statement it is unlikely the Government will be able to introduce any significant reforms for 2025/26. The medium-term financial strategy

currently assumes no growth for Social Care which was the position left by the previous Government. The plan will be updated as and when formal announcements are made regarding any new funding for 2025/26.

- 4.3. One announcement that has been made is the continuation of the Household Support Fund until March 2025. This announcement has provided a further £1.6m fund to support Havering residents over the next 6 months. This is welcome news and it is hoped that the Government will identify further funding moving forward to allow the scheme to continue beyond the current financial year
- 4.4. The Council continues to be in dialogue with Ministry of Housing Communities and Local Government (MHCLG) over the financial position it faces. It is hoped that the Government will recognise our position and be able to provide a solution to enable the Council to set a budget for 2025/26. Given the extent of the current financial gap the Council will either need a further capitalisation direction or preferably financing from central Government to recognise the position the Council is in through no fault of its own.
- 4.5. The Government have not yet made their intentions clear regarding whether it will grant exceptional financial support for 2025/26 and what conditions will be attached to any support. Given the current financial situation of the Council if it became apparent that Government support was not forthcoming then the Council would have no alternative but to issue a S114 notice. It should be noted that there are several authorities in a similar financial position and there were 19 authorities who were reliant on such support to balance their 2024/25 budgets.

5. LOCAL OUTCOMES DELIVERED

- 5.1. Despite the financial challenges faced by the Council, the Council continues to work hard to deliver for our residents. In the last few years, the Council has implemented a number of innovative strategies in response to the financial pressures that have also led to improved outcomes for our residents.
- 5.2. In November 2023, the Council re-opened Royal Jubilee Court to provide accommodation for over 70 families, including those with young children. Royal Jubilee Court is a purpose-built provision with kitchen facilities to cook hot meals, leading to improved living arrangements for a number of our residents. The provision also supports the Council to avoid c£2.3m of hotel costs each year.
- 5.3. The Council has ambitions to further its sheltered housing provision with a joint work force focussing on enabling people to live independently long term as part of the existing medium term financial strategy proposals. Two schemes will be coming on-line next year providing several units for care leavers and learning disability service users. The Council is looking to build on these schemes and explore its own provision of care in the Adults and Children's social care arena and beyond.
- 5.4. Reablement continues to be a focus to drive better outcomes for Ageing Well service users, including ward led enablement to reduce deconditioning of our older residents whilst inpatient. This service promotes both recovery and reduced costs flowing into the

Council. There has been success in driving cost avoidance and this scheme continues to run and be built upon

- 5.5. During 2024, the Council successfully delivered 197 homes at Park Rise, Hornchurch that included 80 affordable rent and 54 shared ownership properties. Park Rise will be showcased as an exemplar supported housing development in a forthcoming GLA publication. The Council's development in New Green, Rainham – successfully delivered 197 affordable homes in 2023. This scheme was a finalist for Best Regeneration Initiative at the 2023 What House awards.
- 5.6. The Council continues to address the Housing shortfall and has been working closely with the Greater London Authority (GLA) to secure funding to acquire new homes. This year the Council secured £24m in GLA grant funding toward the acquisition of 160 homes, match funded by £32.5m of HRA funding. 45 homes will be available this financial year with 115 to follow in 2025/26. In the last 4 years, the Council has successfully acquired 144 affordable homes using a combination of GLA funding and match-funding from the Housing Revenue Account.

6. PERIOD 3 REVENUE MONITORING

- 6.1. The last published Cabinet report in august presented the first quarter revenue monitoring position for 2024/25. This report showed a potential financial gap for 2024/25 of £32.3m which would require almost all of the Capitalisation direction to be used to balance the budget at year end. The position is set out in the table below:

Table 1: Period 3 revenue monitoring position 2024/25

Service Budgets	Original Budget £m	Growth Allocated £m	Revised Budget £m	Period 3 Projection £m	Period 3 Variance £m
Resources Directorate	12.2	0.0	12.2	12.9	0.7
People - Starting Well	53.7	13.2	66.9	73.7	6.8
People - Ageing Well	36.4	9.1	45.5	49.4	3.9
People - Living Well	34.2	9.1	43.3	47.1	3.8
Place Directorate	10.7	2.5	13.2	16.3	3.1
OneSource Shared	9.9	2.0	11.9	11.9	0.0
Total Service Budgets	157.1	35.9	193.0	211.3	18.3
Corporate Total	6.2	12.7	18.9	18.9	0.0
Total Planned spend	163.3	48.6	211.9	230.2	18.3
Growth applied	48.6	-48.6	0.0	0.0	0.0
Budget Capitalisation direction	-14.0	0.0	-14.0	0.0	14.0
Total cumulative Position	197.9	0.0	197.9	230.2	32.3

- 6.2. The pressures the Council is facing compared to base budget are service based and as such are all likely to be ongoing. This report therefore assumes a further £32.3m will need to be added to the MTFS Gap to close for 25/26. The Council has a number of steps in place to help reduce and mitigate the monitoring pressure and it is hoped that this will both reduce the overspend and allow the ongoing MTFS assumption to be adjusted as well.
- 6.3. The Council is doing everything it can to mitigate spend in order to reduce costs both in year and on an ongoing basis. These actions include:
- Recruitment board to review new posts
 - Review of all agency expenditure
 - Review and reduction in the use of Purchase Cards
 - Panels set up across Resources, People and Place to control and review spend
 - Panels set up to review social care placements
 - Review of all service areas to identify in year savings and efficiencies
 - Joint working with Health to ensure costs are appropriately shared
 - Review of existing and forthcoming contracts
 - Project work to identify and realise housing solutions to mitigate temporary accommodation pressures
 - Lobbying the Government to recognise the shortfall in funding was a significant factor in the recent OFSTED outcome
- 6.4. The Council has also set up Financial Recovery Boards which will closely monitor all spend activity for each Department. This will include savings delivery, action taken to reduce costs such as agency spend, progress on mitigation of pressures and development of efficiency initiatives to reduce costs.
- 6.5. The Council has also put in place a debt board which will oversee debt collection for the various income generating sections of the Council. This board will review collection methods, level of debt and write offs and the resourcing of debt collection to ensure the Council is maximising collection wherever possible. This will include ensuring enforcement is undertaken effectively where possible and debts are written off in a timely fashion.

7. UPDATE ON THE 25/26 BUDGET GAP AND MTFS UPDATE

- 7.1. The medium-term financial strategy is a live document and is updated through the year before being presented to full Council in February each year as part of the Council Tax setting meeting. In February 2024 the medium-term financial strategy set out a potential gap of £21.6m for 2025/26 rising to £49.7m by 2027/28. This however excluded the ongoing impact of the £32.5m Capitalisation directive which had been put in place to balance the 2024/25 budget. The table below sets out this position:

Table 2: Medium Term Financial Plan as at February 2024

	25/26 (£'m)	26/27 (£'m)	27/28 (£'m)	3 year Total (£'m)
Corporate Pressures	20.955	12.701	7.176	40.832
Service Pressures	9.300	8.367	5.500	23.167
Savings Proposals	-8.296	-7.420	-1.100	-16.816
Government funding assumption	-0.389	5.103	-2.177	2.537
Subtotal	21.570	18.751	9.399	49.720
24/25 Capitalisation direction	32.500	0.000	0.000	32.500
TOTAL MTFFS GAP (as at February 2024)	54.070	18.751	9.399	82.220

It should be noted that the gaps shown for 2026/27 onwards in the table above assume the 2025/26 budget gap is resolved.

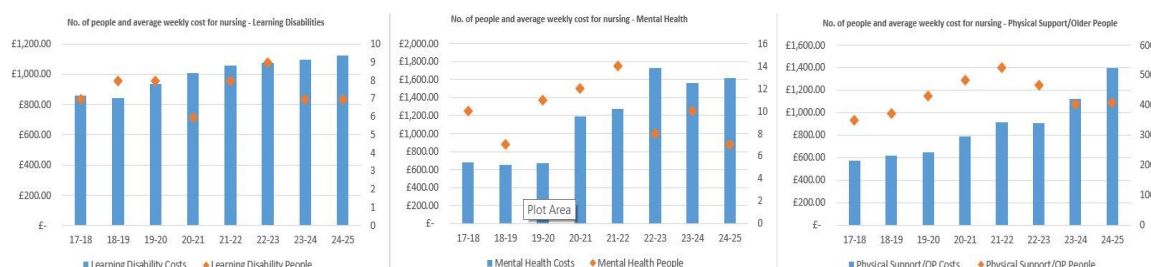
7.2. Since February all the assumptions in the plan have been reviewed and tested to ensure they reflect the latest assumed position moving forward. The following sections highlights the changes made to the assumptions on demographic growth, inflation and government grant. The plan has also been extended to take account of 2028/29 potential pressures.

7.3. Demographic and Unit Cost Pressures:

The Council is continues to grapple with significant demographic pressures across Children's and Adult Social Care and also homelessness. The Council has put significant growth into these areas over the last two years but demand and complexity alongside increases in cost of care, is still rising so the medium-term strategy prudently assumes the current trends will continue. The demographic and unit cost pressures have required additional funding to be built into the Medium-Term Financial Strategy to cover both the underlying impact of the 2024/25 overspend but also further projected demand for 2025/26.

7.4. Ageing and Living Well – Adult Social Care

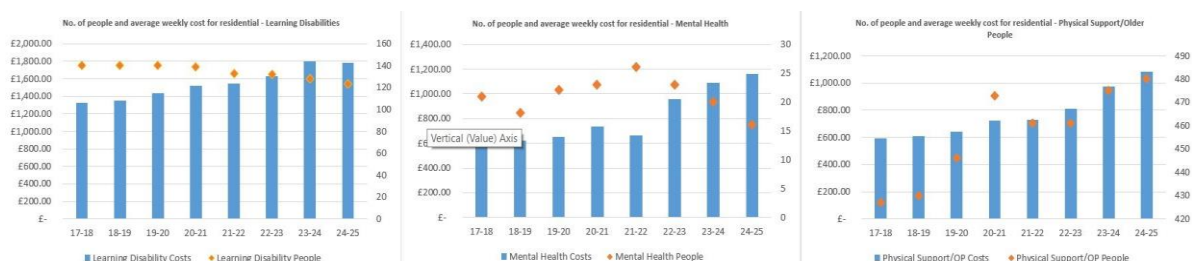
7.4.1.1. The biggest drivers of increased costs across Adult Social Care are nursing and residential placements. The following graphs shows the number of service users and average weekly costs for nursing.



7.4.1.2. These graphs show that whilst the number of service users supported is forecast to remain steady, weekly costs are increasing in all areas compared to 23/24 with the biggest impact being seen in Older people nursing with additional costs of £3 million for 24/25.

7.4.1.3. The average weekly cost for supported accommodation across the three areas is currently £1,377 per week and 423 clients are currently being supported amounting to an annual forecast of around £19m.

7.4.1.4. There is a similar pattern across residential placements as shown in the graphs below.



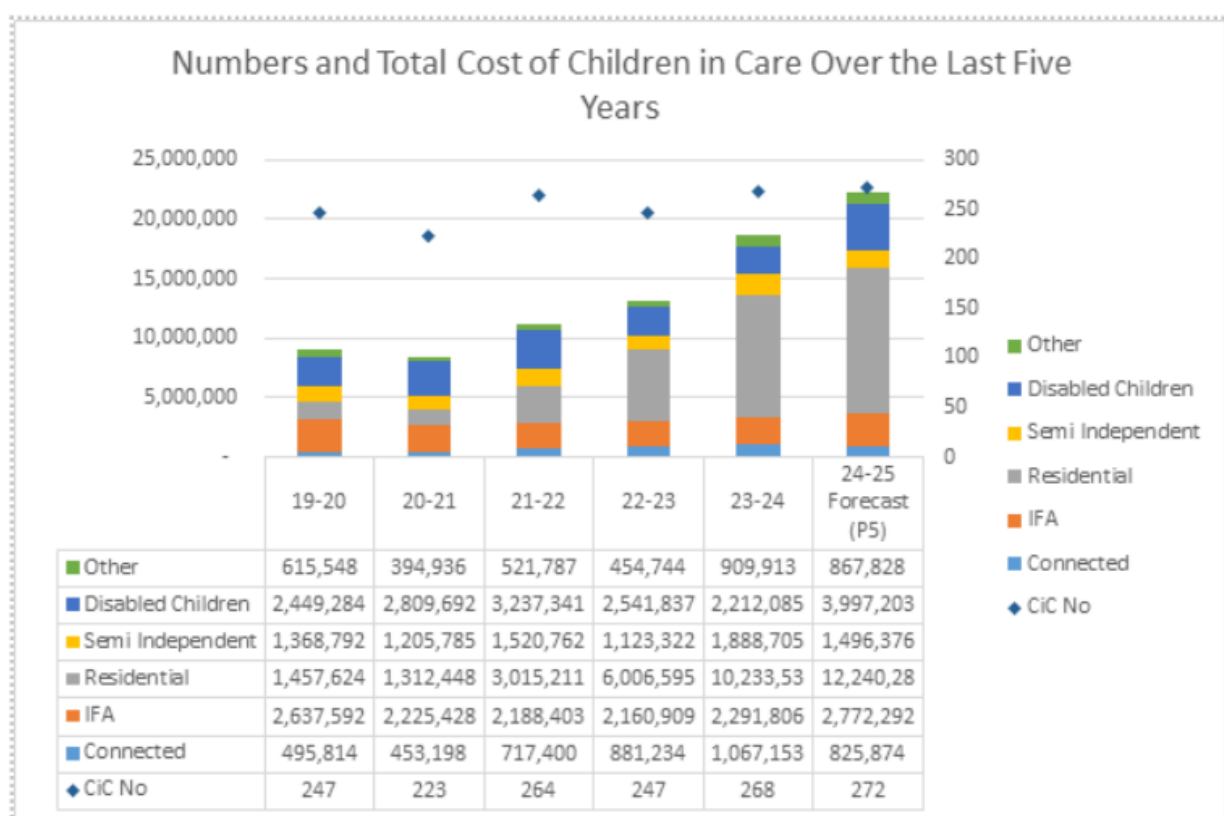
7.4.1.5. Unit costs are still rising sharply for residential placements particularly for users with mental health needs and older people. The Council is facing particular pressures in this area through the differential in the unit cost of placements ending compared to the weekly cost of a new package. This means that although user numbers have remained broadly the same the Council is still experiencing rising costs due to the new placement costs.

7.4.1.6. The Adult Social care placement budgets total over £90m in cost and whilst there are user contributions the impact of even modest 3-4% inflation costs are significant. The service continues to work closely with health colleagues to ensure costs are appropriately apportioned, but health funding has also decreased causing further pressures on the service.

7.5. Starting Well – Childrens Social Care

7.5.1.1. Spend on Supporting Children in Care has increased steadily over the last five years – especially residential children's home care. This is due to a combination of increasing numbers, complexity of need exhibited by the children and young people and rising costs of care.

7.5.1.2. The graph below shows that whilst the total number of children in care has increased slightly the number of residential placements and more materially the unit cost of those placements has risen exponentially over the last five years. The Council now has around 32 residential placements costing over £12m per year. The cost of providing for disabled children also has risen significantly in the last 12 months in particular



7.5.1.3. The Council has also been implementing the recommendations of the OFSTED Childrens report earlier in the year. This report made significant staffing recommendations which have been actioned resulting in a net additional 60 staff in social care. This will greatly help caseload management but has added significant cost to the Council's budget.

7.5.1.4. The Council also continues to experience increasing demand for Home to School transport. The sharp increase in EHCPs has resulted in a significant increase in demand for transport assistance, as can be seen in the table below.

Table 3: Home to School transport demand

Havering Travel Assistance	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
Total applications received	449	428	495	175	690	840	867
Approved for Passenger Bus	303	347	373	348	366	358	443
Approved for Taxi/Shared Taxi	79	97	133	158	175	199	222
Approved for Personal Transport Budget	22	14	45	17	43	68	124
Approved for Travel Training	19	11	25	11	13	29	13
Total applications approved	423	469	576	534	597	654	802

7.5.1.5. The Council has also an increasing deficit on the DSG High needs block. Spend has increased by 8-10% year-on-year due to increasing pupil numbers and complexity of need. Havering has participated in the DfE Delivering Better Value programme and has identified several mitigations to reduce the level of overspend on the DSG high Needs budget. There however needs to be a national solution to the DSG deficits and

there remains a risk to the general fund until the Government is able to provide a solution

7.6. Living Well – Housing Demand

7.6.1.1. Housing Demand has continued to rise over the last 3 years with increased numbers of families presenting as homeless. There is an ongoing shortage of suitable accommodation as Private Sector Landlord (PSL) numbers continue to fall resulting in high-cost Bed and Breakfast and nightly let accommodation being used as a temporary measure. The Council is identifying alternative options such as Royal Jubilee Court to help meet demand, but the overall shortage of accommodation has resulted in a projected overspend in 24/25 and further anticipated costs in 25/26. The cost differential between a PSL placement and Bed and Breakfast accommodation is now over £30k a year.

7.7. Other Updates to the Medium-Term Financial Strategy

7.7.1.1. The future pressures within the MTFS are partly to finance the Council's capital programme. The 5-year Capital programme is agreed as part of the budget setting process at full Council. Progress is then monitored on a quarterly basis to cabinet. The General fund capital programme is partly financed by grants and capital receipts with the remainder funded from borrowing. The MTFS allows for the anticipated cost of this borrowing together with the minimum Revenue Provision (MRP) cost the Council by law has to set aside to finance repayment of borrowing. The Capital financing costs also assume the cost of borrowing and repayment required in respect of the 2024/25 capitalisation direction

7.7.1.2. There are a number of other updates to the strategy including:

- Revised estimate of the ELWA levy based on their outturn figures for 23/24
- Update to inflation primarily to build in budget to cover the likely 2024/25 pay award. The Council had allowed for 3% in its most likely scenario but the final settlement has exceeded this
- The plan has been updated to include assumed demographic and corporate pressures for 2028/29 as is normal when extending a four-year plan

7.7.1.3. The Council budget is driven by a number of metrics. The table below is a sensitivity analysis showing the financial impact of changes to current assumptions:

Table 4: Sensitivity analysis of cost and income drivers

Cost/Income Driver	Impact (£m)
1% increase in Pay	1.0
1% increase in NI Employer contributions	1.0

1% increase in Adult Social Care placement costs	1.0
1% increase in Starting Well budget	0.7
1% increase in general Government grant support	-0.4
1% increase in Social Care Grants	-0.3
1% increase in fees and charges	-0.3

- 7.7.1.4. The Council is awaiting the outcome of the Autumn Budget and the implications for the local Government Finance Settlement in December. The medium-term financial strategy currently still therefore reflects the position of the previous Government which is set out in the table below. It should be noted that whilst the Government may announce increased grant levels this autumn they are also likely to change employer national insurance contributions which would have an adverse effect on the budget

Table 5; Current grant assumptions

Grant	Assumption	Impact £'m
Settlement Funding Assessment	5% increase	-2.0
New Homes Bonus	Grant ends	0.7
Services Grant	Grant ends	0.2
Social Care Grants	No increase	0.0
Health discharge grant	24/25 increase reversed	2.2
EPR Packaging Grant	New grant from April 24	-1.5
TOTAL MOVEMENT		-0.4

These assumptions will all be updated as soon as formal Government announcements are made. The position shown is a prudent position and there has been strong representation from across local government for the financial settlement to provide significantly more funding for the sector.

- 7.8. Since Austerity began in 2010, the Council has made over £160m of cuts, savings, and efficiencies which has been re-invested into frontline services such as social care and more recently, temporary accommodation. The Council is facing financial difficulties and is trying to cut costs wherever possible. In some areas however vital investment is needed to improve and modernise processes which ultimately will lead to better services for the public and also enable future efficiencies to be made. These proposals, totalling £3.930m are set out in summary in the table below.

Table 6: Growth and Investment

Investment	(M)
Investment in Information technology including the setting up of a digital team, procurement of a new booking system for registrars, other procurement initiatives, investment to improve Council Tax collection and further development of cloud solutions	1.950
Investment following the recent OFSTED judgement including greater capacity in Education attendance, SEN and support functions. Investment in Adult Social Care to meet current demand	1.300
Investment in property to enhance security, continued support for S92 officers, develop the local plan, the Hornchurch BID and invest in emergency planning	0.680
Total Investment	3.930

- 7.9. The Council has also identified a number of additional savings and efficiencies which if approved will help close the budget gap. The table below summarises these proposals of **£4.130m** by Department with detailed templates at **Appendix A** of this report.
- 7.10. The Council proposes to increase discretionary fees and charges at a rate equivalent to RPI (2.7%). This increase is assumed in the updated plan position in this report
- 7.11. The Government is yet to give any indication on whether they will continue previous policy of setting a referendum limit to cap Council Tax levels. The previous Government also allowed Council tax increases specifically to fund social care pressures in the form of a precept.
- 7.12. At this stage no decisions have been taken on potential Council Tax increases. The Council is fully aware of the balance between raising much needed income to support direct services and setting a fair rate of Council Tax that is not excessive. The Council will formalise its position on Council Tax when the extent of Government financial support for 2025/26 is clarified
- 7.13. The table below is a summary of the adjustments mentioned below and shows a potential financial gap of £73.6m for 2025/26 before Council Tax is considered. At this stage the plan assumes no further central funding from central Government and is based on the funding position set out by the previous Government.

Table 7: Updated Medium-Term Financial Strategy

Most likely scenario	2025/26 (£m)	2026/27 (£m)	2027/28 (£m)	2028/29 (£m)	4 Year Plan (£m)
OPENING GAP	21.570	18.751	9.399	0.000	49.720
Underlying budget gap from 24/25	32.300	0.000	0.000	0.000	32.300
Increased demographic pressures	11.500	0.000	0.000	0.000	11.500
Update to Capital financing figures	3.249	0.692	1.841	0.879	6.661
Update to ELWA Levy cost	-0.500	0.000	0.000	0.000	-0.500
Inflation	2.500	0.500	0.500	0.500	4.000
Update to existing savings proposals	3.237	3.000	0.000	0.000	6.237
Add assumptions for 2028/29	0.000	0.000	0.000	7.500	7.500
Investment and Growth	3.930	-0.130	0.060	0.000	3.860
New Savings proposals	-4.130	2.150	0.000	0.000	-1.980
Revised Gap before Council Tax	73.656	24.963	11.800	8.879	119.298
CUMULATIVE GAP		98.619	110.419	119.298	

- 7.14 The table above shows the MTFs based on the current most likely scenario. The figures are all estimates and subject to change and so the Council has developed a best, most likely and worst case scenario for planning purposes. This is set out in the table below and shows under the worst case scenario the gap could be as high as £92.1m before Council Tax and new grants are taken into account

Table 8: Best, Worst, Most Likely scenario planning

	Best (£'m)	Most Likely (£'m)	Worst (£'m)
Underlying Pressures from 24/25 (P3 Monitor)	25.0	32.3	35.0
New Growth and Investment	3.9	3.9	3.9
Pay and other inflation	6.0	7.5	9.0
25/26 Demographic growth	8.0	17.5	28.2
Capital financing costs (inc 24/25 Cap Directive)	8.0	9.3	10.5

Other Pressures (inc ELWA, Freedom pass, Insurance)	3.4	6.3	8.6
One offs in 24/25 budget (Savings and collection fund surplus)	7.5	7.5	7.5
Government settlement (based on no new growth)	-5.0	-0.4	-0.4
Savings already agreed	-6.0	-6.0	-6.0
New Savings proposals	-4.2	-4.2	-4.2
	46.6	73.7	92.1

8. FINANCING THE BUDGET GAP AND ENGAGEMENT WITH MHCLG

8.1. The Council is working hard to close the medium-term financial gap and is committed to the following measures to help close the budget gap:

- Implementation of Savings and efficiencies as set out in **Appendix A**
- A Council Tax increase (level to be agreed at Council in February 2025)
- Ongoing reviews of all current and future pressures through the recovery boards

8.2. These measures alone will not fully close the budget gap the Council is facing. It is hoped that the autumn statement will bring badly needed extra funding for local Government which would also help close the budget gap. The Council however has an underlying shortfall caused by years of underfunding from the previous national government. The Council is also therefore entering in dialogue with the new Government to set out our financial situation. This engagement will include:

- Seeking meetings with the Local Government minister to put forward Havering's case
- Lobbying Government to recognise the relationship between the adverse OFSTED judgement announced earlier this year and the underfunding of the Council over the past 15 years
- To engage in discussion with the Government regarding a fix to the underlying budget issue the Council faces or agree a further capitalisation direction to allow time for funding reform to be actioned.

8.3. The new Government have yet to make any formal announcement regarding Council Tax. The previous Conservative Governments introduced annual Council Tax referendum levels and had also permitted authorities to include a Social Care precept as part of the Council Tax increase. It is unclear whether this policy will continue under the new Government or whether they will allow authorities more flexibility regarding tax increases

9. SUMMARY OF THE COUNCIL'S FINANCIAL POSITION

- 9.1. The Council has been systematically underfunded by central government for over 10 years and the budget difficulties and low levels of reserves are reflective of that. Havering is an efficient well-run Council with low unit costs in comparison to its neighbours. The current budget gap is caused by the rising cost of social care coupled with a Government funding formula which does not reflect Havering's rapidly increasing demand. The Council will do everything it can to contain the 2024/25 overspend and set a balanced budget for 2025/26.
- 9.2. The Council was unable to set a budget for 24/25 without exceptional financial support of £32.5m. This has now resulted in a structural budget deficit on a continued basis until the government reforms the national funding system.
- 9.3. The Medium-Term financial strategy shows a gap of c£74m still to be closed to balance the 2025/26 budget. This position does not include any assumptions on Council Tax which will generate £1.5m per 1% increase and nor does it include additional funding assumptions apart of those set out in table 5 above. These adjustments will close a proportion of this gap, but the Council will still require additional support either through additional funding or a capitalisation direction to balance the budget.
- 9.4. It is hoped and expected that central Government will recognise the position the Council faces but if such central support is not forthcoming then the Council again will be faced with the prospect of issuing a section 114 notice.
- 9.5. Local authorities have a statutory duty to set a balanced budget each year and ultimately if this is not possible the only alternative is to issue a S114 notice. A S114 notice would bring additional costs through external Commissioners who would be appointed by the Government. Havering is not in that position at the moment but unless the imbalance between the funding it receives and the demand it faces changes then ultimately the Council will not be able to balance its budget.
- 9.6. The Council will do everything it can to reduce costs and identify efficiencies in order to close the budget gap. The scale of the task however means that it is inevitable that the Council will need exceptional financial support again from the Government in order to set a legally balanced budget. Capitalisation directions under the current rules come at a cost to the Council through repayment costs and interest on borrowing. The Council welcomes the recent announcement by the Government to waive the 1% surcharge on the borrowing interest rate which would save the Council £0.3m per year based on the existing capitalisation direction.
- 9.7. The new Government have yet to make any formal announcements regarding Exceptional Financial Support for 2025/26. It is clear that Havering will be amongst a number of authorities who will need further exceptional financial support and the Council is lobbying hard not only for longer term financial solutions to our problems but also that the conditions of any support for 2025/26 do not come at a further cost to the Council.

10. FURTHER MEDIUM INITIATIVES – IMPROVED OUTCOMES AND COST PREVENTION MEASURES

- 10.1. During this year, the Council secured £3m in grant funding from MHCLG's Local Authority Housing Fund to support delivery of 10 modular homes and 5 acquisitions, match funded by £2.4m of HRA. The grant represents 56% of scheme costs. The new homes will be available by March 2026.
- 10.2. Work has begun on the construction of the new **Family Welcome Centre** in Harold Hill town centre which will have 74 affordable rent accommodation and include emergency accommodation designed for families in need. The scheme will open in 2025.
- 10.3. Mercury Land Holdings will provide 47 affordable homes for families at **Roe Wood Park** in Harold Hill (formerly Quarles) in 2026.
- 10.4. Havering is building a new 300 place special school to meet the needs of pupils with severe and complex learning disabilities and mental health needs. This will enable Havering Young People to receive a high quality education that is nearer home rather than having to travel elsewhere to expensive independent sector schools. It is expected to provide significant savings to both the Dedicated Schools Grant and also to the Council's General fund budget through reduced travel distances. This will open in 2027.
- 10.5. In the interim Havering will build on its inclusive approach through expanding the number of places in specialist units alongside mainstream schools which will also offer savings while supporting young people to flourish.
- 10.6. The Council is exploring the use of AI through the roll out of a product that supports social care practitioners by populating relevant templates (assessments, support plans, reviews) from a recording of interventions/visits with residents. Early indications are that it could reduce casework administration tasks by up to 50%, released capacity to be more productive enabling workers to process case work more quickly, bring down waiting lists and engage more effectively with vulnerable residents.
- 10.7. The Council recognises that the budget position will not be resolved in a single year. The Council is working on these medium term projects together with other major projects such as the waste disposal re-procurement to increase efficiency and reduce costs in the medium term. It is hoped that these initiatives alongside the national reform of local government financing will allow the Council to set balanced budgets in the future without the need for exceptional financial support.

11. MHCLG FINANCIAL REVIEW AND IMPROVEMENT PLAN

- 11.1. As stated earlier in this report the Council balanced the 2024/25 revenue budget through the provisional agreement from the previous Government of a capitalisation directive of £32.5m. This agreement required the Council to produce an improvement and transformation plan by August and agree to undergo an independent financial review to confirm the Council's financial position.
- 11.2. In June 2024 the Government commissioned CIPFA (Chartered Institute of Public Finance and Accountancy) to undergo a four-week financial review of the Council's financial

position. The review was wide reaching and explored all aspects of the Council's budgetary position including in depth looks at social care and temporary accommodation being the main cost drivers. The review was concluded in early August and the subsequent report has been sent by CIPFA to the Government to review. It is hoped that this independent review has exemplified the Council's position and will be the platform towards achieving adequate funding moving forward.

11.3. The Council has also developed an improvement and transformation plan which was formally published and approved at full Council on 24th July 2024. This plan sets out transformational actions Havering has already taken to become more efficient together with future actions which will reduce costs and make improvements to Council services. These actions are summarised below:

Long term strategic ambitions

- Open the East Havering Data Centre Campus, Green Energy Infrastructure and Ecology Park Project, subject to planning approval. This will create significant opportunities for the borough including new local jobs and localised green energy as well as bringing external investment to the borough.

Focus on improving business as usual delivery

- Reduce high-cost agency and consultancy costs and increase the percentage of permanent Council staff, subject to funding being available.
- Review of staff resources to ensure the right capacity and capability supports delivery of efficiencies and savings
- Focus on collecting a greater level of former tenant arrears and other debts owed to the Council.
- Review Social care placements to ensure all are both appropriate for the service user and represent best value for the authority
- Move to a Havering only IT service which will secure access to dedicated technical resources and a focused digital strategy.
- Continue to be in the top quartile for income collection in London for Council Tax, business rates and rent.

Examples of improved partnership working arrangements

- Continued Joint work with Health and hospitals to ensure the NHS contributes appropriately for health elements of care packages provided to children and adults
- Support local economic growth, when feasible, and foster a procurement ecosystem that minimises waste and maximises resource utilisation.
- Reduce spend on energy across the Corporate Estate through both energy efficiency and improved procurement of supply

Examples of improving outcomes for residents

- Reduce spend on Home to school transport by promoting the use of a personal transport budget, encouraging independence and better longer-term outcomes for the young person.

- Use a ward-led enablement pilot to help reduce patient deconditioning whilst in hospital and associated costs for discharge arrangements where patients have higher needs.
- To implement the Havering Climate Change Action Plan

12. COMMUNICATION AND ENGAGEMENT APPROACH ON THE BUDGET

12.1. The Council has a number of communication plans to raise awareness of the Council's budget position including:

- Engagement with the media and press setting out Havering's position
- Joint work with other councils with similar pressures.
- Meetings with MHCLG and appropriate officials at the Government.
- Engagement with the national political parties and local MP's to raise awareness and to provide positive action
- Work with London Councils and LGA on funding gaps.

12.2. The Council will have difficult decisions to take both in 2025/26 and moving forward regarding the services we deliver and the level of Council Tax we will be asking residents to pay. It is proposed that the budget consultation for 2025/26 will be a high level engagement seeking the views of residents and key stakeholders on a number of key issues relating to service provision, Council tax and fees and charges.

13. IMPLICATIONS AND RISKS

13.1. 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 report sets out the difficulties being faced in setting the 2025/26 budget and the implications if the Council is unable to reduce its pressures in order to deliver a balanced budget.

13.2. Legal Implications and Risks

13.2.1.1. The Council is required under S151 of the Local Government Act 1972 to make arrangements for the proper administration of its financial affairs.

13.2.1.2. 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.

13.2.1.3. In accordance with section 3(1) of the Local Government Act 1999, the Council has 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" (This is "the best value duty".) The monitoring of the financial position assists the Council in meeting that duty.

13.3. Human Resource Implications and Risks

There are no immediate Human Resource implications or risks arising from the report at this stage and any specific workforce impact is difficult to assess at the present time. However, any current or future savings proposals or changes to the funding regime that impact on staff numbers or job roles, will be managed in accordance with both statutory requirements and the Council's Organisational Change policy and associated procedures.

13.4. Equalities and Social Inclusion Implications and Risks

There are no immediate Equalities and Social Inclusion implications arising from the report

APPENDIX A NEW SAVINGS PROPOSALS

Summary New Savings Proposals	25/26 (M)	26/27 (M)	
Extension of the Business Rate Pool with Thurrock and LBBD	1.200	-1.200	(one off)
Redirection of Agency levy to support General Fund	1.500	-1.500	(one off)
Restructure of Resources Department	0.560	0.000	
Communications income initiatives	0.070	0.000	
Communications Procurement	0.100	0.000	
Housing Demand	0.180	0.250	
Reduction to book fund	0.020	0.000	
Additional income - Registrars	0.000	0.050	
In sourcing family support	0.200	0.100	
Grow shared lives	0.150	0.150	
Community Reablement	0.150	0.000	
Total New Savings	4.130	-2.150	

Savings Template

Wards	Service	Directorate
N/A	Corporate	Corporate

Value of Savings per Year

2025/26 (m)	2026/27(m)	2027/28(m)	Total(m)	Once-off/Recurring
1.200			0.000	One Off

Current Service Projection and Impact on Staffing

Current Service Projection/Forecast Spend	Impact on Staffing/Numbers add no
The Business rate pool with LBBD and Thurrock is estimated to generate £1.2m surplus in 2024/25	No impact

Description of savings proposal

Havering had entered into a business rate pool in 2024/25 with Thurrock and LBBD which is expected to generate a £1.2m surplus in 2024/25. The pool needs to be renewed annually but will generate a surplus for all three authorities through the offset of the levy Thurrock as the tariff authority would otherwise have had to pay.

Dependencies and Potential Risks

The Government will need to confirm that it will allow the pooling arrangement for 2025/26 and all three boroughs will need to agree to continue for a further year.

Investment Required to Deliver the Saving (if any)

None

Service Impact if Saving was to be Delivered

No impact other than an additional income source to the General Fund

Sign Off

Date	Prepared By	Signed Off By
27/09/2024	Richard Tyler	Kathy Freeman

Savings Template

Wards	Service	Directorate
N/A	Corporate	Corporate

Value of Savings per Year

2025/26 (m)	2026/27(m)	2027/28(m)	Total(m)	Once-off/Recurring
1.500			0.000	One Off

Current Service Projection and Impact on Staffing

Current Service Projection/Forecast Spend	Impact on Staffing/Numbers add no
The Agency levy is forecast to yield £1.5m to the general fund in 2024/25	No impact

Description of savings proposal

The Council has historically charged services an 8% overhead on agency costs which has then been passed as a contribution to the pension fund to recompense for the reduction in contributions to the fund through the use of agency staff. The Pension Fund has performed well in recent years meaning that for 2024/25 and 2025/26 the contribution to the fund is not required. It is proposed to continue to apply the levy to generate a corporate saving for 2025/26

Dependencies and Potential Risks

The Pension Fund accountants and actuaries have confirmed that the contribution will not be needed in 2025/26. The only risk to the saving would be a reduction in the overall agency levels but in this eventuality this would be more than offset by reduced staffing costs across the council.

Investment Required to Deliver the Saving (if any)

None

Service Impact if Saving was to be Delivered

No impact other than an additional income source to the General Fund

Sign Off

Date	Prepared By	Signed Off By
27/09/2024	Richard Tyler	Kathy Freeman

Savings Template

Wards	Service	Directorate
N/A	Resources	Resources

Value of Savings per Year

2025/26(m)	2026/27(m)	2027/28(m)	Total (m)	Once-off/Recurring
0.560			0.560	recurring

Current Service Projection and Impact on Staffing

Current Service Projection/Forecast Spend	Impact on Staffing/Numbers add no
The resources senior management restructure was completed in September 2024	Net post reduction of 5

Description of savings proposal

A senior management restructure in resources was completed in September 2024. There were benefits in 2024/25 but also one off costs from the restructure. The Full year budget saving for 2025/26 is £560,000 as a result of the restructure. There is a separate report setting out full details of the restructure

Dependencies and Potential Risks

The restructure re assigned roles and responsibilities. It is fully expected that the new structure will successfully absorb all workloads but this will be monitored closely

Investment Required to Deliver the Saving (if any)

None

Service Impact if Saving was to be Delivered

There is expected to be no adverse impact on service delivery

Sign Off

Date	Prepared By	Signed Off By
27/09/2024	Richard Tyler	Kathy Freeman

Savings Template

Wards	Service	Directorate
N/A	Communications and Engagement	Resources

Value of Savings per Year

2025/26(m)	2026/27(m)	2027/28(m)	Total (m)	Once-off/Recurring
0.070	0.070		0.140	

Current Service Projection and Impact on Staffing

Current Service Projection/Forecast Spend	Impact on Staffing/Numbers add no
These income targets will be achieved.	No impact

Description of savings proposal

Review income from advertising opportunities – boards/fleet

Dependencies and Potential Risks

Planning, Legal and Procurement sign off for new large advertising format boards. The income target is conservative as additional sites need to be found to increase income but this depends on a number of factors such as position, health and safety, impact to road users and local environment.

With regards to Passenger transport, it depends on passenger service responsiveness, final agreement on selling space on busses and selling advertising space.

Investment Required to Deliver the Saving (if any)

None

Service Impact if Saving was to be Delivered

No impact other than presenting less cost to general fund.

Sign Off

Date	Prepared By	Signed Off By
27/09/2024	Marcus Chrysostomou	Andrew Blake-Herbert

Savings Template

Wards	Service	Directorate
N/A	Communications and Engagement	Resources

Value of Savings per Year

2025/26 (m)	2026/27(m)	2027/28(m)	Total(m)	Once-off/Recurring
0.100			0.100	recurring

Current Service Projection and Impact on Staffing

Current Service Projection/Forecast Spend	Impact on Staffing/Numbers add no
These income targets will be achieved.	No impact

Description of savings proposal

This is additional income generated from the procurement of the small format advertising boards. Once installed they are expected to deliver at least £100,000 income per year but this will be reviewed based on performance.

Dependencies and Potential Risks

The boards are currently being installed so these need to be up and running to generate income. If the boards are damaged in future then this could impact income.

Investment Required to Deliver the Saving (if any)

None

Service Impact if Saving was to be Delivered

No impact other than presenting less cost to general fund.

Sign Off

Date	Prepared By	Signed Off By
27/09/2024	Marcus Chrysostomou	Andrew Blake-Herbert

Savings Template

Wards	Service	Directorate
All Wards	Housing Demand	Living Well

Value of Savings per Year – Cost Avoidance

2025/26 (m)	2026/27(m)	2027/28(m)	Total(m)	Once-off/Recurring
0.180	0.250	0.000	0.430	

Current Service Projection and Impact on Staffing

Current Service Projection/Forecast Spend	Impact on Staffing/Numbers add no
<ul style="list-style-type: none"> Housing Demand have forecasted a £1.1m overspend following a growth of £3.9m to the budget for 24/25. This is following a previous outturn of £6.2m overspend for 23/24. 	No impact

	Revised Budget 2024-25	Actuals YTD as Period 4	Outturn Forecast at end of June	Forecast Outturn Variance	As % of Budget	P3 Forecast Variance	Change in Forecast Variance
Living Well	£m	£m	£m	£m	£m	£m	£m
Housing Demand	8.38	-2.02	9.48	1.1	13%	1.1	0.00

Description of savings proposal

The Council currently have 200 households in hotel and nightly charged accommodation and the risk is over the next 3 years this will continue to rise at £82 per night and £91 per night respectively.

To assist in cost reduction we anticipate delivering 150 units purchased in the open market, 3 office to residential conversions comprising of 204 units and a modular unit of 18 properties that will look to yield 372 units by 2026.

However, in terms of savings the only scheme that we are able to offer savings in the near term from 25/26 period is the:

Modular Housing Waterloo Estate - 18 units

The total anticipated savings over the two years is £430k

Dependencies and Potential Risks

Delay to delivery due to planning constraints est. Sept 25.

Investment Required to Deliver the Saving (if any)

HRA related investment as part of the whole Waterloo Estate regeneration programme.

Service Impact if Saving was to be Delivered

Some reduction in overspend position
Reduction in risk to children's health and well being
Eliminate statutory six week fine for accommodating children in hotels

Sign Off

Date	Prepared By	Signed Off By
01.10.24	Darren Alexander	Patrick Odling Smee

Savings Template

Wards	Service	Directorate
All	Libraries	People

Value of Savings per Year

2025/26 (m)	2026/27 (m)	2027/28(m)	Total (m)	Once-off/Recurring
0.020			0.020	Recurring

Current Service Projection and Impact on Staffing

Current Service Projection/Forecast Spend	Impact on Staffing/Numbers add no
	No impact

Description of savings proposal

A saving against the library service's book stock budget of £30,000 in 2025/26 and £30,000 in 2026/27 has already been agreed as part of prior years' medium term financial strategy processes. An additional £20,000 is being proposed for 2025/26. This would take the book stock budget to £111,000 in 2025/26

Dependencies and Potential Risks

Potential consultation with Department of Culture Media and Sport

Investment Required to Deliver the Saving (if any)

None

Service Impact if Saving was to be Delivered

Potential deterioration of condition of book stock.

Sign Off

Date	Prepared By	Signed Off By
01.10.24	Richard Tyler	Kathy Freeman

Savings Template

Wards	Service	Directorate
NA	Registration Service	Resources

Value of Savings per Year

2025/26(m)	2026/27(m)	2027/28(m)	Total(m)	Once-off/Recurring
0.000	0.050		0.050	Recurring

Current Service Projection and Impact on Staffing

Current Service Projection/Forecast Spend	Impact on Staffing/Numbers add no
Registration forecast at P6: £0.184m underspend. Overall bottom line across Customer, Registration & Bereavement £0.099m overspend.	No impact

Description of savings proposal

Investment to create or procure an on-line booking solution within D365 for Ceremony/wedding bookings (Registration Service). Please note if the decision is to procure, ongoing costs will be incurred that are unknown at this time

For many years, the Registration Service has needed, and made the case for, a robust and user friendly booking system for weddings, ceremonies and functions. The current way of working is clunky and resource hungry. The service generates in excess of £900,000 of income each year. It is felt that a digital booking system would bring added value to the service and greater efficiency, bringing a range of benefits, for example:

- *Allowing the customer to view dates that are available for their wedding on line, **benefit: reduced telephone contact***
- *Payments on-line : so that customer can view the balance and make part, or full payment for their wedding, **benefit: reduced telephone/face to face contact***
- *An intelligent system with built in 'rules' that fit the needs of the business reducing the risk of human error (with functionality to cope with multiple rooms/venues that are each available at specific times depending on the day of week/time of year)*
Benefit – less manual intervention and less margin for human error
- *Customer able to book extras on-line e.g.: wedding enhancement & wedding rehearsals. **Benefit: increased income***
- *A system that works seamlessly with Civica Pay. **Benefit: quick reconciliation of payments against bookings. Robust accounting.***
- *SMS text reminders sent to customer or balance/reminders of key information*

Benefit: more timely payments, less time spent chasing

- *Customer able to select wedding choices/reading on line*

Benefit: saves staff time in contacting for this

- *Ability to run reports providing useful MI to help inform decision making*

The time 'saved' by the service can be used more effectively by the service to support income generation to make the saving, ie: opening up more appointments for Register Office weddings, more Ceremony slots, increased Notice of Marriage Appointments and increasing number of Approved Venues for marriage within Havering to be managed via the on-line solution.

Estimated lead in time 18 months for build & development of online solution.

Dependencies and Potential Risks

Dependant upon the build or procurement of an online bookings solution for weddings & ceremonies – lead in time estimated 18 months

Investment Required to Deliver the Saving (if any)

Estimated at £0.200m maximum. Approximately 4 year payback period.

Service Impact if Saving was to be Delivered

No negative impact

Sign Off

Date	Prepared By	Signed Off By
25/10/2024	Louise Roast	Kathy Freeman

Savings Template

Wards	Service	Directorate
[All]	[Safeguarding and Corporate Parenting]	Starting Well

Value of Savings per Year

2025/26 (m)	2026/27 (m)	2027/28 (m)	Total (m)	Once-off/Recurring
0.200	0.100		0.300	Recurring

Current Service Projection and Impact on Staffing

Current Service Projection/Forecast Spend	Impact on Staffing/Numbers add no
£500k to £600k	This assumes that the 10 Family Support Worker posts in the planned restructure are successfully recruited to.

Description of savings proposal

Childrens services spend approximately £500k to £600k on family support and similar services such as welfare checks. (Around £400k with one provider – PKS). Although these services are well used the outcomes are not always clear. As part of the childrens improvement plan restructure 10 family support worker posts have been created that will carry out similar functions but using staff directly employed and supervised by the Council. This will allow the service to reduce the volume of external support that needs to be purchased by at least £200k. By integrating this support more closely into the social work teams it is expected that there will be improved control and outcomes offering overall better value for money.

Dependencies and Potential Risks

Successful recruitment of family support workers.

Investment Required to Deliver the Saving (if any)

Cost of new posts already accounted for in Improvement Plan growth bid.

Service Impact if Saving was to be Delivered

This model has the potential to integrate family support more closely with the Safeguarding Social Work team offering more supervision and control and so potentially improved outcomes.

Sign Off

Date	Prepared By	Signed Off By
01.10.24	Katherine Heffernan	Tara Geere

Savings Template

Wards	Service	Directorate
All	Shared Lives	Live Well

Value of Savings per Year

2025/26 (m)	2026/27(m)	2027/28 (m)	Total (m)	Once-off/Recurring
0.150	0.150	0.150	0.450	Recurring

Current Service Projection and Impact on Staffing

Current Service Projection/Forecast Spend	Impact on Staffing/Numbers add no												
<p>Shared Lives contract helps people to live at the heart of their communities, as part of an ordinary household; living independently, but not alone. The contract will provide the provision of:</p> <ul style="list-style-type: none"> • long-term accommodation and support • short term respite services • day support for people with eligible needs for adult social care or for those who self -fund their care services. <p>The costs of the contract have been estimated for the 5 years of the contract based on average client number but are subject to variation due to demand. The contract price includes a 3% inflationary uplift on the banding rates for year 2 and 3 of the contract and a 2% inflationary uplift for years 5 and 6 of the contract.</p> <p>The total Cost for the 3 years + 2 years Contract are estimated to be £2.8m. This is broken down into estimated annual costs as per below:</p> <table> <tr> <td>Year 1</td><td>£530k</td></tr> <tr> <td>Year 2</td><td>£550k</td></tr> <tr> <td>Year 3</td><td>£560k</td></tr> <tr> <td>Year 4</td><td>£570k</td></tr> <tr> <td>Year 5</td><td>£590k</td></tr> <tr> <td>Total</td><td>£2800k</td></tr> </table>	Year 1	£530k	Year 2	£550k	Year 3	£560k	Year 4	£570k	Year 5	£590k	Total	£2800k	None
Year 1	£530k												
Year 2	£550k												
Year 3	£560k												
Year 4	£570k												
Year 5	£590k												
Total	£2800k												

Description of savings proposal

To achieve cashable savings by clients moving into a shared lives provision from previous higher cost traditional care provisions and to achieve overspend savings

by placing clients in a shared lives provision rather than an alternative suitable placement.

Dependencies and Potential Risks

If the client numbers in shared lives increase, then Adult Social Care will incur additional costs, but the cashable/overspend savings should be greater than the increase in costs.

Investment Required to Deliver the Saving (if any)

None

Service Impact if Saving was to be Delivered

No impact as savings are delivered through placing into shared lives rather than other traditional care provisions.

Sign Off

Date	Prepared By	Signed Off By
02/10/2024	Tom Fowler	Luke Burton

Savings Template

Wards	Service	Directorate
All	Community Reablement	Resources

Value of Savings per Year

2025/26 (m)	2026/27(m)	2027/28(m)	Total(m)	Once-off/Recurring
0.150			0.150	Recurring

Current Service Projection and Impact on Staffing

Current Service Projection/Forecast Spend	Impact on Staffing/Numbers add no
No current projected spend for 25/26 – current funding for the pilot ends on 31 st October 24	[Enter Impact on Staffing/Numbers]

Description of savings proposal

In September 2023 a Community Reablement pilot was implemented, funded by the Urgent and Emergency Care Fund and delivered by Essex Cares Limited (ECL) as part of contract variation on their core Reablement contract.

The purpose of the pilot was to trial a direct access pathway from primary care into reablement to prevent ED attendance / admission and make Reablement the default pathway for any new service users presenting at the Adult Social Care (ASC) front door. The aim was to reduce the number of people converting to a long term package of care following initial contact at the front door, reduce the number of people being placed into a long term package of care having had no previous service and reduce the number of people attending ED.

The service provision includes a maximum of 100 reablement care hours which equates to approximately 5 new starts into the service per week.

Initial evaluations have shown that on average 65% of people accessing this service do not need any further care at the end of the Reablement period.

The average number of people per quarter starting long term home care package via the ASC front door has reduced by 53%

The people receiving community reablement have on average 6.29 hours less care 7 weeks after the package has started compared to the people going directly into homecare. This equates to £147 per person per week.

Using the same rate of referrals and the same average outcome data the estimated savings for 25/26 are as follows:

Total savings: **£350,000**

Cost - **£200k** for 100 block hours per week (only 60 hours are blocked so this is a maximum cost, the cost of the 60 hour block is £123,408pa)

Net saving: **£150,000**

Dependencies and Potential Risks

Risks:

	Risk	Mitigation
1	Level of referrals diverted through the ASC front door are less than expected	Regular meetings with the team manager to ensure the process is being followed. Monthly analysis of the data
2	Lack of engagement from primary care resulting in few referrals into the service	Bi weekly meetings with LA, ICB and primary care leads to ensure engagement and address any concerns.
3	Expanding to all primary care networks could result in demand for the service being greater than the block capacity	Negotiations with the service provider to ensure unused capacity in the core service could be temporarily used in the community service to meet demand
4		
5		

Investment Required to Deliver the Saving (if any)

£200k for 100 hours of reablement per week

Service Impact if Saving was to be Delivered

No adverse service impact

Sign Off

Date	Prepared By	Signed Off By
01.10.24	Emma English	B Nicholls