



# CABINET

<b>7.00 pm</b>	<b>Wednesday 11 December 2024</b>	<b>Council Chamber - Town Hall</b>
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Members 9: Quorum 3

Councillor Ray Morgon (Leader of the Council), Chair

	<b>Cabinet Member responsibility:</b>
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:**  
**Bernadette Lynch tel: 01708 434849**  
**e-mail: [bernadette.lynch@havering.gov.uk](mailto:bernadette.lynch@havering.gov.uk)**



**Webcast**

**Please note that this meeting will be webcast.  
Members of the public who do not wish to appear  
in the webcast will be able to sit in the balcony,  
which is not in camera range.**

***Under the Committee Procedure Rules within the Council's Constitution the Chairman of the meeting may exercise the powers conferred upon the Mayor in relation to the conduct of full Council meetings. As such, should any member of the public interrupt proceedings, the Chairman will warn the person concerned. If they continue to interrupt, the Chairman will order their removal from the meeting room and may adjourn the meeting while this takes place.***

***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.***

### **Protocol for members of the public wishing to report on meetings of the London Borough of Havering**

Members of the public are entitled to report on meetings of Council, Committees and Cabinet, except in circumstances where the public have been excluded as permitted by law.

Reporting means:-

- filming, photographing or making an audio recording of the proceedings of the meeting;
- 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.

Anyone present at a meeting as it takes place is not permitted to carry out an oral commentary or report. This is to prevent the business of the meeting being disrupted.

Anyone attending a meeting is asked to advise Democratic Services staff on 01708 433076 that they wish to report on the meeting and how they wish to do so. This is to enable employees to guide anyone choosing to report on proceedings to an appropriate place from which to be able to report effectively.

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.

DECLARING INTERESTS FLOWCHART – QUESTIONS TO ASK YOURSELF



## 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 - 10)

To approve as a correct record the minutes of the meeting held on **6<sup>th</sup> November 2024**, and to authorise the Chair to sign them.

### 5 PERMISSION TO DIRECT AWARD ADULTS EDT CONTRACT 2025-2030 (Pages 11 - 18)

Report attached.

### 6 HEALTHY CHILD PROGRAMME CONTRACT EXTENSION (Pages 19 - 30)

Report attached.

### 7 FUTURE MANAGEMENT OF BRITTONS 3G PITCH (Pages 31 - 52)

Report attached.

### 8 APPROVAL TO AWARD PROCUREMENT FOR FRESH & FROZEN MEAT AND POULTRY (Pages 53 - 62)

Report attached.

### 9 PERMISSION TO BID FOR DFE CAPITAL GRANT TO DEVELOP LOCAL CHILDREN'S HOMES (Pages 63 - 72)

Report attached.

### 10 AWARD OF CONTRACT FOR HIGHWAYS SERVICES (Pages 73 - 128)

Report attached.

### 11 STREET LIGHTING CONTRACT (Pages 129 - 184)



Report attached.

**12 OFFICE TO RESIDENTIAL CONVERSIONS TO ACCOMMODATE HOMELESS FAMILIES - CHESHAM HOUSE** (Pages 185 - 222)

Report attached.

**13 COMMUNICATIONS STRATEGY** (Pages 223 - 250)

Report attached.

**14 HIGHWAY MAINTENANCE PLAN POLICY** (Pages 251 - 308)

Report attached.

**15 Q2 CORPORATE PERFORMANCE REPORT** (Pages 309 - 320)

Report attached.

**16 PERIOD 6 REVENUE & CAPITAL MONITORING REPORT** (Pages 321 - 352)

Report attached.

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# Public Document Pack Agenda Item 4



**MINUTES OF A CABINET MEETING**  
**Council Chamber - Town Hall**  
**Wednesday, 6 November 2024**  
**(7.30pm - 9.18pm)**

**Present:**

Councillor Ray Morgon (Leader of the Council), Chairman

	<b>Cabinet Member responsibility:</b>
Councillor Gillian Ford	Lead Member for Adults & Wellbeing
Councillor Oscar Ford	Lead Member for Children & Young People
Councillor Paul McGearry	Lead Member for Housing & Property
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: Cllr Keith Prince (Conservative); Cllr Keith Darvill (Labour); Cllr Martin Goode (EHRG)

**9 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.

**10 APOLOGIES FOR ABSENCE**

Apologies received from Councillor Paul Middleton.

**11 DISCLOSURES OF INTEREST**

There were no disclosures of interest.

**12 MINUTES**

The minutes of the meetings held on 18<sup>th</sup> September, 25<sup>th</sup> September and 9<sup>th</sup> October 2024, were agreed as a correct record and the Chair signed them.

13 **APPROVAL OF THE JOINT HAVERING DEMENTIA STRATEGY 2024-2029**

**Report:** Approval of the Joint Havering Dementia Strategy 2024-2029

**Presented by:** Councillor Gillian Ford, Cabinet Member for Health and Adult Care Services

**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.

**Cabinet:**

**Noted** the contents of the report and the accompanying Strategy.

**Agreed** to adopt and approved the local Joint Dementia Strategy for Havering (subject to the amendment of the Strategy to include the recommendations of the People Overview & Scrutiny Sub-Committee as detailed in the agenda to this meeting and the deletion of the sentence “the government’s social care charging reforms, with more generous means testing and lifetime cap on care costs” from page 5 of the Strategy).

14 **2025-2029 MEDIUM TERM FINANCIAL STRATEGY UPDATE**

**Report:** 2025-2029 Medium Term Financial Strategy Update

Presented by: **Councillor Chris Wilkins (Cabinet Member for Finance)**

**Summary:**

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.

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.

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.

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.

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.

**Cabinet:**

**Noted** the medium-term financial position set out in this report

**Noted** the proposed savings and investment set out in this report and authorised officers to start the budget engagement process, including specific consultations (where required) to deliver the savings in this report.

**Noted** the position regarding further exceptional financial support from the Government and agreed to the proposed steps to lobby the Government on this matter.

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**Chairman**

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## CABINET

**11 December 2024**

**Subject Heading:**

Adults EDT Section 75 Agreement to NELFT for a period of 5 years

**Cabinet Member:**

Councillor Gillian Ford, Cabinet Members of Adult Service

**ELT Lead:**

Barbara Nicholls, Strategic Director of People

**Report Author and contact details:**

Sophie Barron, Senior Commissioner Age Well  
[Sophie.barron@havering.gov.uk](mailto:Sophie.barron@havering.gov.uk)

**Policy context:**

Any function provided in relation to the adult social care or mental health services pursuant to any of the adult social services functions which are the responsibility of an adult social services authority under Schedule 1 to the Local Authority Social Services Act 1970, subject to regulation 6 of the NHS Bodies and Local Authorities Partnership Arrangements Regulations 2000, and the Care Act 2014.

**Financial summary:**

The service is currently procured under a partnership with three other London boroughs and the new s75 agreement would continue in this manner.

**Maximum total cost of 5-year s75 agreement: £4,460,319.20**

Year 1: £807,205.00  
 Year 2: £847,566.00  
 Year 3: £889,944.00  
 Year 4: £934,441.00  
 Year 5: £981,163.00

The costs will be split equally across the four partner boroughs.

**Individual Borough maximum costs (including Havering):**

Year 1: £201,801.25  
 Year 2: £211,891.50  
 Year 3: £222,486.00  
 Year 4: £233,610.25

Year 5: £245,290.75

**Total: £1,115,079.95**

**Is this a Key Decision?**

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

(c) Significant effect on two or more Wards

**When should this matter be reviewed?**

December 2024

**Reviewing OSC:**

Peoples Overview & Scrutiny Committee

**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**

The current section 75 agreement with NELFT for the provision of the Adults Emergency Duty Team expires on the 31<sup>st</sup> March 2025. This service provides an emergency social care service outside of normal office hours. This paper is seeking a decision to approve a new 5-year section 75 agreement.

The North East London Adult Emergency Duty team (EDT) provides an emergency social care service outside of normal office hours. It covers Barking and Dagenham, Havering, Redbridge and Waltham Forest. The service is designed to deal only with emergency situations that cannot wait until the next working day.

Members of the public and health and social care professionals can contact the team if a carer or a vulnerable adult is in urgent need or requires protection from harm. A vulnerable adult is a person of 18 years or over with a social care need. This can include people with mental health problems, physical or learning disabilities or older people.

The service includes but is not restricted to the provision of Mental Health Act assessments by an approved mental health professional.

**RECOMMENDATIONS**

This decision paper is seeking the approval of Cabinet to:

1. Enter into a Section 75 Agreement for an Adults Emergency Duty Team between the four partner boroughs and the North East London Foundation NHS Trust (NELFT), for a period of 5 years. The four partner boroughs are Barking & Dagenham, Havering, Redbridge and Waltham Forest. The proposed s75 agreement has a maximum value of £4,460,319.20 which will be split equally between the four partner boroughs. Each of the four partner boroughs pays for the service directly to NELFT with the maximum value for Havering being £1,115,079.95 over the five-year life of the Section 75 agreement.
2. Delegate to the Strategic Director of People authority to sign off the terms of the Section 75 Agreement, on behalf of Havering.

**REPORT DETAIL**

**Service Summary**

The service is commissioned by Adult Social Care to fulfil the statutory requirement to provide an emergency Adult Social Care and Mental Health response including the provision of 24 hour Approved Mental Health Professionals (AMHPs) under the Care Act 2014, the Mental Capacity Act 2005 and the Mental Health Act 1983.

## Cabinet, 11 December 2024

The service manages emergency situations that cannot wait until the next working day by operating out of hours i.e. from Monday to Friday, 5.15pm – 8.45am and 24 hours on Saturday and Sunday including Public Holidays and additional statutory days.

It provides a responsive front line service to safeguard people in an emergency, as well as in accordance with the respective procedures and reporting protocols of each local authority.

They signpost to appropriate agencies or refer matters to day service staff or to assessors, give advice and guidance over the phone where necessary or to visit and/or arrange an intervention where necessary.

Emergency Duty Team staff are supported by the Local Authority Adult Social Care (ASC) management team to deal with any practice issues during out of hours. This is covered on a rotational basis between the service managers from each of the London boroughs.

### Current Contract Costs

		Year 1	Year 2	Year 3
		2022/23	2023/24	2024/25
Post	WTE	£	£	£
Management Lead – Band 8A	0.40	27,952	28,567	29,195
Social Workers – Band 7	6.00	579,072	591,811	604,831
Administration – Band 4	0.20	6,851	7,001	7,155
<b>Total Pay</b>		<b>613,874</b>	<b>627,380</b>	<b>641,182</b>
Non-Pay/Support costs		80,223	81,502	82,810
<b>TOTAL</b>		<b>694,097</b>	<b>708,882</b>	<b>723,992</b>

### New Contract Costs

The current contract is commissioned as a partnership with the London Boroughs of Barking & Dagenham, Redbridge, Waltham Forest and NELFT. Contributions are split equally and pooled funding is paid annually and the new 5-year section 75 agreement would continue in the same way.

NELFT provided the below outlining costs for the new five-year section 75 agreement totalling £4,460,319.20.

Emergency Duty Team (EDT) 5 Year Contract						
		Year 1	Year 2	Year 3	Year 4	Year 5
		2025/26	2026/27	2027/28	2028/29	2029/30
Post	WTE	£	£	£	£	£
Management Lead – Band 8A	0.40	32,137	33,744	35,431	37,203	39,063
Social Workers – Band 7	6.00	674,980	708,729	744,166	781,374	820,443
Administration – Band 4	0.20	8,087	8,491	8,916	9,362	9,830
<b>Total Pay</b>		<b>715,204</b>	<b>750,965</b>	<b>788,513</b>	<b>827,939</b>	<b>869,336</b>

Non-Pay/Support costs	92,001	96,601	101,431	106,503	111,828
<b>TOTAL</b>	<b>807,205</b>	<b>847,566</b>	<b>889,944</b>	<b>934,441</b>	<b>981,163</b>

The year 1 staffing costs are 11.49% more than the current costs. This is due to previous contract costs not being increased by the same % as wage increases. The year 1 costs accurately reflect the current staffing costs for the Emergency Duty Team and support costs have been benchmarked against other nearby trusts and the increase applied is either equal or lower than other trusts.

The costs provided by NELFT also include a 5% uplift year on year. Annual uplifts for staffing costs will be considered in line with the in-year pay and price increases up to maximum of 5%. The increase will be reviewed and agreed annually at Q3/Q4 Strategic EDT meetings for the following contractual year.

**Maximum Contract Costs for 2025-2030**

Local Authority	Year 1 2025/26	Year 2 2026/27	Year 3 2027/28	Year 4 2028/29	Year 5 2029/30	Total
<b>Barking &amp; Dagenham</b>	£201,801.25	£211,891.50	£222,486.00	£233,610.25	£245,290.75	<b>£1,115,079.95</b>
<b>Havering</b>	£201,801.25	£211,891.50	£222,486.00	£233,610.25	£245,290.75	<b>£1,115,079.95</b>
<b>Redbridge</b>	£201,801.25	£211,891.50	£222,486.00	£233,610.25	£245,290.75	<b>£1,115,079.95</b>
<b>Waltham Forest</b>	£201,801.25	£211,891.50	£222,486.00	£233,610.25	£245,290.75	<b>£1,115,079.95</b>
<b>Totals</b>	<b>£807,205.00</b>	<b>£847,566.00</b>	<b>£889,944.00</b>	<b>£934,441.00</b>	<b>£981,163.00</b>	<b>£4,460,319.20</b>

The total maximum value of the 5-year section 75 agreement is £4,460,319.20.

Year 1 total costs for 2025-2026 is £807,205.00. All 4 Local Authorities will pay the provider directly in advance in one annual sum of £201,801.28.

**REASONS AND OPTIONS**

**Reasons for the decision:**

Local authorities have a statutory duty to provide emergency duty teams (EDTs) as part of their adult social care services. This requirement ensures that vulnerable adults receive timely and appropriate support during emergencies, safeguarding their wellbeing and promoting their safety outside of normal working hours, including evenings, weekends, and public holidays. This contract is to replace the current Adult Emergency Duty Team Contract that ends on the 31<sup>st</sup> March 2024.

The benefits of entering into a Section 75 Agreement are the ability for budgets to be pooled between local health and authorities, along with the delegation of the provision of the EDT service to NELFT, which will lead to an improvement in the way this function is exercised.

**Other options considered:**

**1. Do nothing**

There is the option to do nothing and stop providing Emergency Duty Team services when the contract ends on the 31<sup>st</sup> March 2024. This option is not advised, due to our statutory responsibility to provide this level of service.

**2. Develop an Emergency Duty Team service in-house**

This option has been considered however this does not align with the approach the Local Authorities' are taking to commissioning this type of service with a Provider:

- The difficult 'fit' between the service and local authority structures
- The up-front investment required from the local authority in order to establish and maintain an Emergency Duty Team

**3. Extend the current Section 75 Agreement**

This option has been considered however this was not possible due to no available extension built within the current agreement.

**IMPLICATIONS AND RISKS**

**Financial implications and risks:**

The function provided in relation to the adult social care or mental health services pursuant to any of the adult social services functions which are the responsibility of an adult social services authority under Schedule 1 to the Local Authority Social Services Act 1970, subject to regulation 6 of the NHS Bodies and Local Authorities Partnership Arrangements Regulations 2000, and the Care Act 2014.

A prior information notice was issued and NELFT were the only interested party

The following table highlights the current contract costs and the new contract costs received from NELFT.

<b>Total Cost of Service</b>	<b>Current Costs</b>	<b>New Costs Year 1</b>	<b>New Costs Year 2</b>	<b>New Costs Year 3</b>	<b>New Costs Year 4</b>	<b>New Costs Year 5</b>
	£723,992.00	£807,205.00	£847,566.00	£889,944.00	£934,441.00	£981,163.00
Barking & Dagenham	£180,998.00	£201,801.25	£211,891.50	£222,486.00	£233,610.25	£245,290.75
Havering	£180,998.00	£201,801.25	£211,891.50	£222,486.00	£233,610.25	£245,290.75
Redbridge	£180,998.00	£201,801.25	£211,891.50	£222,486.00	£233,610.25	£245,290.75
Waltham Forest	£180,998.00	£201,801.25	£211,891.50	£222,486.00	£233,610.25	£245,290.75
<b>Total</b>	<b>£723,992.00</b>	<b>£807,205.00</b>	<b>£847,566.00</b>	<b>£889,944.00</b>	<b>£934,441.00</b>	<b>£981,163.00</b>

The costs are capped at a 5% increase per year, which could be reduced if the yearly inflationary salary increase is lower than 5%.

Staffing levels are staying at the current level within the team and are currently deemed appropriate.

The option to bring the EDT team in house was not considered as the cost was considered too high, along with the difficulty to recruit social workers. Bringing the team in house would lose the economies of scale and it is estimated an in house team would still need 3 social workers and a Social work manager. The cost of 3 social workers and a team manager at midpoint would cost £258,740. This does not include any support costs or the setup cost for equipment.

Due to the statutory nature of the service and the increased costs of running a team in house the recommendation is to proceed with the award of the contract. However, additional funding will need to be identified to cover the increased costs. The additional pressure of the contract in year 1 is c£20k and this will need to be met from the anticipated growth that will be allocated in 25/26. The below shows the annual growth/funding that would need to be found year on year to fund the contract and the most likely source of funding for this would be for annual submission of growth bids.

	Annual Increase	Cumulative Increase
Year 1	20,803.25	20,803.25
Year 2	10,090.25	30,893.50
Year 3	10,594.50	41,488.00
Year 4	11,124.25	52,612.25
Year 5	11,680.50	64,292.75

By year five of the contract, the contract would be costing an additional c£64k per annum.

**Legal implications and risks:**

Under Schedule 3 of the Care Act 2014, where it is not considered safe to discharge a hospital patient, without arrangements for meeting the patient’s needs for care and support being in place, the NHS body must give the Local Authority (where the patient is ordinarily resident) an assessment notice.

The local authority must then carry out an assessment of the patient’s need and, where applicable, the carer’s need, with a view to identifying the care and support that is necessary for them to be safely discharged.

Adults Social Care and Health therefore seek approval to enter a section 75 agreement to meet such statutory duties. Under section 75 of the National Health Service Act 2006, local authorities and NHS bodies are enabled to enter into integrated partnership arrangements in relation to the exercise of certain functions of local authorities and the NHS. Section 75 agreements aim to provide a more streamlined service and to pool resources, if such arrangements are likely to lead to an improvement in the way their functions are exercised. It is pursuant to these powers that the section 75 Agreement detailed in this Report is proposed.

**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.

The recommendations made in this report do not give rise to any identifiable equalities and social inclusion implications or risks and therefore an (Equality and Health Impact Assessment) isn't required.

**Health and Wellbeing implications and Risks**

The recommendations made in this report do not give rise to any identifiable Health and Wellbeing risks. The nature of this service is about the health and wellbeing of the service users and therefore would have positive implications on those service users.

**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**

Not Applicable



<b>CABINET</b>	<b>11 December 2024</b>
<b>Subject Heading:</b>	<b>Healthy Child Programme Contract Extension</b>
<b>Cabinet Member:</b>	Councillor Gillian Ford, Cabinet Member for Health and Adult Care Services
<b>ELT Lead:</b>	Mark Ansell, Director of Public Health
<b>Report Authors and contact details:</b>	Daren Mulley, Senior Commissioning Manager Email: <a href="mailto:Daren.Mulley@havering.gov.uk">Daren.Mulley@havering.gov.uk</a>
<b>Policy context:</b>	Claire Alp, Public Health Principal Email: <a href="mailto:Claire.Alp@havering.gov.uk">Claire.Alp@havering.gov.uk</a>  At a local level, this contract supports Havering Council to meet its People Theme priorities in its Corporate Plan 2022/23 – 2026/27. This plan sets out how the Council intends to invest and transform the borough with an emphasis on improving the lives of vulnerable children, adults and families.
<b>Financial summary:</b>	The value of the two year extension will be £6,924,000 (£3,462,000 p.a.) and will be funded by the Public Health Grant
<b>Is this a Key Decision?</b>	Expenditure or saving (including anticipated income) of £500,000 or more
<b>When should this matter be reviewed?</b>	March 2026
<b>Reviewing OSC:</b>	People

**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**

- 1.1. This report asks Cabinet to approve a two-year extension of the Healthy Child Programme contract with North East London Foundation Trust (NELFT) from 1<sup>st</sup> April 2025 to 31<sup>st</sup> March 2027.
- 1.2. The original decision from Cabinet was made to award the contract to NELFT for five years from 1<sup>st</sup> April 2020 until 31<sup>st</sup> March 2025 with an option to extend by a further two years until 31<sup>st</sup> March 2027.

**RECOMMENDATIONS**

For the reasons set out in this report, it is recommended that Cabinet agree to the two-year extension of the contract with NELFT from 1st April 2025 to 31st March 2027.

**REPORT DETAIL**

## **1. Background**

The Healthy Child Programme (HCP) aims to support and improve the health and wellbeing of children and young people from 0-19 years and their families. It is a statutory responsibility of Local Authorities to offer families five developmental reviews before their child reaches 2½ years of age and to deliver the National Child Measurement Programme (NCMP). The service includes the delivery of these mandated elements alongside a broader programme of support. The service is funded from the Public Health Grant, and is provided by the North East London Foundation Trust (NELFT).

## **2. Service Description**

The HCP is a universal service led by Health Visitors for families with children aged 0-5 years and by School Nurses for children and young people aged 5-19 years. The Health Visiting (HV) service provides the five mandated health reviews (at 28-32 weeks pregnancy, and 10-14 days, 6-8 weeks, 1 year and 2-2½ years post birth), delivers against six high impact areas for early years, supports continuity of family public healthcare from maternity to HV services, identifies and supports vulnerable children and families, contributes to safeguarding, and addresses inequalities.

The School Nursing (SN) services delivers the NCMP, delivers against six high impact areas for school-aged children, supports vulnerable children and those not in school, and contributes to safeguarding.<sup>1</sup> Beyond the universal offer, additional support and intervention is provided according to need as Universal Plus (UP) or Universal Partnership Plus (UPP) support.



### **3. Service Progress During Current Contract**

Responsibility for Health Visiting services transferred to Local Authorities in October 2015. At the time of transfer, the funding of the service inherited by LBH was below the national recommended minimum level. When the service was re-procured in 2019, approval was given by Cabinet to increase the budget to this minimum level. The report presented to Cabinet highlighted four key benefits that this increase in funding would bring to Havering families, and since the contract commenced, NELFT has made good progress in each of these areas<sup>2</sup>:

- *Value for money; although only increasing the budget for HV to the national minimum, the Provider has committed to achieve higher coverage of the mandated HV checks than the national and London average*

Achievement of this commitment is clear with 2022/23 (latest available) data evidencing coverage in Havering being consistently higher than London and England averages across all four postnatal contacts (Appendix 1) – with NELFT having maintained above average coverage where it was already higher prior to this contract period (new birth visit and 12-month review), and increased coverage to above average where it was previously lower (6-8 week and 2-2½ year reviews). Regional and national comparisons are not available for the antenatal contact due to challenges with data flows from maternity to health visiting prior to birth not enabling an accurate percentage coverage to be calculated, but locally NELFT has worked with BHRUT maternity services towards resolving these challenges and progress to date, based on number of families seen, suggests an improvement in coverage.<sup>3</sup>

- *An enhanced offer for 0-5s and their families, which is integrated with the council's Early Help and Early Years offer*

Integration of the Health Visiting, Early Help and Early Years offers has improved in a number of ways. Infant feeding support, the HENRY 0-5 family healthy lifestyle programme, and elements of the borough's parenting offer are co-delivered by HV and Early Help services. There is greater integration between the services as a result of improved perinatal mental health and speech, language and communication pathways. NELFT has been proactive in supporting school readiness, from co-delivering health promotion stalls at school holiday events through to an increasing number of HV-led 2-2½ year development reviews being delivered within Early Years settings to support effective early identification, intervention and onward referral.

- *Increased early identification of vulnerability in 0-5s and their families and opportunity for health visitors (HVs) to provide more intensive intervention for those most at need, and deliver a more accessible universal offer for all families in Havering*

Increased coverage of the five mandated health reviews has in turn increased the likelihood of early identification of needs. NELFT has taken steps within its own allied services to ensure a multi-disciplinary approach to supporting families, with a health visitor taking part in weekly referral meetings alongside colleagues from the Perinatal

Parent Infant Mental Health Service, Child and Adolescent Mental Health Service, Paediatrics, Speech and Language Therapy and Physiotherapy.

- *Improved outcomes for children and families in specific priority areas for Havering; school readiness, childhood obesity, maternal mental health*

Outcomes for families are challenging to measure and, when working in an integrated way, improvements are difficult to attribute to one service in particular, but within these three priority areas NELFT has contributed significantly to improving pathways and provision in support of school readiness, consistently delivered the HENRY 0-5 family healthy lifestyles programme and taken on other actions as part of the borough's Healthy Weight Strategy, and delivered a perinatal mental health training offer for staff to improve identification of needs and developed the perinatal mental health pathway to improve access to services.

The current contract did not offer additional investment in the SN service but the team continues to deliver the NCMP; provide a health promotion offer to schools; deliver health needs assessments, health care plans and awareness training for staff; and support growing numbers of children within vulnerable cohorts (including children and young people educated other than at school (EOTAS), those on the edge of or in care, families living in temporary accommodation, and those with special educational needs or disabilities who are educated in mainstream schools). Alongside general growth in Havering's child population identified via census and population projection data, increasing complexity of needs has materialised and is evidenced via increasing caseloads of children and young people requiring UP and UPP support.

#### **4. Service Performance**

NELFT's HCP performance in Havering is routinely monitored through quarterly contract meetings. Attended by the LBH lead commissioner and Public Health Principal, and NELFT Operational Lead, Clinical Lead and Performance Manager, these meetings include monitoring of the nationally mandated indicators as well as additional locally agreed key performance indicators. Additional quarterly service development meetings have been introduced to promote continuous progression and facilitate relationships with partner services such as Housing, Education, Smoking Cessation and Maternity.

The 2019 Cabinet report outlined seven service delivery elements that were negotiated for the additional funding and that would be monitored during the course of the contract<sup>2</sup>. The HV service has met these as follows:

- *15 additional staff members with a range of skills on a range of pay bands*

Staffing has increased from 28 FTE under the previous contract to 43 FTE clinical (Bands 4-7 Trainee Nurse Associates, Staff Nurses and SCPHN Health Visitors) and clinical support (Band 4 Nursery Nurses) roles. This increase in staffing and skill mix has moved the service from being Health Visitor-delivered to Health Visitor-led, making more efficient use of resource. NELFT has also committed to a robust programme staff development – sponsoring staff to complete Nurse Apprentice

training through to Specialist Community Public Health Nurse training – to offer opportunities for progression and promotion, and encourage staff retention.

- *95% coverage of all mandated 0-5 health reviews*

The aim of 95% coverage across all health reviews is ambitious, especially given 2022/23 average coverage across the four postnatal reviews in London ranges from 61-82% and in England 74-83%. NELFT has continued to work towards the 95% target and, based on data reported for contract monitoring during 2023/24 and 2024/25 to date, has exceeded 95% coverage of the new birth visit during each quarter, exceeded 95% coverage of the 6-8 week contact for the first time in quarter 1 of 2024/25, consistently achieved around 90% coverage of the 12-month review, and been less consistent with 2-2½ year review coverage but still achieved around 88% on average. Notably, the improvements in coverage of the antenatal and 6-8 week contacts, which were previously only carried out on a targeted basis and were thus a key focus of the increased investment, have seen significant improvement.

- *Delivery of integrated programmes of support with Early Help re. school readiness, healthy lifestyles and parenting skills*

Covered in section 3.

- *Extended hours of service delivery to provide better support to working families*

NELFT has trialled different ways of making the service more accessible during the current contract period. Creation of a Single Point of Access (SPA) team has been effective in delivering a client-centred service that ranges from administration staff booking appointments directly into Health Visitor's diaries (allowing clinical staff to focus on clients instead of administrative tasks) to the presence of a duty Health Visitor/ School Nurse providing a point of contact for parents, carers and professionals 9am-5pm Monday to Friday. A needs-led approach to extend service delivery to 8am-6 pm has also been piloted with staff available to deliver 1:1 support during these hours to accommodate individual parental needs.

- *Recruitment of Champion HVs in six key areas of child development.*

The current contract required NELFT to appoint Champions within the HV service – staff whose caseloads are reduced to create time to lead on priority areas. Recognising the benefits of this and identifying a need for increased resource to make this concept effective in practice, NELFT has gone further by appointing both Leads (who have a greater reduction in caseload) and Champions in several areas.

The service specification drew on nationally identified high impact areas to define the six key areas for Champion recruitment as parenthood and the early weeks; maternal mental health; breastfeeding; healthy weight; minor illnesses and accidents; and healthy 2 year olds and getting ready for school.

Section 3 outlines the work progressed by staff in relation to school readiness, obesity and maternal mental health roles. Breastfeeding is one area in which both Lead and

Champion roles have been created and this has enabled good progress with Baby Friendly Initiative accreditation, which includes a broad programme of staff training, plus the introduction of an additional weekly infant feeding support session.

Work related to parenthood and the early weeks and minor illnesses and accidents has been assumed into existing roles (for example, at each contact the HV team discusses accident prevention, and Health Visitors have the additional nurse prescribing qualification enabling them to prescribe medication for minor illness such as rashes, dry skin, eczema and pain that requires analgesia). As a result of this, NELFT colleagues have used their first-hand knowledge of the service and emerging priorities to present proposals to LBH to create alternative lead roles where they consider these would deliver greater value to families than the roles originally proposed. This includes a Digital, Transformation and Clinical Lead to develop the service's digital offer and quality improvement work.

- *Improved tracking and follow-up of families who don't engage with health reviews, or who have needs identified at early health reviews*

In reaching the increased levels of coverage outlined above, NELFT has introduced a robust process for booking appointments and follow-up, and has identified common reasons for 'Did Not Attend' which continue to be responded to and addressed. Additional projects are being explored to increase engagement - for example with schools when children present in Reception with previously unidentified needs and school staff are able to facilitate contact between the family and HV service where there are younger siblings so that they are more likely to engage in health reviews.

- *Ability to maintain a high level of service delivery for a 0-5s population which is projected to grow significantly within the duration of the contract*

Efficiencies have been created through the introduction, for example, of the skill mix team, SPA and digital innovations to improve the service offer and help offset increasing demands of the growing population. Havering's population growth, changing demographic and associated increase in complexity of needs is placing increasing demand on both the HV and SN services. This will continue to be monitored throughout the extension period and form a key part of discussions during development of the service specification for the next contract.

SN service performance also continues to be monitored. Participation in the 2022/23 NCMP was 95.7% in Havering, compared to 93.8% in London and 93.2% in England. Healthy Weight Strategy actions have led to NELFT working with schools to encourage parents to participate in online sessions prior to NCMP results letters being sent, to better prepare and engage parents in supporting children to address being identified as overweight or obese.

NELFT is working on improving equity of delivery in schools across the borough by standardising their health promotion offer as part of the Health Education Resource produced by Public Health and taking a lead in supporting schools to navigate this resource. Accessibility of health awareness sessions (e.g. on asthma, epilepsy and allergies) is being improved via online sessions for staff who have missed in-person training. Further

efficiencies are being made as a result of these online sessions being offered across BHR, with staff from each borough taking it in turn to deliver.

The SN service has continued to respond to changing needs within Havering, for example by creating an EOTAS role to accommodate the increasing demand experienced by the service in supporting and meeting the needs of this population.

## **REASONS AND OPTIONS**

### **Reasons for the decision:**

As demonstrated above, the extension of the contract will ensure the Council meets its statutory responsibility to provide health visiting services with a range of mandated universal health assessments and to deliver the National Child Weight Management Programme.

### **Other options considered:**

Re-procurement: As the current provider is performing well, it would not be prudent to undertake a full re-procurement exercise at this stage. An extension of the existing contract will allow time for a review of the Council's commissioning options and a full procurement exercise to be undertaken during the extension period so that a contract is in place from April 2027 onwards.

## **IMPLICATIONS AND RISKS**

### **Financial implications and risks:**

This report is seeking approval from Cabinet to agree a two year extension of the Healthy Child Programme contract with NELFT from 1st April 2025 to 31st March 2027 at a cost of £3.462m per year (total contract extension cost £6.924m). The contract is a block contract; the costs are not determined /impacted by usage/consumption and nor is there any inflationary uplift between financial years.

The body of this report outlines the contract has delivered well against the aims and objectives articulated at the outset and contained within the November 2019 Cabinet report which sought approval for the original contract award. This has been against a backdrop of rapidly increasing numbers of children in the borough suggesting the contract is delivering good value for money.

The contract extension will be funded from the council's annual public health grant allocation. The value of the contract represents approx. 28% when compared to the

2024/25 allocation. The Council's 2025/26 and 2026/27 allocations are not known at this stage, however, public health services are delivered via range of contracts and in-house provision and cover both mandatory and non-mandatory activities; were the commitments against the grant to exceed the amount of funding available, there would be a need to review non-mandatory and non-contractually committed services in the first instance to ensure the financial obligations being entered into by virtue of this contract extension were able to be met.

It should be noted that the public health reserve currently contains £2.419m, of which planned draw-downs of £0.5m in 2024/25 and £0.5m in 2025/26 have been assumed in the current medium term financial strategy, leaving £1.419m available to contribute towards the cost of this contract should the need arise.

There is a possibility that a re-procurement of the services offered by this contract could result in a lower contract price, however, this is deemed unlikely as since the contract commenced on 1<sup>st</sup> April 2020 there has been a period of high inflation and wage growth. Furthermore, it's a possibility the recent changes to employers national insurance could start to be reflected in contracts such as this for which staff costs make up a high proportion of the spend. The table below, which was included in the November 2019 Cabinet report, demonstrates the block contract costs have remained static since 2022/23:

	<b>Total Contract Value £</b>
2020/21	2,884,000
2021/22	3,173,000
2022/23	3,462,000
2023/24	3,462,000
2024/25	3,462,000
<b>Total for 5 year contract</b>	<b>16,443,000</b>
2025/26	3,462,000
2026/27	3,462,000
<b>Total for 5 year contract (plus 2 year extension)</b>	<b>23,367,000</b>

**Legal implications and risks:**

In the exercise of its functions under section 2B of the National Health Service Act 2006 the Council must, so far as reasonably practicable, provide or make arrangements to secure the provision of a universal health visitor review to be offered to or in respect of an eligible person. The recommendation within this report is pursuant to these duties and powers.

The agreement between the Council and NEFLT is due to expire in March 2025. Clause A3.4 of the agreement permits the Council to extend the initial term by a further period of up to 2 years until March 2027 by giving NELFT 3 months' written notice.

**Human Resources implications and risks:**

The recommendations made in this report do not give rise to any identifiable HR risks or implications that would affect either the Council or its workforce.

**Equalities implications and risks:**

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, sex, race, disability, sexual orientation, marriage and civil partnerships, religion or belief, pregnancy and maternity and gender reassignment.

The Council is committed to all of the above in the provision, procurement and commissioning of its services, and the employment of its workforce. In addition, the Council is also committed to improving the quality of life and wellbeing for all Havering residents in respect of socio-economics and health determinants.

The action undertaken will include monitoring how the service meets the needs of all eligible users, including those from ethnic minority communities and the disabled. The Council will also ensure that potential providers have undertaken equality training and adhere to the Council's Fair to All Policy or their own equivalent.

**Health and Wellbeing implications and Risks**

The proposed decision to extend the Healthy Child Programme contract will have a positive impact on the health and wellbeing of families in Havering.

The Health Visiting service is the only universal service available to children of pre-school age and, as a minimum, offers five development contacts between pregnancy and when a child reaches 2½ years of age to review the health and wellbeing of mother and child. The School Nursing service supports the health and wellbeing of school-aged children.

Both services have elements that the Local Authority is mandated to deliver and in addition both services provide the opportunity to promote health and wellbeing, prevent ill health, enable early identification of poor health and wellbeing, and provide appropriate, timely support and intervention.

**ENVIRONMENTAL AND CLIMATE CHANGE IMPLICATIONS AND RISKS**

The supplier will minimise impact on the environment and climate change by:

- a) Eliminating the need for one use plastics
- b) Ensuring that all waste is correctly recycled
- c) Utilising public transport when this fits with Infection Protection Control measures
- d) Employing locally wherever possible to reduce the environmental impact of travelling to work
- e) Employing digital solutions to reduce the need for manual recording and disposable materials.

**BACKGROUND PAPERS**

<sup>1</sup> OHID (2023) [Commissioning-health-visitors-and-school-nurses-for-public-health-services-for-children-aged-0-to-19](#)

<sup>2</sup> LBH (2019) [Decision to Award Contract for the 0-19 Healthy Child Programme \(2019\)](#)

<sup>3</sup> [OHID Child Health Profiles](#)

**APPENDIX 1**

Figure 1a. Coverage of antenatal contact (28-32 weeks gestation)

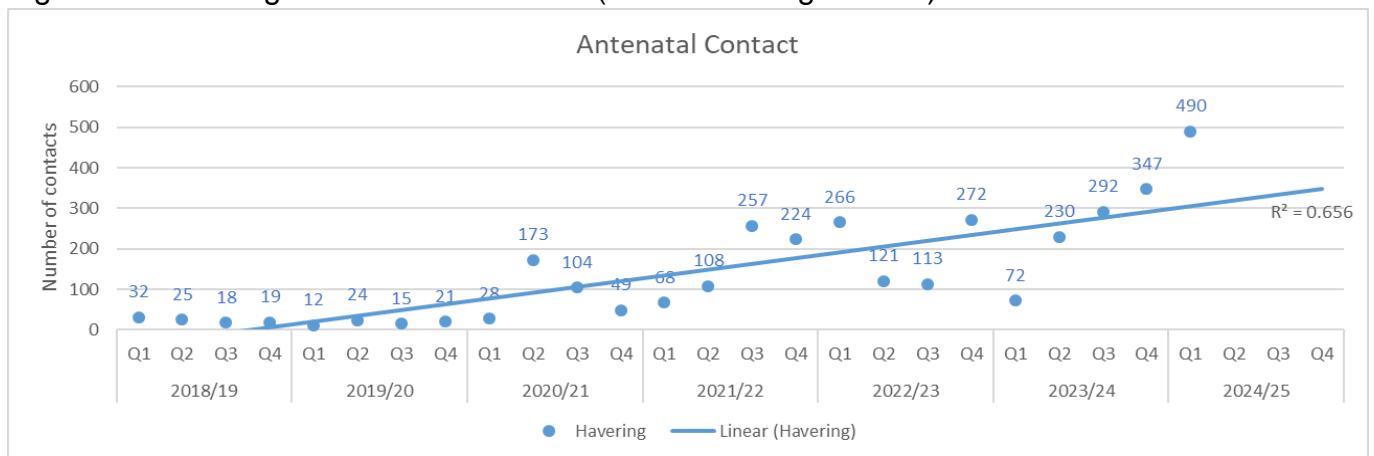
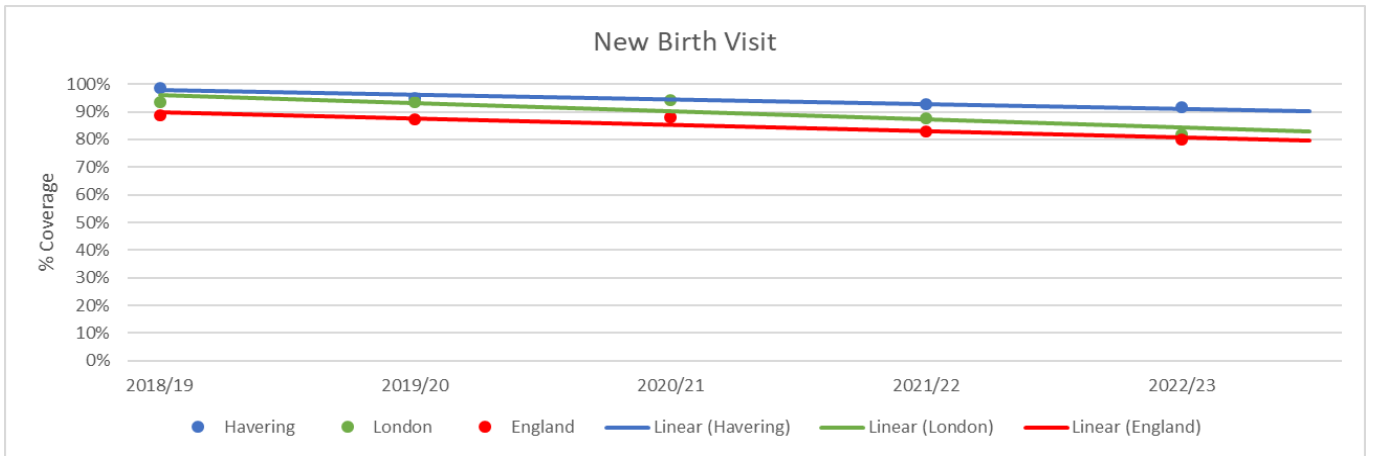
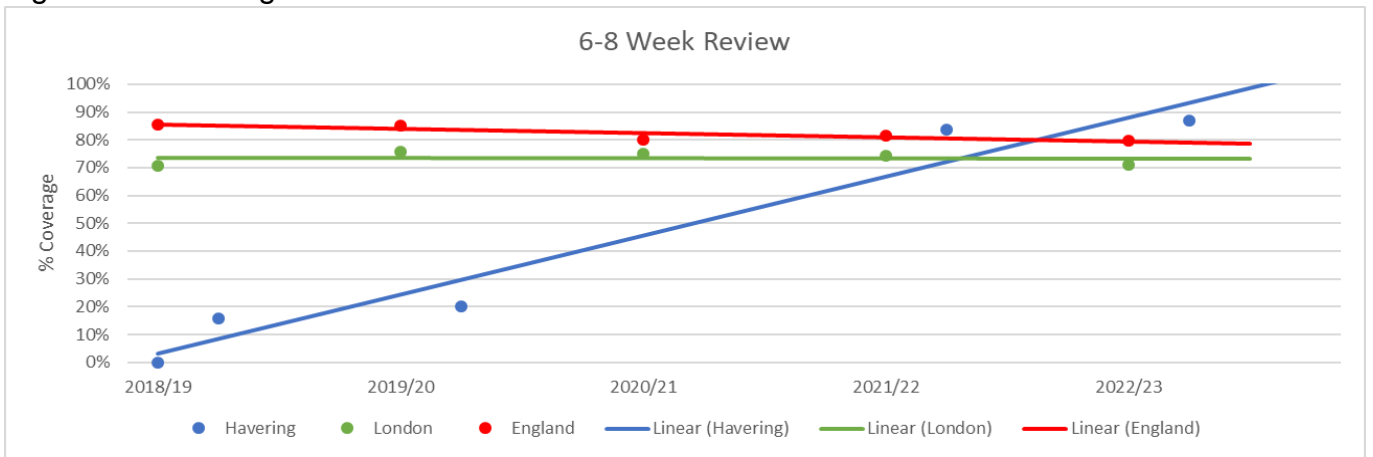


Figure 1b. Coverage of new birth visit (10-14 days post birth)

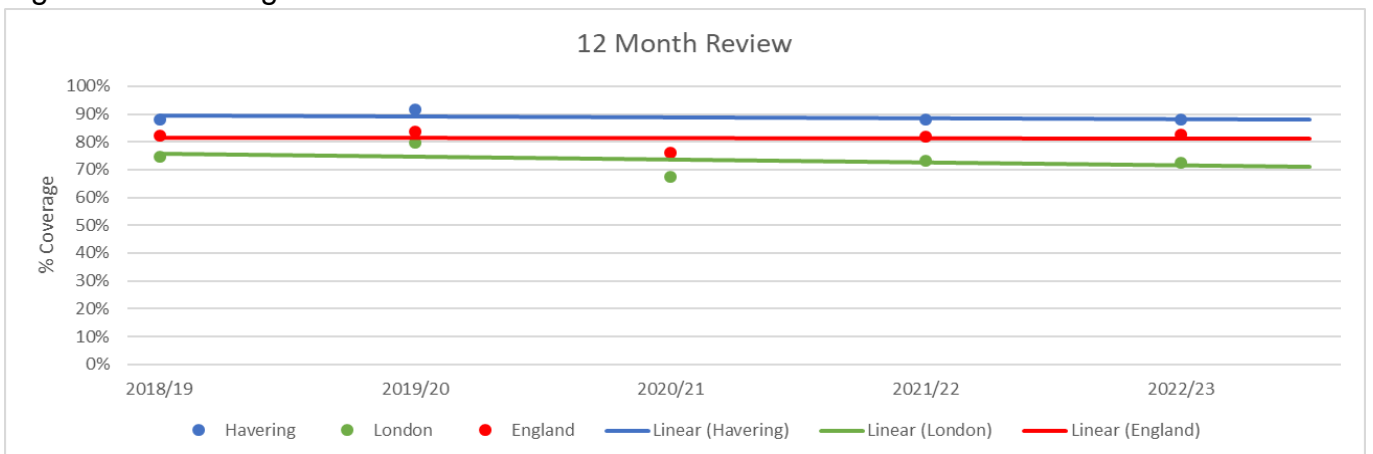




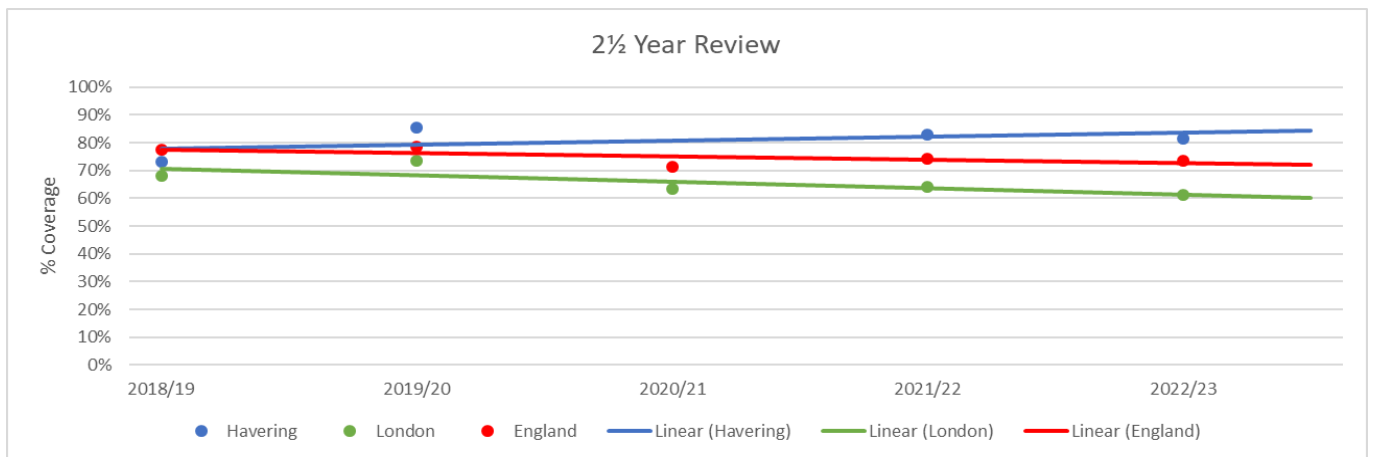
**Figure 1c. Coverage of 6-8 weeks review**



**Figure 1d. Coverage of 12 month review**



**Figure 1e. Coverage of 2-2½ year review**





This report is part exempt under the Access to Information Procedure Rules set out in the Constitution pursuant to Schedule 12A Local Government Act 1972, as amended. The exemption sought is by virtue of:

Paragraph 3 - Information relating to the financial or business affairs of any particular person including the authority holding that information; and

Paragraph 5 - Information in respect of which a claim to legal professional privilege could be maintained in legal proceedings; and

It is in the public interest to withhold the information as the public interest in maintaining the exemption outweighs the public interest in disclosing the information as disclosing the information could prejudice the Council's position and this is not in the public interest.

<b>CABINET</b>	<b>11 December 2024</b>
<b>Subject Heading:</b>	Future Management of Brittons 3G Pitch
<b>Cabinet Member:</b>	Councillor Gillian Ford
<b>ELT Lead:</b>	Patrick Odling-Smee
<b>Report Author and contact details:</b>	Guy Selfe, <a href="mailto:guy.selfe@havering.gov.uk">guy.selfe@havering.gov.uk</a> , 01708 433866
<b>Policy context:</b>	People – things that matter for residents
<b>Financial summary:</b>	The financial implications for an operator to manage a football hub that includes two new 3G pitches, contained in this report are detailed within an exempt appendix to this report.
<b>Is this a Key Decision?</b>	(a) Expenditure or saving (including anticipated income) of £500,000 or more

**When should this matter be reviewed?** December 2025

**Reviewing OSC:** Overview and Scrutiny Board

**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 **X**

Resources - Enabling a resident-focused and resilient Council

**SUMMARY**

The Brittons Playing Field 3G pitch is currently managed on a day-to-day basis by Brittons Academy. The proposed future management of the 3G pitch contained within this report is in order to maximise usage and the potential health and wellbeing benefits of a football hub with an additional two 3G pitches and ancillary facilities. The recommendation to develop a football hub, with an additional two 3G pitches subject to funding, would require the Brittons Playing Field site to be leased to a special purpose vehicle, the National Football Trust (NFT) who would then appoint their subsidiary, Leisure United, to operate the new football hub.

**RECOMMENDATIONS**

Cabinet is recommended to:

Authorise the Head of Leisure and Culture, in consultation with the Strategic Director of Resources and the Cabinet Member for Adults and Wellbeing to:

- a. Make an application to the Community Infrastructure Fund and to external funders for the funds necessary as partnership funding, progress the feasibility study to substantiate an application to the Football Foundation for further grant funding and to progress the preliminary design work necessary for an application for planning permission.
- b. Subject to (a) above being satisfactorily achieved, to make an application for planning permission to allow for development of the land including and around the existing 3G pitch at Brittons Playing Fields into a “football hub” comprising of two additional 3G pitches and ancillary facilities.
- c. Subject to (b) above being satisfactorily achieved, to submit a funding application to the Football Foundation in conjunction with the National Football Trust.
- d. Subject to (a)-(c) above being satisfactorily completed to negotiate and finalise all required documentation for implementation of this decision (for the avoidance of doubt to include any lease, management agreement and any further documentation / agreements which may be required by the Football Foundation).
- e. Subject to (a)-(d) above being satisfactorily completed (so that the development of the football hub is legally permissible and fully funded) to tender the construction of the football hub facilities and appoint a contractor to build the facilities

- f. If sufficient partnership funding is not secured to apply for Football Foundation funding, report to Cabinet to agree next steps.
- g. Subject to (a)-(f) being satisfactorily completed to: (i) conclude that the Land is no longer required for the purpose for which it is currently held; (ii) appropriate the land for planning purposes pursuant to section 122(1) of the Local Government Act 1972; (iii) deal with all matters related or incidental to the appropriation of the Land.

**REPORT DETAIL**

**Background**

1. The existing single 3G artificial turf pitch (the “Pitch”) was partly funded by the Football Foundation (“FF”) through a grant of £407,673 following a joint application by the Council and the Empower Learning Academy Trust. The 3G pitch is currently managed by Brittons Academy (the “Academy”) who are within the Empower Learning Academy Trust.
2. The Pitch sits outside of the school grounds on Brittons Playing Field, with an access gate to the school car park and changing rooms as required when the pitch is let for authorised and paid for bookings.
3. Whilst there is usage of the Pitch, it is not at the level expected and as set out in the application for funding from FF. Nor is the usage sufficient to maximise the health and wellbeing benefits to the Borough. The Academy has attempted to increase the number of bookings and hirers of the Pitch but there have been resource issues with personnel taking the administration and management on in addition to their regular work for the Academy.
4. As a result, in order to maximise usage of the Pitch, increase the health and wellbeing benefits and the sporting participation benefits to residents it is considered that the best option is to seek alternative management of the Pitch with a dedicated resource.
5. The FF are also supportive of introducing alternative management arrangements of the Pitch to maximise the benefits of their funding for the Pitch. FF and the Essex Football Association have approached the Council with a proposal that the Pitch becomes part of a ‘football hub’ with an additional two 3G pitches, pavilion and car parking being built. FF has a delivery model for football hub sites such as this, of which there are

currently 17 in the country, with further detail provided in the body of this report. This includes the future management of a 'football hub' if this were progressed.

## **Current Situation**

6. Our vision is clear: to ensure there is a facility that serves as a hub for community engagement, athletic excellence, and leisure activities. The management of the Pitch is not just about maintaining a playing field; it is about fostering a space where leisure and culture thrive, where our community's health and well-being are prioritised, and where the spirit of sportsmanship is alive and well.
7. The future management strategy is designed to ensure that the Pitch remains a premier destination for both competitive and recreational activities. With a focus on sustainability, inclusivity, and accessibility, we are committed to providing a top-tier experience for all users. The approach is community-focused, ensuring that the needs and feedback of our stakeholders are at the forefront of every decision we make.
8. Through collaborative efforts and strategic partnerships, we aim to enhance the value the Pitch brings to our community. The enhancements in management practices will improve the quality of the facilities and contribute to the health and wellbeing and social vitality benefits they will bring.
9. Unfortunately, and regrettably the Pitch has been subject to daily unauthorised access and use leading to anti-social behaviour and some damage to goals and minor damage to the pitch surface in a limited area. Excessive amounts of litter are left strewn over the site even though there are bins to place litter in, with the school's site team having to spend all their time allocated to the Pitch picking up litter.
10. Regular authorised hirers and the school site team are facing abuse and threats when they arrive requesting the unauthorised users to leave. The fencing has been breached by these unauthorised users smashing a hole in the fence. When repaired, they do exactly the same again within hours of the repair. The Academy does not have the resources available to address these issues.
11. The FF has indicated that there is a risk that some of the grant funding could be reclaimed as the usage targets for the Pitch are not being met. They support an experienced operator being brought in to operate and manage the Pitch to maximise the benefits of their investment.

12. The FF has stated that, subject to a formal funding application being made to them by the Council, there could be up to 75% funding provided to develop a 'football hub' at Brittons Playing Fields.
13. The FF has a delivery process that involves the NFT, a charity, being a joint applicant with the Council for a funding application to the FF. The Council would have to secure up to 25% match funding.
14. The funding application process requires a feasibility study prior to submitting a planning application, which if successful would allow for the funding application to be submitted. If both the planning permission and the funding application were successful, the Council would tender and oversee the construction of the additional facilities
15. Upon Practical Completion, the Council would lease the site to the NFT via a peppercorn lease (full repairing and insuring) with a term of 25 years. The NFT would engage its subsidiary, Leisure United (who currently operate the existing 17 hub sites), to manage and operate the new hub facility. Leisure United is a company limited by guarantee which is also a registered charity.
16. The NFT would be responsible for all running costs including lifecycle replacement and sinking funds. After site costs are covered, 100% of any surplus would be ring fenced by the NFT for re-investment in the borough for football purposes.

## **REASONS AND OPTIONS**

### **Reasons for the decision:**

The under-usage of the Pitch minimises the health and wellbeing benefits of the Pitch. The proposed link up with the FF would allow for increased usage of the Pitch and will expand and improve the health and wellbeing offer to the Borough. Two additional Pitches would also contribute to addressing a strategic shortfall of seven 3G pitches in the borough as identified in the developing Playing Pitch Strategy. The south of the borough that includes Brittons Playing Fields is identified as having a shortfall of three such pitches.

Further, the FF have written to say that unless new management arrangements are introduced to fulfil the potential of the Pitch they will consider the terms and conditions of the grant not met and clawback some or all of their grant of £407,673.



**Other options considered:**

1. Do nothing – without introducing alternative management arrangements for the Pitch, the Council’s health and wellbeing aspirations for the Borough are hindered. Further, the FF have indicated they will look to clawback all or part of their grant funding. Also, the Pitch will continue to be beset with unauthorised use and damage limiting the benefits to residents that could be delivered. The Academy have made it clear they do not have the resource to manage the facility in light of their experience of managing the facility for just over two years.
2. Return the Football Foundation grant of £407,673 or the pro-rata amount agreed with the Football Foundation. This has been rejected as this would not maintain or increase the health and wellbeing benefits the existing 3G pitch can provide to residents. The management of the existing pitch would still need to be resolved as the school have been clear that they cannot manage it to the level required to maximise the usage.
3. Alternative management of the existing 3G pitch has been explored with both SLM, the Council’s leisure centre operator, and Leisure United, the subsidiary charity partner of the National Football Trust. Both operators would require an annual management fee, that over ten years is in excess of the amount that would need to be paid back to the Football Foundation were their grant returned. The Council would also be required to establish a sinking fund in addition to build up a fund to replace the existing carpet surface at the end of its life, usually after a ten-year period. This is expected to be in the region of £25k to £32k a year. Leisure United would also require some initial capital expenditure to provide welfare facilities on the site and a cafe area. Details of both SLM and Leisure United’s financial proposals for managing the existing single 3G pitch are included within the exempt section of this report. Due to the ongoing financial commitment required for either SLM or Leisure United to manage the existing single 3G pitch and the requirement to contribute to an ongoing sinking fund, this option has been rejected.
4. If a football hub site is developed, seek alternative management options once the site is developed. Whilst this could be considered, the Football Foundation model for a football hub includes the NFT and Leisure United being partners in both delivery and management of a new hub facility.

**IMPLICATIONS AND RISKS**

**Financial implications and risks:**

The Football Foundation provided a grant of £407,673 towards the overall cost of converting the existing sand-filled artificial turf pitch to a 3G artificial turf pitch. The Football Foundation have made it clear in letters to the Chief Executive that they believe the only way to maximise the benefits of their investment is to introduce

alternative management of the 3G pitch. This is in light of not meeting the football benefits outlined in the funding application. The school do not have the resource to be able to manage the 3G pitch as was envisaged within the funding application due to issues associated with the pitch.

This presents a high risk, as outlined by the Football Foundation, that they will instruct their Legal team to begin the process of 'clawing back' part or all of the grant funding they awarded. Returning the funds could have a reputational risk and affect future funding bids.

The financial implications for developing a football hub site as outlined in this report are also contained within the exempt part of this report.

If the football hub option is progressed, it is estimated the capital cost would be in the region of £5.5m, this includes all associated costs and an allowance for contingency. An application for CIL funding of £1.2m has been made and if successful would form a large proportion of the match funding required to submit a Football Foundation funding application for up to 75% of the total project costs. It is also proposed that other external funding options are explored to contribute to the match funding required. £1.2m of CIL funding equates to 21.8% of the total estimated costs and therefore an additional 0.176m of externally sourced funding would be required to meet the 25% match funding requested based on the estimated total capital costs.

The total capital costs are an estimated cost and could fluctuate and if costs exceed the estimation, then the match funding may not be sufficient to cover 25% of the costs and alternative external funding would need to be sourced if the project were to go ahead.

The application for the CIL funding has been submitted and it has been through stage 2 of the 3 stages required. If the CIL funding bid is not approved, then the project will not be able to go ahead, and no costs will be incurred unless significant match funding is secured elsewhere.

Once, and if, the CIL funding is approved, a feasibility study will be required prior to a planning application being submitted by LBH and if the planning application is approved, at this point LBH will make a funding request to the football foundation.

The football foundation's capital investment programme states that a grant up to 75% of the costs could be available to fund the project. There is a risk that the funding received may not be the full 75% required to cover the anticipated costs of the project and if this was to happen the specification of the project would need to be reviewed to reduce the costs, or LBH could apply for additional external funding or the project is not continued.

The procurement for the project will be carried out by LBH and will be supported from within existing LBH resources and therefore will not create any additional financial burden.

There will be preconstruction costs that will be required for this scheme and these will need to be upfront costs and are estimated to be in the region of a maximum of £200k for LBH. Further detail is provided in the Exempt section of this report.

If the project was unable to continue following the preconstruction costs being incurred then the incurred costs would need to be met from LBH and the football foundation on a 40/60 split. No funding has been identified to cover any abortive costs, which would result in an additional pressure for the council if the project was unable to continue.

Upon Practical Completion, the Council would lease the site to the NFT via a peppercorn lease (full repairing and insuring) with a term of 25 years. The football hub option requires no revenue from the Council, with the operator under the proposed model responsible for all costs associated with managing the hub site and meeting Football Foundation terms and conditions for the existing 3G pitch and the additional two pitches plus ancillary facilities. There is also, within the business plan for this option, expected to be an annual revenue surplus from the hub model that would be ring fenced for reinvestment in football in Havering, this would be in consultation with Havering regarding what this investment funds.

### **Legal implications and risks:**

The Council has a power under s.19 Local Government (Miscellaneous Provisions) Act 1976 to provide recreational facilities within its area and a duty under NHS Act 2006 to take such steps as it considers appropriate to improve the health of the people in its area. Section 111 of the Local Government Act 1972 permits the Council to do anything which is calculated to facilitate, or is conducive or incidental to, the discharge of any of its functions.

The Council has the general power of competence under Section 1 of the Localism Act 2011 to do anything an individual may generally do, subject to limitations. No limitations are engaged by this decision.

The recommendations in this report are in line with the Council's powers and duties.

### **Football Hub site with all 3 x 3G pitches being managed through the Football Foundation model**

#### **Legal Planning Implications**

Subject to establishing a viable development proposal the Council may seek to appropriate the land for planning purposes under section 122 of the Local Government Act 1972 and then dispose of a leasehold interest in the land pursuant to section 233 Town and Country Planning Act 1990. A proposed red line plan is attached at Appendix A.

Section 122 of the Local Government Act 1972 (“the Local Government Act”) enables the Council to appropriate land which belongs to the Council for any statutory purpose for which it is authorised to acquire land and which is no longer required for the purpose for which it is held immediately before the appropriation.

The Council must, therefore, consider whether the land is no longer needed for the purpose for which it is so held if it is to be appropriated for planning purposes. In the event that appropriation is progressed need will be considered in a separate delegated report.

The meaning of the words “no longer required for the purpose for which it was held immediately before the appropriation” was considered by the Courts in the context of the predecessor to section 122. In that instance “not required” was held to mean “not needed in the public interest of the locality”.

Appropriation of the land for “planning purposes” (in order to engage the provisions of sections 203 – 205 Housing and Planning Act 2016 (“the 2016 Act”)) requires the Council to consider the following factors whether;

- a. the appropriation will facilitate the carrying out of development, re-development or improvement on or in relation to the land or is required for a purpose which it is necessary to achieve in the interests of the proper planning of an area in which the land is situated;
- b. the proposed development, re-development or improvement will contribute to the promotion or improvement of the economic, social and/or environmental well-being of the area;
- c. it is in the public interest that the proposed development should be carried out, having regard to the provisions of the development plan, whether planning permission is in force and any other considerations that would be material to the determination of a planning application for development of the land;
- d. as noted above, the land is no longer required for the original purpose for which it was acquired;
- e. rights capable of being overridden by sections 203 - 205 of the 2016 Act exist and whether interference with such rights is necessary

“Planning purposes” is defined in section 246(1) of the 1990 Act and acquisition for such purposes includes acquisition under section 226 or 227 of the 1990 Act.

Where land is appropriated for planning purposes, it is then held by the Council under the statutory provisions of Part 9 of the 1990 Act. The consequence (by virtue of section 203 - 205 of the 2016 Act) is that the erection, construction or carrying out of any maintenance or any building or work on the land and subsequent use of the land is authorised under those planning powers, if the works are carried out in accordance with planning permission, even if they interfere with third party rights.

Section 241 TCPA 1990 provides that land appropriated by the Council for planning purposes may be used in any manner in accordance with planning permission notwithstanding its status as open space.

It is considered reasonable for the Council to use its powers in this case to appropriate the land within the red line areas as on the Plan attached at Appendix B for planning purposes as the appropriation will facilitate the carrying out of development and improvement to the land and contribute to the promotion of the economic, environmental or social well-being of the Borough.

The Human Rights Act 1998 (“the 1998 Act”) prevents public authorities from acting in a way that is incompatible with rights protected by the 1998 Act. Of particular relevance to the acquisition of interests in land or overriding of interests/rights in land are Article 8 of the European Convention regarding respect for privacy and family life and Article 1 of the First Protocol which concerns the protection of property.

Such rights are qualified rights and may therefore be overridden where it is considered that the interference with these rights are proportionate and that the interference is necessary in the interests of, amongst other things, national economic wellbeing.

It is acknowledged that the appropriation of land for planning purposes may result in interference with property rights. However, compensation will be payable in accordance with statute.

The Council’s power to dispose of the land is held in s233 of the Town and Country Planning Act 1990 (hereafter “T&CPA”), which holds that where any land has been acquired or appropriated by a local authority for planning purposes and is for the time being held by them for the purposes for which it was so acquired or appropriated, the authority may dispose of the land to such person, in such manner and subject to such conditions as appear to them to be expedient in order;

(a) to secure the best use of that or other land and any buildings or works which have been, or are to be, erected, constructed or carried out on it (whether by themselves or by any other person), or

(b) to secure the erection, construction or carrying out on it of any buildings or works appearing to them to be needed for the proper planning of the area of the authority.

Where such land can be regarded as open space (defined under section 336(1) of the Town and Country Planning Act 1990 as “any land laid out as a public garden or used for the purposes of public recreation...”) the Council must advertise its intention to dispose of the land. Section 233(4) of the T&CPA 1990 requires the Council to advertise its intention to dispose of such land in two consecutive weeks in a newspaper circulating in the area in which the land is situated, and consider any objections to the proposed disposal which may be made.

The disposal of the land will be pursuant to section 233 of the Town and Country Planning Act 1990. The Council has, in addition to advertising the intended appropriation of the land (pursuant to section 122 Local Government Act 1972), to

advertise the intended disposal (on the same basis) in accordance with section 233(4) of the Town and Country Planning Act 1990.

The Council is required to take any representations made into account in reaching the final decision to appropriate and dispose. This involves the exercise of a discretion and the duty to act reasonably in a “Wednesbury” sense.

In practice this will involve balancing the benefits of appropriating and then disposing of the land (and the provision of football hub if that option is chosen or a new operator for the existing single 3G pitch if that option is chosen) as against the loss suffered by any landowners that benefit from rights affecting the land and those members of the public that use and enjoy the land for open space purposes. Adjoining landowners will have their rights overridden (in exchange for compensation) by the appropriation process, for example, this would include landowners that have acquired rights to light or have the benefit of restrictive covenants that affect the land. Members of the public that use the open space for recreational purposes will have their ability to use the open space land for these purposes taken away.

The section 233 TCPA 1990 power of disposal is subject at subsection (3) to the standard requirement to obtain either best consideration or the Secretary of State’s consent, for any leasehold disposal for a term of more than seven years.

### **Legal Property Implications**

The proposed lease of the grant funded redeveloped facilities to the Football Foundation at a peppercorn rent gives rise to considerations of subsidy control. It is considered that the grant, flowing to the lease is likely to be classed as a subsidy but will be consistent with the Subsidy Control Principles and the Council would therefore be able to grant the lease. Further details are attached as exempt appendix C

The land is considered to be an open space. Section 123(2A) of the Local Government Act 1972 (LGA 1972) provides that a council may not dispose of open space land without first advertising notice of their intention to do so for two weeks in a newspaper circulating in the area, and considering any objections to the proposed disposal. Open space is defined in section 336(1) of the Town and Country Planning Act 1990 (TCPA 1990) as any land laid out as a public garden, or used for the purposes of public recreation, or land which is a disused burial ground. This would include open fields and a football pitch used for public recreation.

### **Human Resources implications and risks:**

There are no human resource implications or risks associated with developing a football hub site. As the management of the 3G pitch by Brittons Academy is in addition to normal duties of school colleagues, no TUPE implications apply.

Leisure United would employ and be responsible for any colleagues they employ to carry out the functions associated with managing the Brittons 3G football hub.

**Equalities implications and risks:**

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, disability, gender reassignment, marriage and civil partnerships, pregnancy and maternity, race, religion or belief, sex/gender, and sexual orientation.

The Council is committed to all of the above in the provision, procurement and commissioning of its services, and the employment of its workforce. In addition, the Council is also committed to improving the quality of life and wellbeing for all Havering residents in respect of socioeconomics and health determinants.

In all situations, urgent or not, the Council will seek to ensure equality, inclusion, and dignity for all.

The Football Foundations investment priorities are to tackle inequalities in four priority groups; women and girls, lower socio-economic groups, disabilities and ethnically diverse communities.

**Health and Wellbeing implications and Risks**

There are no health and wellbeing implications or risks directly associated with transferring the management of the Brittons 3G pitch following completion of the football hub.

The improvement of utilisation rates of the 3G pitch and additional pitches, anticipated through management transfer, will have positive implications for health and wellbeing, including increased physical activity for facility users and accompanying mental well-being benefits; social connectedness; skills development and employment opportunities. Participation in physical activity, whether as a direct participant, a volunteer or a spectator, can bring mental and physical health and wellbeing benefits.

Enabling equitable access of the facilities to the community and taking active steps to address unauthorised access and associated anti-social behaviour, such as littering and damage, will be crucial in welcoming potential users from Havering and beyond and maximising health and well-being benefits.

**ENVIRONMENTAL AND CLIMATE CHANGE IMPLICATIONS AND RISKS**

There are no implications or risks associated with transferring the management of the Brittons football hub to Leisure United.

There are several considerations regarding the impacts of artificial grass pitches, including being a source of microplastics, at end of life they are not easily recycled, they contribute to urban heat islands and drainage issues. Natural grass acts as a carbon sink and is an important home to microbes, insects and worms, artificial grass does not have these benefits. However, these considerations need to be balanced against the reduced maintenance emission savings and artificial pitches can be used more frequently contributing to public health and well-being. The associated implications with developing additional facilities, including two new 3G pitches, a pavilion and some additional parking will be minimised/mitigated.

**BACKGROUND PAPERS**

None




By virtue of paragraph(s) 3, 5 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

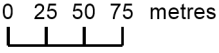
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Scale: 1:2500   
 Date: 14 November 2024

 **Havering**  
 LONDON BOROUGH

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 Town Hall, Main Road  
 Romford, RM1 3BD  
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## CABINET

**11 December 2024**

**Subject Heading:**

Approval to award framework agreements for fresh & frozen meat and poultry

**Cabinet Member:**

Councillor Oscar Ford, Cabinet Member for Children and Young People

**ELT Lead:**

Barbara Nicholls, Strategic Director of People

**Report Author and contact details:**

Sarah Hales, Commercial & Contracts Manager

01708 434915

Sarah.Hales@haverling.gov.uk

**Policy context:**

Supports the 'People' theme of the Havering Vision:

'Our children, young people thrive and are inspired to reach their full potential

**Financial summary:**

The current PAL framework expires on 31st December 2024.

The indicative value of the new call-off contract is c. £2.8m in year 1. The total framework value over the 4-year term of the contract (3 years + 1-year extension) is £12.1m across all PAL members. This includes an estimated 5% annual inflationary increase.

Havering's estimated annual call-off contract value is £643,000 in year 1 (£2,771,000 total contract value).

The Year1 estimated cost is based on Havering's % share of the existing total contract in 23/24, and is an increase of £166,000 compared to the actual spend in that year.

However as this is a call off arrangement, there is no minimum financial commitment.

The actual cost will vary depending on demand, and can be controlled.

This will be funded by the Havering Catering Service.

As Catering is a Traded Service, there is no base budget provision, but expenditure is offset against income that is generated from catering contracts with schools.

**Is this a Key Decision?**

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

**When should this matter be reviewed?**

14<sup>th</sup> November 2024

**Reviewing OSC:**

People OSSC

**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**

The current Fresh & Frozen Meat and Poultry Single-supplier framework expires on 31 December 2024. The Council's current call-off contract expires on the same date.

HES Catering Service has reviewed the requirements and seeks to establish a new three years (plus 12-month extension) multi-supplier framework for this provision as soon as possible. The framework will be owned and managed by HES Catering Services and can be accessed by the members of the Procurement Across London (PAL) group. Each participating member is responsible for their respective call-off agreements and will enter into separate call-off contracts.

The Councils who form the PAL group are:

- London Borough of Havering,
- London Borough of Barking & Dagenham,
- London Borough of Tower Hamlets,
- London Borough of Waltham Forest,
- Thurrock Council

**RECOMMENDATIONS**

For the reasons set out in the report, Cabinet is recommended to approve the award of;

- A) A Pan London multi-supplier framework agreement to Thomas Ridley and Son Ltd (Company number 00148692) and William Whites Meat Ltd (Company number 03027063) for the supply of fresh & frozen meat and poultry with an estimated total contract value of £12.1m over the 3 plus 1-year term, commencing on 1st January 2025.
- B) A call-off contract solely for the London Borough of Havering, to Thomas Ridley and Son Ltd at an estimated maximum cost of £2,771,000 for the supply of fresh & frozen meat and poultry for an initial term of 3 years with the possibility of a one-year extension, commencing on 1 January 2025 until 31st December 2029.
- C) A call-off contract solely for the London Borough of Havering, to William Whites Meat Ltd at an estimated maximum cost of £2,771,000 for the supply of fresh & frozen meat and poultry for an initial term of 3 years with the possibility of a one-year extension, commencing on 1 January 2025 until 31st December 2029.
- D) To note that the estimated combined maximum spend across the two contracts at B-C above is £2,771,000.

**REPORT DETAIL**

An open procurement process was undertaken in accordance with the Public Contracts Regulations 2015 and advertised on the Government's Find a Tender portal ref 2024/S 000-019630 on 27th June 2024.

Three bidders expressed an interest in the tender and three bids were received.

The weightings applied to this procurement were:

Commercial Assessment 70% of the overall assessment  
Quality Assessment 30% of the overall assessment

All three suppliers met the initial tender eligibility requirements (financial viability and compliance with insurance requirements), however one supplier was excluded due to their failure to provide the necessary certifications. The Two remaining suppliers provided the necessary certification & reassurances. All are credit-worthy and have adequate turnover and insurance cover. This was confirmed from the SQ and method statements received from the bidders.

Based on the evaluation of the scores, the service recommends that approval is given to appoint two bidders on to the framework given that the intention was to establish a multi-supplier framework.

It is recommended that the Council awards call-off contracts to two companies based on the lowest price for each individual line item required.

The framework agreement will not include any commitment from HES Catering Service or the collaborative PAL group to volume or value of orders. PAL group members will be individually responsible for calling-off the framework via their own internal corporate governance arrangements.

**REASONS AND OPTIONS**

**Reasons for the decision:**

The current Fresh & Frozen Meat and Poultry Single-supplier framework expires on 31 December 2024. The Council's current call-off contract expires on the same date.

HES Catering Service has reviewed the requirements and seeks to establish a new three year (plus 12-month extension) multi-supplier framework for this provision as soon as possible. The framework will be owned and managed by HES Catering Services and can be accessed by the members of the Procurement Across London (PAL) group and other education establishments who may join at a later date. Each participating member is responsible for their respective call-off agreements and will enter into separate call-off contracts.



The Councils who form the PAL group are:

- London Borough of Havering,
- London Borough of Barking & Dagenham,
- London Borough of Tower Hamlets,
- London Borough of Waltham Forest,
- Thurrock Council

**Other options considered:**

**Not to re-tender for this requirement but purchase ad-hoc from the market**

That the requirements are not re-tendered and HES Catering Service purchases fresh and frozen meat and poultry on an ad-hoc basis from suppliers on the open market. This option will not be compliant with the Council's procurement rules and policies due to the cumulative value of spend over time. Furthermore, the option will add significant additional cost to HES Catering Service due to the uncertainties and significant spikes in pricing of goods and raw materials experienced across the market over the past two years. This would undermine the financial viability of the service. In addition, this option will not allow for the prerequisite due diligence which is an essential part of the full competitive process to be carried out, resulting in reputational risk to the Council. Therefore, this option was considered and rejected.

**Carrying out an open tender just for HES Catering**

This option was considered however, was rejected as the PAL arrangement delivers greater efficiencies through combined purchasing power and drives major economies of scale.

Furthermore, this option would result in an estimated loss of income to HES Catering which results from managing the framework for the PAL group. The management fee which HES Catering earns is 0.75% of the total sales across the framework over its lifetime, which is reinvested into the service.

**Call- off from an existing framework**

The option to procure via existing national frameworks such as via Yorkshire Purchasing Organisation (YPO) was considered. Whilst this option can provide an alternative procurement route, the framework owners charge 1% management fee for any call-off made from their frameworks. This could potentially result in a total cost of £89k over the duration of the contract, with Havering's share being c.£20k. By establishing a framework managed by HES Catering Services the fees will stay within the service, and management fees will be collected from any other boroughs who access the framework and has the potential to generate £67k income per annum for the service over the 4-year term of the contract.

**IMPLICATIONS AND RISKS**

**Financial implications and risks:**

The current PAL framework for Fresh and Frozen Meat and Poultry expires on 31<sup>st</sup> December 2024.

The indicative value of the new call-off contract is c. £2.8m in year 1. The total framework value over a 3-year (plus 1-year extension) is £12.1m across all PAL members. This includes an estimated 5% annual inflationary increase. This is a prudent estimate but actual inflation will not exceed the % increase in the Consumer Price Index (CPI) over a 12-month period. Havering's estimated annual contract value is £643,000 in year 1, which equates to £2,771,000 total contract value over the lifetime of the framework. The estimated annual spend is shown below.

	Year				Total
	2025 (1)	2026 (2)	2027 (3)	2028 (4)	
Total framework	£2,802,000	£2,942,000	£3,089,000	£3,243,000	£12,076,000
Havering	643,000	675,000	709,000	744,000	2,771,000

The estimated cost is based on applying Havering's % share of the existing total contract in 23/24, to the new tender price, and is an increase of £166,000 compared to the actual spend in 23/24. This apparent increase is a result of the expansion of the GLA funded school meals provision leading to increased volumes. Prices for individual items on average in a representative basket of goods are in line with the current contract.

However as this is a call off arrangement, there is no minimum financial commitment, and the actual cost will vary depending upon demand. This allows the expenditure to be controlled. It is stated within the tender documentation and terms and conditions that the volumes are communicated at the point of call off.

Havering's costs will be funded by the Havering Catering Service.

As Catering is a Traded Service, there is no base budget provision, but expenditure is offset against income that is generated from Catering contracts with schools. In 2023/24 the Service generated a budget surplus of £-53,000 due to the introduction of Universal Free School Meals (UFSM). This funding is currently confirmed to July 2025

The estimated value of this contract is based on 23/24 spend levels which could increase as a result of UFSM.

Currently any surplus or deficit is managed through the council's general fund. Traded services are required to cover their costs and make a contribution to the management services provided to them by the Council. If the catering traded service is unable to do that going forward then it is a financial risk to the Council's General Fund position. This risk would increase if UFSM is not extended beyond July 2025.

The overall trading position is regularly monitored as part of our normal business arrangements. Options for mitigating the risk of making losses or loss of customers would include reducing expenditure on food and other supplies which we would be able to do as this is a call off contract.

The contract will be managed by the HES Catering Service and funded from a 0.75% management fee received from the participating authorities within the PAL Framework. The contributions will vary according to the level of contract spend, but based on the indicative contract values shown above, this would generate income for the Service of around £91,000 (£70,000 net income to LBH) over the life of the contract, with the risk of a significant variation assumed to be minimal.

Being a wholly traded service, the expectation is for the contract to deliver effective value for money, allowing the service to continue operating as a viable catering provision to its clients

**Legal implications and risks:**

The Council has a general power of competence under Section 1 of the Localism Act 2011 to do anything an individual can do, subject to any statutory constraints on the Council's powers. None of the constraints on the Council's Section1 power are engaged by this decision.

The Education Act 1996 enables the Council to provide school meals for children at school and the proposals in this report support that provision.

The total estimated value of the framework agreement is £12.1m. The aggregate sum of the proposed procurement is above the applicable Public Procurement threshold for contracts for services and supplies of £214,904 stipulated in the Public Contracts Regulations 2015 as amended ("PCR").

Procurement of the framework is therefore caught by the full rigors of the PCR and a Contract Notice was therefore published on the UK e-notification service 'Find a Tender' as well as on Contracts Finder on the 9<sup>th</sup> April 2024. Additionally, the procurement must comply with Regulation 33 of the PCR for framework agreements. Any call-off contracts must be procured via the rules of the framework.

The Council and other participating bodies will be able to call-off the services from the framework without reopening competition amongst the two successful suppliers that are party to the framework agreement as the framework has set out all the terms governing the provision of the services and supplies concerned, and the objective conditions for determining which of the successful suppliers shall perform them under the call-off contracts. Regulation 33(8)(a) of the Public Contracts Regulations 2015 allows a framework agreement to be performed in this way.

**Human Resources implications and risks:**

The recommendations made in this report do not give rise to any identifiable HR risks or implications that would affect either the Council or its workforce.

**Equalities implications and risks:**

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, sex, race, disability, sexual orientation, marriage and civil partnerships, religion or belief, pregnancy and maternity and gender reassignment.

The Council is committed to all of the above in the provision, procurement and commissioning of its services, and the employment of its workforce. In addition, the Council is also committed to improving the quality of life and wellbeing for all Havering residents in respect of socio- economics and health determinants.

The procurement process will be carried out in accordance with the Council's Contract Procurement Rules and the Public Contract Regulations 2015. The proposed contractor will be expected to comply with the Council's policies with regards to the promotion of equality and diversity in service delivery and employment practice.

### **Health and Wellbeing implications and Risks**

There are no direct health and wellbeing implications associated with the recommended procurement approach for the supply of fresh & frozen meat and poultry. It is the expectation that selected providers will meet the minimum requirements around food hygiene and safety, produce quality, provenance and sustainability. The proposed social value measures within the tender have the potential to deliver health and wellbeing benefits (e.g. through provision of employment of local residents), and efforts should be made to ensure that provider commitment to deliver against these are realised across the lifetime of the contract.

### **ENVIRONMENTAL AND CLIMATE CHANGE IMPLICATIONS AND RISKS**

HES Catering Service recognises it has a role to play in contributing towards the realization of the council's Social Value strategic objectives which are set out in its new vision for the borough.

To underpin this, the tender has a 10% sub-weighting attributed to Social Value within the overall 30% quality assessment section of the tender evaluation. This is to demonstrate to bidders that the Council wishes to award contracts to suppliers who align with its Social Value objectives, and who provide the necessary quality, provenance and sustainability certifications.

Through the tender process, bidders will be asked to submit evidence of:

- How they will create employment opportunities for local people/ and/or disadvantaged people as part of the contract.

- The approach to reducing the company's carbon emissions and how they are working towards net zero greenhouse gas emissions
- Management of other environmental impacts relating the service e.g. reduced water use, reduced packaging, use of low energy equipment etc.
- How they ensure materials and products relevant to the provision of the service are sustainably sourced, produced and deployed
- Their company's measures to identify, mitigate and manage modern slavery risks relating to the contract and supply chain.

Once suppliers are awarded a place on the framework, this area will continue to be reviewed via the contract management process. The service will continue to ask for evidence both qualitative and quantitative of any initiatives undertaken. Ongoing work will take place with suppliers to encourage and support in this area.

**BACKGROUND PAPERS**

None

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<b>CABINET</b>	<b>11 December 2024</b>
<b>Subject Heading:</b>	Permission to bid for DFE capital grant to develop local children's homes
<b>Cabinet Member:</b>	Cllr Oscar Ford, Cabinet Member for Children and Young People
<b>ELT Lead:</b>	Tara Geere, Director of Starting Well
<b>Report Author and contact details:</b>	Simon Brown Simon.brown@havering.gov.uk
<b>Policy context:</b>	<b>Havering Corporate Parenting Strategy</b>
<b>Financial summary:</b>	This decision will enable Havering to apply for capital funding from the DFE, but will require the Council to commit £550k of capital to the project. After completion of the children's home build, there will be a revenue requirement to be funded from current Starting Well budgets circa £2.2m pa of pooled funding.
<b>Is this a Key Decision?</b>	This decision is Key: (a) Expenditure or saving (including anticipated income) of £500,000 or more (c) Significant effect on two or more Wards
<b>When should this matter be reviewed?</b>	June 2025
<b>Reviewing OSC:</b>	People OSC

**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 **X**
- Resources - Enabling a resident-focused and resilient Council **X**

## **SUMMARY**

Havering Children's Services within the Starting Well Department has a statutory duty to have sufficient homes to accommodate children in need of local authority care. Currently Havering does not operate its own children's homes and relies on the market to provide for all of its placement needs. For children with the most complex needs, especially those with emotional wellbeing and mental health needs, identifying the appropriate home for them is difficult given the current national and local market position and can often lead to delay of discharge from mental health units.

The Department for Education (DFE) is releasing capital to enable councils, working with NHS Integrated Care Boards (ICB), to develop local children's home services. The grant will be awarded based upon the identified level of need and the quality of the partnership, which will deliver improved outcomes for children in need.

The creation of a local, specialist children's home service may prevent children from requiring to be placed in a hospital setting, or provide them with a pathway from hospital. It will also enable the council and ICB to manage their resources better.

The proposal is for Havering to apply for capital funding of £1.1m, which will be match funded by the ICB and Havering Borough Council to create two children's homes, which will be delivered with specialist health services being deployed to support children with the most complex needs. This project will enable children to remain in Havering, access local schools, have access to their health services and enable them to maintain the most important relationships.

## **RECOMMENDATIONS**

The Department for Education (DFE) is releasing £60m of capital funding to support local authorities in England to increase the capacity of children's home placements. The application process opened on November 1<sup>st</sup> 2024 and will end on February 28<sup>th</sup> 2025.

The focus of the DFE's funding is to support councils to manage their resources better, by reducing the requirement to purchase high-cost care, and to increase sufficiency of local homes to prevent children being placed in Tier 4 mental health services or in unregulated children's homes.

For the reasons detailed in this report, Cabinet is recommended to agree:

1. the Council lead and submit grant bid application to be made to access the Capital Fund at the DFE noting the match funding of £550,000 from the Council on successful bid.

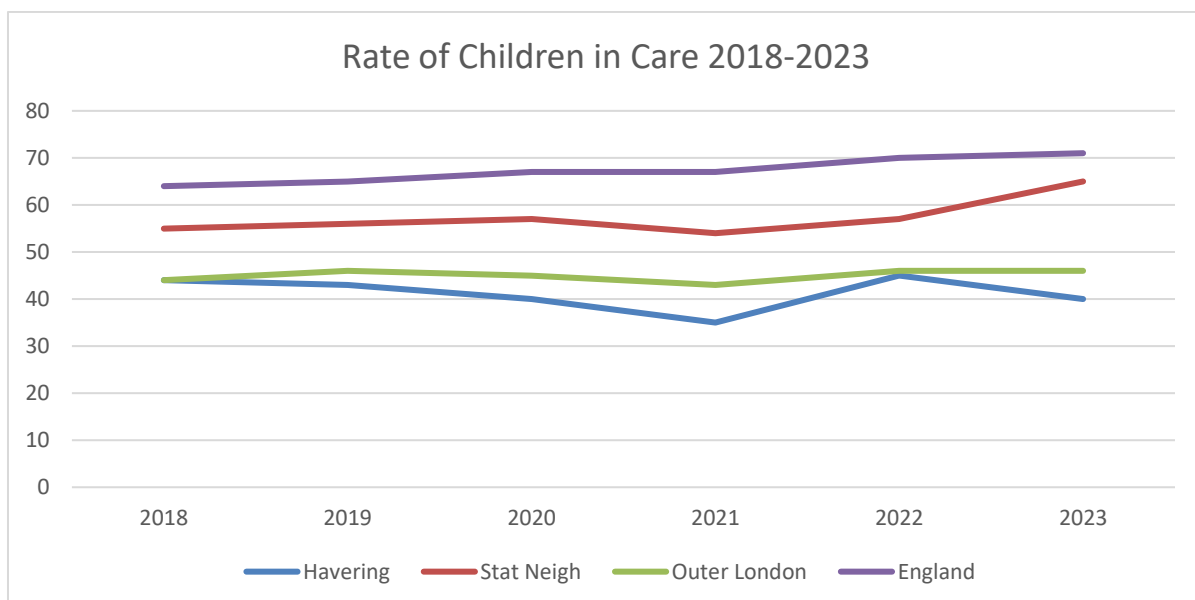


2. to delegate authority to the Director of Starting Well in consultation with Cabinet Member for Children and Young People to agree and enter into the grant agreement should the Council's bid be successful commit the Council capital budget of £550,000.
3. Subject to recommendation 1 and 2, that the Council enter into an agreement with NHS Integrated Care Board detailing the ongoing commitments between the parties as to the grant arrangements with the DFE.
4. Subject to the above recommendations to delegate authority to the Director of Starting Well to agree the purchase of two assets for the purposes of adapting to accommodate young people locally.

**REPORT DETAIL**

**Background:**

1. Although Havering has seen a significant growth in its child population since 2011, there is still a relatively low number of children in care. Havering's rate of children in care per 10,000 population has remained relatively stable over a number of years. The graph below shows a comparison of rates of children in care between Havering, Statistical Neighbours, Outer London Boroughs and England.



2. The number of Havering children in care on the 30<sup>th</sup> September 2024 was 280, of these 43 children were living in a children's home or residential school, this represents 15.4% of the total care population.

3. The Council actively seeks families for children in care and 75% of all Havering's children in care live within a family setting. The use of children's home care is restricted to children whose needs cannot be met safely within a family.
4. The profile of our children living in children's homes indicates that they have experienced multiple traumas during their childhood, and they have struggled to manage the emotional impact of these. These experiences include parental mental health, parental substance and alcohol misuse which have significant impact upon the parent's ability to provide consistent care. This can lead to children having insecure attachments and significant impairment of brain and emotional development. There is often parental domestic violence associated with the other parental behaviours, which will also leave detrimental impacts on the children.
5. Sometimes when children who have experienced these prolonged events come into care, the foster carers are unable to meet their needs and keep them safe. There is sometimes violent behaviour and emotional dysregulation, which are difficult to manage within a family setting. Some young people cope with this emotional turmoil through self-harming behaviours or through developing inappropriate exploitative relationships outside of the home.
6. Children who have the most serious emotional dysregulation are often also known to our colleagues within the child and adolescent mental health services (CAMHS). In Havering annually over 25 children are detained under the Mental Health Act in a Tier 4 hospital unit.
7. These young people receive specialist interventions from psychiatrists, psychologists and specialist nurses, and are resident in these units for on average four months. Most of these children return to the family they were living with before being detained, however each year approximately 5 children require specialist residential care after their treatment has ceased.
8. The process of transition planning is complex and the identification of a follow on children's home is often problematic. Since January 2024, three young people have been discharged from mental health units to children's homes. All three had a delay of discharge, and moved to specialist provision in the private sector. None of these services are within Havering and only one is within the NELFT service area, which means a transfer of care from one mental health trust to another.
9. The average cost per week for the three children is £18,300, which is an annual cost of £2.9m. The cost of these young people is shared with the ICB, as there is an acknowledgement that these children require multi-agency support, which is likely to be for many years, including in their adulthood where they may need Adult Care Services.

10. There is evidence of other councils and ICBs creating joint residential services to meet the needs of these children within the council area from where they live. The DFE and DH are keen to support councils provide care and treatment closer to home, which either prevent the need for, or provides a pathway from Tier 4 CAMHS and are supportive of joint initiatives to improve children's outcomes. The operational costs of such children's homes are in the region of £7,000 per week, which includes psychiatry, psychology and other therapeutic interventions. If a service was available for the children described above there would be a cost avoidance of c£1.8m per year.
11. The DFE is releasing £60m in capital funding during 2025, to support councils in developing local children's homes. These will be aimed at the children identified above. The Director of Starting Well and the Joint Director for Partnerships, Impact and Delivery support the development of a Havering owned specialist children's home service.
12. The intention will be to create a real multi-agency therapeutic children's home service, initially operating two homes in Havering. The service will be co-produced with practitioners from the Consortium for Therapeutic Communities, and care experienced young people.

## **REASONS AND OPTIONS**

### **Reasons for the decision:**

13. Whilst the number of Children in care has remained stable the number of Havering children requiring care within a children's home setting has increased significantly over the last three years, and the level of Council funding for this type of care has increased by over 300%.
14. The needs of these children mean that they require specialist care which can cost upwards of £10,000 per week, and is often far away from Havering.
15. The development of a specialist children's home service in Havering, for Havering children, will mean we can provide children with a high quality, local therapeutic service, supported by our colleagues from the health sector and Integrated Care Board (ICB), at a significantly lower cost. This will provide the council with assurance that children are having the right support, in the right place at the right cost.
16. The intention will be to apply for half of the capital costs to deliver two children's homes. The estimated total capital cost of the project is £2.2m. It

is proposed that the Council and the ICB will be joint partners in this project and will each contribute 25%, £550k, of the capital requirement.

17. There is no detrimental impact to applying for the grant. However, it will provide evidence to the DFE and OFSTED that Havering is ambitious and is attempting to make a positive difference for children in care.

**Other options considered:**

The DFE capital grant is the preferred option to support the Council and ICB develop its own local services but there are other options;

1. The Council and ICB fully fund the capital requirement to build a children's home service, it will cost £2.2m to create two children's homes. This will be the fall-back position if the application is unsuccessful and will be subject to a future Executive Decision.
2. There are currently six children's homes in Havering, which are registered with OFSTED to provide care for children with social and emotional difficulties. They are operated by six different companies and 23 children can live within these homes. Havering could create a contractual relationship with these companies to provide care, but it would not achieve the type of care required and would not provide the value of money that an in-house service will offer.

**IMPLICATIONS AND RISKS**

**Financial implications and risks:**

This report requests the addition of a new project to the capital programme to acquire the freehold of two properties and renovate/refit them as two residential children's homes. It is estimated that the total cost of this project including purchase price, stamp duty, renovation and furnishing, project management and contingency will be £2.2m.

If the full cost of this project were to be borne solely by the Council this would require financing costs in the region of £0.15m to £0.18m (depending on the asset life used.)

The Council will be submitting a bid to the DfE for a grant to fund 50% of this capital cost and entering into a partnership with the ICB to share the rest of the cost. This will reduce the cost to the Council to £0.550m which would in turn reduce the financing costs to £0.040m to £.050m a year. This would be met from savings in the LAC placement budget (see below.)

The grant would be issued with a number of conditions. Funding will be provided in arrears based on the progress of the project and there is an absolute deadline of March 2029 for completion. As a condition of the bid the Council will retain the ownership of the building and be ultimately responsible for the ongoing repairs and maintenance cost. It will need to be used as a fully compliant Ofsted registered Children's home for a minimum of five years. These conditions are in line with the Council's intentions and so do not appear unduly onerous but there would be a financial risk to the council if they cannot be met for some reason.

The DfE will not provide any revenue funding for the operation of the children's home. It is planned to use these homes for a small number of children (around five to six) with high levels of complex needs. The cost of providing such care is estimated to be around £7000k to £8000k per child per week which would need to be made available from the LAC placement budget. However it is expected that this would avoid the need to fund specialist placements which in the current care market can cost significantly more thus creating a significant saving even once the capital financing and other property costs are taken into account. These savings would be available to help the Council's MTFS.

The Council does not currently operate any children's homes itself and so will need to work in partnership with an experienced provider to develop this service. As this will be a new model it will be necessary to take a great deal of care in setting up the partnership and ensuring that there are clear arrangements for all matters including the maintenance of the building, the specification of the care provided and finding suitable young people to be placed together and management of risk.

**Legal implications and risks:**

The Council has a number of statutory duties primarily detailed under the Children Act 1989, the Children Leaving Care Act 2000, Children Act 2004 and Children and Social Work Act 2017 as to its obligations with respect to safeguarding of young persons. That may include the acquisition and maintaining of children homes. Further, section 111 of the Local Government Act 1972, which allows the Council to do anything which is calculated to facilitate, or is conducive or incidental to, the discharge of any of its functions.

The Council also has a general power of competence under Section 1 of the Localism Act 2011 to do anything an individual can do, subject to any statutory constraints on the Council's powers. None of the constraints on the Council's Section 1 power are engaged by this decision as to the bid and acceptance of grant funding.

Section 120 of the Local Government Act 1972 permits that the Council may acquire any land for the benefit, improvement or development of their area. A detailed governance decision as to any acquisition would need to be arranged when suitable assets are ready to be acquired.

It is anticipated that planning consents, regulatory registrations and works will need to be undertaken to arrange aspects of the programme to bring the homes into fruition should the bid succeed. Such consents and decisions will be subject to

separate governance including meeting the Councils Contract Procedure Rules contained in the Constitution.

**Human Resources implications and risks:**

The recommendations made in this report do not give rise directly to any identifiable HR risks or implications that would affect either the Council or its workforce. However, should the application be successful there may be HR implications in relation to the way in which the Council utilises the funding (e.g.: potential creation of a project team; potential creation of new posts to resource any in-house provision of a children's home). Any such implications will be addressed in accordance with the Council's HR policies and procedures at the appropriate time.

**Equalities implications and risks:**

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, age;
- (iii) Foster good relations between those who have protected characteristics and those who do not.

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

The Council is committed to all of the above in the provision, procurement and commissioning of its services, and the employment of its workforce. In addition, the Council is also committed to improving the quality of life and wellbeing for all Havering residents in respect of socio-economics and health determinants.

The funding set out in this report would benefit local residents by providing suitable accommodation for the most vulnerable, particularly to those with additional support needs. Should the grant application prove successful the Council will ensure an EQIA is fully assessed and maintained as part of the project delivery.

**Health and Wellbeing implications and Risks**

If this bid is successful, it will enable the Council and health partners to create local provision that better meets the needs of some of our most vulnerable children and young people and at lower cost to the public purse. The children themselves would benefit directly, in that they will be more likely to be discharged from hospital as soon as clinically appropriate to a more suitable, local facility; better preserving links to and support from family and friends. Similar, if not better outcomes will be achieved at considerably lower cost, allowing monies to be redirected to benefit a wider group of children in the borough.

**ENVIRONMENTAL AND CLIMATE CHANGE IMPLICATIONS AND RISKS**

The report does not give rise to any environmental or climate change implications or risks.

The development, if approved, will enable the Council to build two homes that will be targeted at high levels of energy performance. In particular, by providing homes within Havering this will significantly reduce the climate impact of young people and their support workers travelling long distances to undertake visits to each other.

**BACKGROUND PAPERS**

None

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**This Report is part exempt and Appendices A, B, C & D are not available for public inspection as they contain or relate to exempt information within the meaning of paragraphs 3 and 5 of Schedule 12A to the Local Government Act 1972. They are exempt because they refer to financial or business affairs of any particular person (including authority holding that information) and information in respect of which a claim to legal professional privilege could be maintained in legal proceedings. and the public interest in maintaining the exemption outweighs the public interest in disclosing the information**

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## **CABINET**

**Subject Heading:**

**Award of Highway Services Contract**

**Cabinet Member:**

**Cllr Mugglestone, Cabinet Member for Environment**

**ELT Lead:**

**Imran Kazalbash, Director of Environment,**

**Report Author and contact details:**

**Tony Galloway, Interim Assistant Director of Environment**

**Policy context:**

**This report supports the Corporate Theme "Place - A great place to live, work and enjoy"**

**Financial summary:**

**The value of this contract over the first 6 years could be up to be £87m and over 10 years £145m and will be funded from both revenue and capital budgets.**

**Is this a Key Decision?**

**This is a key decision as it concerns:**

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

**(c) Significant effect on two or more Wards**

**When should this matter be reviewed?** N/A

**Reviewing OSC:** Place Overview & Scrutiny Sub  
Committee

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

Place - A great place to live, work and enjoy

**SUMMARY**

This report is seeking approval from Cabinet for the Highways contract to be awarded to the preferred bidder following a competitive tendering exercise.

This report outlines the procurement procedure and presents details of the stages conducted during the process to identify the preferred bidder for the new Highways Contract due to commence in April 2025.

The contract is due to commence on 01 April 2025 for a term of 6 years with the option to extend for a further 4 years. The estimated value will vary and be determined by annual budget setting, capital allocations and external grant funding. Using the current and historical funding levels as a guide it is anticipated that the total contract expenditure will be no greater than £87m over the initial 6-year period and over the maximum 10-year term no greater than £145m. However, the expenditure under this contract varies according to annual funding and budget setting.

**RECOMMENDATIONS**

For the reasons stated in this report and its appendices Cabinet is recommended:

1. To approve the award and enter into the Highways Contract (the Contract) with Marlborough Highways Limited (Company number 02765630) (“preferred bidder”), subject to the statutory standstill period, for an initial term of six years with the option to extend for up to a further four years, by mutual agreement up to a total value of £145m over 10 years.

**REPORT DETAIL**

**Background**

A number of legal statutes require a local authority to manage and facilitate the maintenance and improvement of the highway adopted by the Authority. The Authority has a duty to maintain the highway in accordance with section 41 of the Highways Act 1980. Section 184 of the Highways Act (1980) requires the local authority to manage and facilitate the introduction of dropped crossings on the highway network. The Road Traffic Regulation Act (1984) provides a duty on the local authority to ensure that traffic is lawfully managed and restricted, in both a safety and operational sense. Each of these acts requires the local authority to discharge duties on the highway.

Havering currently fulfils these services through Marlborough Highways Limited (MHL) along with some elements delivered in house by the Direct Services Organisation (DSO). The current contract with MHL was entered into in 2017 for a period of 5 years, and then further extended in 2022 for a period of 2 years. There is no further opportunity to extend this contract, and the contract expires on 31 March 2025.

The project is shaped by the vision “The Havering you want to be part of” and will deliver on the following strategic objectives;

- Place – a great place to live, work and enjoy
- Resources – a well-run Council that delivers for people and place

A Prior Information Notice (PIN) was published in February 2023 following which market engagement was carried out to assist the Authority in determining the options and routes to market.

In July 2023 Cabinet approved the start of the procurement of this highways contract. The procurement strategy, scope of services and business case were agreed.

In December 2023 the Authority published a Contract Notice on Find a Tender advising of its intention to procure a contract for highways and street lighting services under notice reference 2023/S 000-036855. The street lighting services were procured alongside the highway's services, but the award of the street lighting services contract is the subject of a separate report. The Authority conducted this procurement using the Competitive Procedure with Negotiation pursuant to Regulation 29 of the Public Contracts Regulations 2015 (the “2015 Regulations”).

The services within the scope of this contract are:

- Planned and reactive highways maintenance;
- Gully cleansing and maintenance;
- Winter maintenance;
- Major and minor highway schemes such as road safety, traffic and parking improvements, amendments to junctions and road layouts and new roads construction;
- Sign and lining;
- Installation of equipment;
- Maintenance of Structures and bridges;
- Flood management;
- Emergency call outs;
- Provision to take advantage of competitive rates across other parts of the council’s portfolio including estates, parks and housing land; and
- Professional services.

## **The Procurement process**

The Authority conducted this procurement under the Competitive Procedure with Negotiation. At the outset of the process, the Authority said it would comprise the following stages:

- Selection Questionnaire (SQ) stage
- Invitation to Submit Initial Tender (ISIT) stage
- Negotiation stage
- Invitation to Submit Final Tender (ISFT) stage

The procurement documents did however reserve the right to the Authority (as permitted in the 2015 Regulations) to award the contract based on the initial tenders without any negotiation stage.

The Authority received expressions of interest in the form of completed SQs from two suppliers. Following the evaluation of the SQs, the Authority invited both suppliers to submit detailed solutions by issuing an Invitation to Submit Initial Tender.

### **Overview of the ISIT stage**

The evaluation of the initial submissions followed the methodology set out in the published procurement documents to ensure the conformity and the compliance of the submissions with the needs and the requirements of the Authority.

The review of the submissions therefore, followed the following stages:

- Checks to ensure the conformity and completeness of submissions
- Evaluation of method statements (the bids' quality submissions)
- Evaluation of price lists (the bids' financial submissions)

An evaluation panel was formally appointed to review, evaluate and score the quality and financial submissions. Members of the evaluation panel were appointed based on their expertise, experience, and competence and included officers from the highways service, environment, and finance teams. Members of the evaluation panel completed Conflict of Interest forms prior to the process which were submitted to procurement for review and approval. No conflicts of interest were identified.

### **Evaluation Criteria**

The evaluation criteria were set out on a 60:40% split between price and quality.

<b>Criteria</b>	<b>Weighting for Initial and Final Tender Evaluation</b>
Quality	40%
Financial	60%
<b>Total</b>	<b>100%</b>

The quality submission and the financial submission were each evaluated by a different evaluation panel.

The table below sets out the evaluation criteria in respect of the quality submission.

<b>Tier 1</b>	<b>Tier 2</b>	<b>Max Points Available</b>
<b>Quality Criterion</b>	Management and Culture	20
	Social Value	10
	Operations	30
	Deliverability	20
	Health & safety	10
	Continuous Improvement and Innovation	10
<b>Total</b>		<b>100</b>

Panel members individually scored the bidders' submissions and submitted their completed scoring prior to the start of a moderation process. At the moderation meetings the evaluation panel discussed their scores and the reasons for those scores. They agreed a consensus score for each bidder's method statements.

The evaluation of the price element was determined based on the deviation from the lowest sum methodology. The tender sums were ranked lowest first with the lowest tender sum achieving the maximum percentage available and the other submissions receiving a percentage based on the deviation from the lowest tender sum.

The final evaluation scores for each bid are shown on the exempt Appendix A.

Regulation 29(15) of the 2015 Regulations permits contracting authorities to award contracts based on initial tenders without negotiation where they have so indicated in the contract notice. The Authority indicated this intention in its contract notice and confirmed the position in paragraph 11 of the Invitation to Participate in Negotiation (Volume 1 Instructions). However, the Authority reserved the right to include a negotiation stage as permitted in the Regulations. Following the evaluation of the ISIT stage, the evaluation panels considered that the Authority would benefit from implementing the negotiation stage.

### **Negotiation and Invitation to Submit Final Tender stage (ISFT)**

The negotiations with all bidders took place on 16 and 17 October 2024. The Invitation to Submit Final Tenders (ISFT) was subsequently issued to bidders on 17 October 2024 with a final submission date of 31 October 2024.

The evaluation panels reconvened between 1 and 8 November 2024 to evaluate and moderate the final submissions. The methodology set out in the published procurement documents was followed to ensure the conformity and the compliance of the submissions with the needs and the requirements of the Authority

Following final submissions, the Authority was satisfied that the winning bid met the Authority's needs and represented value for money in the current market. Therefore, Cabinet approval is sought to award the contract to the preferred bidder.

Once the governance process has been completed, the Authority will issue standstill letters informing bidders of the result of the procurement, which is currently scheduled to happen at the end of December 2024. The service commencement date is currently set for 1 April 2025.

### **Key benefits**

The inclusion of the range of services as outlined above will improve the way in which Havering looks and feels and will enhance the customer journey thereby improving residents' satisfaction as similar standards will apply to all services included in this contract.

Several services will be managed under this contract which means that common data sets, systems, processes and procedures will be developed and aligned, delivering greater efficiencies and driving up productivity levels.

This contract will provide the Authority with the opportunity to develop commercial strategies in partnership with the contractor which aligns with the Authority ambitions outlined in the Commercial Strategy 2024 – 2029.

Further benefits to this award include:

- Harmonisation of services;
- Commitment to environmental sustainability including improved operational emissions with year-on-year reduction and carbon offsetting initiatives;
- Innovation in service delivery incorporating new delivery methods;
- Greater impact on Social Value focusing on enhancing local employment, supporting regional businesses and contributing to the wellbeing of the community;
- Efficiencies in managing and monitoring operations, finances and KPIs under a single contract;
- Transference of some operational and financial risk;
- Greater purchasing powers from suppliers thereby delivering value for money; and
- Outsourcing of the DSO removes all Authority overheads, returning the Town Hall compound for alternative use and preventing the need to invest in a new highway depot, estimated to cost more than £10m.

## **Social Value**

Several key offers were made by the preferred bidder to deliver positive social outcomes across the boroughs communities which are detailed in Appendix B.

## **Environment & Climate**

Several offers were made by the preferred bidder to contribute to the borough's Climate Change Action Plan which are detailed in Appendix C.

## **Innovation**

Several key offers were made by the preferred bidder to deliver continuous improvements and innovative efficient which are detailed in Appendix D.

## **Contract Award & Mobilisation**

Once approval to award this contract is granted, and after the expiry of the call-in period, formal notice of intention to award the contract will be sent to the bidders and a mandatory ten-day minimum standstill period will then follow. Following the end of the standstill period, the Authority will work with the preferred bidder to complete the contract ready for execution. On completion the contract will be sealed by the Authority and a copy returned to the preferred bidder.

A full mobilisation plan was submitted by bidders as part of the ISFT submission outlining how the services will be delivered ready for the service commencement date including:

- Contract documentation finalisation and legal;
- Depots and premises;
- Staffing and HR;
- Communications; and
- Health & Safety.

The mobilisation team will continue to report into the Environment Programme Board throughout the mobilisation period. The first mobilisation meeting will take place within the first week after the standstill period has expired to review the plan and begin the process.

## **TUPE**

The staff that currently provide services through the Direct Services Organisation (DSO) will be transferred to the new contractor. There are 16 full time operative posts and 1 Team Leader post all of which are subject to Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE). However, of these the Team Leader post and 9.5 Operative posts are currently vacant. All posts and staff within those posts will be transferred under TUPE. The preferred bidder has provided a



comprehensive mobilisation plan to ensure that there is ongoing communication, and staff are supported throughout the process.

### **Contract Management**

The contract will be managed through weekly Operational, Monthly Contract, and Quarterly Strategic meetings (one of which will act as the Annual Meeting). The content of these meetings has been specified within the contract. The meetings will be supported by a suite of reports addressing issues such as performance against Key Performance Indicators (KPI's), trends, Health & Safety, Social Value, Quality and Environment Management Plan and innovation.

A detailed suite of KPI's covering all aspects of the service is included which will ensure the delivery of the services to the highest standard comprising of general, commercial and service specific KPI's. The KPI's are designed to monitor the performance of the contract, reward good work and develop a culture of shared values and mutual trust.

## **REASONS AND OPTIONS**

### **Reasons for the decision:**

- That considering the process followed and the consensus reached during moderation, the preferred bidder's submission represents the most economically advantageous tender;
- The preferred bidder's submission can meet the Authority's needs and requirements from a qualitative approach
- That the preferred bidder's submission can meet the Authority's needs and requirements from a financial perspective; and
- That the preferred bidder's submission can meet the Authority's needs and requirements from a legal perspective.

### **Other options considered:**

Five other options were considered which were set out in the Cabinet report of July 2023 which included:

- Do nothing;
- Extend current contracts;
- Shared service delivery model;
- Bringing services in house; and
- Setting up a Local Authority Company (LAC).

Following assessment of the options it was concluded that there was a strong preference for outsourcing the services and the decision was made to proceed with

the procurement. The benefits of outsourcing all services within the scope of the contract are a more streamlined service with a focus on achieving competitive rates for each service area delivering value for money

## **IMPLICATIONS AND RISKS**

### **Financial implications and risks:**

Due to the commercial sensitivity of this contract award, detailed financial implications and risk are contained within the exempt Appendix A. The service is a statutory service that is required to be delivered. There are identified capital and revenue budgets to meet the delivery of the service. Any pressures arising will be addressed in year through service management.

### **Legal implications and risks:**

Section 41 of the Highways Act 1980 places a duty on the highway authority to maintain the highway at public expense. Section 1(3) of the Highways Act states that the council of a London borough is the highway authority for all highways in the borough.

This report asks Cabinet to approve the award of the highways contract to the preferred bidder for a period of 6 years with an option to extend for a further period of up to 4 years. The total value of the contract exceeds the threshold for works under the 2015 Regulations which is currently at £5.373m including VAT. Therefore the 2015 Regulations apply in full.

The procurement was conducted as a Competitive Procedure with Negotiation in accordance with Regulation 29 of the 2015 Regulations. Cabinet must be satisfied that the recommended award of the contract is to the bidder that submitted the most economically advantageous tender based on the award criteria set out in the tender documents. This will secure compliance with the 2015 Regulations.

A contract award notice must be published on the UK Find a Tender Service within 30 days of award of the contract and Contracts Finder 24 hours thereafter.

The Authority's external lawyers will assist with the preparation of the formal contract. The ISFT was issued with a draft contract, and the contract will be entered into on these terms, subject to confirmation and finalisation of the contract with the preferred bidder in accordance with the 2015 Regulations.

### **Human Resources implications and risks:**

Some of the services that have been included in the tender and procurement process as part of the new highways contract are currently provided by Havering Council employees. TUPE will apply, and the employees would be required to transfer to the employment of the new service provider. Employees in scope of the TUPE transfer

have been regularly updated throughout the tender process and once the award is made to the successful bidder, the statutory TUPE information and consultation process will commence and be followed by a period of mobilisation for which a plan is being produced.

The following risks have been identified; however, these have been mitigated through a detailed mobilisation plan and contractual obligations. The Authority will work closely with the preferred bidder and Trade Union representatives to mitigate any risks including:

- Staff have sufficient training and competencies to deliver the services in accordance with the proposal;
- Sufficient planning required for any TUPE and staff questions to be resolved;
- Staff leave and do not transfer; and
- Sufficient information for staff with regular communications.

**Equalities implications and risks:**

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

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

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

The Authority is committed to all of the above in the provision, procurement and commissioning of its services, and the employment of its workforce. In addition, the Authority is also committed to improving the quality of life and wellbeing for all Havering residents in respect of socioeconomics and health determinants.

The group of staff in scope is very small and therefore individuals may be identifiable. EQIA data is therefore not included in this report.

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 Authority is committed to improving the health and wellbeing of its residents.

Provision of safe and well-maintained highway infrastructure is essential in protecting the health and safety of road users, and provision of a well-maintained road network may influence people’s willingness or desire to utilise active travel methods, which brings its own health benefits.

There are no direct health and wellbeing implications associated with decision to award this contract. Based on the tender submission, there are thought to be positive health, and wellbeing impacts that will be realised through the implementation of the contract – these benefits are detailed in exempt Appendix A.

The Authority will work closely with the preferred bidder to continue to monitor and assess any possible risks to health and wellbeing that may arise during the course of contract mobilisation and delivery and seek to ensure that these are effectively mitigated against, via a detailed mobilisation plan and contractual obligations.

**ENVIRONMENTAL AND CLIMATE CHANGE IMPLICATIONS AND RISKS**

The environmental benefits have been set out in the Environmental and Quality performance and Social Value Method Statements and include some key aspects that have been set out above in Environment & Climate and Social Value. Full details can be found in Exempt Appendices B and C.

These aspects will be measured and monitored throughout the contract through detailed reporting and robust contract management meetings and both quarterly and annual strategic meetings.

**BACKGROUND PAPERS**

- 1 Exempt Appendix A – Commercial information
- 2 Exempt Appendix B – Social Value
- 3 Exempt Appendix C – Environment & Climate
- 4 Exempt Appendix D – Continuous improvement and Innovation
- 5 Cabinet Report – Procurement of Highways and Street Lighting contracts July 2023 - [Decision - Procurement of Highways and Street Lighting Contract | London Borough of Havering](#)
- 6 Havering Commercial Strategy - [Havering Commercial Strategy 2024 - 2029](#)
- 7 Havering Climate Change Action Plan - [Climate Change Action Plan 2024-2027 \(havering.gov.uk\)](#)

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This Report is part exempt and Appendices A, B, C & D are not available for public inspection as they contain or relate to exempt information within the meaning of paragraphs 3 and 5 of Schedule 12A to the Local Government Act 1972. They are exempt because they refer to financial or business affairs of any particular person (including authority holding that information) and information in respect of which claim to legal or professional privilege could be maintained in legal proceedings, and the public interest in maintaining the exemption outweighs the public interest in disclosing the information

<b>CABINET</b>	
<b>Subject Heading:</b>	<b>Award of Street Lighting Services Contract</b>
<b>Cabinet Member:</b>	<b>Cllr Mugglestone, Cabinet Member for Environment</b>
<b>ELT Lead:</b>	<b>Imran Kazalbash, Director of Environment</b>
<b>Report Author and contact details:</b>	<b>Tony Galloway, Interim Assistant Director of Environment</b>
<b>Policy context:</b>	<b>This report supports the Corporate Theme "Place - A great place to live, work and enjoy"</b>
<b>Financial summary:</b>	<b>The value of this contract over the first 6 years could be up to be £15m and over 10 years £25m and will be funded from both revenue and capital budgets.</b>
<b>Is this a Key Decision?</b>	<b>This is a key decision as it concerns: (a) Expenditure or saving (including anticipated income) of £500,000 or more (c) Significant effect on two or more Wards</b>

**When should this matter be reviewed?**    N/A

**Reviewing OSC:**    **Place Overview & Scrutiny Sub  
Committee**

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

Place - A great place to live, work and enjoy

**SUMMARY**

This report is seeking approval from Cabinet for the Street Lighting contract to be awarded to the preferred bidder following a competitive tendering exercise.

This report outlines the procurement procedure and presents details of the stages conducted during the process to identify the preferred bidder for the new Street Lighting Contract due to commence in April 2025.

The contract is due to commence on 01 April 2025 for a term of 6 years with the option to extend for a further 4 years. The estimated value will vary and be determined by annual budget setting, capital allocations and external grant funding. Using the current and historical funding levels as a guide it is anticipated that the total contract expenditure will be no greater than £15m over the initial 6-year period and over the maximum 10-year term no greater than £25m. However, the expenditure under this contract varies according to annual funding and budget setting.

**RECOMMENDATIONS**

For the reasons stated in this report and its appendices Cabinet is recommended:

1. To approve the award and to enter into the Street Lighting Contract (the Contract) with Marlborough Highways Limited (Company number 02765630), subject to the statutory standstill period, for an initial term of six years with the option to extend for up to a further four years, by mutual agreement up to a total value of £25m over 10 years.

**REPORT DETAIL**

**Background**

A number of legal statutes require a local authority to manage and facilitate the maintenance and improvement of the highway adopted by the Authority. The Authority has a duty to maintain the highway in accordance with section 41 of the Highways Act 1980. The Authority must maintain repair and replace street lighting across the borough and has a duty to maintain all existing street lighting and illuminated equipment in accordance with the electrical Regulations BS 7671 (2018). The Road Traffic Regulation Act (1984) provides a duty on the local authority to ensure that traffic is lawfully managed and restricted, in both a safety and operational sense. Each of these acts requires the local authority to discharge duties on the highway.

Havering currently fulfils these services through VolkerHighways (VH). The current contract with VH was entered into in 2017 for a period of 5 years, and then further extended in 2022 for a period of 2 years. There is no further opportunity to extend this contract, and the contract expires on 31 March 2025.

The project is shaped by the vision “The Havering you want to be part of” and will deliver on the following strategic objectives;

- Place – a great place to live, work and enjoy
- Resources – a well-run Council that delivers for people and place

A Prior Information Notice (PIN) was published in February 2023 following which market engagement was carried out to assist the Authority in determining the options and routes to market.

In July 2023 Cabinet approved the start of the procurement of this street lighting contract. The procurement strategy, scope of services and business case were agreed.

In December 2023 the Authority published a Contract Notice on Find a Tender advising of its intention to procure a contract for highways and street lighting services under notice reference 2023/S 000-036855. The highways services were procured alongside the street lighting services but the award of the highway's services contract is the subject of a separate report. The Authority conducted this procurement using the Competitive Procedure with Negotiation pursuant to Regulation 29 of the Public Contracts Regulations 2015 (the “2015 Regulations”).

The services within the scope of this contract are:

- Street Lighting maintenance and improvement including wall mounted units and catenary;
- Maintenance and improvement to illuminated traffic signs and other street furniture equipment including, Feeder pillars, illuminated traffic sign, illuminated traffic bollards, Belisha beacons, vehicle actuated signs and other electrical equipment;
- Electrical cable installations/repairs and all works associated with lighting and traffic signs; and
- The procurement implementation, and management of the Authority’s Central Management System.

### **The Procurement process**

The Authority conducted this procurement under the Competitive Procedure with Negotiation. At the outset of the process, the Authority said it would comprise the following stages:

- Selection Questionnaire (SQ) stage
- Invitation to Submit Initial Tender (ISIT) stage



- Negotiation stage
- Invitation to Submit Final Tender (ISFT) stage

The procurement documents did however reserve the right to the Authority (as permitted in the 2015 Regulations) to award the contract based on the initial tenders without any negotiation stage.

The Authority received expressions of interest in the form of completed SQs from four suppliers. Following the evaluation of the SQs, the Authority invited three suppliers to submit detailed solutions by issuing an Invitation to Submit Initial Tender.

### **Overview of the ISIT stage**

The evaluation of the initial submissions followed the methodology set out in the published procurement documents to ensure the conformity and the compliance of the submissions with the needs and the requirements of the Authority.

The review of the submissions, therefore, followed the following stages:

- Checks to ensure the conformity and completeness of submissions
- Evaluation of method statements (the bids' quality submissions)
- Evaluation of price lists (the bids' financial submissions)

An evaluation panel was formally appointed to review, evaluate, and score the quality and financial submissions. Members of the evaluation panel were appointed based on their expertise, experience, and competence and included officers from the street lighting service, environment, and finance teams. Members of the evaluation panel completed Conflict of Interest forms prior to the process which were submitted to procurement for review and approval. No conflicts of interest were identified.

### **Evaluation Criteria**

The evaluation criteria were set out on a 60:40% split between price and quality.

<b>Criteria</b>	<b>Weighting for Initial and Final Tender Evaluation</b>
Quality	40%
Financial	60%
<b>Total</b>	<b>100%</b>

The quality submission and the financial submission were each evaluated by a different evaluation panel.

The table below sets out the evaluation criteria in respect of the quality submission.

<b>Tier 1</b>	<b>Tier 2</b>	<b>Max Points Available</b>
<b>Quality Criterion</b>	Management and Culture	20
	Social Value	10
	Operations	30
	Deliverability	20
	Health & Safety	10
	Continuous Improvement and Innovation	10
<b>Total</b>		<b>100</b>

Panel members individually scored the bidders' submissions and submitted their completed scoring prior to the start of a moderation process. At the moderation meetings the evaluation panel discussed their scores and the reasons for those scores. They agreed a consensus score for each bidder's method statements.

The evaluation of the price element was determined based on the deviation from the lowest sum methodology. The tender sums were ranked lowest first with the lowest tender sum achieving the maximum percentage available and the other submissions receiving a percentage based on the deviation from the lowest tender sum.

The final evaluation scores for each bid are shown on the exempt Appendix A.

Regulation 29(15) of the 2015 Regulations permits contracting authorities to award contracts based on initial tenders without negotiation where they have so indicated in the contract notice. The Authority indicated this intention in its contract notice and confirmed the position in paragraph 11 of the Invitation to Participate in Negotiation (Volume 1 Instructions). However, the Authority reserved the right to include a negotiation stage as permitted in the Regulations. Following the evaluation of the ISIT stage, the evaluation panels considered that the Authority would benefit from implementing the negotiation stage.

### **Negotiation and Invitation to Submit Final Tender stage (ISFT)**

The negotiations with all bidders took place on 16 and 17 October 2024. The Invitation to Submit Final Tenders (ISFT) was subsequently issued to bidders on 17 October 2024 with a final submission date of 01 November 2024.

The evaluation panels reconvened between 1 and 8 November 2024 to evaluate and moderate the final submissions. The methodology set out in the published procurement documents was followed to ensure the conformity and the compliance of the submissions with the needs and the requirements of the Authority.

Following final submissions, the Authority was satisfied that the winning bid met the Authority's needs and represented value for money in the current market. Therefore, Cabinet approval is sought to award the contract to the preferred bidder.

Once the governance process has been completed, the Authority will issue standstill letters informing bidders of the result of the procurement, which is currently scheduled to happen at the end of December 2024. The service commencement date is currently set for 1 April 2025.

### **Key benefits**

The inclusion of the range of services as outlined above will improve the way in which Havering looks and feels and will enhance the customer journey thereby improving residents' satisfaction as similar standards will apply to all services included in this contract.

Several services will be managed under this contract which means that common data sets, systems, processes and procedures will be developed and aligned, delivering greater efficiencies and driving up productivity levels.

This contract will provide the Authority with the opportunity to develop commercial strategies in partnership with the contractor which aligns with the Authority ambitions outlined in the Commercial Strategy 2024 – 2029.

Further benefits to this award include:

- Harmonisation of services;
- Commitment to environmental sustainability including improved operational emissions with year-on-year reduction and carbon offsetting initiatives;
- Innovation in service delivery incorporating new delivery methods;
- Greater impact on Social Value focusing on enhancing local employment, supporting regional businesses and contributing to the wellbeing of the community;
- Efficiencies in managing and monitoring operations, finances and KPIs under a single contract;
- Transference of some operational and financial risk; and
- Greater purchasing power from suppliers thereby delivering value for money.

### **Social Value**

Several key offers were made by the preferred bidder to deliver positive social outcomes across the boroughs communities which are detailed in Appendix B.

### **Environment & Climate**

Several offers were made by the preferred bidder to contribute to the borough's Climate Change Action Plan which are detailed in Appendix C.

## **Innovation**

Several key offers were made by the preferred bidder to deliver an innovative efficient street lighting service which are detailed in Appendix D.

## **Contract Award & Mobilisation**

Once approval to award this contract is granted, and after the expiry of the call-in period, formal notice of intention to award the contract will be sent to all bidders and a mandatory ten-day minimum standstill period will then follow. Following the end of the standstill period, the Authority will work with the preferred bidder to complete the contract ready for execution. On completion the contract will be sealed by the Authority and a copy returned to the preferred bidder.

A full mobilisation plan was submitted by bidders as part of the quality submission outlining how the services will be delivered ready for the service commencement date including:

- Contract documentation finalisation and legal;
- Depots and premises;
- Staffing and HR;
- Communications and
- Health & Safety

The mobilisation team will continue to report into the Environment Programme Board throughout the mobilisation period. The first mobilisation meeting will take place within the first week after the standstill period has expired to review the plan and begin the process.

## **Contract Management**

The contract will be managed through weekly Operational, Monthly Contract, and Quarterly Strategic meetings (one of which will act as the Annual Meeting). The content of these meetings has been specified within the contract. The meetings will be supported by a suite of reports addressing issues such as performance against Key Performance Indicators (KPI's), trends, Health & Safety, Social Value, Quality and Environment Management Plan and innovation.

A detailed suite of KPI's covering all aspects of the service is included which will ensure the delivery of the services to the highest standard comprising of general, commercial and service specific KPI's. The KPI's are designed to monitor the performance of the contract, reward good work and develop a culture of shared values and mutual trust.

**REASONS AND OPTIONS**

**Reasons for the decision:**

- That considering the process followed and the consensus reached during moderation, the preferred bidder's submission represents the most economically advantageous tender;
- The preferred bidder's submission can meet the Authority's needs and requirements from a qualitative approach
- That the preferred bidder's submission can meet the Authority's needs and requirements from a financial perspective; and
- That the preferred bidder's submission can meet the Authority's needs and requirements from a legal perspective.

**Other options considered:**

Five other options were considered which were set out in the Cabinet report of July 2023 which included:

- Do nothing
- Extend current contracts
- Shared service delivery model
- Bringing services in house
- Setting up a Local Authority Company (LAC)

Following assessment of the options it was concluded that there was a strong preference for outsourcing the services and the decision was made to proceed with the procurement. The benefits of outsourcing all services within the scope of the contract are a more streamlined service with a focus on achieving competitive rates for each service area delivering value for money.

**IMPLICATIONS AND RISKS**

**Financial implications and risks:**

Due to the commercial sensitivity of this contract award, detailed financial implications and risk are contained within the exempt appendix A. The service is a statutory service that is required to be delivered. There are identified capital and revenue budgets to meet the delivery of the service. Any pressures arising will be addressed in year through service management.

**Legal implications and risks:**

Section 41 of the Highways Act 1980 places a duty on the highway authority to maintain the highway at public expense. Section 1(3) of the Highways Act states that the council of a London borough is the highway authority for all highways in the borough.

This report asks the Cabinet to approve the award of the street lighting contract to the preferred bidder for a period of 6 years with an option to extend for a further period of up to 4 years. The total value of the contract exceeds the threshold for works under the 2015 Regulations which is currently at £5.373m including VAT. Therefore the 2015 Regulations apply in full.

The procurement was conducted as a Competitive Procedure with Negotiation in accordance with Regulation 29 of the 2015 Regulations. Cabinet must be satisfied that the recommended award of the contract is to the bidder that submitted the most economically advantageous tender based on the award criteria set out in the council's tender documents. This will secure compliance with the 2015 Regulations.

A contract award notice must be published on the UK Find a Tender Service within 30 days of award of the contract and Contracts Finder 24 hours thereafter.

The Authority's external lawyers will assist with the preparation of the formal contract. The ISFT was issued with a draft contract, and the contract will be entered into on these terms, subject to confirmation and finalisation of the contract with the preferred bidder in accordance with the 2015 Regulations.

**Human Resources implications and risks:**

The following risks have been identified; however, these have been mitigated through a detailed mobilisation plan and contractual obligations:

- Contractors Staff have sufficient training and competencies to deliver the services in accordance with the proposal.

The Authority will work closely with the preferred bidder and Trade Union representatives to mitigate any risks.

There are no implications for the Authorities workforce.

**Equalities implications and risks:**

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

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

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

The Authority is committed to all of the above in the provision, procurement and commissioning of its services, and the employment of its workforce. In addition, the Authority is also committed to improving the quality of life and wellbeing for all Havering residents in respect of socioeconomics and health determinants.

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 Authority is committed to improving the health and wellbeing of its residents.

Provision of adequate street lighting is an important means of improving perceptions of safety, deterring crime, and reducing the risk of road traffic accidents after dark, all of which have an impact on the health and wellbeing of affected residents.

There are no direct health and wellbeing implications associated with the decision to award this contract. Based on the tender submission, there are thought to be positive health, and wellbeing impacts that will be realised through the implementation of the contract – these benefits are detailed in exempt Appendix A.

The Authority will work closely with the preferred bidder to continue to monitor and assess any possible risks to health and wellbeing that may arise during the course of contract mobilisation and delivery and seek to ensure that these are effectively mitigated against, via a detailed mobilisation plan and contractual obligations.

**ENVIRONMENTAL AND CLIMATE CHANGE IMPLICATIONS AND RISKS**

The environmental benefits have been set out in the Environmental and Quality performance and Social Value Method Statements and include some key aspects that have been set out above in Environment & Climate and Social Value. Full details can be found in Exempt Appendices B and C.

These aspects will be measured and monitored throughout the contract through detailed reporting and robust contract management meetings and both quarterly and annual strategic meetings.

**BACKGROUND PAPERS**

- 1 Exempt Appendix A – Commercial information
- 2 Exempt Appendix B – Social Value
- 3 Exempt Appendix C – Environment & Climate
- 4 Exempt Appendix D - Innovation

- 5 Cabinet Report – Procurement of Highways and Street Lighting contracts July 2023 - [Decision - Procurement of Highways and Street Lighting Contract | London Borough of Havering](#)
- 6 Havering Commercial Strategy - [Havering Commercial Strategy 2024 - 2029](#)
- 7 Havering Climate Change Action Plan - [Climate Change Action Plan 2024-2027 \(havering.gov.uk\)](#)



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<p><b>CABINET</b></p>	<p>11 December 2024</p>
<p><b>Subject Heading:</b></p>	<p><i>Office to residential conversion to accommodate homeless families – Chesham House</i></p>
<p><b>Cabinet Member:</b></p>	<p>Councillor Natasha Summers – Lead Portfolio Holder for Living Well Housing Demand</p>
<p><b>ELT Lead:</b></p>	<p>Patrick Odling-Smee - Director of Living Well</p>
<p><b>Report Author and contact details:</b></p>	<p>Darren Alexander, Assistant Director Housing Demand  <a href="mailto:darren.alexander@havering.gov.uk">darren.alexander@havering.gov.uk</a></p>
<p><b>Policy context:</b></p>	<p>01708 43 3751</p>
<p><b>Financial summary:</b></p>	<p><b>This report sets out the proposal to enter into an agreement for lease with National Housing Group for the sole use and occupation of Chesham House a 55 unit to address the acute homeless crisis. If National Housing Group complete the works required to Chesham House to create the units, then the Council will be obliged to take a 10 year less a day lease of the site. The proposal would have General Fund and HRA implications.</b></p>
<p><b>Financial summary:</b></p>	<p>This scheme can provide 55 exempt accommodation units to allow the Council to control cost and build capacity as well as discharge its housing duty by PRSOs producing a revenue cost avoidance of circa £9.7m total across the 10 year less a day lease period, and a total of £8.4m in</p>

capital receipts, making a total of £18.1m benefit to Havering.

**Is this a Key Decision?**

**Yes**

**When should this matter be reviewed?**

**Reviewing OSC:**

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

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

**SUMMARY**

1. The Council will look to enter into a 10 year lease with the National Housing Group for the sole and exclusive use of Chesham House, a 55 unit Office to Residential Conversion by 2026, to meet its Homeless Reduction Act 2017 duty to accommodate homeless families.
2. The lease cost for Chesham House is £8.4m, with running costs (recoverable as service charges) being £6.5m and start-up costs of £0.6m.
3. The scheme will enable the local authority to exit 55 households out of high cost hotel and nightly charged accommodation anticipating a net revenue cost avoidance of circa £9.7 million over the length of the term, as well as £8.4 million in capital receipts. The forecast for inflation is included.

**RECOMMENDATIONS**

4. Cabinet is asked to make the following recommendations:
  - 4.1 To approve the proposal to enter into an agreement for lease with National Housing Group for the sole use and occupation of Chesham House, a 55 unit building in Romford, under which the Council will be obliged to take a 10 year headlease of Chesham House upon completion by National Housing Group of agreed refurbishment works.
  - 4.2 Upon completion of the headlease referred to above, to approve that the Council may either:
    - 4.2.1 grant an underlease of Chesham House to a wholly owned subsidiary of the Council (envisaged to be called Queens Letting and Management (“QLM”)) on a back to back basis; or
    - 4.2.2 to manage Chesham House directly.
  - 4.3 Approve deficit grant funding of up to £9.7m in total to QLM to cover the lease period (in event that QLM / Chesham House do not achieve housing benefit exempt status.)
  - 4.4 To delegate to the Director of Living Well, in consultation with the Strategic Director of Resources, to take all steps, and to enter into all documentation, necessary to deliver the scheme as approved by recommendation (a) above including the discretion to decide which of options (b)(i) and (ii) shall be progressed.

5. **Note** we have already received cabinet approval to incorporate QLM Community Interest Company (CIC) on the 12 June 2024 – Establishment of a joint venture company to manage properties leased in partnership with Chalkhill.
6. **Note** Chesham House is a permitted development scheme where from a planning perspective would require prior approval to be obtained for change of use from retail with ancillary storage and offices.
7. **Note** the projected costs of leasing the property for the term outlined as well as the projected cost avoidance.

**REPORT DETAIL**

**8. Main causes of homelessness and why the demand for hotels**

9. Over the last two years Havering Council's use of hotel and nightly charged accommodation has created enormous pressure on the Council's housing budget. We have seen a £0.5m and £6.1m overspend occur in those year-end positions respectively. Growth of £3.9m has been applied in 2024/25.
10. The collapse of the private rented sector in London has been a significant contributing factor to the lack of supply following hikes in inflation and interest rates. Landlords have exited the market in efforts to sell their properties no longer able to sustain the increasing mortgage costs and this has left the market in disarray for Londoners.
11. Local authorities in London can no longer rely on a fraught private rented sector and Havering Council must secure its own supply of affordable accommodation to avert the risk a continued unsustainable nightly charged market.
12. The nightly charged market is a debilitating accommodation offer from private landlords pivoting with established letting agents to offer poor quality homes at premium above market rents. The offer distorts the market and pushes even dual income households out of London.
13. To exit out of the current 230 hotel and nightly charged accommodation places and to sustain this position, Havering will need to have a number of meaningful property and pipeline initiatives to address the homeless pressures over the next 5 years.
14. The Housing Demand service is fighting to support families and their children to exit out of hotels and nightly charged accommodation and this is proving to be increasingly difficult following the collapse of the private rented market sector for low income families.

15. In 2022/23 use of chain hotels increased substantially with families staying beyond the statutory 6 weeks limit. This was reduced, with effective temporary accommodation management and planning meaning we no longer use chain hotels.
16. However, our use of hotels altogether has not ceased and we continue to use local hoteliers on block booking arrangements.
17. We are also reliant on high cost nightly rate accommodation. This form of accommodation alleviates families from spending weeks in hotels without cooking facilities as this solution has addressed those concerns, but the cost of nightly charged houses and flats is proving at times to be more than the cost of hotels.
18. Our demand and supply model suggests that our current trajectory for securing nightly charged and hotel accommodation is unsustainable and requires immediate action to increase supply to mitigate the existential risk to our long term budget position. There is substantial evidence across London that demonstrates the risks to families remaining in hotels and nightly charged accommodation long term and Havering are entering that profile of risk.
19. In 2022/23 we placed 358 households into hotels, an average of 30 per month. In 2023/24 the average placements into hotels rose to 38 per month. This financial year to date, the average remains at 37 new households per month, going into the winter period.
20. In the last 3 years, 40% of those households moved out of hotels of their own accord or into the private rented sector. This year approximately 24 new households each month end have been placed in hotels or nightly rate accommodation while waiting for an opportunity to move on. Havering do not have the supply to meet this need and are at risk continuing to spend a gross cost of £66k for new households each month or circa £792k each year. Only one-third of this cost can be met by housing benefit at the local housing allowance 2011 less 10%.

21. Table 1: Year on year growth in nightly rate and hotel accommodation

<b>The Growth in Hotel and Nightly-Let Accommodation Usage</b>				
	<b>2021-22</b>	<b>2022-23</b>	<b>2023-24</b>	<b>2024-25 (forecast)</b>
Average number of households	25	50	189	194
Total spend £ million	0.67	1.28	5.59	6.25
Average cost per night	73.30	70.36	81.06	88.29

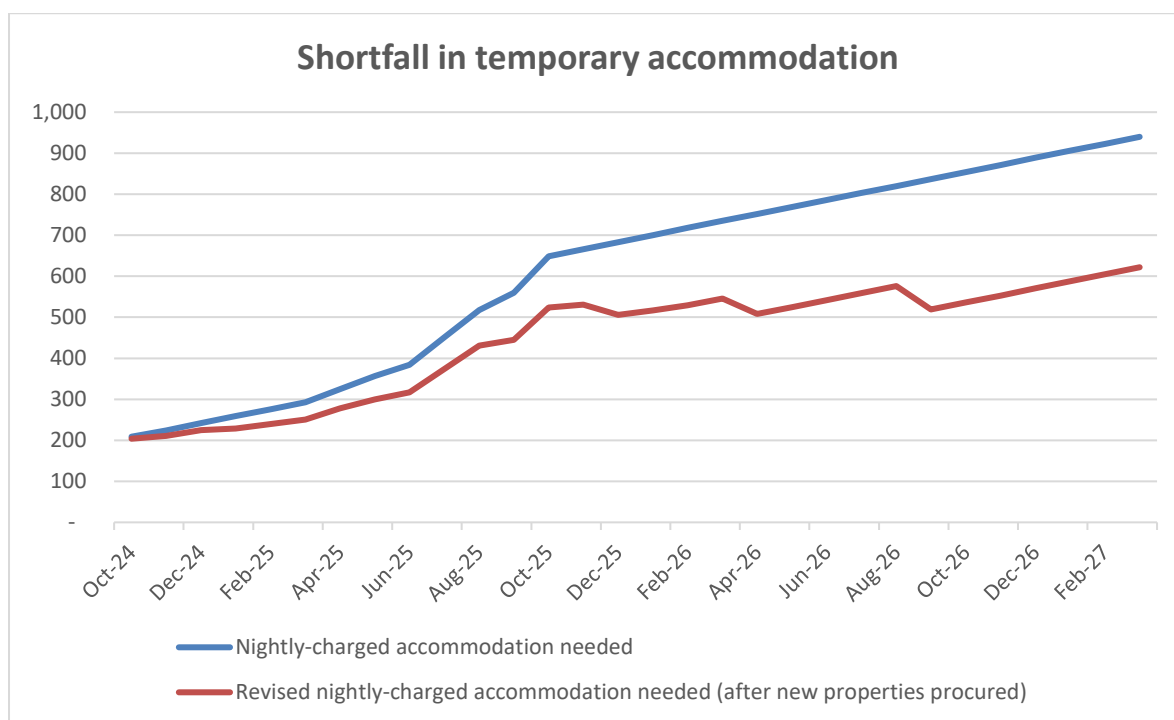
22. The influx of supply of nightly rate properties arises from private letting agents endorsing nightly rent rates with their landlords as an opportunity to

exploit a premium rent level that at times exceeds the market rent for below average properties. Councils in London feel powerless but yield to these demands.

23. Havering Council however, have already begun to turn the tide on this market by working closely with the private equity funds to bridge the supply gap and have already mobilised the Urban Impact (Chalkhill) initiative to replenish stock that has been lost in our private sector lease as well as deliver homes that are affordable on longer term leases.

24. The council will need a pipeline of temporary accommodation to stem the year on year growth in hotel and nightly charged accommodation. Without a pipeline of supply we anticipate nightly charged accommodation to rise to 940 units and with a pipeline this can be reduced by a third to 622. The 622 includes schemes such as Chesham House as well as other schemes already approved by cabinet like the Family Welcome Centre.

25. Graph 1 illustrates the risk of to the council of not taking action. The blue line is no action and the red line is some action.



26.

27. This paper seeks approval to deliver an office-to-residential conversion delivering 55 additional units of family sized accommodation.

### **28. Chesham House**

29. The Chesham House property is currently an office in Chesham Close.

30. The building has been earmarked for office to residential conversion using permitted development rights.

31. It will generate 55 units of accommodation designed to meet the needs of homeless families in hotels and nightly charged accommodation.

32. We anticipate that this unit will be available for use in the middle of November 25 and January 2026 when the renovation of the building reaches completion.

**33. Costs to deliver Chesham house – see appendices**

**34. Costs to set up Chesham house**

35. We anticipate start-up costs of £180k to cover furniture and £422k costs for SDLT.

**36. Exempt Accommodation Status**

37. Chesham House will be one of the first office-to-residential schemes that will sit under the umbrella company of Queen’s Lettings Limited.

38. The service will provide onsite intensive management support and the associated costs will be mitigated by its exempt status making the scheme eligible for enhanced housing benefit rates.

39. This will include staffing costs of 3 new posts created in the People/Living Well directorate to deliver the onsite intensive management support for the residents a model already delivered at Royal Jubilee Court.

i. 2x Family Assessment Centre officers

ii. 1x receptionist

40. The concierge service is a security officer and this will be delivered by external contractors.

41. The table below illustrates the costs eligible for enhanced housing benefit provision.

	2026-27	2027-28	2028-29	Total for life of contract (10 years)
Number of Properties	55	55	55	
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Rates, insurance, utilities	120	124	128	1,338
Repairs and voids costs	55	56	58	611
Management costs				
Staffing (3 posts)	132	136	140	1,472
Concierge service	210	217	224	2,342
Cleaning (30 hours pw, including void cleaning)	66	68	70	736
<b>TOTAL</b>	<b>583</b>	<b>601</b>	<b>620</b>	<b>6,500</b>

**REASONS AND OPTIONS**

**Reasons for the decision:**

- 42. To continue to secure accommodation for families at risk of homelessness:
- 43. Increase the number emergency accommodation units within the existing estate profile
- 44. To exit families out of bed and breakfast hotels

**Other options considered:**

**45. Continue to use Chain Hotels and other high cost hotels.**

- 46. Over the last 12 months the Council have placed high volumes of families into chain hotels and this has been a concern particularly for those affected with stays beyond the statutory 6 week limits. Block booking chain hotels has been considered, however, locking the Council into long term booking arrangements places the authority at risk of exposure when demand is no longer there due to an increase in affordable housing options being supplied in its place. This option remains the highest risk and the highest cost and should only be used in emergencies and as a last resort.

**47. Procure properties through a long term lease agreement with a purchase option.**

- 48. Discussions are taking place with a provider to purchase properties and lease to the council on a 40 lease agreement with an income strip so the Council will own the property for £1 at the end of the 40 year lease. The lease rental will rise with inflation over the 40 years, increasing the risk of financial losses over the period.

**49. Private partner to purchase and subsequently lease properties to the Council to be used as temporary accommodation**

- 50. We considered the use of these properties as temporary accommodation however, the Council have already assessed that the rental value can only achieve the 2011 LHA rates less 10% and the housing benefit subsidy deficit would lead to the Council losing out financially. The existing PSL scheme is also being pursued however there is a financial loss to the council due to the subsidy loss as set out elsewhere in this report.

**51. The Council to purchase properties through the HRA**

- 52. The Council has had a programme for the last 4 years for the purchase of properties through the HRA Acquisitions programme, funded from HRA borrowing and grant. For 2022/22 and 2022/23 the council received GLA grant towards these acquisitions however this has stopped so RTB receipts are being used in 2023/24 to subsidise the purchases. The increasing rise in



house prices in the borough has impacted on the financial viability of this programme. Other funding grant opportunities are being explored. There are limitations in that we are only able to acquire units within the Havering borough boundaries as opposed to this proposal which enables us to acquire in other London Boroughs. Although this approach has delivered a positive yield of 35 – 80 per year it will not meet the required demand so other options are going also needed.

**53. The Council to purchase properties through its own wholly owned subsidiary company MLH**

54. We took the “**Private Housing Investment for Settled Homes Proposal for Mercury Land Holdings PHISH**” to Cabinet and it was agreed in 2022 to purchase 125 properties over a 5 year period. The structure of the proposal would mean that there was a capital outlay of circa £60 million from the Council’s general fund and upon acquisition of a property we would offer 12-24 months Assured Shorthold Tenancy (AST) to homeless households and subsequently discharge our housing duty. However, significant delays in drawdown loan agreements and the fundamental change to the financial climate in that period i.e. spike in inflation and interest rates meant that this approach was no longer financially viable. This does not mean we cannot revisit this approach once the markets have settled down however, it cannot be treated in isolation as a panacea for the current homeless pressures. The 125 units and limited 5 year term will not meet the considerable risk of hotel use in the long-term and will only alleviate it in the short term.

**55. The Council to grant an underlease of Chesham House to Mercury Land Holdings (MLH) as the wholly owned subsidiary of the Council**

56. MLH are unable to take on the risk of the scheme as their Directors are not covered by public liability insurance and therefore the risk would fall upon non-council employees.

**57. Develop new supply of homes through the regeneration programme**

58. This is being actively pursued however the viability of future schemes has to be carefully considered. The Council does not receive GLA Grant for the units that are replaced, only the additional units built. There is also the medium term displacement of households during the development stage that creates additional demand for temporary accommodation. The Council is also developing a new Family Assessment Centre in Harold Hill that will provide temporary accommodation for homeless households however this is not due to be completed until 2025.

**59. The Council to work with other investors who provide options to supply accommodation**

60. The Council still consider this as a viable option in order to further increase the mixed portfolio profile it requires to meet the housing need and will carry out its due diligence of these offers as and when they arise.

**IMPLICATIONS AND RISKS**

**Financial implications and risks:**

**61. Financial implications and risks:**

62. Temporary Accommodation has created significant budgetary pressures on the Council. This is a national picture as the number of people presenting to the service are increasing in relation to the economic crisis and continuing economic pressures. This pressure impacts not only the individuals presenting but also the Landlords in the Private Sector Market who have been impacted by legislative changes as well. As a result continuing pressure and number presenting are forecast. Chesham House is one element of a much wider portfolio of actions to address the supply of suitable accommodation for those in Temporary Accommodation. Alone, it presents a cost avoidance opportunity but as the portfolio of schemes come into place there is the opportunity to reduce overall costs to the Council. Below the scheme is reviewed as a standalone scheme.

63. In summary, Chesham House consists of 55 units, which will be used to reduce the number of families already in hotel and nightly let accommodation. The scheme will be managed by Queen's Lettings Management (QLM), and will produce substantial cost reductions for LBH. LBH has already received permission from Cabinet to set up QLM. Set-up of the company is still pending, but is expected to be within the next few weeks. As the agreement to take on the headlease will be with LBH, and the sublease with QLM will not take place until the property is ready to let (expected date 1<sup>st</sup> April, 2026), any further delay in setting up QLM is unlikely to impact this timeline. We will need to ensure that robust governance is in place for QLM before this time. As a worst case scenario, if QLM is not in operation, LBH can still produce cost reductions with this scheme (a total of £4.1m over 10 years, instead of 18.1m see paragraph 64).

64. Entering into a Leasehold agreement removes flexibility for the Council to respond to any change patterns in behaviour or economic climate, but this is a small portfolio and therefore existing demand would be matched with the number of units.

65. LBH is currently in an overspend situation with temporary accommodation. In September 2024, LBH accommodated, on average, 215 households in hotels and nightly-lets. The forecast on this type of accommodation for the current financial year is £6.3 million (an overspend of £2.4 million). This scheme will reduce this overspend by replacing 55 units of expensive hotel and nightly-let accommodation with a more affordable alternative. A net cost avoidance of £1.0 million is expected in 2026-27, with a total cost avoidance of £9.7m over the life of the ten year contract. In addition, Havering will gain capital receipts of £8.4m over the life of the contract, giving an overall benefit of £18.1m.

66. The scheme should get exempt status under housing benefit rules. There is a risk that, if this exempt status is not granted, Havering will need to give a grant to QLM of up to a total of £9.7m over the 10 year life of the lease, to fund the deficit caused by being restricted to lower tenant rents. This would reduce the overall cost reduction. Furthermore, a loan may be needed from LBH to QLM to help manage cash-flow. This scenario would still yield substantial cost reductions (£9.7m revenue plus £8.4m of capital receipts (total saving £18.1m) with QLM).
67. With exempt status, tenant's rents can be increased in line with any increases in the lease cost, which is linked to LHA rates. Services charges will increase each year in line with inflation.
68. There is no financial spend by LBH or QLM until the works on the building are completed and handed over. Given the forecast demand over the next few years, including the need to decant around 380 families from our shortlife properties during this time, there should be no problem in filling these places. However, it is possible for QLM to offer some of the units to other councils, or private renters, if necessary. The biggest issue is likely to be finding staff capacity to initially fill all 55 places quickly to avoid void loss costs in the first few weeks but this can be partially mitigated by advance preparation.
69. Stamp Duty (SDLT) on the lease is budgeted in the figures above. For this business configuration, the rules on SDLT are open to interpretation. It is possible that SDLT will not be payable at all, giving us an extra saving. A decision from HMRC is currently being sought.
70. If LBH were to let these properties directly, without involving QLM, they would only be permitted to charge 90% of the 2011 LHA rate, and no service charges. The net cost avoidance over the ten year lease would be £4.1 million revenue (compared to £9.7m revenue plus £8.4m of capital receipts (total saving £18.1m) with QLM).
71. If we do nothing the cost pressures resulting from forecasted increased demand will continue to result in upward cost demands that cannot be met from available funding. This is likely to cost the council at least an extra £13.5 million over ten years to house these families in nightly-paid accommodation.
72. The Council's revenue position is significantly overspent but there will be revenue savings from reduced capital borrowing with the capital receipts in flow. However, we will achieve a larger benefit to revenue from the reduction in costs of hotels and nightly charged accommodation.
73. It is important to pursue a mixed portfolio of different types of schemes, in order to reduce risk as far as possible. Chesham House fits into that planned mixed portfolio.
74. A comparative table of the difference between the operating models is shown in the appendices.

**Legal implications and risks:**

75. The Council has obtained external legal advice from Browne Jacobson LLP on this transaction. Their detailed legal advices are attached to this report as an Appendix.

76. There are four main elements of the transaction which require legal analysis:

- a) Whether the Council has the power to enter into the transaction
- b) Public procurement
- c) Subsidy control compliance
- d) Position in relation to housing benefit rates

77. Powers

78. The Council has the power to enter into the Lease with NATIONAL HOUSING GROUP pursuant to S120(1)(a) of the Local Government Act 1972 (LGA 1972) or S111(1) of the LGA 1972. The Council would be acquiring the Units for the purposes of helping it discharge its homelessness duties under S193(2) of the Housing Act 1996 (HA 1996) by underletting the Units to the QLM in order that the QLM can then make private rented sector offers (PRSO) in respect of those Units to applicants who are owed a main housing duty.

79. A strong argument can be made that the Units will not fall within the Council's Housing Revenue Account. This is because the Housing Revenue Account (Exclusion of Leases) Direction 1997 (the Direction) excludes from the HRA leases of property for a period of 10 years or less for the purpose of housing homeless households.

80. The Council has the power to then dispose of the Units to QLM using S123 of the LGA 1972, provided that the Council charges QLM a market rental rate for the Units.

81. Public Procurement

82. The Council can enter into the agreement for lease with NATIONAL HOUSING GROUP without needing to run a procurement process which complies with the Public Contracts Regulations 2015 (**PCRs**). This is because NATIONAL HOUSING GROUP own the Site and therefore have an exclusive property right which they are entitled to protect. This argument is based on an interpretation of Regulation 32(2)(b)(iii) of the PCRs which allows the Council to directly negotiate with a party without running a competition if a) that party has exclusive rights; and b) no reasonable alternative or substitute exists.

83. The Council should publish a Contract Award Notice in relation to the Lease in order to start the clock on any potential procurement challenge. Aggrieved

challengers would have 30 days from the date of the notice to issue proceedings.

84. The Council can directly enter into contractual arrangements with QLM (including a nominations agreement if necessary) because QLM will satisfy the “teckal criteria” set out in Regulation 12 of the PCRs.

85. Subsidy Control

86. The provision of any grant from the Council to QLM in relation to this arrangement is likely to constitute a “subsidy” under the Subsidy Control Act 2022 (SCA 2022). This means that the Council will need to conduct an assessment against the subsidy principles contained in Schedule 1 to the SCA 2022 before it awards any grant to QLM.

87. Any grant given to QLM for this purpose is likely to be cumulated with grant given in relation to the Chalkhill programme which means that the quantum of subsidy is likely to constitute a Subsidy of Particular Interest (SSOPI) under the SCA 2022. This means that the Council will need to make a referral to the Competition and Market Authority’s Subsidy Advice Unit (SAU) in accordance with the SCA 2022. The SAU will assess the Council’s principles assessment and issue a public report with recommendations. The Council will need to go through this process and observe the statutory cooling off period following publication of the report, before it enters into any grant arrangements with QLM for the scheme.

88. Housing benefit

89. As the units will be let by QLM as exempt accommodation, the Council will be able to pay housing benefit in accordance with the “pre-1996 rules” contained in Regs 12 and 13 of the Housing Benefit Regulations 2006 as they are set out in para 5 of Schedule 3 to the Housing Benefit (Consequential Provisions) Regulations 1996.

90. So long as the Council is satisfied that the units are not under-occupied, and that the rents charged by QLM are not unreasonably high, the Council may pay housing benefit at a rate of 100% of a tenant’s rent and service charges (excluding the costs of any care, support or supervision provided).

91. The Council will need to refer tenants’ housing benefit claims to the Rent Officer for determination of a claim related rent. So long as a tenant’s total rent and service charges do not exceed the claim related rent determined by the Rent Officer, the Council will be able to claim housing benefit subsidy of 100% of the housing benefit paid to those tenants (in accordance with Article 16(1) of the Income-related Benefits (Subsidy to Authorities) Order 1998).

92. If the housing benefit paid exceeds the claim related rent determined by the Rent Officer, then the housing benefit subsidy that the Council can claim will be capped at the claim related rent, although in some cases the Council may claim housing benefit subsidy at a rate of 60% of the difference between the claim related rent and the housing benefit paid (in addition to 100% of housing benefit up to the claim related rent cap). Consequently, where the housing benefit paid to a tenant exceeds the claim related rent determined by the Rent Officer, there will be a housing benefit subsidy deficit that will need to be met out of Council funds.

**Human Resources implications and risks:**

93. The recommendations made in this report give rise to increase the existing workforce to deliver onsite intensive management support at Chesham House this includes the following:

1. 2x Family Assessment Centre officers
2. 1x receptionist

94. Concierge services that provides security of the building will be provided by an external contractor.

95. The 3 new posts will be created in the People/Living Well directorate and that those posts will be created and recruited to in accordance with the Councils HR policies and procedures.

96. This means a formal restructure process will be required next year and that will involve the drafting/amending of new/existing Job Profiles and their submission for evaluation and a formal restructure consultation process.

97. The building does already have existing office space and will allow staff to work on the site as well as provision of security services for 24 hours.

98. And it is anticipated that the extra revenue generated from this proposal will ease some of the financial burden within the existing budgets as well as provide additional those staff to meet the service needs.

**Equalities implications and risks:**

99. 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<sup>1</sup> and those who do not, and;

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<sup>1</sup> 'Protected characteristics' are age, disability, gender reassignment, marriage and civil partnerships, pregnancy and maternity, race, religion or belief, sex/gender, and sexual orientation.

- iii) Foster good relations between those who have protected characteristics and those who do not.

100. The Council is committed to all of the above in the medium term provision of Chesham House and is expecting that this will not just be a positive step in our endeavour to relieve the existing pressures of homelessness but to give assurance to our colleagues in health and social care that we are focussed in our efforts to improve health inequalities.

101. Chesham House recognises the acute challenges families face when children are experiencing significant time spent living in hotels without cooking facilities and overcrowded living conditions. The unit gives us the opportunity to step down families directly from hotels into a self-contained dwelling with access to onsite support as they go about re-establishing their lives. This growing use of hotels has been particularly harmful to children and their education and has exacerbated their parents' anxiety about providing a stable, safe and secure home.

102. We will also make every effort to ensure that households with protected characteristics, age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex, and sexual orientation, who are over-represented as homeless also receive the right attention and support to live independently.

### **Health and Wellbeing implications and Risks**

103. Havering council is committed to improving the health and wellbeing of its residents. The provision of accommodation other than hotels is an important determinant of health and wellbeing as housing impacts both our physical health and mental wellbeing

104. Housing instability and poorly designed housing undermines our health and is associated with increased risk of ill health including stress, anxiety, inability to cook healthy food or pursue healthy lifestyle, cardiovascular disease and respiratory disease as well as risk of physical injury from accidents. Hotels in particular do not offer the amenities that families and their children need and this has a wider impact on schools and the ability of children to thrive in education. There is an impact for families placed outside of the borough can disrupt the existing relationships, social connections, familiar neighbourhoods and continuity of healthcare

105. It is anticipated that the mobilisation of this proposal and the delivery of accommodation of acceptable standard will reduce the Council's dependency on hotels as temporary accommodation will generate positive health and wellbeing benefits directly to households who have a need to be accommodated by the Council in an emergency. .

106. Housing such as Chesham House (particularly for families due to health and wellbeing issues) does have a role to play as an important pathway to longer

term stability and sustainability as well as well as means through which people living in Havering can build a new life and access services and opportunities (e.g. access to employment, identity, healthy lifestyle, education, creation of social networks etc.). The scheme will also benefit households at risk of homelessness by providing accommodation for households with children in particular who have been staying in hotels. It is anticipated that the mobilisation of this proposal and the delivery of other office to residential conversions of a similar nature will reduce the Council's dependency on hotels will generate positive health and wellbeing benefits directly to households who have a need to be accommodated by the Council in an emergency.

107. Havering council is committed to improving the health and wellbeing of its residents. The provision of accommodation other than hotels is an important determinant of health and wellbeing as housing impacts both our physical and mental health and wellbeing. Inadequate housing and poorly designed housing is associated with increased risk of ill health including cardiovascular and respiratory diseases, depression and anxiety as well as risk of physical injury from accidents. Hotels in particular do not offer the amenities that families and their children need and this has a wider impact on schools and the ability of children to thrive in education.

108. Housing such as Chesham House (particularly for families due to health and well-being issues) does have a role to play as an important pathway to longer term stability and sustainability as well as well as means through which people living in Havering can build a new life (e.g. access to employment, identity, living practices, creation of social networks etc.). The scheme will also benefit households at risk of homelessness by providing accommodation for children in particular who have been staying in hotels.

109. There is an impact for families placed outside of the borough but the risks of remaining in insecure hotel accommodation particularly for children weigh higher.

**BACKGROUND PAPERS**

*All appendices are exempt.*



By virtue of paragraph(s) 3 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

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<b>CABINET</b>	<b>11 December 2024</b>
<b>Subject Heading:</b>	<b>Communications Strategy</b>
<b>Cabinet Member:</b>	Councillor Ray Morgon, Leader of Council
<b>ELT Lead:</b>	Andrew Blake-Herbert
<b>Report Author and contact details:</b>	<b>Marcus Chrysostomou</b> <b>Marcus.chrysostomou@havering.gov.uk</b>
<b>Policy context:</b>	This strategy relates to: People, Place and Resources
<b>Financial summary:</b>	There are no direct financial implications for the Council related to this decision. The Communications Strategy will be delivered with existing resources.
<b>Is this a Key Decision?</b>	Yes - Significant effect on two or more Wards
<b>When should this matter be reviewed?</b>	<b>November 2026</b>
<b>Reviewing OSC:</b>	<b>Overview and scrutiny board, it will be refreshed every year.</b>

**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 x
- Resources - Enabling a resident-focused and resilient Council x

**SUMMARY**

The Communications strategy attached in appendix A, sets out how we will communicate with, keep informed and update our residents, stakeholders, partners and staff on service changes.

It also sets out how we will continue to push the case for Havering through lobbying the Government, LGA, MPs and other key stakeholders and organisations.

In addition, it shows how we aim to improve and increase the number of events taking place in the borough and how we will maximise on income opportunities.

**RECOMMENDATIONS**

That Cabinet agree the Communications Strategy attached.

**REPORT DETAIL**

The communications strategy sets out how the communications service deliver against the aims and objectives of this council, taking into account the requirements of the administration. This includes external, internal, events and marketing communications services.

The key objectives are based on the following:

Our corporate plan – which has three key objectives –

- supporting our residents to stay safe and well
- a great place to live, work and enjoy
- and enabling a resident-focused and resilient Council

This combined with the information and data from research, the budget consultation and past resident surveys, which tells us:

- We have a growing older and younger population that is becoming more diverse. We therefore need to find ways of reaching them.
- Residents are concerned with a number of key issues:
  - cost of Living and the economy
  - crime and community safety
  - street cleanliness
  - health



- We are not the sole agency leading on the issues set out above, and we need to continue, as well as improve, how we work with partners in supporting residents.
- We do well at informing residents but need to build trust through better community engagement and informing on how we have listened and acted on their concerns (this once again aligns with the Engagement Strategy).
- We also need to consider how we communicate key strategies and plans mentioned in the Corporate plan that are there to improve the lives of residents.

We also need to look at, and communicate, wider issues and opportunities affecting us:

- Our financial situation continues to get worse due to reduced Government funding.
- Conversely, despite concerns around a growing population, we still need more homes.
- The right infrastructure and public services must be in place to support this.

The strategy then sets out how we will market events in our parks, communicate with staff, how we will lobby government, MPs and work with partners and stakeholders.

## REASONS AND OPTIONS

**Reasons for the decision:** This sets out the strategy within which the service delivers against.

Most importantly, we have a duty to inform residents of key information such as service or policy change, events, consultations and access to support and other help. As a council we need to be constantly innovating and using new technology, such as new communication techniques and tools, as well as using AI and other tech.

It also sets out the aspirations in our plans for lobbying the government and other bodies around our finances, how we aim to improve events and income as well as how we will be measured.

We also need to ensure staff are kept informed and engaged, and this looks at how we aim to continue and improve on this.

Other options considered: Yes, the only other option is to have no strategy, which means there is no clear planning in its work and the service becomes reactionary to demands rather than planning within its resources.

## IMPLICATIONS AND RISKS

### **Financial implications and risks:**

This report asks that Cabinet agrees the Council's Communications Strategy. The strategy covers internal and external communications as well as marketing and events. There are no direct financial implications or risks associated with the approval of the strategy itself although it is noted that the strategy aims to support the Council's overall financial position by increasing advertising income, securing sponsorship for events and lobbying central government for fairer funding. The strategy will be delivered by budgeted resources and any activities stemming from its implementation which have a financial consideration will be subject to separate decision-making processes and funding considerations.

### **Legal implications and risks:**

There are no direct legal implications arising from the recommendations in the report. The approval of a Community Engagement Strategy complements Part 5 of the Localism Act 2011 which sets out measures to empower the community.

### **Human Resources implications and risks:**

There are no human resource implications or risks. Under the Target Operating Model a new community engagement team has been created to ensure the delivery of this work

### **Equalities implications and risks:**

A full Equality and Health Impact Assessment has been carried out and is attached at Appendix B with associated action plan.

### **Health and Wellbeing implications and Risks**

There are no adverse health and wellbeing risks associated with this strategy

## ENVIRONMENTAL AND CLIMATE CHANGE IMPLICATIONS AND RISKS

The Communications Strategy 2024 supports the work of the Council's Climate Change Action Plan including the facilitation and promotion of the Council's Green Forum.



**BACKGROUND PAPERS**

The communications strategy.

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# Havering Communications Strategy 2025-26





# Contents

3	<b>Introduction</b>
4	<b>Achievements</b>
5	<b>Research</b>
6	Population
7	Budget consultations
10	<b>Objectives for external Communications</b>
11	Newsletters
12	Social Media
13	New channels and technology
14	Media relations
15	‘Havering on the map’
16	Fair funding
17	<b>Marketing</b>
18	Events
18	Filming in Havering
19	<b>Internal communications</b>
20	Internal campaigns
20	Measuring success
21	<b>Awards</b>
22	<b>Metrics and performance</b>

# Introduction

## Introduction from Cllr Ray Morgon, Leader of Havering Council

One of the key objectives of the new Administration was to keep residents informed about what we do and to be open and transparent. A separate resident engagement strategy has been approved and this communications strategy is another strand in communicating with residents, businesses and stakeholders.

This strategy takes into account research and insight including resident satisfaction surveys and the outcomes of previous budget consultations. This gives us data to help us set out our plans and priorities. It also takes into account the corporate plan in setting out the communication priorities.

What is important is we do all we can to make residents aware of how we are responding to their views as well as making sure they know how to access services. These services may go through change due to our finances – so it will be even more important for us to keep them updated on changes.

We also need to make sure residents know how we are trying to make the borough a more attractive place to live, work and enjoy together while also being attractive to investors.

We are also focused on improving our profile at a London and national level and to put us on the map. We want everyone to feel informed, engaged and involved in our vision and priorities.



# What have we achieved so far?



## In the last year, the Communications team has achieved much. This includes:

- Highest number of responses to our budget consultation in 2023. We also listened to feedback and acted where possible
- Managed narrative around finances with an extensive communications and lobbying campaign
- Increased local, regional and national media coverage and interest in the council
- The weekly Living e-newsletter continues to be our flagship communications channel
- Built the foundations of our public affairs work in other areas too such as improving the borough's infrastructure
- Improved relations with London Councils, Local London, GLA and other bodies within the Local Government arena
- Developed a Havinger brand
- Continued to inform on our regeneration projects
- Worked with partners on delivering a cost of living campaign
- Introduced a new advertising policy to help support the borough's healthy weight strategy
- Updated our small format advertising boards to increase income
- Won a number of industry awards
- Supported NHS and other national campaigns with marketing, outreach and engagement
- Supported successful launch of new waste contract
- Delivered another successful Havinger Business Awards
- We have raised the profile of Havinger Council regionally and nationally
- Worked with the customer services team to enhance the website and digital.



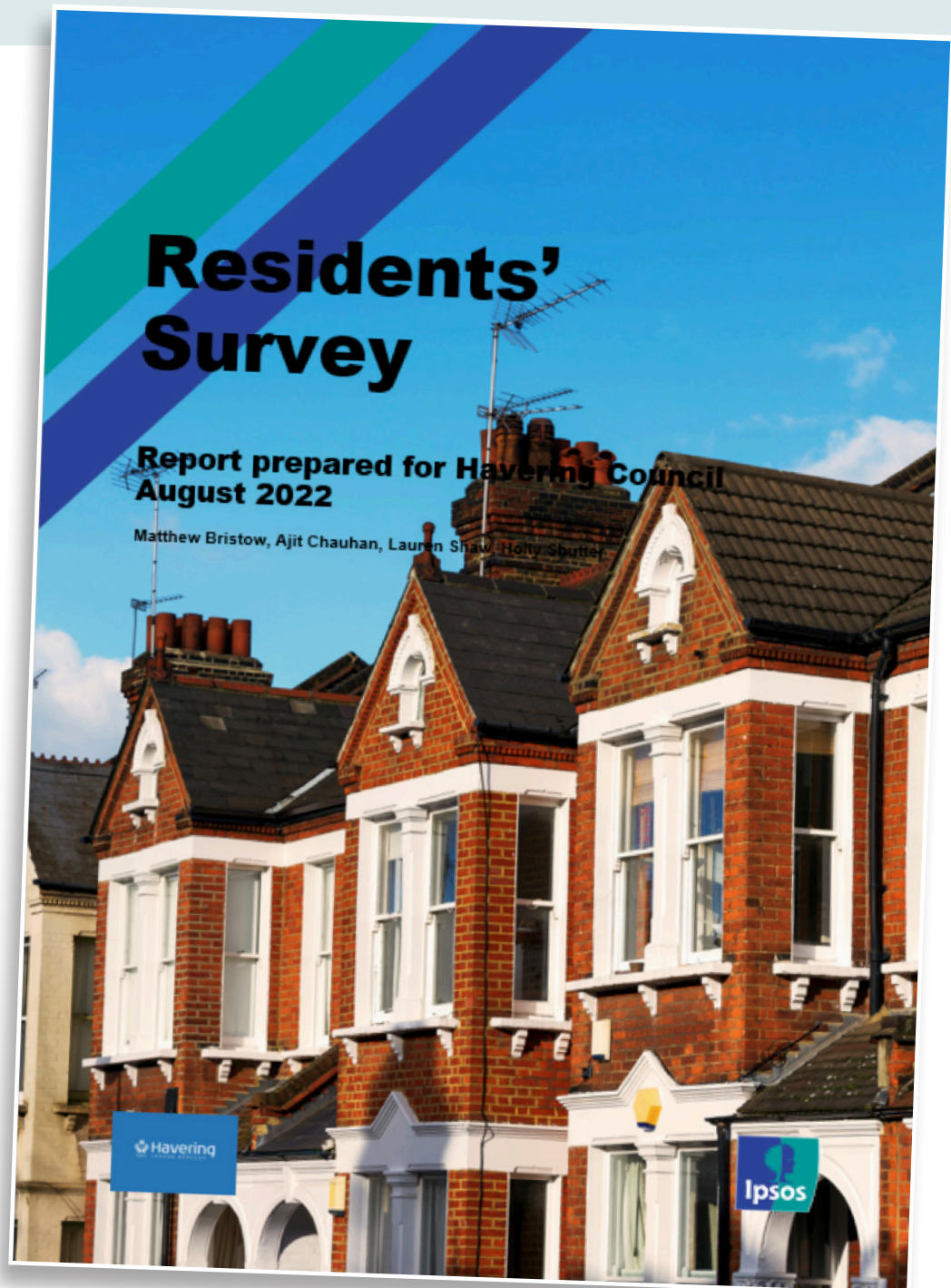
# Communications research

Data and research is really important in delivering our work. We draw on a number of data sources to help inform this strategy:

This includes:

- Ipsos-Mori research
- ONS 2021 Census
- Budget Consultations
- Staff workforce data.


We also work with our partners and stakeholders and tap into their data, research and intelligence that includes our health partners, the voluntary sector, police, businesses, members and other stakeholders.




# Population

The population of Havering is changing as more people are either moving into the borough or families are growing.


## Research – key facts - population



### Havering population stats:



**Total resident population**  
**262,000**  
2021

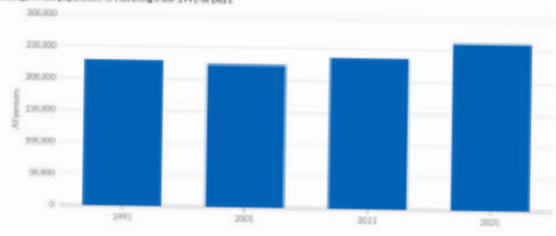


**Total Number of Businesses**  
**10,235**  
2022

- Women 135,668
- Men 126,384
- We have the second oldest population in London – and it is still growing
- We also have the fourth fastest growing 0-14 population in the country

The chart below compares the figure for Census 2021 with the closest population data selected from NCAR for 2011, 2006 and 1991 to show change over time in the headline data.


### Change in the population in Havering from 1991 to 2021



### Population by broad age group for Havering 2021

Age 0-14	15%
Age 15-64	64%
Age 65+	18%

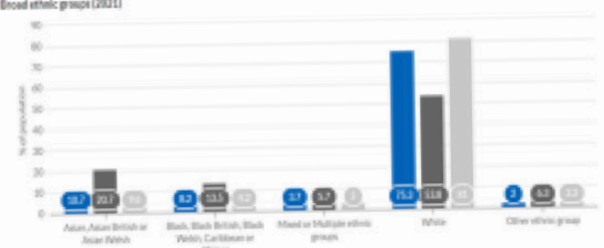
## Research – key facts – population in Havering




### Ethnicity

This section displays census data about the number and percentage of people from each ethnic group. The way people describe their ethnic groups is based on their culture, family background, identity or physical appearance.

#### Broad ethnic groups (2021)



#### Percentage of population by ethnic group (2021)



#### Religion

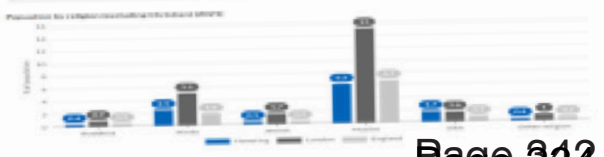
This section shows the percentage of people who identify themselves as Christians, Muslims, Hindus, Sikhs, Buddhists, Jews, or other religions, or as people with no religion.

**Christian**  
Percentage of population: **52%**

**No Religion**  
Percentage of population: **31%**

**Not Answered**  
Percentage of population: **6%**

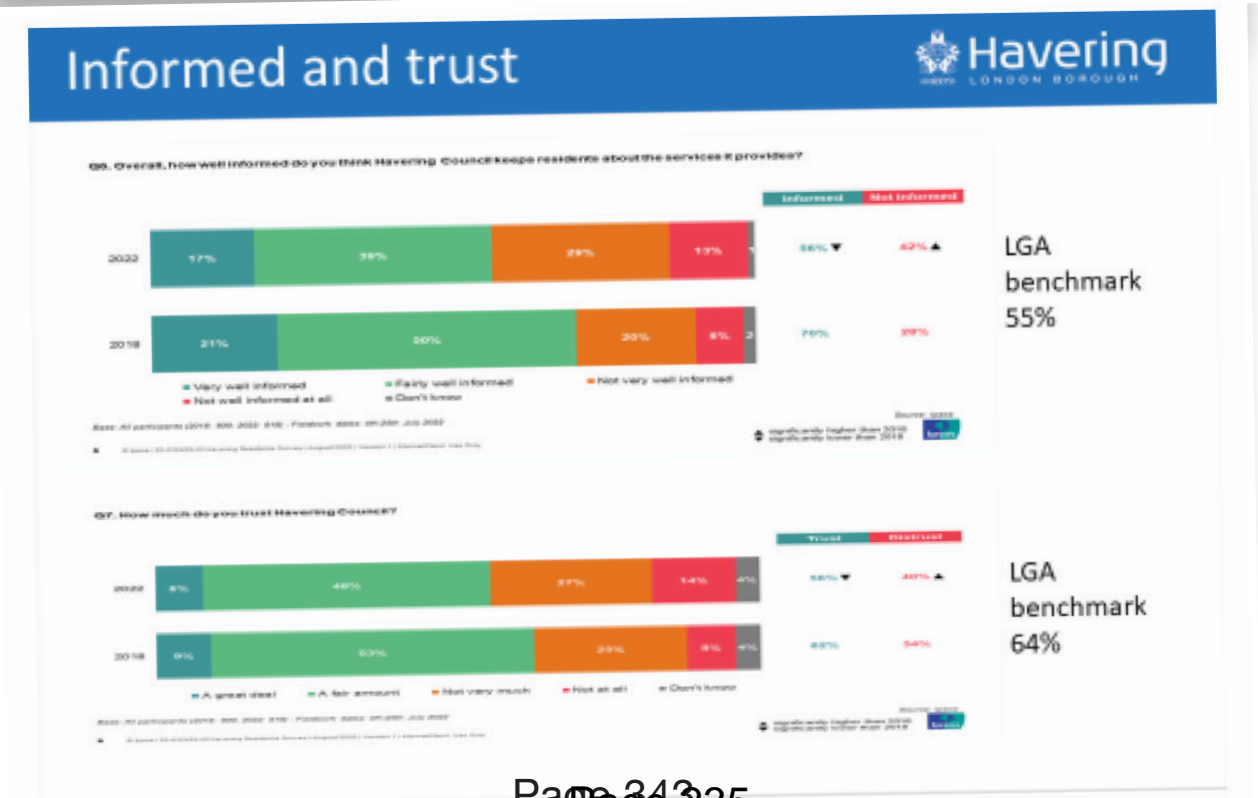
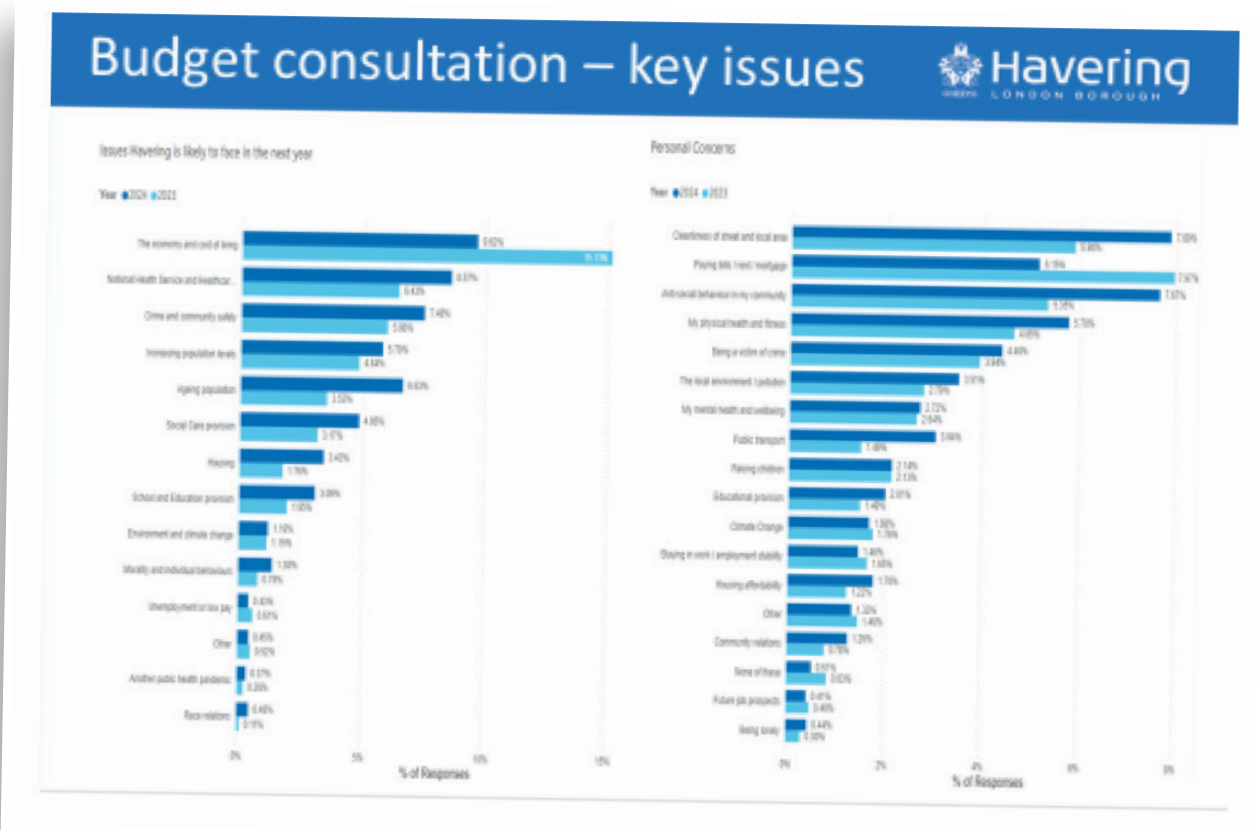
#### Percentage by religion (2021)



- 81% were born in the UK
- 90% main language is English
- Of the 10%, most spoken other languages are from other European countries and South Asian

# Budget consultations

In the last two budget consultations, we have included questions similar to what you would find in an annual residents' survey, to gauge the key issues affecting our residents.

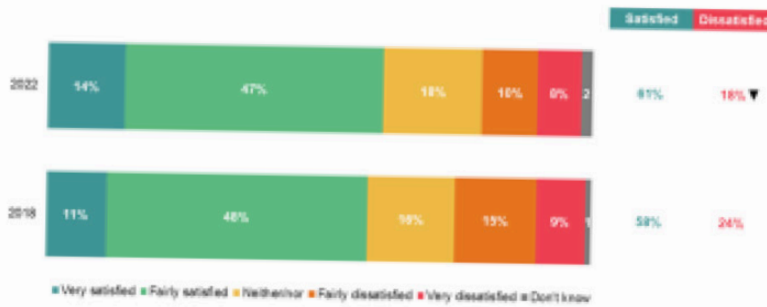


# Budget consultations

## Satisfaction



Q1. Overall, how satisfied or dissatisfied are you with the way Havering Council runs things?



Base: All participants (2018: 800; 2022: 818) | Feedback date: 4th-20th July 2022

Source: Ipsos | Ipsos 2022/23 Havering Resident Survey Report 2022 (www.havering.gov.uk)

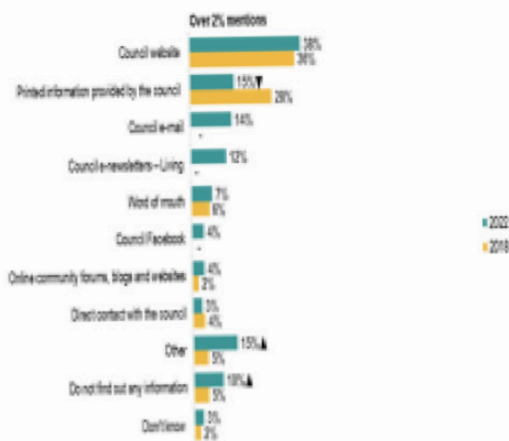
Source: Ipsos  
▲ significantly higher than 2018  
▼ significantly lower than 2018

The LGA survey says overall - sixty per cent of respondents are 'very satisfied' or 'fairly satisfied' with the way their local council runs things.

## How do you find out?



Q20. How do you currently find out about Havering Council and the services it provides?

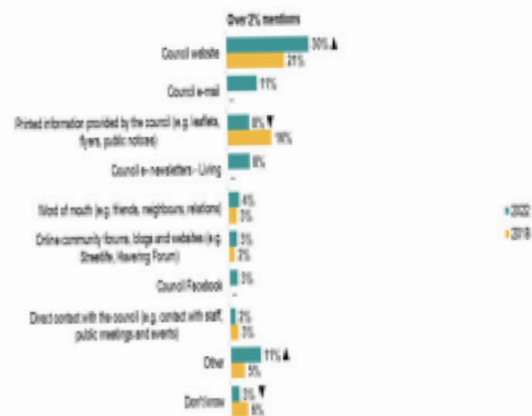


Base: All participants (2018: 800; 2022: 818) | Feedback date: 4th-20th July 2022

Source: Ipsos | Ipsos 2022/23 Havering Resident Survey Report 2022 (www.havering.gov.uk)

Source: Ipsos  
▲ significantly higher than 2018  
▼ significantly lower than 2018

Q21. What is your main source of information about Havering Council and the services it provides?



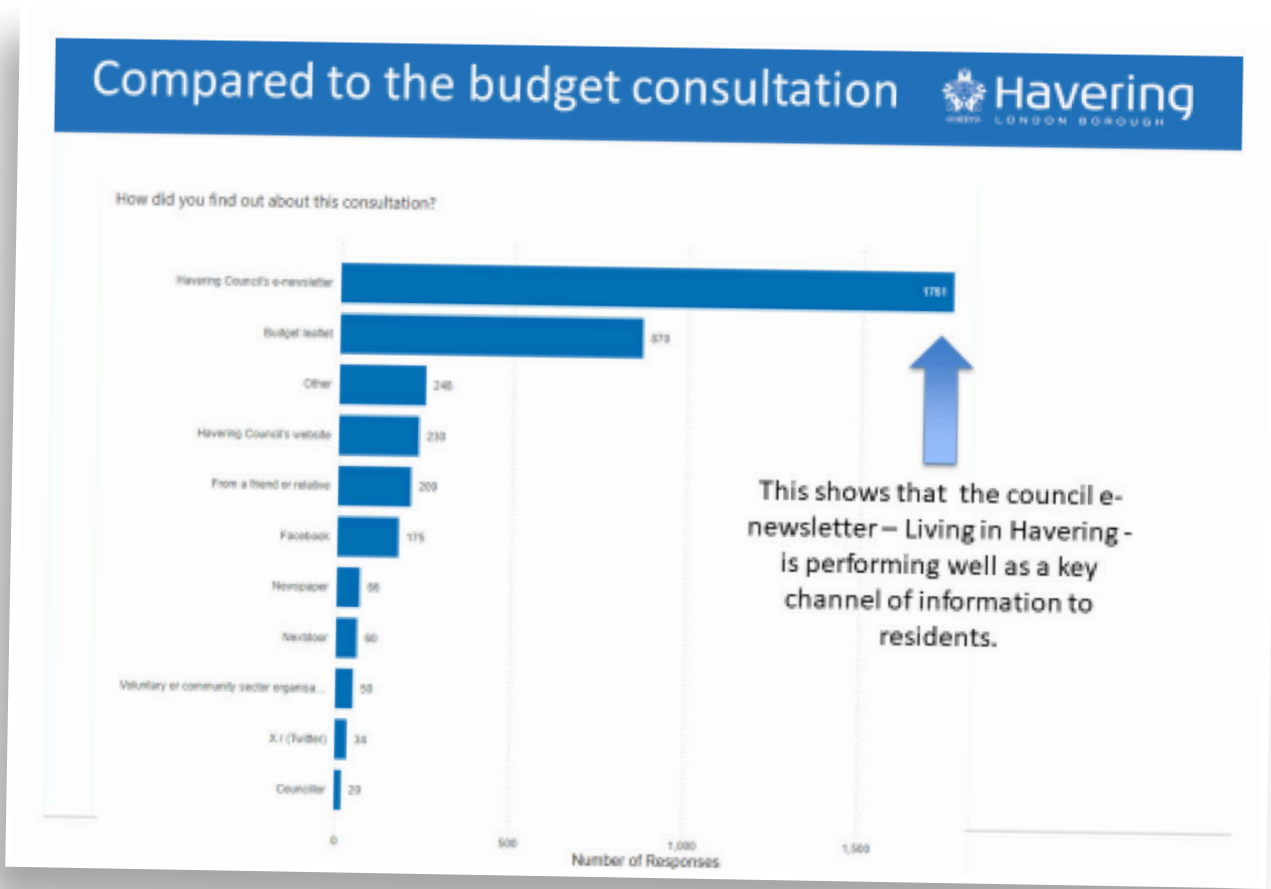
Base: All participants (2018: 800; 2022: 818) | Feedback date: 4th-20th July 2022

Source: Ipsos | Ipsos 2022/23 Havering Resident Survey Report 2022 (www.havering.gov.uk)

Source: Ipsos  
▲ significantly higher than 2018  
▼ significantly lower than 2018



# Budget consultations



# Havering Budget Consultation



# Objectives for external communications

## Our Corporate Plan – which has three key objectives –

- supporting our residents to stay safe and well
- a great place to live, work and enjoy
- and enabling a resident-focused and resilient Council.

## Combined with the data on the last few pages, helps us understand what the key issues are for us to focus on:

We have a growing older and younger population that is becoming more diverse. We therefore need to find ways of reaching them.

Residents are concerned with a number of key issues:

- cost of Living and the economy
- crime and community safety
- street cleanliness
- health
- We are not the sole agency leading on the issues set out above, and we need to continue, as well as improve, how we work with partners in supporting residents
- We do well at informing residents but need to build trust through better community engagement and informing on how we have listened and acted on their concerns (this once again aligns with the Engagement Strategy)
- We also need to take into account how we communicate key strategies and plans mentioned in the Corporate Plan that are there to improve the lives of residents.

## We also need to look at, and communicate, wider issues and opportunities affecting us:

- Our financial situation continues to get worse due to reduced Government funding.
- Conversely, despite concerns around a growing population, we still need more homes.
- The right infrastructure and public services must be in place to support this.

# Newsletters

Our newsletters have high engagement figures when benchmarked against other local authorities and we are above average. According to Campaign Monitor, the average open rate for a ‘Government & Politics’ newsletter is 19.4%, with the average click rate for this industry at 2.8%.

Name	Distribution	Subscribers (latest)	Subscribers (last year)	Typical Open rate	Av. click rate
Living in Havering	Weekly on Friday	66,488 subscribers (10.2% increase)	60,356	34-52% (43% average)	4.6%
Business Briefing	Approx. every two months (last week of month)	11,965 (11.6% increase)	10,728	26-32% (32% average)	3.6%
At the Heart (council tenants and leaseholders)	Quarterly/ As requested	13,457 (Refreshed subscriber list)	7,273	39-49% (45% average)	5%
Safer Havering	Quarterly	6,310	N/A	41-44% (42% average)	2%
Cost of Living steady stream of emails (Drip campaign)	Drip campaign as people subscribe	703	N/A	63% (main campaign, last 6 months)	5.6% (main campaign, last 6 months)
Launders Lane drip campaign	Switched from drip to ad-hoc distribution	217	N/A	81% (across 5 bulletins)	8% (across 5 bulletins)

## Living growth

This year we continue to look at how we can grow Living to a wider audience as well as launch a customer service special edition every every month. We will also look at a greener Havering newsletter.

# Social Media

We have been working to increase content and engagement on our social media channels. This includes video and infographics. We will continue to look at new channels to reach our audiences.

Twitter (now X) has grown as a customer service channel, with a majority of engagement coming in the form of customer service queries.

The engagement figures are an average over a 90 day period, covering September to November 2024

Channel	Followers (latest)	Followers (last year)	Followers % increase	Avg monthly engagement (from 90 day period)
LBH Twitter/X	19,547 subscribers	18,300 subscribers	6.8% increase	31,591 impressions
LBH Facebook	16,472 followers	15,066 followers	9.3% increase	520,299 reach
LBH Instagram	3,502 followers	2,736 followers	28% increase	18,882 reach
LBH LinkedIn	9,103 followers	6,667 followers	36.5% increase	18,336 impressions
LBH YouTube	562 subscribers	438 subscribers	28.3% increase	4,904 views
LBH NextDoor	56,139 members	N/A	N/A	89,181 impressions (across 32 posts in 90 days)

**Notes:**

- We use YouTube as a video host only, and have not promoted subscription to that channel
- NextDoor users are automatically subscribed to the LBH channel when they sign up for an account.



# New channels and technology



## It is important we do not stand still!

We will utilise new channels and tools to reach our different audiences. This includes:

- look at more visual communications such as video and pictures for Instagram and TikTok
- continue to develop Nextdoor as an engagement and communications tool
- use more programmatic advertising (depending on budgets)
- testing WhatsApp as a communications and engagement tool
- look at AI tools - subject to guidance from ICT
- look at more interactive communications and polls.
- review the newsletter distribution platform to make sure it meets requirements and look at how it can be used for more focused campaigns
- continue to work with the Trade Press.

This is about innovation – which takes time and resource – including training and trialling. However, if we get this right, it should lead to greater reach with our residents, as well as making our jobs more efficient.

# Media relations

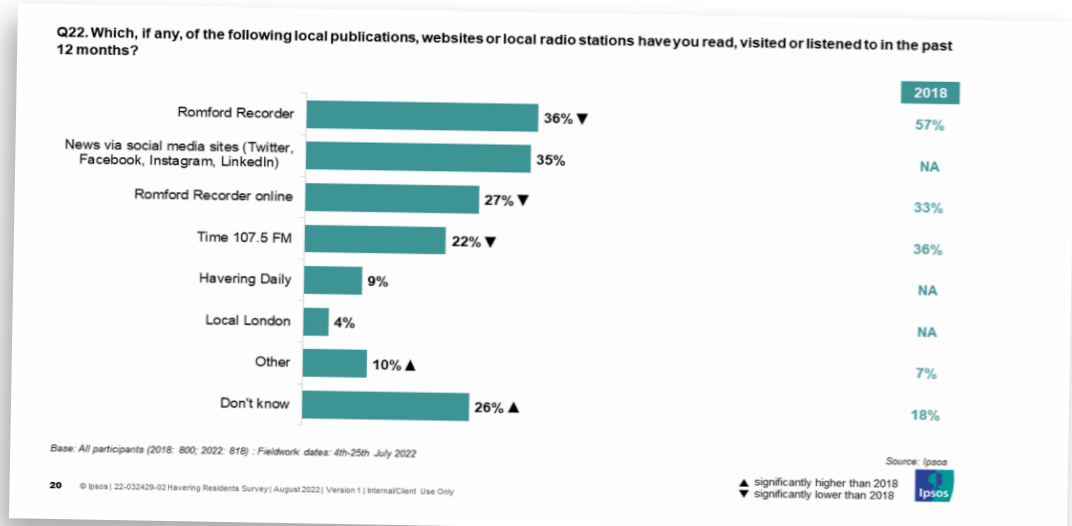
Media relations is a key service delivered by the communications team. This will often override other activity, especially in times of crisis. This is now an extremely busy part of the service and has at least one person dedicated to responding to enquires on a rolling basis – although often it involves more. On average we receive 15 to 20 media enquiries a week. The work delivered by the team in detail includes:

- responding to press enquiries in an efficient and effective manner
- writing and issuing of press releases
- creating content for social media, newsletters and the website
- rebutting inaccurate stories
- managing emergency communications (a separate plan exists for this)
- managing the reputation of the council
- build and maintain relationships with media
- write and edit content for e-magazines.



## What does the media landscape look like?

In order to check what media our residents consume, we asked a question as part of the Ipsos mori survey:



This tells us that the Romford Recorder combined online and newspaper is the most read news outlet. However, all of the outlets have lost popularity – compared to the council’s Living in Havering e-news publication that continues to grow.

A new question was asked about social media and it is clear many residents go to one of the social medial platforms for news as the second most popular place behind the Recorder.



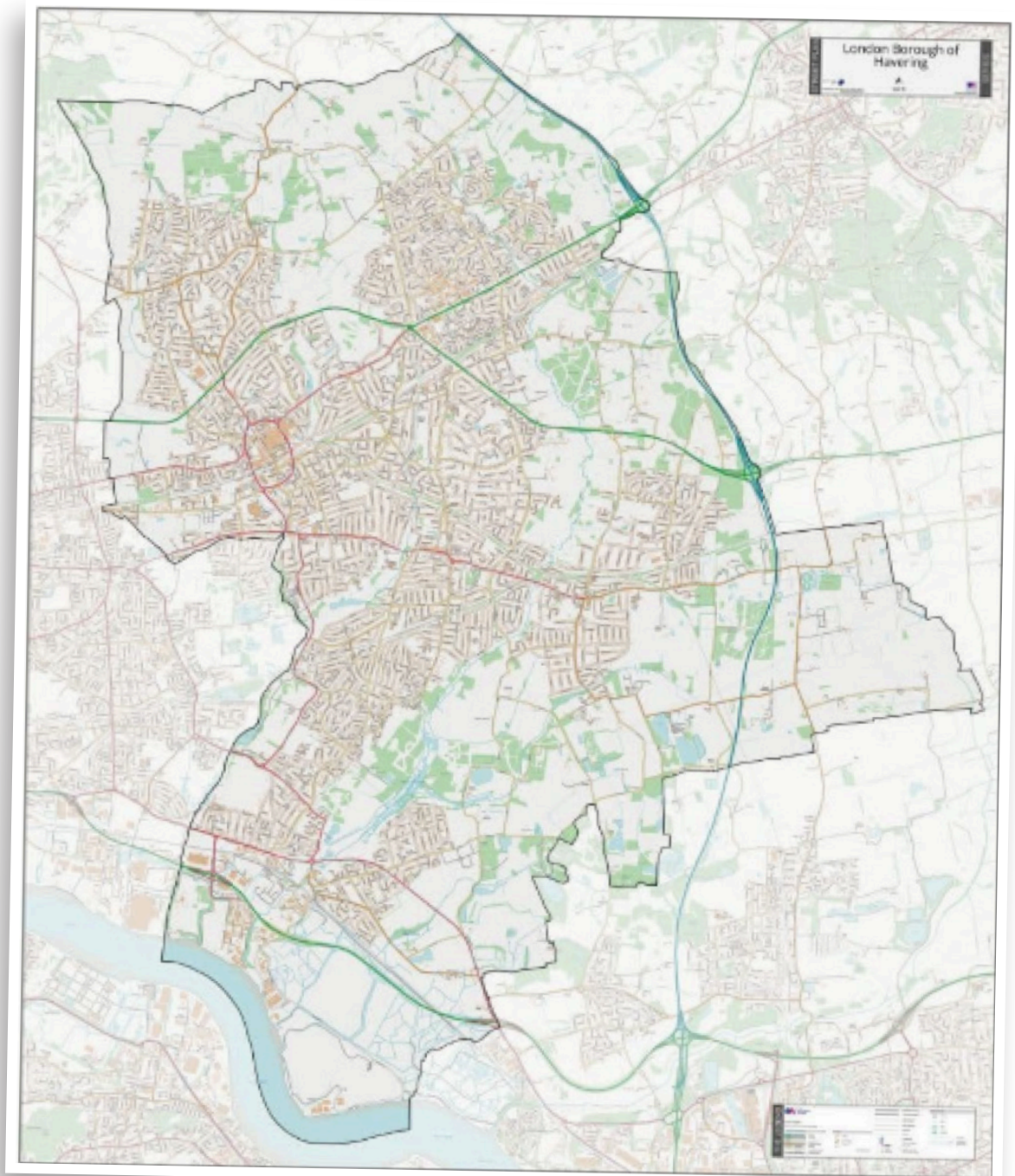
# Havering is on the map

## It can be said that Havering is now on the map!

**This is following our strategy of being open, honest and transparent about our finances, where we have seen an increase in coverage in regional and national publications.**

Our lobbying also includes working with the media. Most notably the Council was the subject of a Panorama programme earlier in the year that did a fly on the wall documentary around our challenges.

Media also picked up our plans around transport infrastructure especially on the north - south connection and we expect the East Havering Data Centre to generate interest if/when things move forward.



# Fair funding



In the last year the council has increased its lobbying of the Government and the GLA around a number of issues.

## Fair funding

We have built a new relationship with our MPs, the GLA, London Councils and a number of other stakeholders to help support this work

**We successfully highlighted the issues we are facing with our finances by:**

- meeting with Ministers, London Councils, the GLA
- attended lobby group meeting with other similar councils
- a Westminster Hall debate held by former MP Jon Cruddas
- used as case study by LGA and London Councils in their lobbying
- increased media interest which has led to more in depth-work around our challenges.

Looking ahead we will continue to push our case. This will include working with a think tank around solutions to the lack of funding and issuing a white paper to help influence Government policy.



# Marketing, events and income



## Marketing and Income

As budgets get smaller the communications team will look to build additional income by procuring new advertising contracts for Council assets, or finding ways of maximising assets to deliver packages. The team will also look to support marketing aims of commercial services. The service has a target of £50k next financial year. This is to help mitigate the saving targets now in the communications budget as well as grow income for the other services and the Council.

### We will do this by:

- by procuring new large format advertising boards as well as procuring roundabout and lamppost contracts
- look at maximising advertising income from our passenger transport buses and rubbish trucks and other council assets
- seek to obtain sponsorship for events and other activities to reduce the cost e.g. Christmas events and Langtons Summer Concert
- maximise event space in buildings and parks
- procure new public notices contract to save money.

# Events

We have a small events team and they deliver a number of key events throughout the year.

**The key aim of the team is to:**

- increase footfall in town centres and therefore improve income for retail and market businesses
- maintain and improve community cohesion through a variety of events
- build pride in the borough
- support corporate and other events
- increase events and income in parks and green spaces.

**To achieve this, the key event themes are:**

## Community

- Remembrance Day (parade)
- Armed Forces Day (parade)
- Holocaust Memorial Day
- St Georges Day
- Easter.

In addition, the team deliver events to celebrate our borough, including our community and sporting heroes. This includes celebratory parades and events for our local sport teams such as Hornchurch Football club.

# Filming in Havering

We manage commercial requests for filming via a concession contract with Filmfixer.

They market the borough as a destination for filmmakers via The Havering Film Office including a dedicated [haveringfilloffice.co.uk](http://haveringfilloffice.co.uk)

The provider undertakes all admin associated with filming – permits, insurance etc. - providing a significant saving in staff time . We've seen the BBC's Christmas Carol and M&S Christmas Ads filmed in Havering.

We have recently renegotiated the contract to increase income to the council. We will be working with FilmFixer to improve the marketing of the borough for filming.



For example, we will see if we can offer a larger variety of venues and opportunities to the film industry.

We have seen a number of recent filming successes such as scenes being shot in the Town Hall Council Chamber for Danny Dyer's Marching Power, or music video productions such as Headie One and Stormzy's Cry no more which was filmed exclusively in Romford.

We have also had the Jazz Fusion band called the Ezra Collective also filming in Romford.

# Internal Communications



We have been evolving our internal communications to ensure we reach and engage more staff, especially as the council has seen massive change following Covid, the TOM and the current financial situation we are in.

This means it is more important than ever that staff are brought with us and are part of the change, both culturally and in their day job.

As part of this we are working with HR to review Choose Haverling and make sure it evolves as our Employer brand, helping to inform our culture and leadership and ensure staff are fully engaged.

In addition, we are developing a new Intranet based on SharePoint that will be more user friendly and accessible to staff who do not have digital work equipment.

What is important is we get better at how we engage and keep staff informed. This includes opportunities for staff development, and how they support this. It also includes how we measure performance and innovate in their work.

We have been improving this through online sessions and increased communications. It was recognised in a recent LGA Peer review that this has been the case.

## We will build on this in the following ways:

- look at how we use existing and new tools such as how we integrate our new intranet with the other available channels
- create more face-to-face opportunities to reach offline staff
- support other teams in increasing awareness of what they do
- ensure more staff take part in training and other sessions being made available
- support the Star Awards
- promote good practice.





# Internal campaigns

Each year we deliver a variety of campaigns aimed at staff to do a number of things such as change behaviour, help with culture change and support new services changes.

**We will continue delivering campaigns that will:**

- support the READI programme with a campaign to increase diversity data disclosure
- continue to see staff growth and career progression as we increase the number of apprentices
- highlight priorities around financial control, customer service and climate and relaunch Choose Havering.



# How will we measure success?

**This will be done in a number of ways:**

- by the number of staff attending online and face to face sessions
- feedback from staff surveys
- staff focus groups and polls
- sign up to training sessions
- improvement in people updating diversity data
- number of staff responding to call-to-actions
- awards and recognition.



# Awards

We feel it is extremely important to benchmark how we do our work against the best. We therefore ensure we enter industry awards for both internal and external communications campaigns.

We have a good track record of winning and we aim to continue this.

Not only does it benchmark us, it also helps maintain morale and ensure Havering continues to be recognised against its peers.

Body	Award	Result	Entry
Public Relations Communications Association (PRCA)	Campaign of the Year	Winner	The Havering Characters
Public Relations Communications Association (PRCA)	Best use of Planning, Research and Evaluation	Winner	The Havering Characters
Public Relations Communications Association (PRCA)	Employee Engagement Campaign of the Year	Winner	The Havering Characters
Institute of Internal Communications	Single Campaign	Award of Excellence	On Track
Institute of Internal Communications	Employee Engagement	Award of Excellence	On Track
PRCA Dare Awards	Low Budget campaign	Winner	Fostering
PR Moment Awards	Employee Engagement Campaign	Winner	On Track

# Metrics and performance

We have set a number of objectives that can be measured to help ensure the service is delivering as planned. We will also report quarterly to Cabinet on progress. The metrics are as follows.

Body	Entry
Increase levels of being informed from 56 to 58%	<ul style="list-style-type: none"> <li>• Increase number of people signed up to Living.</li> <li>• Better engagement with residents.</li> <li>• More events with council information.</li> </ul>
Increase trust from 56% to 60%	<ul style="list-style-type: none"> <li>• Open and honest communications and engagement.</li> <li>• Better relationship with residents.</li> <li>• More targeted communications to show we are listening and responding to their views.</li> </ul>
Maintain satisfaction	Continue to inform residents on service delivery and how we can support them. Show how we listen to their views
Improve positive and neutral media coverage from 56% to 58%	<ul style="list-style-type: none"> <li>• Increase number of good news stories.</li> <li>• Increase positive campaign.</li> </ul>
Improve social media engagement rates by 4%	More targeted campaigns and engaging content
Improve followers on social media channels by 4%	<ul style="list-style-type: none"> <li>• Better promotion of channels.</li> <li>• More shareable content.</li> </ul>
Increase e-Living subscribers by 40%	<ul style="list-style-type: none"> <li>• Include link on key website pages.</li> <li>• Look at opt-out for residents on digital applications.</li> <li>• Better marketing and promotion.</li> </ul>
Increase income from parks and other events by £20k	Increase number and size of events
Increase advertising and other income by £70k	<ul style="list-style-type: none"> <li>• Procure new advertising contracts.</li> <li>• Be more creative in selling sponsorship and advertising packages.</li> </ul>
Increase above base line of 400 staff attending online staff meetings	<ul style="list-style-type: none"> <li>• More engaging online events and subjects.</li> <li>• Better reach of staff.</li> </ul>
Improve levels of staff being engaged from 63% to 66%	Deliver new intranet, ensure more engaging stories and news in newsletters and through other targeted communications
Increase number of people who have completed diversity data on fusion from 62% to 90%	Run engaging campaign about benefits of doing so
Increase number of staff apprentices and spend of the apprenticeship levy	Run a campaign communications campaign to include staff webinars, case studies and target communications
Benchmark against private and public communication teams	Enter 3 different awards



<b>CABINET</b>	<b>11 December 2024</b>
<b>Subject Heading:</b>	Highways Maintenance Plan Policy
<b>Cabinet Member:</b>	Councillor Barry Mugglestone
<b>ELT Lead:</b>	Imran Kazalbash
<b>Report Author and contact details:</b>	<i>James O Regan</i> <i>James.OREgan@havering.gov.uk</i>
<b>Policy context:</b>	<i>The new draft policy seeks to replace the existing Highways Maintenance Policy</i>
<b>Financial summary:</b>	There are no direct financial implications due to the adoption of the Highways Maintenance Plan Policy. The policy is to support highways inspectors in carrying out duties; the council as a whole when assessing legal claims relating to the highway
<b>Is this a Key Decision?</b>	Yes
<b>When should this matter be reviewed?</b>	N/A
<b>Reviewing OSC:</b>	<i>Places</i>

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

People - Things that matter for residents

Place - A great place to live, work and enjoy

Resources - A well run Council that delivers for People and Place.

**SUMMARY**

- 1.1 A national code of practice for highways maintenance and management (Well Managed Highway Infrastructure: A Code of Practice (the “Code”)), sponsored by the Department for Transport (DfT) and produced by the United Kingdom Roads Liaison Group (UKRLG) was published in late 2016. The 2016 Code replaces the previous 2005 Code.
- 1.2 The Code was introduced with a transition period in which to allow local highway authorities, such as the London Borough of Havering, to review their existing highway maintenance policies and delivery arrangements, consider which applicable aspects of the Code to adopt (in whole or in part) and to develop new maintenance policies and arrangements (where required) reflecting the recommendations of the Code.
- 1.3 Adherence to the Code is not a statutory requirement, and there has been no recent change in law, but it follows national good practice shared by many local highway authorities in establishing highway maintenance policy, strategy and operations of the highway maintenance service.
- 1.4 The Code provides highway authorities with guidance on highways management but adoption of the recommendations in the Code is a matter for the Council (as a local highway authority), based on its interpretation, assessment of risks, local needs and priorities.
- 1.5 Whilst the Code is not a legal / statutory document the significance of it is that the Courts will view it as a benchmark of best practice in discharging the statutory duty to maintain the highway. Failure to follow the guidelines and recommendations could be used against the Council in the assessment of claims.
- 1.6 A new Highway Maintenance Plan Policy (HMPP) for Havering has been produced to document the Council’s approach to highway maintenance and ensure the authority continues to have a statutory defence against all public liability claims arising on the Borough’s highway. Additionally, the introduction of a risk-based approach is aimed at optimising the use of resources and value for money.
- 1.7 The new Code has seen a shift in emphasis and has removed the reliance on specific guidance and recommendations in the previous Codes to a risk-based approach determined by each highway authority. Very few standards are prescribed in the new Code and the intention is that authorities will develop their own levels of service taking account of local need and assessment of risk.

1.8 Following review of the new Code and the Council's existing highway maintenance policies and delivery arrangements a new HMPP has been produced. Further information is provided below.

1.9 This report sets out:

- Highway maintenance requirements
- Context and background Information
- Development, implementation and key aspects of the Council's (proposed) HMPP – including adoption of a risk-based approach
- Cost implications

## **RECOMMENDATIONS**

2.1 It is recommended that the Highways Maintenance Plan Policy be adopted by the Council. The Highways Maintenance Policy and Delivery Plan is attached as Appendix A.

## **REPORT DETAIL**

### **3 Highway Maintenance Requirements**

3.1 The delivery of the Councils highway maintenance service has to meet a number of objectives.

3.2 In general terms the public will focus on issues such as potholes and trips, speedy and accurate repairs, journey time arising from congestion; safety and reduction in crime; streetscape quality, streets free from litter and graffiti and the provision of a value for money and responsive service.

3.3 The Council has to manage the maintenance, operation and improvement of the highway in accordance with statutory requirements as well as its local policies, financial regulations and best practice.

3.4 The Highways Act 1980 sets out the basic statutory duty of the highway authority. Under Section 41 the Council, as highway authority, has a duty to 'maintain the highway' to be 'safe and fit for ordinary traffic'. Whilst this is an absolute duty there is a defence that the authority can offer under Section 58 which says that the highway authority will not be liable for a claim provided they have 'taken such care as in all the circumstances was reasonable' (to ensure the highway is safe). In this context 'ordinary traffic' means road,

footway and cycle path users, e.g. motorists, pedestrians, cyclists, the elderly and people with disabilities etc.

3.5 Over the past decade or more the general trend has been for highway authorities to receive an increasing number of claims. The Council needs to mitigate against both the number of claims for compensation and the likelihood of them being met. There is no automatic right to compensation and a claimant has to prove first that the highway was dangerous and secondly that the highway authority has been negligent. Both tests have to be passed before a Highway Authority can be considered legally liable and potentially responsible to compensate.

3.6 Whilst there are published standards and specifications for construction standards and regulatory requirements the Council must adhere to individual highway authorities are left to develop and adopt their own highway maintenance standards, policies and levels of service. The published Code of Practice is used to aid the development of these, as explained above.

3.7 Officers consider the best way to document the Council's Highway Maintenance Plan Policy, levels of service and delivery arrangement is to write and publish a single comprehensive document and source of reference. The Highway Maintenance Plan Policy document, the subject of this report, will:

- Act as a guide and source of information for the whole range of highway officers and practitioners working on / in the Council's highway.
- Advise residents of adopted levels of service (the document, once approved, will be published in the Council's website)
- Be used as a key document in the determination or defence of all highway related claims for compensation.

#### 4 **Key Background Information**

4.1 The London Borough of Havering's highway network is one of its most valuable assets with a replacement cost close to £1bn. It consists of over 713km of highway, approximately 18,000 street lights, 150 structures (bridges and retaining walls etc), and 25,000 roadside drains.

4.2 The following table sets out the length of the various classes of road within the borough:

<b>Type Class</b>	<b>Length in km</b>
A (Principal Strategic Routes)	60
B (Secondary Distributor Routes)	26
C (Tertiary Distributor Routes)	95
Un-Classified	532
<b>Total</b>	<b>713</b>

*Table 1 - breakdown of the Borough's road length by classification*

- 4.3 Highway maintenance is split into a routine reactive service to ensure minor defects are identified and repaired and larger programmes of planned works to renew whole streets (or larger sections of streets). There is a direct link between the overall condition of the network (which can only improve through area wide planned work) and the rate at which minor defects, such as potholes form.
- 4.4 Currently all streets within the public highway are inspected on a regular basis; monthly in the main town centres and shopping areas and our busiest roads / pavements, and between three monthly and annually for all other streets. Damage and defects are assessed for short and longer term repair requirements and priority is given to those where accidents may occur.
- 4.5 Around 7000 individual pavement and road repair orders are raised per year, costing approximately £2.0m. (A total of around £4.0m is spent on all reactive highway works including street lighting, highway drainage, street furniture, etc). The entire cost of this reactive highway maintenance work is met from the Council's own revenue allocations.
- 4.6 The Highways' Maintenance Plan Policy will play a role in determining the council's legal liability and/or defence when claims for highways accidents are received. Each claim is and this is considered by the council's claims handling agent or insurers who evaluate. The Council's position on legal liability (whether to accept or repudiate the claim) based on the facts of each case and the law.
- 4.7 Where a claim is repudiated, the claimant has the right to challenge the Council's decision through the Courts.

5. **Development, Key Aspects and Implementation of the HMPP**

- 5.1 The review of the Councils highway maintenance arrangements and development of the new HMPP has been undertaken and implemented based on the current levels of service and the new recommendations of the Code and covered:
- The assessment of impact of adopting a risk-based approach.
  - Inspection frequency taking account of the relative importance of our roads, footways and cycle tracks (the network hierarchy).
  - Current repair thresholds (defect size before repairs are considered)
  - Repair response times.
  - Other highway management aspects including the materials and repair guidance and inspector training.
  - The new requirement for collaboration with adjoining boroughs.
  - Consideration of affordability – which is a new concept within the Code (i.e. budgetary constraints may now be a factor in decision making whereas previously the Court of Appeal confirmed that it could not feature in a s58 defence)
  - Legal review
- 5.2 The new Code recommends a risk-based approach to developing levels of service. This includes defining a hierarchy, setting an inspection regime (including frequencies), the assessment of defects and the required response times.
- 5.3 Through a series of workshops officers have reviewed all the existing safety maintenance operations and made recommendations for the introduction of these new risk-based maintenance arrangements.
- 5.4 Following analysis of the current inspection frequency and regime it is proposed to largely retain the same arrangements in the new inspection regime. The main change to this will be to reduce the number of driven inspections undertaken and, where required, increase walked inspections. The new policy will see a reduction in driven inspections to increase the effectiveness of inspections and minimise possible health and safety concerns when undertaken by single person. Inspections will be walked with the exception of rural lanes, roads with a speed limit above 30mph that do not accommodate a footway on either side of the road and other higher speed roads.
- 5.5 The frequency of inspections ensures that the vast majority of safety issues are managed during the scheduled beats and officers have determined that the current regime adequately meets this objective.



- 5.6 The review undertaken by officers has also looked at the quantum of every commonly encountered highway defect which should be considered for repair (the investigation level) and the likely impact and probability to determine the level of risk posed. The repair response time (the risk register) is therefore determined – so defects posing greatest risk will be repaired urgently, whereas defects of lesser risk can be repaired in a more planned and economical fashion.
- 5.7 A quicker repair response time increases the overall repair costs. Small safety repairs are relatively expensive (compared to planned work) and it is sensible to optimise safety repairs in order to maximise expenditure more cost effectively for major maintenance work.
- 5.8 Historically, during a safety inspection, the arrangements are to determine whether a repair is necessary depending on whether the size of the defect triggers a particular intervention level. 25mm has generally been the trigger for footway trips and 40mm is used for road defects.
- 5.9 As an example any footway defect greater than 25mm may be deemed to be a safety hazard and would be made safe urgently. However, this rather rigid approach does not take account of the specific circumstance - where the defect is and how likely it is to be encountered and cause an accident.
- 5.10 Instead of having fixed intervention levels, any defect which might be considered for a repair would trigger an investigation level. The investigation levels are to be based on the current level of service and would be triggered by a 25mm defect (on the footway). The inspector would then use their judgement based on a risk matrix to determine the repair priority. This risk based approach will help maximise effective use of resources. Although this concept has essentially been practiced by the council's highway inspectors in the past the procedure has never been formalised or documented.
- 5.11 Details of the inspection frequencies, risk register, risk matrix and priority response recommended in the HMPP are set out in Appendix A.
- 5.12 In addition to the above the new Code recommends collaboration between local highway authorities to try and ensure users do not encounter greatly different levels of service whilst moving for one authority to the next. To help establish this consistency officers have engaged with all the neighbouring boroughs and Transport for London (TfL) and have been active in pan-London workshops, training sessions and events.
- 5.13 During the development of the HMPP close liaison with the Council's Insurance team was necessary. Legal advice has also been secured and

comments from the Councils solicitors have been taken into account within the proposed document. The council's insurers and legal advisers were consulted to maximise the effectiveness of the plan and ensure clarity when this may be referenced in determining legal liability for claims brought against the council following accidents on the highway claims

6. **Document Structure**

6.1 The document is set out in the following structure, and adopts the layout of the Code:

Introduction – providing an overview of the borough, general highways information, purpose of documents, legal and policy framework

Maintenance Strategy and Hierarchy – this section develops the strategy through its constituent elements of a detailed inventory, a defined hierarchy and policies

Risk Based Approach – sets out the new recommendation to adopt a risk-based approach and implications, risk management and risk assessment general guidance

Highway Inspection, Assessment and Recording – defines the inspection and assessment regime detailing safety and serviceability inspections and recording requirements. Sets out how to treat repeated defects, defects to utility apparatus, assessments in private areas and approach during periods of inclement weather. Also details ad hoc inspection process, how repair orders are raised, emergency repair process, supporting information for insurance claims, service delivery and also details requirements for training and competency for inspectors.

Materials Products and Treatments – provides guidance on acceptable materials for use in highway maintenance

Planned Maintenance – sets out the approach of maximising planned maintenance and value for money

**REASONS AND OPTIONS**

**Other Options Considered:**

Taking account of the current Code and nature of the Council's existing Highway Maintenance Policy a summary of the available options are:

<b>Option</b>	<b>Description</b>	<b>Comment</b>
1	Do nothing (ie reject the report)	The existing highway maintenance policies (and practice) would remain in place but would not reflect the relevant recommendations of the new Code. This would mean the benefits and opportunities as a result of a risk based approach, amongst other things, would not be realised. It could also leave the Council exposed to more claims or weaken defence of claims as the Council would not be working in accordance with the latest best practice.
2	Endorse the report and proposed HMPP (including making recommendations for consideration in the final document)	This option would mean that Cabinet fully endorses the HMPP or endorses it with recommendations. This option would ensure the Councils highway maintenance and management arrangements are being delivered in broad accordance with the latest best practice guidance.
3	Decide not to comment or defer any recommendation	If so minded Cabinet could decide not to comment on or endorse the report. It could also defer any decision to a later date. Cabinet could request further information to be brought forward (to be shared directly with Members or brought back to a future meeting). This option would delay the implementation of the new HMPP.

**Reasons for the Decision:**

It is recommended the Cabinet adopts Option 2, notes the proposed HMPP and provides any comments and endorsement prior to the Council formally approving the document.

**IMPLICATIONS AND RISKS**

**Financial implications and risks:**

The nominal costs of adopting the policy have been contained within current budgets. The policies aim is to bring the council in-line with the 2016 code of practice and support highways inspectors when assessing the highway.

The 2024/25 year end forecast for Highways revenue maintenance is £2.250m.

The implementation of the risk based approach to Highways Maintenance allows the councils resources to be properly allocated to areas of greatest risk first and helps ensure the defence of any claims is as robustly defended as possible, within the scope of the relevant legislation.

Adopting the risk based approach should ensure the councils limited resources are targeted to the areas of greatest risk in priority order. Whilst there is a small chance this could lead to more claims this is offset by the fact the council will be working in accordance with the latest Code of Practice. The courts place significant weight in the code of practice and claims are assessed against the councils stated policies contained within the maintenance plan. Accordingly, provided the plan is fully implemented, the defensibility of any claim should improve. Legal Services have advised that liaison with the Insurance team means an insurance policy that places the Council in the strongest position to repudiate claims. There have been no increased insurance costs to date but this should be monitored with the application of the new policy.

**Insurance implications and risks:**

Officers have engaged with the Council's insurers and legal advisers in understanding the implications of the revised national code of practice and have developed the proposed HMPP to adopt the principles of this. This will assist in ensuring resources are effectively deployed for highway repairs, preventing accidents and mitigating the effect of claims where possible as well as ensuring the council is acting reasonably under the terms of the insurance arrangements.

This will contribute to a fair and effective process for considering legal liability claims made against the council by residents and other third parties.

**Legal implications and risks:**

The Council as local Highway Authority has certain legal obligations with which it needs to comply. Council has a statutory duty under s41 of the Highways Act 1980 to maintain the fabric of the publicly maintainable highway, which includes drainage and has a duty under s130 of that Act to assert and protect the right of the public to the use and enjoyment of any highway.

These obligations may become the subject of claims for loss, for personal injury or legal action by those seeking to establish non-compliance by authorities. Demonstrating that the Council maintains the public highway in accordance with the updated national code of practice is essential to be able to counter such claims, the expectation is that courts will look upon the code as evidence of good practice and in considering the legal test of reasonableness.

Officers have been engaged with the Councils insurance team in understanding the implications of the revised national code of practice and have developed the documentation entitled Highways Maintenance Policy and Delivery Plan to ensure that the Council is in the strongest possible position to repudiate potential claims.

**Human Resources implications and risks:** None

**Equalities implications and risks:**

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, disability, gender reassignment, marriage and civil partnerships, pregnancy and maternity, race, religion or belief, sex/gender, and sexual orientation.

The Council is committed to all of the above in the provision, procurement and commissioning of its services, and the employment of its workforce. In addition, the Council is also committed to improving the quality of life and wellbeing for all Havering residents in respect of socio-economics and health determinants.

A detailed equalities impact assessment for this policy is contained at Appendix B

**Health and Wellbeing implications and Risks:**

Maintaining a well-maintained highway is a vital part of protecting residents and visitors utilising roads, cycleways and walkways across the borough from the potential physical harms of defect-related accidents, trips and falls.

Within the draft Highways Maintenance Policy, the proposed adoption of a risk-based approach to defect assessment and response offers an important means by which those defects which pose the greatest risk are appropriately prioritised, helping to reduce the overall risk of physical harm.

Providing cycleways and walkways that are safe and with easily navigable surfaces is an important part of enabling residents and visitors to utilise sustainable transport methods, supporting efforts to increase physical activity and reduce emissions through reduced car use, both of which have positive implications for health and wellbeing.

**ENVIRONMENTAL AND CLIMATE CHANGE IMPLICATIONS AND RISKS**

The Highways Maintenance Policy Plan (HMPP) sets out the approach and context for how the Council's roads are to be assessed and maintained. Well maintained roads and road infrastructure is important to enable residents to walk and cycle as well as utilising sustainable transport methods. These modes of transport are important in tackling the causes of climate change.

The HMPP also sets out the context and approach for how drainage facilities are to be maintained. Well maintained highway and drainage infrastructure is of high importance in managing the adverse effects of climate change in particular flooding.

**BACKGROUND PAPERS**

**Appendix A – Highways Maintenance Policy Plan**

**Appendix B – Equality and Health Impact Assessment (EqHIA)**

London Borough of Havering

# Highways Maintenance Plan

December 2024

## 1. Document Control

### 1.1 Sign Off and Ownership details

<b>Document Name</b>	Highways Maintenance Plan
<b>Version number</b>	0.1
<b>Approved by</b>	Mark Hodgson
<b>Date Approved</b>	November 2024
<b>Date for Review</b>	TBC
<b>Author</b>	James O Regan
<b>Owner</b>	Highways and Traffic Manager
<b>Document Location</b>	

### 1.2 Revision history

<b>Version</b>	<b>Change</b>	<b>Date</b>	<b>Dissemination</b>
<b>V0.1</b>			
<b>V0.2</b>			



### 1.3 Equality & Health Impact Assessment Record

1	Title of activity	<i>Highways Maintenance Plan</i>		
2	Type of activity	<i>Policy</i>		
3	Scope of activity	<i>Implementation of an updated policy for managing the reactive and planned maintenance highways programmes. The intended outcome is the adoption and implementation of a new policy which will provide the conditions for managing both reactive and planned highway maintenance activities on the highway network</i>		
4a	Are you changing, introducing a new, or removing a service, policy, strategy or function?	Yes	If the answer to <u>any</u> of these questions is 'YES', please continue to question 5.	If the answer to <u>all</u> of the questions (4a, 4b & 4c) is 'NO', please go to question 6.
4b	Does this activity have the potential to impact (either positively or negatively) upon people (9 protected characteristics)?	Yes		
4c	Does the activity have the potential to impact (either positively or negatively) upon any factors which determine people's health and wellbeing?	Yes		
5	If you answered YES:	<b>Please complete the EqHIA in Section 2 of this document. Please see Appendix 1 for Guidance.</b>		
6	If you answered NO: (Please provide a clear and robust explanation on why your activity does not require an EqHIA. This is essential in case the activity is challenged under the Equality Act 2010.)  <i>Please keep this checklist for your audit trail.</i>			

Date	Completed by	Review date
Nov 2024	James O'Regan	TBC

## Contents

<b>1. Document Control</b> .....	1
1.1 Sign Off and Ownership details.....	1
1.2 Revision history.....	1
1.3 Equality & Health Impact Assessment Record.....	2
<b>2. Introduction</b> .....	4
2.1 Purpose.....	4
2.2 Scope.....	4
2.3 Aims, Objectives and Outcomes.....	4
2.4 Legal Implications.....	4
<b>3. Strategy, Hierarchy and Inspection Regime</b> .....	4
3.1 Highway Infrastructure Maintenance and Management Strategy.....	4
3.2 Network Inventory.....	6
3.3 Network Hierarchy and Inspection Regime.....	7
<b>4. Risk Based Approach</b> .....	11
4.1 Introduction and Strategy.....	11
4.2 Risk Assessments.....	13
<b>5. Inspection Assessments and Recording</b> .....	15
5.1 Conducting Highway Inspections.....	15
5.2 Highway Serviceability Inspections and Non Recordable Defects.....	15
5.3 Assets to be Inspected and Recorded.....	15
5.4 Repeat Defects.....	18
5.5 New Roads and Street Works Act (1991) Section 81 Defects.....	18
5.6 Beyond Reactive Repairs and Planned Maintenance Work.....	19
5.7 Road Works during Inspections and Inclement Weather.....	19
5.8 Private Forecourts.....	19
5.9 Reactive (ad hoc) Inspections.....	19
5.10 Emergency ‘Out of Hours’ Call Outs.....	20
5.11 Supporting Information for Third Party Claims.....	20
5.12 Auditing, Inspection and Contractor Works.....	20
5.13 Dealing with On Site Public Complaints.....	20
5.14 Raising Works Orders.....	20
5.15 Guidance and Competency.....	21
5.16 Training.....	21
5.17 Service Delivery.....	22
<b>6. Materials, Products and Treatments</b> .....	22
6.1 General Requirements.....	22
6.2 Reactive Maintenance Requirements.....	23
<b>7. Planned Footway and Carriageway Maintenance</b> .....	23
7.1 General Information.....	23
7.2 Condition Data and Development of Planned Maintenance Programme.....	24

## 2. Introduction

### 2.1 Purpose

2.1.1 The purpose of the Highways Maintenance Plan (HMP) is to document the Council's approach to highway maintenance.

### 2.2 Scope

2.2.1 This document is a suite of documents that sets out highway maintenance policy and delivery arrangements. The suite is as follows:

- a. Highways Maintenance Plan (this document)
- b. Highways Structures Plan
- c. Street Lighting Plan
- d. Winter Service and Operational Plan
- e. Flood Risk Management and Highways Drainage Plan

### 2.3 Aims, Objectives and Outcomes

2.3.1 It is intended that this document will be used as a reference manual for internal purposes and as a document that is accessible and useful for external parties including Havering's residents and businesses. This is an operational document which focuses on the operational practices required to maintain Havering's Highway assets and the strategies and policies for discharging these.

2.3.2 The highway consists of all of the streets in the borough that are classified as 'highway maintainable at public expense' within the meaning of the Highways Act 1980. This comprises several assets such as carriageways, footways, structures, drainage apparatus, street lighting and street furniture. This document focuses mainly on carriageway and footway assets but reference is made to all other asset types and how these impact upon inspection and maintenance regimes.

### 2.4 Legal Implications

#### *Highways Act, 1980*

2.4.1 The London Borough of Havering, in its capacity as the Highway Authority, has a statutory duty to maintain the public highway (Highways Act 1980, S41). In this respect, part of the duty to maintain includes inspection.

2.4.2 In an action against a Highway Authority in respect to injury and damage resulting from their failure to maintain the highway maintainable at public expense, it is a defence to prove that the authority had taken such care, as in all circumstances was reasonably required, to secure that part of the highway to which the action relates was not dangerous for traffic (Highways Act 1980, S58).

2.4.3 The systematic inspection of the highway for defects likely to create a danger or serious inconvenience to the public is therefore required to ensure that the London Borough of Havering's duty to maintain is fulfilled. Havering's Highway Maintenance Plan has been derived using the Code of Practice for Well Managed Highway Infrastructure, October 2016.

## 3. Strategy, Hierarchy and Inspection Regime

### 3.1 Highway Infrastructure Maintenance and Management Strategy

3.1.1 The Highway Maintenance Plan is developed with the aims of:

- Maintaining the highway network for the safe and convenient movement of people and goods.
- Delivering the statutory duties of the Council.
- Undertaking maintenance in an effective, efficient and economic manner.

- Meeting the Council's corporate vision and priorities, including relevant policies and strategies such as the Climate Change Action Plan, Healthy Weight Strategy, responding to the climate emergency and the Air Quality Action Plan.
- Being responsive to the needs of users and the community.
- Contributing to effective highway asset management and maintaining the asset value.
- Supporting and adding value to local transport objectives.

3.1.2 To achieve this, the Council aims to deliver highway maintenance in the way described by this Plan and in a systematic and logical way that has developed over time in accordance with the principles of best value and continuous improvement. The above principles are incorporated into the maintenance regime with the four core objectives of:

Network Safety	Complying with statutory obligations and meeting users' needs for safety.
Customer Service	User experience / satisfaction Good communication and information sharing Clearly defined levels of service
Network Serviceability	Ensuring availability and integrity Maintaining reliability and resilience Managing condition
Network Sustainability	Minimising cost over time Maximising value to the community Maximising environmental contribution.

3.1.3 These core objectives provide the basis in establishing the outcomes with which both performance and continuous improvement are measured. The component elements of the strategy are:

- A detailed inventory of all relevant components of the asset.
- A defined hierarchy for all elements of the network.
- A framework of policies and objectives.

3.1.4 To ensure the strategy is effective, these key elements are supplemented by the following:

- A comprehensive management system for inspecting, recording, analysing, prioritising and programming maintenance works so as to optimise their asset management contribution.
- A risk management approach clearly identifying and evaluating the risks and consequences of decisions and measures to mitigate them.
- Arrangements to finance, procure and deliver maintenance works in accordance with the principles of sustainability and best value.
- Arrangements to monitor, review and update as necessary, each component of the strategy and the performance of the strategy as a whole in delivering the core objectives.

3.1.5 Co-ordination between work areas is important in designing for maintenance, and all improvement proposals should ensure that future maintenance needs are fully considered at the design stage in order to reach an effective outcome. In this regard, the following criteria are considered when planning highway work:

- What is the estimated design life?
- Is this design life compatible with the adjacent infrastructure?
- Are the design and materials suitable for the predicted traffic use?
- Can the materials be readily replaced throughout the design life?
- Can the materials be satisfactorily re-laid after utility works?
- Are the materials liable to fading or discolouration?
- Can the surfaces be cleaned?
- Can the infrastructure be easily accessed for maintenance purposes?

3.1.6 The Highways Maintenance Plan initially depends on the way the information about the asset condition has been obtained. Information about defective assets supplied by members of the public or council officers/members is generally inspected and actioned via the reactive maintenance channel to deliver a rapid response. In a similar way, the majority of the defects identified through the highway safety and serviceability inspection regime are actioned via reactive maintenance to address safety issues in a timely manner. Reactive maintenance is the main route through which the Council maintains the highway network and ensures its statutory duty to maintain the highway under the Highways Act is delivered.

3.1.7 Planned maintenance is generally decided following analysis of condition survey data. In some circumstances, planned maintenance may be triggered through customer/member queries or via the safety inspection regime should the defect in question be of a scale that is not appropriate for a reactive maintenance response, such as a large area of carriageway breaking up.

## **3.2 Network Inventory**

3.2.1 Various enactments, regulations and codes of practice including the Highways Act 1980 and the New Roads and Street Works Act, 1991 (NRSWA) require a basic highway network hierarchy to be established and inventory information to be collected by all highway authorities. Basic highway hierarchies are essential in order to allocate funds for the various maintenance activities, to calculate unit costs and to submit requisite information to Government each year. There is a requirement under the NRSWA to maintain information on traffic sensitive streets, structures of special engineering difficulty and reinstatement categories, and for the establishment of maintenance hierarchies under the Code.

3.2.2 An inventory is the collection and recording of the highway asset in terms of the number and locations of the items to be maintained. This aim is to map exact location and type of asset for the main highway asset types and each asset owner is responsible for updating the information that falls within their section (i.e. if they add, remove or change the location of an asset – such as highway structure, street light, street tree etc). Currently the Council have the following assets to maintain:

- A highway network comprising approximately 713km of carriageway and 1,040km of footway.
- 150 Highway Structures / Bridges.
- Approximately 25,000 gullies.
- Approximately 18,000 streetlights.

### 3.3 Network Hierarchy and Inspection Regime

3.3.1 The network hierarchy is the classification of the constituent parts of the network, for maintenance purposes, on the basis of the volume and composition of traffic using it. The hierarchy takes account of risk assessment and the role of the particular section of the carriageway, footway or cycle route in the network. It is important to distinguish that these hierarchies relate solely to highway maintenance and not for any other purpose meaning they may differ to hierarchies which have been developed for other purposes. The aim of the road hierarchy is to:

- Allow programmes of inspections to be set to enable statutory duties to be fulfilled.
- Allocate resources according to the importance of the road within the network.
- Set policies and standards according to the nature of the road within the network.

3.3.2 Recommendation 12 of the Code recommends that “A network hierarchy, or a series of related hierarchies, should be defined which include all elements of the highway network, including carriageways, footways, cycle routes, structures, lighting and rights of way. The hierarchy should take into account current and expected use, resilience, and local economic and social factors such as industry, schools, hospitals and similar, as well as the desirability of continuity and of a consistent approach for walking and cycling.” This has been used as the basis for developing Havering’s Hierarchy. Insofar as highway maintenance purposes are concerned, the network hierarchy should take account of particular circumstances which, because of their nature and importance, could result in increased risk of damage or injury to highway users. The special criteria that influence the hierarchy category include circumstances relating to special usage or vulnerable users, such as:

- Character and volume of traffic.
- Current usage and proposed usage.
- Routes to important local facilities and to the strategic network.
- Designation as a traffic sensitive route.
- Accident and other risk assessment.
- Potential for use as a diversion route.
- Special characteristic of certain assets, e.g. historic structures.
- Access to schools, hospitals and medical centres.
- Contribution to the quality of public space and street scene.
- Vulnerable users or people with special needs.
- Ceremonial routes and special events.

3.3.3 Taking account of the Code hierarchies, the London Road hierarchy, the work undertaken by LoTAG and special criteria appertaining to the borough, the network hierarchy for highway maintenance purposes within Havering are shown in the following tables.

<b>Category*</b>	<b>Type of Road General Description*</b>	<b>Further Description*</b>	<b>Havering Definition and Interpretation</b>
------------------	--	-----------------------------	---

M. Motorway	Limited access - Motorway regulations apply	Routes for fast moving long distance traffic.  Fully grade separated and restrictions on use.	The Council is not responsible for any motorways
S. Strategic Route	Trunk and some Principal 'A' class roads between Primary Destinations	Routes for fast moving long distance traffic with little frontage access or pedestrian traffic. Speed limits are usually in excess of 40 mph and there are few junctions. Pedestrian crossings are either segregated or controlled and parked vehicles are generally prohibited.	In the borough these are classed as 'A' roads that fall under the Council's ownership – ie all A roads except the A12 and A127.
1. Main Distributor	Major Urban Network and Inter-Primary Links.  Short - medium distance traffic	Routes between Strategic Routes and linking urban centres to the strategic network with limited frontage access. In urban areas speed limits are usually 40 mph or less, parking is restricted at peak times and there are positive measures for pedestrian safety.	These roads are typically the Borough's Principal Road Network. They act as the main routes the Council is responsible for and connect local centres to the Transport for London Road Network (Red Route). These roads have a high number of bus services, will most likely form part of the resilience network, connect transport hubs and go through town centres and major shopping areas.
2. Secondary Distributor	B and C class roads and some unclassified urban routes carrying bus, HGV and local traffic with frontage access and frequent junctions.	In residential and other built up areas these roads have 20 or 30 mph speed limits and very high levels of pedestrian activity with some crossing facilities including zebra crossings. On street parking is generally unrestricted except for safety reasons. In rural areas these roads link the larger villages, bus routes and HGV generators to the Strategic and Main Distributor Network.	These roads are typically the Council's classified B and C roads as well as some of the busier unclassified roads. They connect local areas to Strategic Routes or Main Distributor roads. They may be industrial areas with a higher volume of industrial traffic and have frequent bus services. These roads may also have local shopping areas, larger schools, other busy community type centres and special event areas.
3a Link Road	Roads linking between the Main and Secondary Distributor Network with frontage access and frequent junctions	In urban areas these are residential or industrial interconnecting roads with 20 or 30 mph speed limits, random pedestrian movements and uncontrolled parking. In rural areas these roads link the smaller villages to the	These are quiet mainly unclassified roads that serve as connecting roads to one of the above roads.



		distributor roads. They are of varying width and not always capable of carrying two-way traffic.	
3b Local Access	Roads serving limited numbers of properties carrying only access traffic	In rural areas these roads serve small settlements and provide access to individual properties and land. They are often only single lane width and unsuitable for HGVs. In urban areas they are often residential loop roads or cul-de-sacs.	These are the majority of the council's unclassified residential roads. These roads may have a low number of bus services, small areas of local shops and individual community centres.
3c. Minor Road	Little used roads serving very limited numbers of properties.	Locally defined roads.	For the purposes of this Policy and Plan, Minor Road is classified as a Local Access Road.

**Table 1 – Carriageway Hierarchy \* - The descriptions provided are as per, and adopted from, 'Well- Managed Highway Infrastructure: A Code of Practice', (2016)**

Category*	Category of Footway Description*	Havering Definition and Interpretation
1a.Prestige Walking Zones	Very busy areas of towns and cities with high quality public space and street-scene contribution.	These are the main town centre areas with very high public amenity including busy pedestrianised shopping areas.
1b. Primary Walking Routes	Busy urban shopping and business areas and main pedestrian routes.	These are the main shopping centres, areas and approaches to transport hubs and centres that draw very large numbers of pedestrians. These routes also connect centres where high numbers of people access on foot. This would include those streets with larger schools and universities.
2.Secondary Walking Routes	Medium usage routes through local areas feeding into primary routes, local shopping centres etc.	These routes are those that link residential areas to the Primary Walking Routes and Prestige Walking Zones, acting as a feeder route. There may also be schools, community centres and other establishments that draw larger levels of pedestrians than a typical residential street.
3a. Link Footways	Linking local access footways through urban areas and busy rural footways.	These are predominantly the Council's residential streets. These streets might also have smaller schools and individual community centres.
3b. Local Access Footways	Footways associated with low usage, short estate	As Link Footway and also includes adopted highway (pedestrian routes) across open space, pedestrian cut-



	roads to the main routes and cul-de-sacs.	trough's (ginnels and alleyways) and those remote from a carriageway.
3c. Minor Footways	Little used rural footways serving very limited numbers of properties.	The Council does not have any Minor Footways.

**Table 2 – Footway Hierarchy \* - The descriptions provided are as per, and adopted from, 'Well- Managed Highway Infrastructure: A Code of Practice', (2016)**

<b>Category*</b>	<b>Category of Cycle Route Description*</b>	<b>Having Definition and Interpretation</b>
1. Cycle Lane	Cycle lane forming part of the carriageway, commonly a strip adjacent to the nearside kerb.  Cycle gaps at road closure point (no entry to traffic, but allowing cycle access).	These are cycle lanes (mandatory and advisory) generally on the carriageway and separated by road markings. In some cases physical separation may be provided in parts.
2. Cycle track	Cycle track – a highway route for cyclists not contiguous with the public footway or carriageway.  Shared cycle/pedestrian paths, either segregated by a white line or other physical segregation, or un-segregated.	This is a recognised signed cycle route (or section of route) that does not share space with the carriageway.
3. Cycle Provision	Cycle provision on carriageway, other than a marked cycle lane or marked cycle provision, where cycle flows are significant.	This is a well-used signed cycle route or a route where known high volumes of cyclist commonly use but where there is no specific or dedicated cycling infrastructure (other than route signage).  Cycle Provision is generally on carriageway.
4. Cycle trails, leisure routes through open spaces.	Cycle trails, leisure routes through open spaces. These are not necessarily the responsibility of the Highway Authority, but may be maintained by an authority under other powers or duties.	The Council does not identify these separately and these fall within the above categories.

**Table 3 – Cycle Route Hierarchy \* - The descriptions provided are as per, and adopted from, 'Well- Managed Highway Infrastructure: A Code of Practice', (2016)**

3.3.4 Accordingly, and in line with the Code of Practice, the following inspection frequency is assigned to each highway hierarchy classification:

<b>Feature</b>	<b>Category</b>	<b>Frequency</b>
Roads	Strategic Route	1 month

	Main Distributor	1 month
	Secondary Distributor	1 month
	Link Road	3 months
	Local Access Road	1 year
Footways	Prestige Area	1 month
	Primary Walking Route	1 month
	Secondary Walking Route	3 months
	Link Footway	6 months
	Local Access Footway	1 year
Cycle Routes	Cycle Lane	As for Carriageways
	Cycle Track	As for Footways
	Cycle Provision	As for Carriageways

**Table 4 – Recommended Frequency of Inspections**

3.3.5 Every effort should be made to carry out routine inspections by the relevant due dates, however it is understood that certain circumstances may make this challenging such as staff absences, weather conditions and other required staff duties. The following variances to inspection dates are therefore considered acceptable:

<b>Inspection Frequency</b>	<b>Acceptable Slippage</b>
Monthly	5 days
3 Monthly	10 days
6 Monthly	15 days
Annually	30 days

**Table 5 – Accepted Slippage to Inspection Frequency**

3.3.6 Reactive inspections, by their nature, will be carried out on an ad hoc basis. On receipt of a report which requires site investigation, the reactive inspection will be undertaken by the Area Operations Officer as soon as practicable.

## **4. Risk Based Approach**

### **4.1 Introduction and Strategy**

4.1.1 One of the key fundamental principles of the Code is that Highway Authorities should adopt a risk-based approach to highway maintenance in accordance with local needs (including safety), priorities and affordability. The Code does not, therefore, outline prescriptive, minimum or default standards, but requires these to be developed and set locally. The Code expects this approach will enable authorities to establish and implement levels of service appropriate to their local circumstances. The

Council has adopted a risk-based approach and a risk management regime for all aspects of highway maintenance policy. This includes:

- Reviewing and setting levels of service
- Reviewing and designing safety and condition inspections
- Determining repair priorities and repair times
- Developing programmes of work

4.1.2 Recommendation 7 of the Code recommends a risk based approach should be adopted for all aspects of highway infrastructure maintenance, including setting levels of service, inspections, responses, resilience, priorities and programmes. This Risk Based Approach marks a fundamental difference to the 2005 Code of Practice. The Code recommends Risk Management in determining maintenance action rather than the old method of warning and intervention levels.

4.1.3 Adopting a risk based approach and risk management requires the identification and recording of significant risks and setting out a process to achieve the authority's strategic and operational objectives, evaluating their potential consequences and determining and implementing the most effective way of controlling and monitoring them. The Council interprets this to mean making the most of opportunities and making the right decisions in order to fulfil the required objectives through:

- Removing or controlling risks.
- Transferring risks.
- Living with risks.
- Setting affordable, achievable and realistic levels of service and local standards within available budgets.

4.1.4 By adopting this approach the Council hopes it will lead to better decision making and ensuring that best value is achieved. Recommendation 14 of the Code recommends that the management of current and future risks associated with assets should be embedded within the approach to asset management. Strategic, tactical and operational risks should be included as should appropriate mitigation measures.

4.1.5 Strategic risks are the highest level of risk and arise with strategic decision making. These consider how the authority balances conflicting priorities across all of its services to allocate the budgets for individual services. These risks are the most difficult to influence, but asset management plans supported by service documents such as this Highway Infrastructure Policy and Delivery Plan will be a structured means to begin influencing such decisions. The stages required to adopt best practice for a risk based approach to strategic risks are:

- Prepare plan.
- Identify clear organisational objectives.
- Prioritise risks to achieve the objectives.
- Establish clear policy and control strategies.
- Delegate responsibility for managing the process.
- Consult staff and obtain commitment.
- Monitor and review.

4.1.6 Tactical risks are the link between strategic and operational risks. The tactical level would allocate resources between competing priorities within the highway service such as road safety measures, traffic management, environmental improvements, highway maintenance, street lighting etc. and also within the highway maintenance service itself. For the highway maintenance service, this would consider how resources are allocated to balance the conflicting priorities of programmed maintenance (e.g. planned structural maintenance), routine maintenance (e.g. patching programmes, cleaning or landscaping maintenance), reactive maintenance (e.g. safety repairs), regulatory works and winter service. Although all of these activities have approved standards, the budgets allocated are not necessarily sufficient to fulfil requirements, and consequently some form of prioritisation needs to take place. Whilst prioritising these risks is beyond the scope of this document, the Highway Infrastructure Policy and Maintenance Plan is an integral element of the Council's approach to asset management planning, which is the vehicle to influence decision making on tactical risks.

4.1.7 Operational Risks: At an operational level, this is the decision making process of front line staff and how these decisions are influenced by complying with the procedures they are required to operate within. The way that staff estimate the risks associated with the routine tasks is a fundamental part of risk management and to do so competently and consistently with Havering's policy relies on suitable and sufficient knowledge of the actual task and how that task fits in to the consequences of a failure on their part.

4.1.8 The risks that must be assessed and actioned without delay are safety related defects because the Council has a statutory duty to affect such repairs (or removing the risk by other means), and failure to do so could lead to personal injury or property damage and claims for compensation. The decision making procedure for dealing with operational risks is detailed for each asset type in Volumes 1, 2, 3 and 4. The risk based approach for operational risks comprises the following stages:

- Identify risk.
- Analyse risk – using available data to provide information to assess the likelihood of risk arising with consequences or impact it may have.
- Profile risk – according to likelihood and severity.
- Prioritise action – based on the authority's appetite for or tolerance to the risk and the availability of limited resources.
- Determine action – should the risk be avoided, eliminated, reduced, transferred or accepted.
- Monitor and review.

## 4.2 Risk Assessments

4.2.1 The London Borough of Havering undertakes inspections that are predominantly designed to identify defects that are likely to cause injury, damage or danger to users of the highway network. The aim is to provide a consistent approach to assessing defects and the associated risk assessment as well as the required response times for repair. In order to provide this guidelines are established in this document, although highway inspectors need to use their expertise and experience whilst using a risk based approach. It is important therefore to note that the risk based approach is a guide and not a prescriptive methodology where inspectors are required to use their judgement based on the degree of risk identified. Therefore the degree of risk from a defect depends not merely on its depth, but also its surface area and location.

4.2.2 Basically a defect which would pose the most risk and impact should be made safe and repaired within a shorter timeframe. Typical defects and investigatory levels are provided below in Section 5.3. An investigatory level is the minimum level of a defect generally required for satisfying the need for safety. Where investigatory levels are not met and defects are not considered to pose a risk for safety then the defect could fall into the category of a serviceability repair, also described below.

4.2.3 When a highway defect is observed by the inspector, they are required to assess whether it meets the investigatory level and more broadly whether it poses a safety risk. In most cases, defects that are less than, or fail to meet, the investigatory level are not required for action / repair as a safety defect and are not recorded. However, where a serviceability repair is required then a works order will be raised. Where a defect has been assessed to meet the investigatory level, a risk assessment needs to be completed to determine what action, if any, is required. The outcome of the risk assessment will result in one of five actions:

Priority Response	Defect Description	Response Time
<b>Priority 1</b>	High risk / imminent safety hazard	2-hour
<b>Priority 2</b>	Urgent defects	24-hours
<b>Priority 3</b>	Non-urgent safety defects	28 days
<b>Priority 4</b>	Non-urgent serviceability repairs	28 days
<b>Priority 5</b>	Low-risk / consideration for planned maintenance programme	“Other” as agreed / instructed. Planned works

**Table 6 – Response Times for Different Categories**

4.2.4 As part of the assessment the inspector is responsible for assigning a defect response time. The Contractor is then required to take possession of the site and complete the repair or make the site temporarily safe or sign and guard the hazard, before completing the defect within the assigned time period for repair. This is assigned depending on the assessed risk of the defect. In order to provide consistency and context to this approach a standard risk matrix is used categorising response times by the likelihood of an accident occurring and the likely impact of this. The risk factor is therefore given a score by multiplying probability against impact.

			Probability			
			Unlikely	Possible	Probable	Very Likely
			1	2	3	4
Impact	Low	1	1	2	3	4
	Medium	2	2	4	6	8
	High	3	3	6	9	12
	Very High	4	4	8	12	16
Key			Low Risk	Medium Risk	High Risk	Very High Risk
Priority Response	Risk Factor		Response time	Defect Description		
Priority 1	16		2-hour	High risk / imminent safety hazard		
Priority 2	8 - 12		24 hours	Urgent safety defects		

<b>Priority 3</b>	<b>3 - 6</b>	<b>28 days</b>	<b>Non-urgent safety defects</b>
<b>Priority 4</b>	<b>1 - 2</b>	<b>28 days</b>	<b>Non urgent serviceability repairs</b>

**Table 7 – Risk Factor Scores and Corresponding Defect Categories**

## 5. Inspection Assessments and Recording

### 5.1 Conducting Highway Inspections

- 5.1.1 Highway inspections mainly comprise of walked visual surface assessments carried out on the footways and footpaths. The inspector will walk along one side of the street looking for defects of assets in the highway both along the footway, verge and the nearest part of the carriageway, before doing the same on the opposite side of the footway. Due to safety reasons (absence of footway or speed of road) some inspections will be required from a slow moving vehicle involving two people, an inspector and a driver.
- 5.1.2 Where defects are identified that are considered to be a safety issue to highway users these are recorded into hand held electronic devices using appropriate software. All relevant information about the defect including repair requirements and constraints should be recorded which are to be sent to the Council's Contractor or the Council's DSO. In addition to recording the defect, the defect should also be spray painted and photos highlighting information such as the defect's location along a street in relation to a property number, street lamp column number and position in the highway – ie footway, carriageway, verge, etc should be considered and input into the hand held device.
- 5.1.3 Where hazards and defects are identified these should be marked using white spray paint, photographed and recorded on the electronic hand held devices. Spray paint markings shall be done by highlighting the corners of a defective area to define the extent of the area being repaired. In areas where this cannot be achieved the start and finish of the defect should be marked on the kerb and where this further cannot be achieved this should be illustrated on the order. Once a particular beat is complete the inspectors will upload data as a soon as practicable using the desk top module.

### 5.2 Highway Serviceability Inspections and Non Recordable Defects

- 5.2.1 Highway serviceability inspections are conducted at the same time as the safety inspections. In addition to identifying safety defects the inspector may identify defects that do not meet the required investigatory levels and also do not pose an immediate risk of danger. They do however in the inspector's view have serviceability implications and are likely to deteriorate beyond investigatory levels before the next scheduled inspection. In these instances the inspector will use their judgement and discretion to raise reactive maintenance orders.
- 5.2.2 If no recordable / actionable defects are observed during an inspection the inspectors should note this as part of their survey.

### 5.3 Assets to be Inspected and Recorded

- 5.3.1 The highway network consists of a number of assets including footways, carriageways, drainage infrastructure, street lighting apparatus, street furniture and street trees. All fall under the Council's duty to maintain and hence it is the inspector's responsibility to assess them all. In line with the risk based approach set out in section 4, the following assets on the highway should be inspected against the appropriate investigatory levels:

<b>Ref</b>	<b>Item</b>	<b>Defect</b>	<b>Location</b>	<b>Extent</b>	<b>Detail Information /</b>
01			Whole Width	25mm	

02	Footway	Pothole / Trip / Rocking / Gap / Crack		40mm	Prestige / Primary Walking Zone
03			Pedestrian Flow Zone	25mm	All other footways
04				40mm	
05			Other areas	25mm	
06				40mm	
07	Carriageway	Pothole / Gap / Crack	Whole Width	40mm	Main Distributor Road
08				50mm	Local Access / Cul de sac
09				40mm	
10				50mm	
11	Pedestrian Crossing at Crossing Point	As per Footway	Pedestrian Flow Zone	25mm	Refer to footway risks
12	Cycleway	As per Footway Risk for Shared Use and Segregated	Any Footway		Refer to Footway Risks
13		As per Footway Risk for On Road Cycle Lanes	Any Carriageway	25mm	Refer to Carriageway Risks
14	Kerbing	As per Footway	Any Footway	-	Refer to Footway Risks
15	Flooding	Blocked Gully	Any Location	2 hours post Rainfall Event	Full Width Footway
16		Blocked Channel			¼ Width Road
17		Other Flooding			Puddle
18	Grass Verges	Rutting	Verge Area	100mm	Refer to Grounds Maintenance
19				30%	Any Road



20	Road Markings	Faded / Worn Markings	Footway and Carriageway	30%		
21	Signal Installations	Signal Failure Damaged / Defective Item	Any Location	Yes	Report to TfL for Action	
22	Iron Work	Trip Hazard Gap / Crack	Any Footway	25mm	As per Footway	
23			Any Carriageway	40mm	As per Carriageway	
24		Sunken / Protruding / Rocking / Broken / Cracked Cover	Any Footway	Yes	As per Footway	
25			Any Carriageway		As per Carriageway	
26		Missing Cover	Any Footway		As per Footway	
27			Any Carriageway		As per Carriageway	
28		Missing Cover <100mm	Any Footway		As per Footway	
29			Any Carriageway		As per Carriageway	
30	Street Furniture	Damaged / Misaligned / Defective / Missing Item	Any Carriageway		Yes	As per Carriageway
31			Any Footway			As per Footway
32	Non Illuminated Signs	Damaged / Misaligned / Defective / Missing Item	Any Carriageway	Yes	As per Carriageway	
33			Any Footway		As per Footway	
34	Lighting Illuminated Signs	Exposed Wiring	Any Location	Yes	Reported to Street Lighting Team	
35		Damaged / Misaligned Item				
36						Defective Item
37		Missing Item				



38	Street Lighting Bollards	Worn / Defaced / Dirty Item			
39	Subways / Housing Estates	Damaged Treads / Steps	Any Location	Yes	Any Location
40		Damaged / Defective Fixtures and Fittings			
41		Flooding			
42		Damaged / Defective Lighting Units			Reported to Street Lighting Team
43	Other	Anything else considered to be hazardous / dangerous	Any Location	Yes	Any Location
44		Anything else considered to be Low Risk / Planned Maintenance			
45		Non Urgent Serviceability Repairs			
46		Trees / Shrubs / Vegetation			

**Table 8 – Assets to be Investigated and Investigatory Levels**

#### 5.4 Repeat Defects

5.4.1 In some instances inspectors may come across carriageway and footway defects that are re-occurring following an intervention, suggesting that the remedial reactive measure specified originally was either not completed to specification by the Contractor, not sufficient, or the specified treatment could not be completed. This would require further investigation to determine the cause of the problem and the suitable repair treatment. If required the defect may need to be reported to the Highways Maintenance Manager as well as referring any defective work back to the Contractor.

5.4.2 Where repeat defects occur there may be a need to change the specification to a more durable material. For example changing concrete paving slabs to an asphalt material would provide a material with a longer life span. Further information on material specification is provided below, in Section 6.

#### 5.5 New Roads and Street Works Act (1991) Section 81 Defects

5.5.1 A 'Section 81' defect is a defect to a Statutory Utility Company's apparatus in the highway. As inspectors conduct inspections they might come across utility defects including polished or cracked covers, broken, missing or damaged covers and covers that have sunken / risen which are resulting in trip hazards. Inspectors are to log these issues on their hand held devices and also report any issues to the NRSWA team for the relevant utility company to then act upon.

5.5.2 If the defect is deemed to be so dangerous that leaving it would pose a serious risk and safety concern then the defect should be guarded and a temporary make safe solution implemented.

## 5.6 Beyond Reactive Repairs and Planned Maintenance Work

5.6.1 When inspectors encounter defects that require major maintenance and are deemed to be beyond reactive repairs they should raise these with the Highways Maintenance Manager to agree a suitable way forwards. Before raising large areas of work inspectors should also check with both the Highways Maintenance Manager and the Council's Resurfacing Engineer so as to limit duplication of work and provide best value for funds.

## 5.7 Road Works during Inspections and Inclement Weather

5.7.1 If Utilities or Planned Maintenance works are being carried out at the time of the inspection then inspectors should note this down on their hand held devices using the 'Unable to Inspect' category. This should be accompanied by a photo of the section stating the reason why in the description field.

5.7.2 During periods of inclement weather such as snow or rainfall it is not always possible to inspect the highway. When surfaces are wet spray paint does not always adhere as well. If conditions are such which makes it too difficult to inspect then this should be recorded on the hand held devices. Inspections should resume as soon as is reasonably practicable. During snow fall carriageway and footway gritting is also prioritised and inspectors should revert to assisting with these duties.

## 5.8 Private Forecourts

5.8.1 If an inspector comes across a defect on a private forecourt which does not form part of the public highway a risk based approach should be adopted. In the interest of public safety the Council has the power to seek improvements to repair a private forecourt but does not have the duty to do this. There is no obligation on the inspector and a range of factors should be considered.

5.8.2 Where the adopted highway is of sufficient width to adequately cater for the volume of pedestrian traffic typically there should be no need to intervene. However if the highway is narrow and the forecourt wide enough then a risk assessment approach as detailed in Section 4 should be applied. If the risk matrix suggests that there is a very high or high probability and impact of an accident then the inspector should raise a works order with the repair costs charged to the owner. If the impact and likelihood are low or medium then the inspector should write to the owner and ask that they repair the defect in a suitable timeframe.

## 5.9 Reactive (ad hoc) Inspections

5.9.1 Reactive (or ad hoc) inspections are triggered by customer enquiries – The general public, Councillors or other Council colleagues. These usually identify a particular issue at a location that needs investigating. Depending on the enquiry an investigation response time has to be adopted. Ad hoc enquiries should follow the same approach as regular inspections in terms of investigatory levels, the risk based approach and the way in which orders are subsequently raised. Response times are detailed in table 9. Officers will use their experience and discretion when reviewing reports to define urgency and subsequent priority levels.

Customer Enquiry Description	Investigation Response Time
Urgent reports, including those from the Police	Within 2 hours
Reports of defects that from the report could constitute safety concerns	Within 2 days
Reports of defects that from the report are unlikely to constitute safety concerns	Within 28 days
General customer enquiries relating more to the overall condition of the asset	During the next scheduled inspection

## Table 9 – Response times by Customer Enquiry Types

### 5.10 Emergency 'Out of Hours' Call Outs

5.10.1 Between 5:30pm and 8:00am Monday to Friday including bank holidays and at weekends the Council's 'Out of Hours' Officers will deal with urgent customer enquiries. These will likely be reported through the Council's contact centre. The 'Out of Hours' Officer will use their discretion to determine urgency and if reports are deemed to be urgent will visit the site within 2 hours of report. If the report is deemed non urgent then this will be passed onto the appropriate highways inspector for action. Web based and emailed enquiries will be actioned by the inspector the next working day.

### 5.11 Supporting Information for Third Party Claims

5.11.1 Third Party Claims are managed by the Council's Insurance Team. Inspectors are responsible for providing supporting information however to enable the team to assess the claims against the Council. The level of investigation and supporting information required will vary depending on the Claim. The following will usually be required:

a. A site visit and on site assessment relating to details of the claim.

b. A meeting with the claimant.

c. Information relating to beat frequency for that part of the highway, the last date of inspection and any repair history for the locus in question including any relevant reports, surveys, etc.

5.11.2 Third party claims will be investigated within 15 days of being received and findings shall be reported to the insurance team. If the case results in legal action and a court hearing then the inspector may be called to act as a witness and provide evidence along with other Officers as required.

### 5.12 Auditing, Inspection and Contractor Works

5.12.1 Regular auditing of works are required to ensure that there is:

a. Consistency in highway inspections undertaken and on the level of orders being raised.

b. Good workmanship and performance of the Highways Contractor.

5.12.2 In order to ensure that there is consistency in inspections the Highways Maintenance Manager will undertake regular review and audits to cross check uniformity in the type of defects being raised, the risk assessed approaches and the ways in which these are reported.

5.12.3 Work carried out by the Highways Contractor should also be audited on a monthly basis. A sample of 10% of the work should be carried out (not necessarily within each inspection area) over the previous month to ensure work has been carried out to appropriate standards. In addition all works that show a discrepancy between the estimated order value and the actual work carried out should be the subject of further investigation. All failed work should be reported to the Highways Contractor for remediation. In the instance of failure in terms of quality and frequency the Highways Maintenance Manager should seek to address with the Highways Contractor and withhold payment if required.

### 5.13 Dealing with On Site Public Complaints

5.13.1 Whilst conducting inspections, inspectors may be approached by members of the public enquiring or complaining about various issues on the network (or otherwise). Encounters should be treated both politely and diligently. Action should be taken where appropriate and inspectors should also encourage members of the public to report specific issues via the appropriate reporting channels.

### 5.14 Raising Works Orders

5.14.1 Works orders should be raised using the Council's adopted software package by inspectors using their hand held devices, either at the time or as soon as is practicable after the defect requiring repair is identified. All of the necessary fields on the order within the software should be completed outlining the defect identified, the date, its location, the remedial work necessary and a schedule of rates with the respective quantities including the allocated budget code. A brief description of the defect should

also be entered giving as accurate a description as possible. It is also advisable to attach photographs showing the defects (marked if possible) and recorded on a map as this will all provide as much information to the Highway's Contractor relevant about the defect.

## **5.15 Guidance and Competency**

5.15.1 As part of the development of Havering's risk based approach a range of guidance within this Highway Maintenance Plan is provided for highway inspectors, other officers and decision makers. In the case of operational risks each defect is assessed on its own merits by the highway officer (or other officer) and the Council's response to the defect is decided through risk assessment and not prescription. When making an assessment the highway officer is therefore required to consider:

- The defect – type, extent, size, condition etc.
- The probability the defect will cause an accident (this takes account of the location, the local environment, type and volume of typical users etc.)
- The most likely impact the defect will have in the event of an accident or extent of property damage

5.15.2 A Risk Register is provided for the main asset types. This is a basic guide setting out typical defects in the various locations across the network and offers guidance on typical impact and probability assessments. This is a starting point to support the highway officers risk assessment and is not intended to be prescriptive or to constrain the inspector's assessment. It is provided as a guide to help ensure a broadly consistent approach across the borough and to help prioritise resources across the network. Variation from the general guidance in the Risk Register is to be expected.

5.15.3 A Risk Matrix is provided setting out a guide to assess defect response times taking account of the probability of a defect causing an accident and the impact of such an accident. It is expected the highway officers will work closely in accordance with the risk register with little deviation. The risk register also sets the investigatory level of the typical size and type of defects when a risk assessment should be triggered. This replaces the old "intervention levels" and intervention levels do not feature in the Council's policy. Defects below or less than the investigatory levels are not normally considered as potential safety risks and no risk assessment is required. These defects are not actionable for safety reasons but may be repaired as part of good maintenance practice and for reasons such as:

- Prevent the defect becoming dangerous at some point in the near future.
- Prevent the defect growing and becoming more costly to repair.
- Prolong the life of an asset.
- To provide a level of service expected by members of residents.
- In response to a report of accident where local expectation is that the defect would be repaired, without the Council conceding that it's dangerous.

## **5.16 Training**

5.16.1 At the core of an effective risk management regime is the need for staff to fully understand the Council's objectives, approach, process, and requirements. All staff associated with highway maintenance shall be adequately trained in the Council's policy and possess the required knowledge and experience to adequately fulfil their duties. They shall be competent in their role. Competency is achieved through:

- On the job training provided by more senior or knowledgeable staff.
- Internal training, team meetings, manager review and feedback.
- Experience of doing the job and discussing issues with colleagues.

- Specific workshops and tool box sessions.
- External training.
- Formal qualifications.

5.16.2 The Council considers that greater focus should be on inspector on the job training, guidance and support of colleagues and managers, than on formal qualifications. For example, an employee with a number of years' experience as a highway inspector, who has worked conscientiously, attended regular team meetings and toolbox training sessions, other relevant training and had regular feedback and dialogue with his / her manager will be competent to deliver the job regardless whether or not they possess a formal "highway inspector" qualification. However, formal qualifications are helpful and should be considered for individual staff where the need arises.

## 5.17 Service Delivery

5.17.1 The Council delivers a range of services for all assets and infrastructure throughout the borough's Highway network. The Council has traditional (client / contractor) term contract arrangements to deliver its highway works. The contract arrangements require the contractors to work in accordance with current standards and specifications, meet Council priorities (apprentices, local labour, plant emissions, etc.) and protect the Council's interests through performance guarantees and transfer of liability in the event of default.

5.17.2 The two main highway contracts in place are for the provision of highway civil engineering works (carriageways, footways and street furniture) and the provision of street lighting services. The Council has adopted an NEC4 Contract model for its highway contracts which requires a working partnership between client and contractor. There are monthly progress meetings between the parties and contractual procedures such as early warning notices and compensation events.

5.17.3 There are Key Performance Indicators (KPIs) which are collated each month in order to check both performance of contractor and client. The contracts are output based, where the contractor is only paid once the work is completed to a satisfactory standard. Works orders are produced and sent via an asset management system, which allows works orders to be sent and received by the contractor electronically. Once site works are completed, a sample inspection is carried out. This entails checking 10% of all works carried out in order to check quality and completion. Should defective work be identified within this 10% sample, further audits will be completed and the sample size will be increased for the following month.

## 6. Materials, Products and Treatments

### 6.1 General Requirements

6.1.1 Materials for use on the highway need to be:

- Durable and robust.
- Perform consistently under a range of temperatures from circa -15 degrees to +50 degrees Celsius.
- Be chemically resistant and inert.
- Stable to atmospheric and climatic factors.
- Be cost effective.
- Exhibit appropriate skid and slip resistant qualities.
- Be easy and quick to apply.
- Be easily maintainable.



i. Be readily available.

j. Be environmentally friendly and minimise carbon footprint where possible.

6.1.2 To ensure that the materials installed and that work is completed to a satisfactory standard and using proven construction methods the Council has broadly adopted the approach set out in 'The Specification for Highway Works' within the Design Manual for Roads and Bridges (DMRB).

## 6.2 Reactive Maintenance Requirements

6.2.1 For the most part reactive maintenance will be on a like for like basis. In some circumstances a variation to this approach is required however, such as in the following instances:

a. Vehicle crossovers – Due to historical repeat visits and repairs to flag paving on crossover areas the use of flag paving should be avoided where possible. Where localised repairs are required consideration should be given to a wider area of coverage that would prohibit the need for further repeat visits. Therefore other options such as asphalt, poured concrete or high loading modular or block paving should be considered in line with the aesthetic nature of the road and area. The cost of such materials should also be borne in mind when inspectors raise repair orders.

b. Exposed areas – Some parts of the highway are more exposed to vehicle overrun and damage than others. Whilst motorists are not permitted to overrun onto footways this cannot always be controlled or enforced. In reality this does happen and therefore damage can thus lead to verges and footways. Strategically placed street furniture can safeguard against this although if this is struck then the street furniture itself becomes a maintenance liability. It is for that reason that bollards should always be a last resort in solving indiscriminate overrunning and parking issues as well. In general terms the first port of call should be to strengthen both the surface and foundation courses as required, in a similar approach to that of the vehicle crossovers.

c. Coloured surfacing – The use of coloured surfacing on the highway has become increasingly prevalent over recent years as a means to signify road safety, cycling or public transport priorities. This has been encouraged through various best practice design guidance and its implementation funded by Transport for London (TfL). Whilst coloured surfacing should perform as well as non coloured surfaced materials, the actual materials are more expensive and can need specialist laying techniques or providers. There is therefore an implication on both costs and timescales for repairs.

Due to this the general approach will be that where maintenance is required the re-application of coloured surfaced materials should be avoided, except where there is a demonstrable need and requirement to retain the colour. This may be due to road safety implications and in such cases appropriate Council Officers will be consulted for advice.

## 7. Planned Footway and Carriageway Maintenance

### 7.1 General Information

7.1.1 The London Borough of Havering currently adopts an asset management based approach to managing and maintaining the highway network in relation to carriageway and footway resurfacing and reconstruction. This helps ensure the maximisation of value for money in relation to the life of the asset, reduced carbon footprint and the longer term planning of work to improve the overall asset condition. Additionally this also ensures consistency in decision making and a cost effective highway network.

7.1.2 Whilst safety repairs should not be constrained by budget the Council seeks to maximise the amount of planned maintenance work each year in the context of available funding. By doing so the average condition of the asset improves as a whole over time and deteriorates slower, which should give rise to less reactive work.

7.1.3 Structural carriageway maintenance, which involves renewing at least the binder and surface courses of the carriageway, is generally the most common planned maintenance activity. This upgrades the structural strength of the carriageway and prolongs the life of the asset. Planned works include:

a. Plane and inlay schemes – Renewing the running surface of the road to prevent further deterioration of the structural layers and provide a smooth road surface.

b. Patching – Where both surface and binder courses are replaced in limited and targeted areas of the carriageway.

c. Full Reconstruction – The removal of the entire carriageway construction down to at least the road base and potentially also including the sub base and capping layers. If the carriageway has deteriorated to this point further investigations may also be required to ensure suitable pavement design. Due to cost this method of treatment is a last resort.

7.1.4 Footway maintenance is carried out in a similar fashion. Generally footways comprise of different construction layers and so remedial treatments require investigation as to whether just the surface course can be removed or whether deeper structural reconstruction is required down to the footway base level. Generally slabs will be replaced with asphalt surfacing as part of the footway maintenance programmes as asphalt materials have a longer life span and reduce the need for future repairs – Both in terms of cost and frequency.

## **7.2 Condition Data and Development of Planned Maintenance Programme**

7.2.1 Regular visual inspections using the United Kingdom Pavement Management System (UKPMS) method of investigation are undertaken on the principal road network and the results are used to assess the overall condition of the highway network for footways and carriageways. The results of which are then used to develop and prioritise roads in the most need of planned maintenance activity.

7.2.2 A number of approaches can be taken to then inform a priority list. This may be to simply rank the worst roads in order of visual inspections (Worst First) or other weighting priorities can be factored in. An important weighting factor may be to consider the use of the asset as a whole and its deterioration rate (which is known as Average Condition). Further weighting factors can also be applied for road classification, trip attractors or information pertaining to recorded defects or insurance claims.

7.2.3 At present the Council have invested significantly in a Highways Improvement Programme (HIP) using the above criteria against the policy of Average Condition of the asset. Carriageways and footways across the borough are listed onto a programme in priority order. The Council's Highway Maintenance Officers then work through the list applying the most appropriate approaches in relation to types of treatment (plane and inlay, patching, etc) and generally order works according to priority owing to other factors such as permit needs, road closure requirements and logistical issues.

7.2.4 Through this systematic approach the Council aims to maximise the asset life within available funding at optimum cost.

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# Equality & Health Impact Assessment (EHIA)

## Document control

<b>Title of activity:</b>	<i>EqHIA – Highways Maintenance Plan Policy</i>
<b>Lead officer:</b>	<i>James O'Regan</i>
<b>Approved by:</b>	<i>Mark Hodgson, Head of Highways, Traffic and Parking</i>
<b>Version Number</b>	<b>V0.1</b>
<b>Date and Key Changes Made</b>	25/10/2024
<b>Scheduled date for next review:</b>	TBC

<b>Did you seek advice from the Corporate Policy &amp; Diversity team?</b> Please note that the Corporate Policy & Diversity and Public Health teams require at least <b>5 working days</b> to provide advice on EqHIAs.	Yes / No
<b>Did you seek advice from the Public Health team?</b>	Yes / No
<b>Does the EqHIA contain any confidential or exempt information that would prevent you publishing it on the Council's website?</b> See Publishing Checklist.	Yes / No

Please note that EHIAs are **public** documents and unless they contain confidential or sensitive commercial information must be made available on the Council's [EqHIA webpage](#).

**Please submit the completed form via e-mail to**

[READI@havering.gov.uk](mailto:READI@havering.gov.uk) **thank you.**

# 1. Equality Health Impact Assessment Checklist

Please complete the following checklist to determine whether or not you will need to complete an EHIA and ensure you keep this section for your audit trail. If you have any questions, please contact [READI@havering.gov.uk](mailto:READI@havering.gov.uk) for advice from either the Corporate Diversity or Public Health teams. Please refer to [this Guidance](#) on how to complete this form.

## About your activity

1	Title of activity	Highways Maintenance Plan Policy		
2	Type of activity	Policy		
3	Scope of activity	The new draft policy seeks to replace the existing Highways Maintenance Policy		
Page 2 of 1	Are you changing, introducing a new, or removing a service, policy, strategy or function?	Yes / <del>No</del>	If the answer to <u>either</u> of these questions is 'YES', please continue to question 5.	If the answer to <u>all</u> of the questions (4a, 4b & 4c) is 'NO', please go to question 6.
	4b Does this activity have the potential to impact (either positively or negatively) upon people from different backgrounds?	Yes / <del>No</del>		
	4c Does the activity have the potential to impact (either positively or negatively) upon any factors which determine people's health and wellbeing?	Yes / <del>No</del>	<i>Please use the <a href="#">Screening tool</a> before you answer this question.</i>	

5	If you answered YES:	Please complete the EHIA in Section 2 of this document. Please see Appendix 1 for Guidance.
6	If you answered NO:	N/A

Completed by:	James O'Regan
Date:	25/10/2024

Page 292

## The EHIA – How will the strategy, policy, plan, procedure and/or service impact on people?

### Background/context:

*A national code of practice for highways maintenance and management (Well Managed Highway Infrastructure: A Code of Practice (the “Code”)), sponsored by the Department for Transport (DfT) and produced by the United Kingdom Roads Liaison Group (UKRLG) was published in late 2016. The 2016 Code replaces the previous 2005 Code. The Code was introduced with a transition period in which to allow local highway authorities, such as the London Borough of Havering, to review their existing highway maintenance policies and delivery arrangements, consider which applicable aspects of the Code to adopt (in whole or in part) and to develop new maintenance policies and arrangements (where required) reflecting the recommendations of the Code.*

*Adherence to the Code is not a statutory requirement, and there has been no recent change in law, but it follows national good practice shared by many local highway authorities in establishing highway maintenance policy, strategy and operations of the highway maintenance service. The Code provides highway authorities with guidance on highways management but adoption of the recommendations in the Code is a matter for the Council (as a local highway authority), based on its interpretation, assessment of risks, local needs and priorities.*

*Whilst the Code is not a legal / statutory document the significance of it is that the Courts will view it as a benchmark of best practice in discharging the statutory duty to maintain the highway. Failure to follow the guidelines and recommendations could be used against the Council in the assessment of claims. A new Highway Maintenance Policy and Delivery Plan (HMPP) for Havering has been produced to document the Council's approach to highway maintenance and ensure the authority has a statutory defence against all public liability claims arising on the Borough's highway. Additionally, the introduction of a risk-based approach is aimed at optimising the use of resources and value for money. The new Code has seen a shift in emphasis and has removed the reliance on specific guidance and recommendations in the previous Codes to a risk-based approach determined by each highway authority. Very few standards are prescribed in the new Code and the intention is that authorities will develop their own levels of service taking account of local need and assessment of risk.*

*\*Expand box as required*

### **Who will be affected by the activity?**

*All highway users that travel through the borough and use the Council's Highway Infrastructure.  
Council Officers will also be affected particularly those in Highways and the Council's Insurance Teams.*

*\*Expand box as required*

**Protected Characteristic - Age:** Consider the full range of age groups

Please tick (✓) the relevant box:

**Positive**

**Neutral**

**Negative**

**Overall impact:**

Age Group	Total	Percentage
Age 0-15	44,388	18.7
Age 16-64	150,567	63.5
Age 65+	42,277	17.8
Total	237,232	100.0

Source: ONS, 2011 Census

The 2011 Census records that almost 18% of the population of the London Borough of Havering as being over the age of 65. Given that older people are more likely to experience mobility problems, it is likely that they are more likely to benefit from a well maintained footway and carriageway network. The implementation of the new HMPP will have a positive impact on these residents.

\*Expand box as required

**Evidence:**

A third (33%) of people aged 50+ had one or more impairments - The most common impairments were around mobility and the ability to lift, carry or move objects, both experienced by around one in five people (19%).

\*Expand box as required

**Sources used:**

Capability, health and travel behavior of older people. January 2020, Department For Transport - [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/935822/capability-health-and-travel-behaviour-of-older-people.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/935822/capability-health-and-travel-behaviour-of-older-people.pdf)

ONS 20211 Census Data - KS102EW [https://www.nomisweb.co.uk/reports/localarea?compare=E09000016#section\\_6\\_1](https://www.nomisweb.co.uk/reports/localarea?compare=E09000016#section_6_1)

Page 2 of 4

\*Expand box as required

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

Please tick (✓)  
the relevant box:

Positive



Neutral

Page  
95  
Negative

**Overall impact:**

*The 2011 Census recorded that 17.3% of the London Borough of Havering's residents are living with a long-term health problem or disability that limits their day-to-day activities, and has lasted, or is expected to last, at least 12 months (source: ONS - 2011 Census - KS301EW).*

*Given that disabled people are more likely to experience mobility problems, it is likely that they are more likely to benefit from a well maintained footway and carriageway network. The implementation of the new HMPP will have a positive impact on these residents.*

\*Expand box as required

**Evidence:**

*The 2011 Census recorded that 17.3% of the London Borough of Havering's residents are living with a long-term health problem or disability that limits their day-to-day activities, and has lasted, or is expected to last, at least 12 months*

\*Expand box as required

**Sources used:**

ONS 20211 Census Data - KS301EW

[https://www.nomisweb.co.uk/reports/localarea?compare=E09000016#section\\_6\\_1](https://www.nomisweb.co.uk/reports/localarea?compare=E09000016#section_6_1)

*\*Expand box as required*

**Protected Characteristic - Sex/gender: Consider both men and women**

Please tick (✓)  
the relevant box:

Positive

Neutral

Negative

**Overall impact:**

*The HMPP has been assessed in relation to the protected characteristic of sex/gender and no impacts have been identified.*

*\*Expand box as required*

**Evidence:**

N/A

*\*Expand box as required*

**Sources used:**

N/A

*\*Expand box as required*

Page 29



<b>Protected Characteristic - Ethnicity/race:</b> Consider the impact on different ethnic groups and nationalities	
<i>Please tick (✓) the relevant box:</i>	
<b>Positive</b>	<input type="checkbox"/>
<b>Neutral</b>	<input checked="" type="checkbox"/>
<b>Negative</b>	<input type="checkbox"/>
<b>Overall impact:</b> <i>The HMPP has been assessed in relation to the protected characteristic of ethnicity/race and no impacts have been identified.</i>	
<i>*Expand box as required</i>	
<b>Evidence:</b>	
N/A	
<i>*Expand box as required</i>	
<b>Sources used:</b>	
N/A	
<i>*Expand box as required</i>	

<b>Protected Characteristic - Religion/faith:</b> Consider people from different religions or beliefs including those with no religion or belief	
<i>Please tick (✓) the relevant box:</i>	
<b>Positive</b>	<input type="checkbox"/>
<b>Neutral</b>	<input checked="" type="checkbox"/>
<b>Overall impact:</b> <i>The HMPP has been assessed in relation to the protected characteristic of religion/faith and no impacts have been identified.</i>	

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

Page 88

<b>Protected Characteristic - Sexual orientation:</b> Consider people who are heterosexual, lesbian, gay or bisexual			
<i>Please tick (✓) the relevant box:</i>		<b>Overall impact:</b>	
<b>Positive</b>		<i>The HMPP has been assessed in relation to the protected characteristic of sexual orientation and no impacts have been identified.</i>	
<b>Neutral</b>	✓		
<b>Negative</b>			
<i>*Expand box as required</i>			

**Evidence:**

N/A

*\*Expand box as required*

**Sources used:**

N/A

*\*Expand box as required*

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

Please tick (✓) the relevant box:		<b>Overall impact:</b>  <i>The HMPP has been assessed in relation to the protected characteristic of gender reassignment and no impacts have been identified.</i>
<b>Positive</b>	<input type="checkbox"/>	
<b>Neutral</b>	<input checked="" type="checkbox"/>	
<b>Negative</b>	<input type="checkbox"/>	

*\*Expand box as required*

**Evidence:**

N/A

*\*Expand box as required*

**Sources used:**

N/A

*\*Expand box as required*

**Protected Characteristic - Marriage/civil partnership:** Consider people in a marriage or civil partnership

<i>Please tick (✓) the relevant box:</i>		<b>Overall impact:</b>  <i>The HMPP has been assessed in relation to the protected characteristic of marriage/civil partnership and no impacts have been identified.</i>
<b>Positive</b>	<input type="checkbox"/>	
<b>Neutral</b>	<input checked="" type="checkbox"/>	
<b>Negative</b>	<input type="checkbox"/>	<i>*Expand box as required</i>

**Evidence:**

N/A

*\*Expand box as required*

**Sources used:**

N/A

*\*Expand box as required*

Page 3 of 10

**Protected Characteristic - Pregnancy, maternity and paternity:** Consider those who are pregnant and those who are undertaking maternity or paternity leave

<i>Please tick (✓) the relevant box:</i>		<b>Overall impact:</b>  <i>Residents who have babies and small children, and who use pushchairs, will be positively impacted by the new HMPP. It will make it easier to use pushchairs when walking on a well maintained highway network. The new HMPP provides more focus to assessing areas with higher footfall.</i>
<b>Positive</b>	<input checked="" type="checkbox"/>	
<b>Neutral</b>	<input type="checkbox"/>	
<b>Negative</b>	<input type="checkbox"/>	

*\*Expand box as required*

**Evidence:**  
  
*None available.*

*\*Expand box as required*

**Sources used:**

*\*Expand box as required*

**Socio-economic status:** Consider those who are from low income or financially excluded backgrounds

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

<b>Positive</b>	<input checked="" type="checkbox"/>	<p><i>Given that those with a lower socio economic status are more likely to experience mobility problems, it is likely that they are more likely to benefit from a well maintained footway and carriageway network. The implementation of the new HMPP will have a positive impact on these residents.</i></p>
<b>Neutral</b>	<input type="checkbox"/>	
<b>Negative</b>	<input type="checkbox"/>	
<i>*Expand box as required</i>		
<b>Evidence:</b>		
N/A		
<i>*Expand box as required</i>		
<b>Sources used:</b>		
N/A		
<i>*Expand box as required</i>		

<b>Health &amp; Wellbeing Impact:</b> Consider both short and long-term impacts of the activity on a person's physical and mental health, particularly for disadvantaged, vulnerable or at-risk groups. Can health and wellbeing be positively promoted through this activity? Please use the Health and Wellbeing Impact Tool in Appendix 2 to help you answer this question.	
<i>Please tick (✓) all the relevant boxes that apply:</i>	<b>Overall impact:</b>
<b>Positive</b>	<input checked="" type="checkbox"/> <i>Maintaining a well-maintained highway is a vital part of protecting residents and visitors utilising roads, cycleways and walkways across</i>



### 3. Health & Wellbeing Screening Tool

Will the activity / service / policy / procedure affect any of the following characteristics? Please tick/check the boxes below

The following are a range of considerations that might help you to complete the assessment.

Lifestyle YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>	Personal circumstances YES <input type="checkbox"/> NO <input checked="" type="checkbox"/>	Access to services/facilities/amenities YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>
<input type="checkbox"/> Diet <input checked="" type="checkbox"/> Exercise and physical activity <input type="checkbox"/> Smoking <input type="checkbox"/> Exposure to passive smoking <input type="checkbox"/> Alcohol intake <input type="checkbox"/> Dependency on prescription drugs <input type="checkbox"/> Illicit drug and substance use <input type="checkbox"/> Risky Sexual behaviour <input type="checkbox"/> Other health-related behaviours, such as tooth-brushing, bathing, and wound care	<input type="checkbox"/> Structure and cohesion of family unit <input type="checkbox"/> Parenting <input type="checkbox"/> Childhood development <input type="checkbox"/> Life skills <input type="checkbox"/> Personal safety <input type="checkbox"/> Employment status <input type="checkbox"/> Working conditions <input type="checkbox"/> Level of income, including benefits <input type="checkbox"/> Level of disposable income <input type="checkbox"/> Housing tenure <input type="checkbox"/> Housing conditions <input type="checkbox"/> Educational attainment <input type="checkbox"/> Skills levels including literacy and numeracy	<input type="checkbox"/> to Employment opportunities <input checked="" type="checkbox"/> to Workplaces <input type="checkbox"/> to Housing <input type="checkbox"/> to Shops (to supply basic needs) <input type="checkbox"/> to Community facilities <input checked="" type="checkbox"/> to Public transport <input type="checkbox"/> to Education <input type="checkbox"/> to Training and skills development <input type="checkbox"/> to Healthcare <input type="checkbox"/> to Social services <input type="checkbox"/> to Childcare <input type="checkbox"/> to Respite care <input type="checkbox"/> to Leisure and recreation services and facilities
Social Factors YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>	Economic Factors YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>	Environmental Factors YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>
<input checked="" type="checkbox"/> Social contact <input checked="" type="checkbox"/> Social support <input type="checkbox"/> Neighbourliness <input checked="" type="checkbox"/> Participation in the community <input type="checkbox"/> Membership of community groups <input checked="" type="checkbox"/> Reputation of community/area <input type="checkbox"/> Participation in public affairs <input type="checkbox"/> Level of crime and disorder <input type="checkbox"/> Fear of crime and disorder <input type="checkbox"/> Level of antisocial behaviour <input type="checkbox"/> Fear of antisocial behaviour <input type="checkbox"/> Discrimination <input type="checkbox"/> Fear of discrimination <input checked="" type="checkbox"/> Public safety measures <input checked="" type="checkbox"/> Road safety measures	<input checked="" type="checkbox"/> Creation of wealth <input type="checkbox"/> Distribution of wealth <input type="checkbox"/> Retention of wealth in local area/economy <input type="checkbox"/> Distribution of income <input checked="" type="checkbox"/> Business activity <input type="checkbox"/> Job creation <input type="checkbox"/> Availability of employment opportunities <input type="checkbox"/> Quality of employment opportunities <input type="checkbox"/> Availability of education opportunities <input type="checkbox"/> Quality of education opportunities <input type="checkbox"/> Availability of training and skills development opportunities <input type="checkbox"/> Quality of training and skills development opportunities <input type="checkbox"/> Technological development <input type="checkbox"/> Amount of traffic congestion	<input type="checkbox"/> Air quality <input type="checkbox"/> Water quality <input type="checkbox"/> Soil quality/Level of contamination/Odour <input checked="" type="checkbox"/> Noise levels <input checked="" type="checkbox"/> Vibration <input type="checkbox"/> Hazards <input type="checkbox"/> Land use <input type="checkbox"/> Natural habitats <input type="checkbox"/> Biodiversity <input checked="" type="checkbox"/> Landscape, including green and open spaces <input checked="" type="checkbox"/> Townscape, including civic areas and public realm <input type="checkbox"/> Use/consumption of natural resources <input type="checkbox"/> Energy use: CO2/other greenhouse gas emissions <input type="checkbox"/> Solid waste management <input checked="" type="checkbox"/> Public transport infrastructure




Page 304



## 4. Outcome of the Assessment

The EHIA assessment is intended to be used as an improvement tool to make sure the activity maximises the positive impacts and eliminates or minimises the negative impacts. The possible outcomes of the assessment are listed below and what the next steps to take are:

Please tick (✓) what the overall outcome of your assessment was:

	<p>1. The initial screening exercise showed a strong indication that there will be no impacts on people and need to carry out an EHIA.</p> <p>2. The EHIA identified <u>no significant concerns</u> OR the identified <u>negative concerns</u> have already been <u>addressed</u></p>		<p><b>Proceed with implementation of your activity</b></p>
	<p>3. The EHIA identified some <u>negative impact</u> which still needs <u>to be addressed</u></p>		<p><b>COMPLETE SECTION 5:</b> <b>Complete action plan</b> with measures to mitigate the and finalise the EqHIA</p>
	<p>4. The EHIA identified some <u>major concerns</u> and showed that it is <u>impossible to diminish negative impacts</u> from the activity to an acceptable or even lawful level</p>		<p><b>Stop and remove</b> the activity or <b>revise</b> the activity <b>thoroughly</b>. <b>Complete an EqHIA on the revised proposal.</b></p>

## 5. Action Plan

The real value of completing an EqHIA comes from identifying the actions that can be taken to eliminate/minimise **negative** impacts and enhance/optimize positive impacts. In this section you should list the specific actions that set out how you will mitigate or reduce any **negative** equality and/or health & wellbeing impacts, identified in this assessment. Please ensure that your action plan is: more than just a list of proposals and good intentions; if required, will amend the scope and direction of the change; sets ambitious yet achievable outcomes and timescales; and is clear about resource implications.

Protected characteristic / health & wellbeing impact	Identified Negative or Positive impact	Recommended actions to mitigate Negative impact* or further promote Positive impact	Outcomes and monitoring**	Timescale	Lead officer

### Add further rows as necessary

\* You should include details of any future consultations and any actions to be undertaken to mitigate negative impacts.

\*\* Monitoring: You should state how the impact (positive or negative) will be monitored; what outcome measures will be used; the known (or likely) data source for outcome measurements; how regularly it will be monitored; and who will be monitoring it (if this is different from the lead officer).

## 6. Review

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

**Review:**

As and when change in policy

**Scheduled date of review:**

TBC

**Lead Officer conducting the review:**

Head of Service or Group Manager

*\*Expand box as required*

**Please submit the completed form via e-mail to [READI@havering.gov.uk](mailto:READI@havering.gov.uk) thank you.**

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<b>CABINET</b>	
<b>Subject Heading:</b>	Corporate Plan Q2 Performance Report: (2024/25)
<b>Cabinet Member:</b>	Councillor Ray Morgon
<b>ELT Lead:</b>	Kathy Freeman, Strategic Director, Resources
<b>Report Author and contact details:</b>	Jodie Gutteridge   Corporate Policy and Performance Lead <a href="mailto:Jodie.gutteridge@havering.gov.uk">Jodie.gutteridge@havering.gov.uk</a>
<b>Policy context:</b>	The report sets out Quarter 2 performance for each of the three strategic priorities (People, Place and Resources)
<b>Financial summary:</b>	There are no direct financial implications arising from this report. It is expected that the delivery of targets will be achieved within existing resources.
<b>Is this a Key Decision?</b>	No
<b>When should this matter be reviewed?</b>	The Corporate Performance Report will be brought to Cabinet at the end of each quarter.
<b>Reviewing OSC:</b>	

**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	x
Resources – Enabling a resident –focused and resilient council	x

**SUMMARY**

The Council’s Corporate Plan was formally adopted in April 2024.

The Corporate Plan is made up of the three Strategic Director Service plans and describes how we will deliver the vision under the following three themes:

- Supporting our residents to stay safe and well
- A great place to live work and enjoy
- Enabling a resident-focussed and resilient council

Under each theme sit a number of outcomes and key deliverables associated to the Key Performance Indicators (KPIs) that were agreed to be the most appropriate for measuring progress. These KPIs have been brought together into a Corporate Plan Performance Report, which provides an overview of the Council's performance. The report is presented in PowerBI and highlights good performance and potential areas for improvement.

The Overall KPI status page identifies where the Council is performing well (**Green**) not so well (**Amber** and **Red**). KPIs which are narrative only, or for which it is not appropriate to set a target, are shown in **Blue**. RAG ratings for 2024/25 are as follows:

- **Red** = Below target and below the 'variable tolerance' off the target
- **Amber** = Below target but within the 'variable tolerance' of the target
- **Green** = Above annual target

Also included in the Power-BI report are Direction of Travel (long-term and short-term), which compares:

- Short-term performance – with the previous quarter (Quarter 1 2024/25)
- Long-term performance – with the same time the previous year (Quarter 2 2024/25, where available)

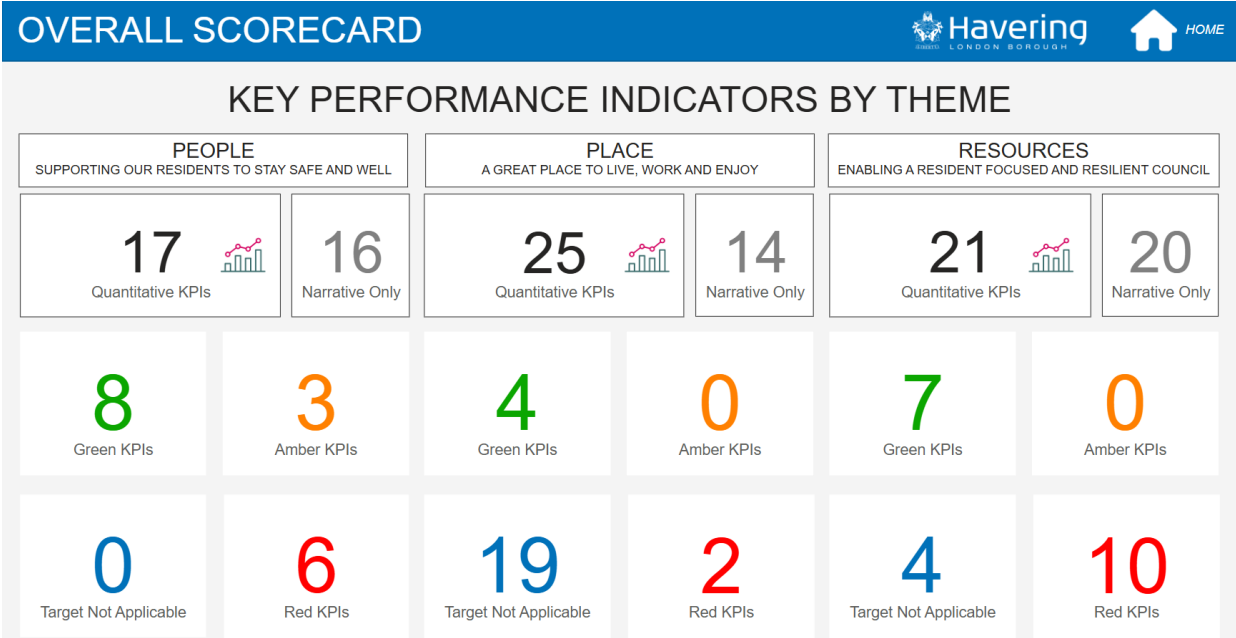
Please note the green arrow shows if (↑) higher performance is better or (↓) lower performance is better.

## RECOMMENDATIONS

Members are asked to consider all indicators (especially the red indicators highlighted within the body of this report) and note the levels of performance set out in the power-bi report.

# REPORT DETAIL

## Quarter 2 2024/25 RAG Summary



- As at the end of Q2 2024/25, **113** Corporate Performance Indicators have been measured.
- Of these, **73** are either narrative only (50) or are KPIs for which a target is not applicable (23). The remaining **40** have been given a RAG status outlined below:
  - 19 (48%)** have a RAG status of **Green**.
  - 3 (7%)** have a RAG status of **Amber**.
  - 18 (45%)** have a RAG status of **Red**.
- A full breakdown of the report is available in Power BI and can be viewed using [this link](#).
- As requested at Scrutiny on 22<sup>nd</sup> October 2024, we have provided the Red RAG rated indicators below for your information. Please note that not all the commentary can be included in the screen shots provided within the report, so please do visit the Power-bi report above.

Theme	Key indicator	Current RAG	Data Type	Polarity	Current Performance	Current Target
People	Average score for Attainment 8 (GCSE Attainment)	Red	Number	Higher is better	48.5	49.0
Places	Compliance with building safety standards for public (non-residential) buildings	Red	Number	Higher is better	96.5	97.0
Resources	Gender Pay Gap (MEAN)	Red	Percentage	Lower is better	7.5	0.0
Places	Install new publicly accessible electric vehicle charging points	Red	Number	Higher is better	0.0	148.0
People	Number of children in emergency accommodation	Red	Number	Lower is better	1,422.0	1400.0
People	Number of properties acquired through Property Purchasing Scheme	Red	Number	Higher is better		60.0
People	Percentage of children receiving a 2-2.5 year development check	Red	Percentage	Higher is better	94.6	95.0
People	Percentage of Education, Health and Care Needs Assessments completed within 20 weeks, including exceptions	Red	Percentage	Higher is better	13.0	75.0
People	Percentage of Havering residents receiving an offer of their first preference school (Secondary)	Red	Percentage	Higher is better	76.0	83.0
Resources	Progress on delivering the Climate Change Action Plan	Red	Percentage	Higher is better	34.0	100.0
Resources	Reduce CO2 emissions from Council activity (Electricity - Street lighting)	Red	Number	Lower is better	578.0	520.0
Resources	Reduce CO2 emissions from Council activity (Fleet)	Red	Number	Lower is better	944.0	900.0
Resources	Reduce CO2 emissions from Council activity (Natural Gas)	Red	Number	Lower is better	1,023.0	960.0
Resources	Reducing CO2 emissions from Council activity (Electricity - Building)	Red	Number	Lower is better	642.0	620.0
Resources	The amount of Apprenticeship Levy spent (£)	Red	Money	Higher is better	434,756.0	1222801.0
Resources	The percentage of enquiries closed within target	Red	Percentage	Higher is better	70.6	100.0
Resources	The percentage of information requests closed within target - FOI / EIR	Red	Percentage	Higher is better	69.7	90.0
Resources	The percentage of information requests closed within target - SAR's	Red	Percentage	Higher is better	77.0	90.0

Key indicator

Average score for Attainment 8 (GCSE Attainment)

48.5

Current Performance Value

49.0

Year End Target

Direction of Travel (Short-Term) | N/A

Direction of Travel (Long-Term) | Improving

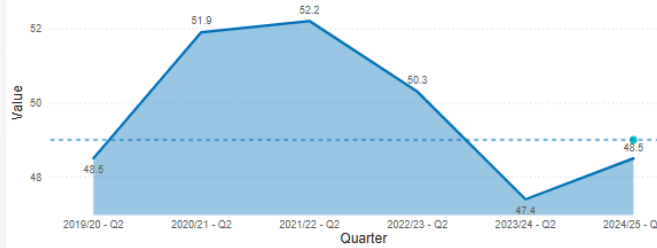
Theme | People

Service | Starting Well

Link to Published Data: | <https://www.gov.uk/governme...>

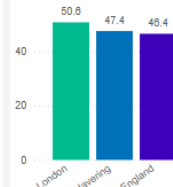
Performance Trend (Number)

Higher is better ↑



Mouse over for Methodology...

How We Compare - Latest Published Data



Performance Narrative:

The Average Attainment 8 score for all pupils in Havering has remained above national figures since 2017. Scores peaked locally (52.2) and nationally (50.9) in 2022 due to the pandemic and results being teacher assessed. Since examinations resumed, attainment has returned to pre-covid levels for Havering (47.4) and Nationally (46.3). Results for 2020 and 2021 are not comparable with earlier years due to the cancellation of exams and changes to way GCSE grades were awarded in those years. Unvalidated data for the last academic year suggests a small improvement on the previous year but this will not be published and available for reporting until the autumn.

Key indicator

Compliance with building safety standards for public (non-residential) buildings

96.5

Current Performance Value

97.0

Year End Target

Direction of Travel (Short-Term) | Improving

Direction of Travel (Long-Term) | N/A

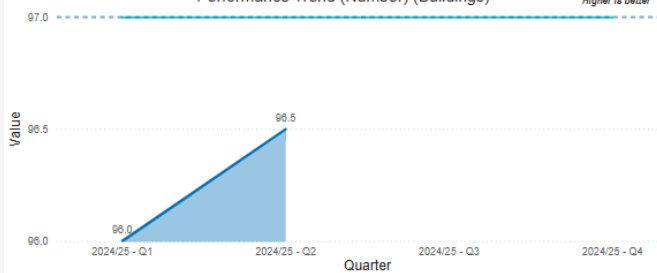
Theme | Places

Service | Housing & Property

Link to Published Data: | Internal only

Performance Trend (Number) (Buildings)

Higher is better ↑



Mouse over for Methodology...

Not Benchmarked

Performance Narrative:

Compliance is monitored on a range of different performance indicators to ensure statutory compliance. This is undertaken on a monthly basis by the corporate landlord section within the Capital Delivery and Corporate Estates team. As at the end of Q2, we are awaiting upload data for 7 buildings due to the use of a live tracker.

Key indicator

Gender Pay Gap (MEAN)

7.5

Current Performance Value

0.0

Year End Target

Direction of Travel (Short-Term) | N/A

Direction of Travel (Long-Term) | Worsening

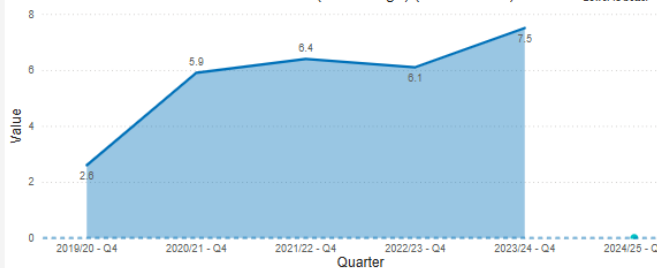
Theme | Resources

Service | HR&OD

Link to Published Data: | <https://www.ons.gov.uk/emplo...>

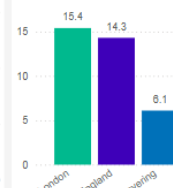
Performance Trend (Percentage) (% difference)

Lower is better ↓



Mouse over for Methodology...

How We Compare - Latest Published Data



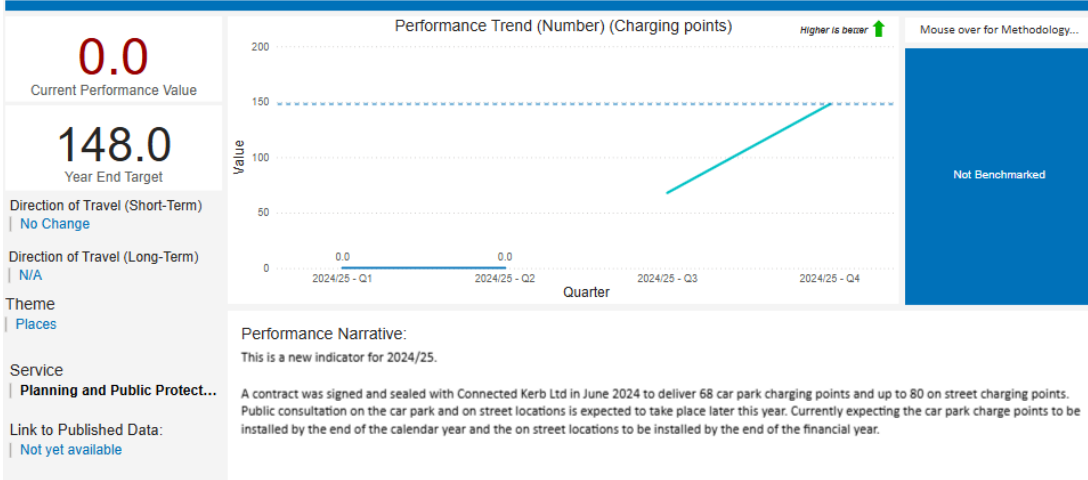
Performance Narrative:

We have a mean Gender pay gap of 7.5%, and a median Gender pay gap of 6.9%. This means when comparing mean (average) hourly pay, men's mean hourly pay is 7.5% higher than it is for women. Or to put this another way, on average men earn £1.075 for every £1 that women earn when comparing mean hourly pay, or men earn nearly £1.07 for every £1 that women earn when comparing median hourly pay. This does not mean that men earn more for doing the same job, or work of a similar value, but that men occupy slightly more of the higher paid positions overall compared to women.



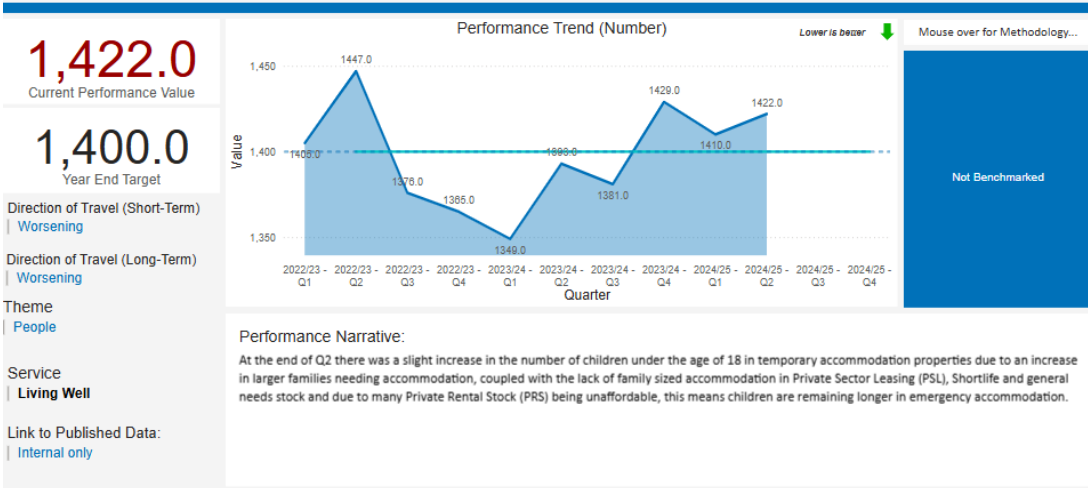
Key indicator

Install new publicly accessible electric vehicle charging points



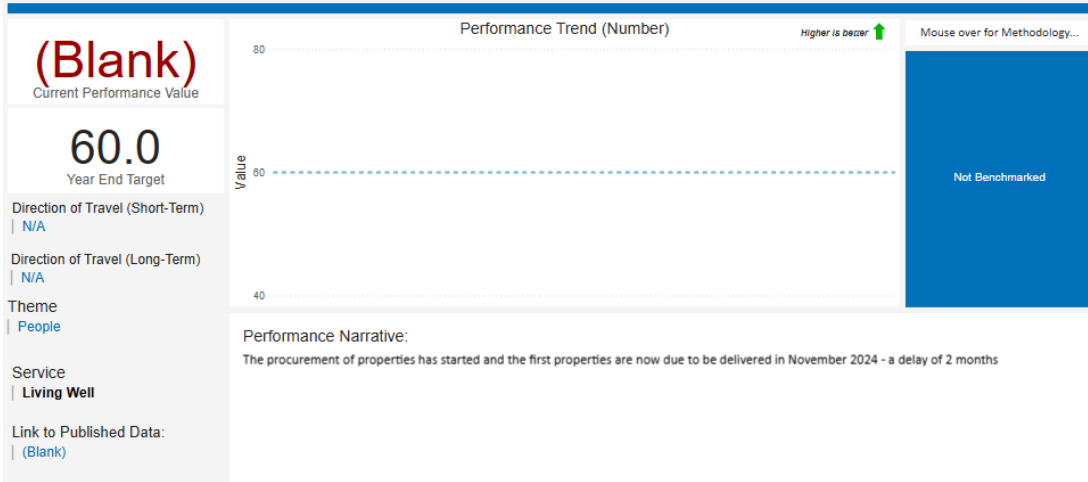
Key indicator

Number of children in emergency accommodation



Key indicator

Number of properties acquired through Property Purchasing Scheme



**We will develop and deliver our integrated Starting Well Plan: Happy, Healthy Lives** Theme: **PEOPLE** **Having** LONDON BOROUGH

Key indicator: Percentage of children receiving a 2-2.5 year development check

**94.6**  
Current Performance Value

**95.0**  
Year End Target

Direction of Travel (Short-Term) | Improving

Direction of Travel (Long-Term) | Improving

Theme | People

Service | Public Health

Link to Published Data: <https://infgertips.ph.ee.org.uk/c...>

**Performance Trend (Percentage)**

Quarter	Value
2019/20 - Q1	83.6
2019/20 - Q2	75.5
2019/20 - Q4	90.8
2020/21 - Q1	82.9
2020/21 - Q2	89.7
2020/21 - Q3	81.1
2021/22 - Q1	83.7
2021/22 - Q2	85.2
2021/22 - Q3	80.7
2021/22 - Q4	83.6
2022/23 - Q1	84.2
2022/23 - Q2	75.7
2022/23 - Q3	83.9
2022/23 - Q4	84.4
2023/24 - Q1	81.7
2023/24 - Q2	86.3
2023/24 - Q3	88.1
2023/24 - Q4	85.9
2024/25 - Q1	90.1
2024/25 - Q2	94.6

**How We Compare - Latest Published Data**

Entity	Value
Havering	81.4
England	73.6
London	61.2

**Performance Narrative:**  
Coverage of children receiving a 2-2.5 year review in quarter 2 of 2024/25 is 94.6%, a continued improvement and very close to the target KPI of 95%.  
We acknowledge 95% is a challenging target and this quarter's achievement suggests NELFT's continued efforts to reach it through offering flexibility around appointments to meet the needs of families, following up on those that Did Not Attend (DNA) and working with Early Years providers to deliver an integrated check when suitability of childcare settings permits, is taking positive effect.

**We will work with schools and partners to deliver a consistent approach to inclusion and behaviour management, through targeted interventions** Theme: **PEOPLE** **Having** LONDON BOROUGH

Key indicator: Percentage of Education, Health and Care Needs Assessments completed within 20 weeks, including exceptions

**13.0**  
Current Performance Value

**75.0**  
Year End Target

Direction of Travel (Short-Term) | Worsening

Direction of Travel (Long-Term) | Worsening

Theme | People

Service | Starting Well

Link to Published Data: <https://explore-education-stati...>

**Performance Trend (Percentage)**

Quarter	Value
2019/20 - Q1	74.0
2019/20 - Q2	63.0
2019/20 - Q3	58.0
2019/20 - Q4	67.0
2020/21 - Q1	54.0
2020/21 - Q2	51.0
2020/21 - Q3	67.0
2020/21 - Q4	60.0
2021/22 - Q1	42.0
2021/22 - Q2	32.0
2021/22 - Q3	22.0
2021/22 - Q4	11.0
2022/23 - Q1	8.0
2022/23 - Q2	18.0
2022/23 - Q3	63.0
2022/23 - Q4	58.0
2023/24 - Q1	11.0
2023/24 - Q2	27.0
2023/24 - Q3	36.0
2023/24 - Q4	50.0
2024/25 - Q1	40.0
2024/25 - Q2	13.0
2024/25 - Q3	74.0
2024/25 - Q4	13.0

**How We Compare - Latest Published Data**

Entity	Value
London	52.0
England	47.6

**Performance Narrative:**  
Performance reported for the calendar year 2023 was 38%, against the national average of 50.3%. This below average performance was a reflection of a significant increase in the number of requests for assessment received and agreed.  
As at the end of Q2, the issues with EP capacity mean we are now unable to meet statutory timescales. We have taken steps to mitigate the impact on families and schools through changes to funding, and have approval from the recruitment panel to look at new options to bolster EP capacity in addition to growth in the EP service included in the Education Services reorganisation. Nonetheless, it is unlikely we will see improvements for some time due to the time lag in recruitment, ongoing challenges in the recruitment market, and increasing requests for assessment.

**We will develop and deliver our integrated Starting Well Plan: Happy, Healthy Lives** Theme: **PEOPLE** **Having** LONDON BOROUGH

Key indicator: Percentage of Havering residents receiving an offer of their first preference school (Secondary)

**76.0**  
Current Performance Value

**83.0**  
Year End Target

Direction of Travel (Short-Term) | N/A

Direction of Travel (Long-Term) | Worsening

Theme | People

Service | Starting Well

Link to Published Data: <https://explore-education-stati...>

**Performance Trend (Percentage)**

Quarter	Value
2019/20 - Q4	76.9
2020/21 - Q4	82.2
2021/22 - Q4	81.9
2022/23 - Q4	79.1
2023/24 - Q4	76.0

**How We Compare - Latest Published Data**

Entity	Value
England	82.9
Havering	76.0
London	71.1

**Performance Narrative:**  
The percentage of children receiving an offer on their first preferred secondary school had increased over time from 76.7% in 2019/20 to 82.2% in 2021/22 before returning to previous pre-pandemic levels of 76% for 2024/25. This remains above the Outer London average (71.1%)  
As with primary school applications % rates in London can be lower due to denser populations of schools within boroughs, whereas some rural/costal areas can have fewer schools within each catchment area.

Key indicator  
 Progress on delivering the Climate Change Action Plan

**34.0**  
Current Performance Value

**100.0**  
Year End Target

Direction of Travel (Short-Term)  
| Improving

Direction of Travel (Long-Term)  
| N/A

Theme  
| Resources

Service  
| Public Health

Link to Published Data:  
| (Blank)

Performance Trend (Percentage)

Higher is Better ↑

Value

Quarter

2024/25 - Q1 25.0 2024/25 - Q2 34.0

Not Benchmarked

Performance Narrative:  
 The action plan provides a framework for the Council to tackle climate change and deliver on its target of becoming carbon neutral by 2040 or sooner. We are 34% of the way to completing all actions by the current plan deadline of 2027, which is a 9% increase since last quarter. There are:  
 12 in Built Environment;  
 4 in Business Continuity;  
 24 in Energy (1 new action);  
 16 in People (1 new action);  
 12 in Procurement.

Key indicator  
 Reduce CO2 emissions from Council activity (Electricity - Street lighting)

**578.0**  
Current Performance Value

**520.0**  
Year End Target

Direction of Travel (Short-Term)  
| N/A

Direction of Travel (Long-Term)  
| Improving

Theme  
| Resources

Service  
| Public Health

Link to Published Data:  
| Internal only

Performance Trend (Number) (Tonnes CO2e)

Lower is Better ↓

Value

Quarter

2020/21 - Q4 847.0 2021/22 - Q4 740.0 2022/23 - Q4 673.0 2023/24 - Q4 578.0 2024/25 - Q4 520.0

Not Benchmarked

Performance Narrative:  
 In 2023-24, 578 tonnes of CO2 was emitted from the use of electricity in streetlighting across Havering.  
 Electricity use for streetlighting decreased significantly between 2022-23 and 2023-24 by almost 700,000 kWh, which reduced emissions by 95 tCO2e. Despite this, the cost increased from £946k in 2022-23 to £987k in 2023-24.

Key indicator  
 Reduce CO2 emissions from Council activity (Fleet)

**944.0**  
Current Performance Value

**900.0**  
Year End Target

Direction of Travel (Short-Term)  
| N/A

Direction of Travel (Long-Term)  
| Improving

Theme  
| Resources

Service  
| Public Health

Link to Published Data:  
| Internal only

Performance Trend (Number) (Tonnes CO2e)

Lower is Better ↓



Value

Quarter

2020/21 - Q4 1187.0 2021/22 - Q4 1117.0 2022/23 - Q4 1184.0 2023/24 - Q4 944.0 2024/25 - Q4 900.0

Not Benchmarked

Performance Narrative:  
 In 2023-24, 944 tonnes of CO2 was emitted from fuel used by the Council's fleet.  
 CO2 emissions from the corporate fleet have decreased between 2022-23 and 2023-24. The reasons for this are:  
 (i) GTL fuel is more efficient than diesel  
 (ii) Larger fleet vehicles are all Euro 6 compliant and operate at peak fuel efficiency  
 (iii) Drivers are reminded not to leave vehicles idling  
 (iv) Route mapping / sat navs optimise the most fuel efficient routes for all vehicles

**We will manage the Council's response to Climate Change and the challenges it presents, taking action to become carbon neutral by 2040** Theme: **RESOURCES**  

Key indicator: Reduce CO2 emissions from Council activity (Natural Gas)

**1,023.0**  
Current Performance Value

**960.0**  
Year End Target

Direction of Travel (Short-Term) | N/A

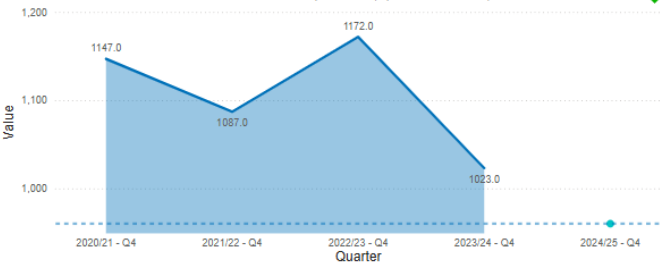
Direction of Travel (Long-Term) | Improving

Theme | Resources

Service | Public Health

Link to Published Data: | Internal only

**Performance Trend (Number) (Tonnes CO2e)** Lower is better ↓



Value

Quarter

2020/21 - Q4 2021/22 - Q4 2022/23 - Q4 2023/24 - Q4 2024/25 - Q4



1147.0 1087.0 1172.0 1023.0

960.0

Not Benchmarked

Performance Narrative:  
In 2023-24, 1035 tonnes of CO2 was emitted from the Council's use of natural Gas.

Gas consumption, used for heating the corporate estate, decreased by 832,000 kWh between 2022-23 and 2023-24 and subsequently reduced emissions 150 tCO2e. Despite reduced consumption, costs increased by £134k to £556k.

**We will manage the Council's response to Climate Change and the challenges it presents, taking action to become carbon neutral by 2040** Theme: **RESOURCES**  

Key indicator: Reducing CO2 emissions from Council activity (Electricity - Building)

**642.0**  
Current Performance Value

**620.0**  
Year End Target

Direction of Travel (Short-Term) | N/A

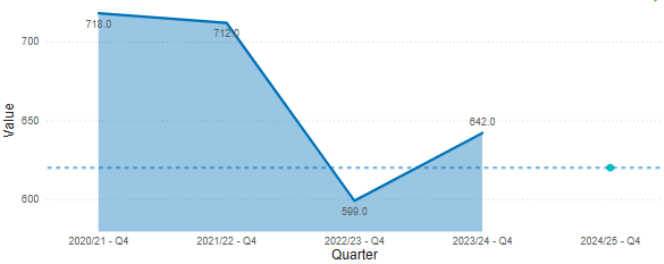
Direction of Travel (Long-Term) | Worsening

Theme | Resources

Service | Public Health

Link to Published Data: | Internal only

**Performance Trend (Number) (Tonnes CO2e)** Lower is better ↓



Value

Quarter

2020/21 - Q4 2021/22 - Q4 2022/23 - Q4 2023/24 - Q4 2024/25 - Q4



718.0 712.0 599.0 642.0

620.0

Not Benchmarked

Performance Narrative:  
In 2023-24, 642 tonnes of CO2 was emitted from the use of electricity in Council buildings.

Electricity consumption in the corporate estate has remained relatively constant for the past four years, however emissions continue to decrease as the National Grid secures an increasing proportion of energy from renewable sources. The cost increased from £726k in 2022-23 to £1.15million in 2023-24.

**We will identify and focus on the resources and skills needed for the future, including by "growing our own"** Theme: **RESOURCES**  

Key indicator: The amount of Apprenticeship Levy spent (£)

**434.8K**  
Current Performance Value

**1.2M**  
Year End Target

Direction of Travel (Short-Term) | Improving

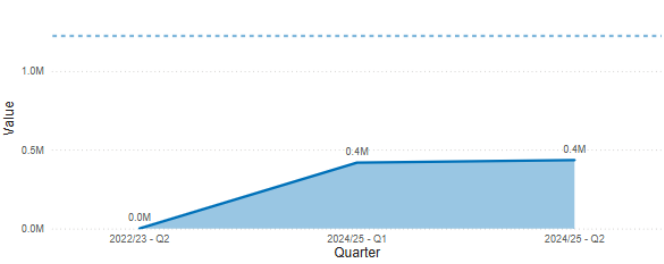
Direction of Travel (Long-Term) | N/A

Theme | Resources

Service | HR&OD

Link to Published Data: | Internal only

**Performance Trend (Money) (£)** Higher is better ↑



Value

Quarter

2022/23 - Q2 2024/25 - Q1 2024/25 - Q2

0.0M 0.4M 0.4M

1.2M

Not Benchmarked

Performance Narrative:  
From a total levy fund of £1,471,390, we have spent £434,756 since October 2023, with a further estimated spend of £330,869 across the rest of the year. In addition we have pledged £250,000 of our levy fund to organisation in Havering to use to support apprentices where they don't pay into the levy. We have returned £109,468 of expired levy funding in the current financial year 24/25.

Key indicator: The percentage of enquiries closed within target

**70.6**  
Current Performance Value

**100.0**  
Year End Target

Direction of Travel (Short-Term) | **Worsening**

Direction of Travel (Long-Term) | **N/A**

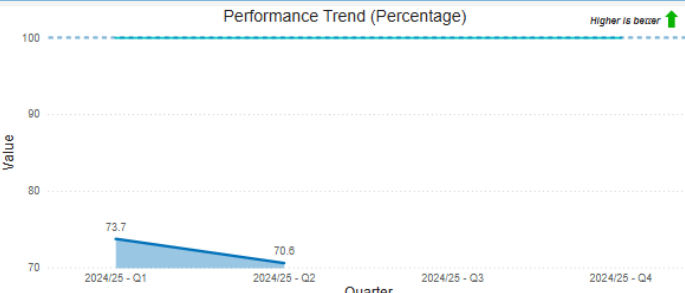
Theme | **Resources**

Service | **Public Health**

Link to Published Data: | **Internal only**

### Performance Trend (Percentage)

Higher is better ↑



Value

Quarter

2024/25 - Q1: 73.7, 2024/25 - Q2: 70.6

2024/25 - Q3, 2024/25 - Q4

Not Benchmarked

Performance Narrative:  
During quarter 2 we received a total of 1,342 enquiries via Members. Of these enquiries 947 cases were responded to within the 15 day target.

The case handling build for members enquiries on the new corporate system casetracker, is built and we are testing this with the assistance of some councillors. The complaint team have already identified 219 enquiries received in the last quarter should have been considered as service requests and would be dealt with via the systems already in place via Dyanmics 365. It is envisioned that this new build will reduce the amount of enquiries received by the team as well as provide a more timely service for residents.

Key indicator: The percentage of information requests closed within target - FOI / EIR

**69.7**  
Current Performance Value

**90.0**  
Year End Target

Direction of Travel (Short-Term) | **N/A**

Direction of Travel (Long-Term) | **Worsening**

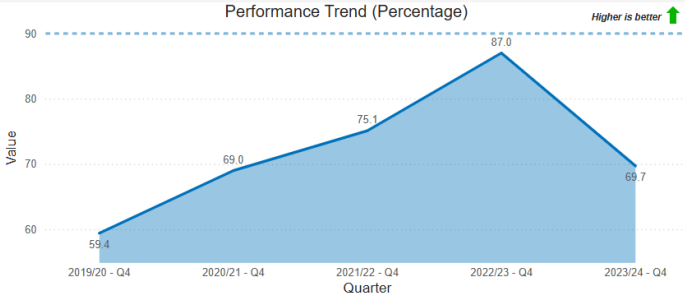
Theme | **Resources**

Service | **Public Health**

Link to Published Data: | **Internal only**

### Performance Trend (Percentage)

Higher is better ↑



Value

Quarter

2019/20 - Q4: 59.4, 2020/21 - Q4: 69.0, 2021/22 - Q4: 75.1, 2022/23 - Q4: 87.0, 2023/24 - Q4: 69.7

Not Benchmarked

Performance Narrative:  
As at the end of Q2, the percentage of information requests closed within targets (FOI / EIR) for the quarter are:

- Corporate – 40% on time
- People – 58% on time
- Places – 60% on time
- Resources – 64% on time

Key indicator: The percentage of information requests closed within target - SAR's

**77.0**  
Current Performance Value

**90.0**  
Year End Target

Direction of Travel (Short-Term) | **N/A**

Direction of Travel (Long-Term) | **Worsening**

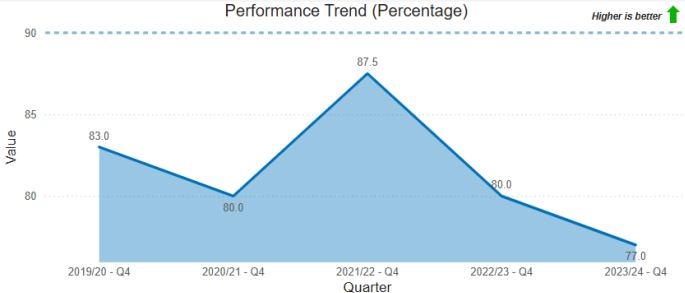
Theme | **Resources**

Service | **Customer Services**

Link to Published Data: | **Internal only**

### Performance Trend (Percentage)

Higher is better ↑



Value

Quarter

2019/20 - Q4: 83.0, 2020/21 - Q4: 80.0, 2021/22 - Q4: 87.5, 2022/23 - Q4: 80.0, 2023/24 - Q4: 77.0

Not Benchmarked

Performance Narrative:  
The percentage of Subject Access Requests closed within targets (SAR) during Q2 are:

- Corporate – 40%
- People – 45%
- Places – 54%
- Resources – 40%

## REASONS AND OPTIONS

**Reasons for the decision:** To provide Cabinet Members with an update on the Council's performance against each of the strategic goals (People, Place and Resources).

**Other options considered:** The option of not reporting was quickly dismissed as robust performance management underpins the Council's commitment to make informed, evidence-based decisions, and to be open and transparent with our residents, staff and partners.

## IMPLICATIONS AND RISKS

### **Financial implications and risks:**

Adverse performance against some Corporate Performance Indicators may have financial implications for the Council, particularly where targets are explicitly linked with particular funding streams.

Whilst it is expected that targets will be delivered within existing resources, officers regularly review the level and prioritisation of resources required to achieve the targets agreed by Cabinet.

### **Legal implications and risks:**

There are no direct legal implications arising from the recommendations in this report. Whilst reporting on performance is not a statutory requirement, it is considered best practice to review the Council's progress against the Corporate Plan and Service Plans on a regular basis and is an indicator of good governance

### **Human Resources implications and risks:**

There are no major direct HR implications or risks from this report. Any HR issues which occur will be managed in accordance with the Council's HR policies and procedures and any change processes that are required will be managed in accordance with both statutory requirements and the Council's Organisational Change Policy and Procedure and associated guidance.

### **Equalities implications and risks:**

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, sex, race, disability, sexual orientation, marriage and civil partnerships, religion or belief, pregnancy and maternity and gender reassignment.

The Council is committed to all of the above in the provision, procurement and commissioning of its services, and the employment of its workforce. In addition, the Council is also committed to improving the quality of life and wellbeing for all Havering residents in respect of socio-economics and health determinants.

Equality impact assessments are systematically carried out for any services, projects or other schemes that have the potential to impact on communities and / or staff on the grounds of particular protected characteristics or socio-economic disadvantage.

Equalities assessment is normally required for significant impacts upon ANY of the “protected characteristics”. As this is a report pulls together the work that is already being completed or due to start, an assessment is not required.

**Health and Wellbeing implications and Risks**

Under the Health and Social Care Act 2012 the Council is responsible for improving and protecting the health and wellbeing of local residents. Havering Council is committed to improving the health and wellbeing of all residents.

There are no health and wellbeing implications arising from the proposed decision to approve and publish this report.

**ENVIRONMENTAL AND CLIMATE CHANGE IMPLICATIONS AND RISKS**

The Council has committed to taking action towards the organisation and the borough becoming carbon neutral by 2040.

The table below gives the carbon footprint of activities associated with the publication of the corporate performance indicators:

<b>Activity</b>	<b>Carbon footprint</b>
Production of 1kg paper	1kg CO <sub>2</sub>
Production of 1 A4 sheet paper	5g CO <sub>2</sub>
Laser printing	10 pages per minute = 10.27g CO <sub>2</sub>
One internet search	0.2g CO <sub>2</sub>
Average website page view	1.8g CO <sub>2</sub>

Printing a single report to include all 113 corporate performance indicators would have a carbon footprint of approximately 681g CO<sub>2</sub>. For all nine cabinet members this would equate to just over 6kg CO<sub>2</sub> per quarter, or 24kg CO<sub>2</sub> per year. Printing this report will equate to 66.297g CO<sub>2</sub> per member (approximately 596.67g for all nine cabinet members)

Publishing the corporate performance indicators on the Council website would have a lower carbon footprint of approximately 2g CO<sub>2</sub>. For all nine cabinet members this would equate to 18g CO<sub>2</sub> per quarter, or 72g CO<sub>2</sub> per year.

No significant detrimental climate change implications or risks are expected as a direct outcome of this report, however it is recommended that printing is kept to a minimum to reduce organisational CO<sub>2</sub> emissions.

**BACKGROUND PAPERS**

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## CABINET

**Subject Heading:**

**Revenue and Capital Budget  
Monitoring Report - Period 6**

**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](mailto:Richard.Tyler@Havering.gov.uk)

**Policy context:**

The report provides an update on the  
Financial monitoring position of the  
Council at the end of Period 6 2024-2025.

**Financial summary:**

This report includes:

- Projected 2024/25 Revenue  
Outturn position at Period 6
- Projected Capital spend for 2024/25  
as at Period 6
- Update on progress towards  
delivering the 2024/25 savings
- Update on the position on  
Earmarked Reserves

**Is this a Key Decision?**

No

## **1. EXECUTIVE SUMMARY**

- 1.1. This Report sets out the monitoring position for the Council for 2023/24 based on figures to period six (30<sup>th</sup> September). The report also updates on the latest position on the Capital programme detailing spend and outputs so far and planned spend for the remainder of the year
- 1.2. The Council is projecting a £33.2m overspend on its General Fund revenue budget at period 6. The Council will continue to enforce strict spending controls and identify efficiencies as set out later in this report. The current projected outturn position would result in the Council needing to utilise the full extent of the £32.5m Capitalisation Direction provisionally agreed with the Government at budget setting.
- 1.3. The report also sets out progress to date on delivery of the 2024/25 savings agreed in setting the budget in February 2024. The majority of savings are either already delivered or are on track. There are a number of savings which are either delayed or will not be delivered. Departments are reviewing all areas to identify underspends and efficiencies to mitigate these savings but the resultant pressure is fully included in the projected variances presented in this report.

## **2. RECOMMENDATIONS**

- 2.1. Cabinet are asked to note the revenue financial position at Period 6 as set out in section 4 and Appendix 1 of this report
- 2.2. Cabinet are asked to note the progress towards delivery of the 2024/25 savings and the updated position on earmarked reserves
- 2.3. Cabinet are asked to note the Quarter 2 Capital Programme update as set out in Appendix 2 to this report.

## **3. BACKGROUND**

- 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.
- 3.2. This position has resulted in Havering having no alternative to requesting exceptional financial support in order to balance its budget for 2024/25. The Council received provisional agreement from central Government to balance its 2024/25 budget using a £32.5m capitalisation direction which represented a worst-case scenario.
- 3.3. Growth was allocated to service budgets at the start of the year based on the most likely scenario at that time which would have resulted in a £14.0m gap rather than the full

£32.5m agreed with central Government. This report shows the Council's position against that position is now in effect at the worst-case scenario with demographic and inflationary demand on people services in particular exceeding the budgets allocated to departments.

- 3.4 The new national Government have committed to funding reform and multiyear spending reviews from 2025 onwards. This is welcomed and Havering will work closely with the Local Government Association (LGA), London Councils and other Councils to make sure all our concerns are presented to Government to inform decision making. It is hoped that these reforms ultimately will lead to a sustainable financial basis for the Council to deliver its services in the medium term. These reforms will take time to introduce and so in the short term it is inevitable that the Council will require further exceptional financial support to deliver its services.

#### 4. PERIOD 6 REVENUE MONITORING POSITION

- 4.1. This section sets out the reported monitoring position at the end of Period 6 2024. The current forecasted position is a £33.2m overspend which if not mitigated would exceed the capitalisation direction permitted by the Government and result in a reduction in general balances. The table below sets out the summary position.

**Table 1: Period 6 Budget Monitoring Position**

Service Budgets	Original Budget £m	Budget Adjustments £m	Revised Budget £m	Period 6 Projection £m	Period 6 Variance £m
Resources and One Source	22.1	2.3	24.4	24.3	-0.1
People Services	124.3	33.4	157.7	176.3	18.6
Place Directorate	10.7	3.2	13.9	16.7	2.8
<b>Total Service Budgets</b>	<b>157.1</b>	<b>38.9</b>	<b>196.0</b>	<b>217.3</b>	<b>21.3</b>
<b>Corporate Total</b>	<b>6.2</b>	<b>9.7</b>	<b>15.9</b>	<b>13.8</b>	<b>-2.1</b>
<b>Total Planned spend</b>	<b>163.3</b>	<b>48.6</b>	<b>211.9</b>	<b>231.1</b>	<b>19.2</b>
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
<b>Total cumulative Position</b>	<b>197.9</b>	<b>0.0</b>	<b>197.9</b>	<b>231.1</b>	<b>33.2</b>

4.2 Further details of Departmental variances can be found at **Appendix 1** later in this report. The main variances however continue to be across people services through additional demographic demand across all areas of social care, the rising cost of temporary accommodation and the financial impact of delivering the recommendations from the recent OFSTED report

4.3 The Council has been operating under strict spending controls for over a year since it was apparent that external financial support would be needed to balance the budget. These spending controls have recently been enhanced by the creation of recovery boards for each Department to report and action mitigations to the budget position.

#### 4.3.1 **Ageing Well and Living Well Recovery Board**

The Ageing Well and Living Well Recovery Board has agreed a series of actions which have already been put into action with the aim of containing and reducing spend. These include:

- **Cost Control Meetings** – Weekly cost approval meetings have been scheduled. These meeting focus on challenging proposed spend to ensure value for money on essential spend.
- **Contract review** – top ten contracts in terms of spend being reviewed with a view to reduce spend by 10%
- Director of Ageing Well to sign off all one to one, out of panel requests and review of all under £650 panel requests.
  
- **Review of structures across Living and Ageing Well with aim of:**
  - Ensuring that appropriate resources are in place to manage the demand and complexity.
  - Ensuring that targets on reviews are in place across the service to control expenditure.
  - Ensure that we are meeting our Care Act duties to mitigate a negative outcome of a CQC inspection.

#### 4.3.2 **The Starting Well Recovery Board**

The Starting Well Recovery Board has set up the following actions to help control and mitigate spend.

- **Cost Control Meetings** – Daily cost approval meetings have been scheduled. These meeting focus on challenging proposed spend to ensure value for money on essential spend.

- **Panels** – Starting Well has implemented a number of specialist panels to approve and regularly review expenditure on care and other support for children and families.
  - Section 17 Homelessness and NRPF panel
  - HARP – internal panel for high cost care placements
  - MARP – Multi Agency panel to approve placements and agree split funding arrangements
  - Section 23/24 (Care Leavers) panel
- **Improving Foster Carer Recruitment and Retention and Usage – Local Community Fostering** (a six borough partnership) was launched in Spring 24 to improve recruitment and assessment of foster carers.
- **Agency Reduction** – as part of the Starting Well Restructure and Improvement Plan there was initially an increase in agency spend in order to meet the recommendations of the 2024 OFSTED report. The Council is working hard to convert agency staff to permanent or to recruit to those posts.
- **Improved Commissioning** – There have been three provider forums recently with care agencies, and this has led to improved placement pathways with fostering agencies and local children's homes and supported accommodation providers.

#### 4.3.3 Resources Recovery Board

Resources has already has put in place a number of measures to reduce costs including:

- Agreement with One Source partners on a revised allocation of Microsoft licences based on current usage – saving of £275k in year
- Resources senior management restructure completed which will deliver £560k of senior management savings across Resources
- Holding senior vacancies for example the Director of Finance post and now holding the shared onsource IT director post with alternative cover arrangements in place.
- Significant reduction of agency spend across resources through permanent recruitment to posts.

#### **4.3.4 Place Recovery Board**

Place have commenced a series of reviews of services to both identify efficiencies and to ensure effective income collection. Actions include:

- Six Month Parking Review – All the current parking regimes and arrangements will be reviewed including usage, impact of any fee changes and potential impact if the current charges were amended.
- Joint work with London Councils to review PCN Banding
- Review of parking transactional charges to ensure best value for the Council
- Review of permits issued by the Council
- Review of Highways maintenance costs. Areas include structures, drainage, flood risk management, signs, street lighting and gully cleaning work
- Review of the Highways improvement programme to identify schemes that safely can be slipped to a later date
- Review of expenditure across all other Place Services to identify if any works can be stopped or delayed to save costs in the short term
- Review of all agency posts across the service to recruit to permanent roles where possible

#### **4.3.5 Creation of a Debt Working Group**

The Board will oversee all income collection, debt, debt recovery and bad debt provisions of the Council. The role of the working group is to ensure collection is maximised for all debt whilst having full regard for residents and other debtors welfare and ability to pay

The board will oversee updates for the collection of income and outstanding debt across the Council and periodically review write off procedures and the Council's bad debt provisions

### **5. SAVINGS AND EFFICIENCIES DELIVERY**

- 5.1. In setting the 2024/25 budget the Council identified £15.349m of savings, efficiencies and fee changes which would need to be delivered in order to balance the budget. These proposals were partially offset by a £3.0m budget provision recognising that some proposals might not be fully realised. Departments worked collectively to achieve the proposals wherever possible. The tables below show progress towards delivery of those savings split into Departments and also rag- rated.

5.2. The table below shows progress of delivery by Directorate

**Table 2: Savings Delivery**

<b>Savings Delivery</b>	<b>Green (M)</b>	<b>Amber (M)</b>	<b>Red (M)</b>	<b>Total (M)</b>
Corporate	4.936	0.300	0.000	<b>5.236</b>
Resources	0.969	0.000	0.280	<b>1.249</b>
People	2.828	1.651	1.422	<b>5.901</b>
Place	1.431	0.782	0.750	<b>2.963</b>
<b>TOTAL</b>	<b>10.164</b>	<b>2.733</b>	<b>2.452</b>	<b>15.349</b>

5.3. The Council will continue with the aim of delivering all savings and efficiencies set out in the budget. The majority are on track but there are a number which are classified as red (not on track). Where services have reported savings that are not on track they have also presented the non-delivery as a variance in their respective service monitoring position.

## 6. CORPORATE BUDGETS AND CONTINGENCY

6.1.1. The Council holds a central contingency of £1m each year. This is held for unforeseen events and the Council would only use this as a last resort if no other funding is available. At this stage of the year the Contingency is assumed as required but should that not be the case it will be released to support the overall budget position

6.2. The Council also holds a number of budgets centrally including Treasury Management, levies and provisions for items that are agreed in the year such as the pay award. The table below sets out the current position on these items which is a £2.1m forecast underspend to year end

**Table 3: Corporate Budgets**

<b>Corporate Items</b>	<b>Revised Budget £m</b>	<b>Period 6 Forecast £m</b>	<b>Variance £m</b>
Corporate Contingency	1.000	1.000	0.000
Treasury Management	11.900	9.300	<b>(2,600)</b>
Concessionary Fares and Taxi Cards	6.500	6.200	<b>(0.300)</b>
Provision for 2024/25 pay award	3,000	4,000	1,000
Business Rate Pool saving	<b>(1,000)</b>	<b>(1,200)</b>	<b>(0.200)</b>
Other Corporate Budgets	<b>(5.500)</b>	<b>(5.500)</b>	0.000
<b>Total</b>	<b>15.900</b>	<b>13.800</b>	<b>(2,100)</b>

- 6.3 The main underspend relates to Treasury management through a combination of higher interest receivable on the Councils short term cash balances and an underspend on borrowing and repayment costs principally due to slippage in the Capital programme.
- 6.4 There are also underspends Corporately due to one off rebates on the cost of the freedom pass for 24/25 and a forecasted overachievement on the business rate saving through the joint pool with Thurrock and Barking and Dagenham. The 2024/25 pay award has now been agreed and the final cost will exceed the most likely scenario set out in the Council's budget by £1m

## 7. EARMARKED AND GENERAL RESERVES

- 7.1. The Council holds general balances to mitigate against unforeseen risks. At the end of 2023/24 The Council held £10.2m in General Balances. This is significantly lower than the Council's self set target of £20m of unallocated balances. The Council does budget each year for a £5m contribution to general balances but the financial position set out in this report will make increasing general balances very difficult in the short term. The table below recognises the planned contributions to balances reaching the planned level of £20m by March 2027
- 7.2. The Council also holds Earmarked reserves which are set aside for specific time limited projects in the future. These reserves are reviewed regularly and if the reserves are no longer required they are either transferred to revenue or added to general balances.

The table below sets out the projected use of Earmarked reserves and forecast balance at year end

**Table 4: Earmarked Reserves and General Balances**

<b>EARMARKED RESERVES</b>	<b>Opening Balance 24/25 (M)</b>	<b>Current Balance 24/25 (M)</b>	<b>Forecast Balance 31/03/25 (M)</b>	<b>Forecast Balance 31/03/26 (M)</b>	<b>Forecast Balance 31/03/27 (M)</b>
General Balances	10.2	10.2	14.5	19.5	20.0
Risk Mitigation Reserves	13.5	13.1	10.0	8.1	8.1
Contractual Reserves	12.2	12.0	8.0	8.0	8.0
Internally Earmarked Projects	9.4	8.8	7.1	5.8	5.7
<b>TOTAL</b>	<b>45.3</b>	<b>44.1</b>	<b>39.6</b>	<b>41.4</b>	<b>41.8</b>

## 8. HOUSING REVENUE ACCOUNT (HRA)

- 8.1 The HRA is forecasting an underspend of £0.38m at Period 6. The underspend partly relates to vacancies causing a salary underspend and also an increase in hall hire income.

There have been also been delays in the recruitment of staff in Housing Operations, but the resultant underspend has been partially offset by a reduction in the forecasted



income expected by the Telecare Service and additional costs compared to budget for Park Rise & St Georges.

## **9. CAPITAL PROGRAMME 1ST QUARTER MONITORING UPDATE**

9.1 The Capital monitoring 2nd quarter update is presented in **Appendix 2** of this report. The appendix shows that the Council is currently projecting to spend £189m on Capital in 2024/25.

9.2 The Capital programme has delivered a number of key outcomes already this year including:

- £2.884m on the 12 Estates project to improve housing across borough.
- £5.382m spent on enhancing and increasing our existing housing stock.
- £2.362m on improving the quality of our roads and infrastructure.
- £2.351m on the Regeneration of Bridge Close.
- £1.491m on enhancing our schools and educational facilities.
- £0.555m in addition to last year's spend of £8.1m on the purchase of refuse vehicles.
- £1.030m on enabling residents to continue to live at home rather than care homes or hospital via the disabled facilities grant.
- An additional £0.751m on two buildings to provide semi-independent living for young people leaving care and adults with learning disabilities.
- £2.800m spent on Bridge Close Acquisitions.
- £10.987m spent on the Rainham & Beam Park regeneration project.
- £0.422m spent on improving parks and open spaces across the borough.

## **10. IMPLICATIONS AND RISKS**

### **10.1 Financial Implications and Risks**

The financial implications of the Council's monitoring position are the subject of this report and are therefore set out in the body of this report.

### **10.2 Legal Implications and Risks**

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

10.2.2 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.

10.2.3 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.

### 10.3 Human Resource Implications and Risks

10.3.1 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.

### 10.4 Equalities and Social Inclusion Implications and Risks

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



**Haverling**  
LONDON BOROUGH

**Appendix 1**  
**Service Revenue Budget Monitoring**  
**Period 6 – September 2024**

# High Level Summary

The Council was unable to set a balanced budget for 24/25 without exceptional financial support from central government of £32.5m. £14m of the £32.5m was allocated to the service budgets and the balance was held back to manage further risks of overspends. As at the end of September, the net budget position is an overspend of **£19.2m** which is in addition to the budget assumption that the Council will need to use **£14m** of the Capitalisation Direction to finance the budgets allocated. The overall position will therefore require borrowing of **£33.2m** (£14.0m + £19.2m).

	Revised Budget 2024-25	Actuals YTD as Period 6	Outturn Forecast at end of September	Forecast Outturn Variance	P3 Forecast Variance	Change in Forecast Variance
	£m	£m	£m	£m	£m	£m
<b>Directorate</b>						
People Services	157.670	93.970	176.250	18.590	14.500	4.090
Places	13.920	7.510	16.670	2.750	3.100	- 0.350
Resources and One Source	24.350	11.460	24.290	- 0.060	0.700	- 0.760
<b>TOTAL SERVICE DIRECTORATES</b>	<b>195.940</b>	<b>112.940</b>	<b>217.210</b>	<b>21.280</b>	<b>18.300</b>	<b>2.980</b>
Corporate Budgets	1.580	-6.030	-0.480	-2.060	0.000	-2.060
<b>TOTAL COUNCIL REVENUE</b>	<b>197.520</b>	<b>106.910</b>	<b>216.730</b>	<b>19.220</b>	<b>18.300</b>	<b>0.920</b>
Budget Financing	-197.520	-6.770	-197.520	0.000	0.000	0.000
<b>TOTAL NET</b>	<b>0.000</b>	<b>100.140</b>	<b>19.210</b>	<b>19.220</b>	<b>18.300</b>	<b>0.920</b>

The position at P6 is £0.9m worse than P3. Although action is being taken so far the impact is less than the considerable upward pressures being experienced. **The position forecast in P6 is now in excess of the Capitalisation Direction requested for 24/25.**

# PEOPLE Summary £18.6m overspend

There has been a slight improvement in Starting Well offset by a worsening position in Living Well and a small adverse movement in Ageing Well.

PEOPLE	Revised Budget 2024-25	Actuals YTD as Period 6	Outturn Forecast at end of September	Forecast Outturn Variance	P3 Forecast Variance	Change in Forecast Variance
Service	£m	£m	£m	£m	£m	£m
Starting Well	66.300	36.670	73.250	6.950	6.800	0.150
Living Well	44.330	24.680	49.850	5.510	3.800	1.710
Ageing Well	47.030	32.620	53.160	6.130	3.900	2.230
<b>TOTAL PEOPLE</b>	<b>157.660</b>	<b>93.970</b>	<b>176.260</b>	<b>18.590</b>	<b>14.500</b>	<b>4.090</b>

Starting Well is reporting a £6.95m overspend against budget which is driven by increasing demand in care budgets and the impact of the Ofsted Improvement plan. There has been a reduction in the forecast for LAC residential placements and the forecast on staffing has reduced slightly in the last month because of management action to fill vacancies and release expensive agency placements.

Ageing Well and Living Well are reporting pressures in each area. The £6.1m Ageing Well pressure is being driven by increased cost of placements. This is a result of both market pressure and increased complexity in cases.

There has been an adverse movement in Living Well, increasing the overspend to £5.5m. This worsening of the position is mainly due to slippage of the Chalkhill scheme which resulted in a pressure of £0.4m due to more families being accommodated in more expensive accommodation types than initially forecast. There has also been an increase in demand in families requiring temporary accommodation for period 6 with this trend likely to continue, this has added an additional £0.4m to the forecast. The main driver in Temporary Accommodation is increased numbers presenting as homeless combined with reduced availability of lower cost options such as Private Sector Rentals to house homeless clients.

There is a forecast pressure of £6.9m which is a 10% overspend against the budget.

	Revised Budget 2024- 25	Actuals YTD as Period 6	Outturn Forecast at end of September	Forecast Outturn Variance	P3 Forecast Variance	Change in Forecast Variance
<b>Starting Well</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>
Education	11.880	4.850	13.600	1.720	0.960	0.760
Children's Social Care	53.330	30.870	57.690	4.360	4.620 -	0.260
Principle Social Worker	1.090	0.950	1.960	0.870	1.220 -	0.350
<b>TOTAL STARTING WELL</b>	<b>66.300</b>	<b>36.670</b>	<b>73.250</b>	<b>6.950</b>	<b>6.800</b>	<b>0.150</b>

## Main Variances

- Staffing and Improvement Plan - £1.4m in Social Care and £0.220m in Education.** As part of the Childrens Improvement Plan there will be an increase in social care staffing and management which will be recruited to throughout the year. In the interim there are large numbers of vacancies covered by agency with total forecast spend of £11m. There is an Improvement team in place (within the Principal Social Worker area). The total full year cost of the plan would be £5m though not all of this is expected to be felt in 24/25. £2.1m additional funding has been applied to the budget from the Social Care grant leaving around £1m gap. The forecast has reduced this month as a result of management action.
- In addition, there are the following demand led pressures:
- £1.500m Home to School Transport** where demand has continued to grow. Accepted applications are already 17% on last year and there are still applications in process. This is an increase since last month reflecting this projected in year growth.
- £2.480m Care for Children with Disabilities.** This is an emerging pressure driven by demographic demand. There have been increases in all levels of support driven by numbers. In particular there have been four high cost residential home placements.
- £0.680m Children in Care Placements** – mostly in high-cost residential care placements. This forecast has been reduced this month following a detailed review and reconciliation.
- £0.670m Other** – other demand led costs including UASC (£0.130m), Section 17 (£0.150m) and Legal (£0.390m)

	Revised Budget 2024- 25	Actuals YTD as Period 6	Outturn Forecast at end of September	Forecast Outturn Variance	P3 Forecast Variance	Change in Forecast Variance
<b>Living Well</b>	£m	£m	£m	£m	£m	£m
Culture and Leisure	- 0.320	1.600	- 0.280	0.040	0.070	- 0.030
Housing Demand	8.380	0.990	10.560	2.180	1.100	1.080
Living Well Social Care	36.270	22.080	39.570	3.300	2.630	0.670
<b>TOTAL LIVING WELL</b>	<b>44.330</b>	<b>24.670</b>	<b>49.850</b>	<b>5.520</b>	<b>3.800</b>	<b>1.720</b>

Temporary Accommodation overspend has increased by £1.7m from period 3 to period 6. The change is due to several reasons. There has been a slight increase in the chalkhill scheme meaning that more families are staying in more expensive temporary accommodation than initially projected – this equates to c£350k. There has also been additional demand for families being accommodated, an increase of 16 families per month rather than the predicted 10 – this trend appears to be continuing and has resulted in pressure c£400k. Mitigating actions are being taken to procure more properties, the Pay To Stay scheme, the new Mother & Baby Unit, and the Chalkhill scheme to manage the overspend. An upward trend in people presenting as homeless is increasing numbers of households in hotels/NLs. Cheaper types of TA, such as PSL, are reducing, making the service more reliant on nightly lets, at an extra cost of £14 - 30k per unit per year although the service has successfully negotiated some reductions in price for nightly lets in period 6.

The Living Well social care variance is mainly due to an increase in weekly rates which reflects the trend in the market which is seeing packages cost increase but also the complexity of need increasing. There is a **RED** risk of £0.5 - 1.0m in Living Well Social Care due to modelling based on the likely number of new joiners starting packaged in year at a rate of c.£400 above leavers rates. There is also a risk regarding the full achievement of savings which is assumed within the forecast.

	Revised Budget 2024-25	Actuals YTD as Period 6	Outturn Forecast at end of September	Forecast Outturn Variance	P3 Forecast Variance	Change in Forecast Variance
Ageing Well	£m	£m	£m	£m	£m	£m
Strategy and Commissioning	3.470	3.220	4.920	1.450	1.890	- 0.440
Adult Community Team	40.580	26.770	45.300	4.720	2.030	2.690
Ageing Well Staffing	2.750	1.680	2.840	0.090	0.030	0.060
Ageing Well Social Care other	- 2.000	0.900	- 1.970	0.030	0.090	- 0.060
<b>Ageing Well Social Care</b>	<b>44.800</b>	<b>32.570</b>	<b>51.090</b>	<b>6.290</b>	<b>4.040</b>	<b>2.250</b>
Adult Safeguarding	2.240	0.050	2.070	- 0.170	- 0.140	- 0.030
<b>TOTAL AGEING WELL</b>	<b>47.040</b>	<b>32.620</b>	<b>53.160</b>	<b>6.120</b>	<b>3.900</b>	<b>2.220</b>

The Ageing Well variance is driven by a combination of market pressure and increased complexity in needs. Overall, for both existing and new service users the unit cost per placement is increasing. This is due to people in placement developing more complex needs and providers negotiating increased rates to managing their own market pressures. Across placements we have experienced a decline in the number of providers accepting the Councils set rates to around 30 % in Residential Care and 40% in Nursing.

Although, the number of users is remaining relatively stable there is a level of turnover within the service with users leaving and new users joining. On average for the first quarter of this financial year new joiners' weekly costs were £400 above those leaving the service. This trend is continuing and is driving a large proportion of the pressure within Ageing well. There is a further £1.0 - £1.5m **RED** rated risk in this area due to modelling around the number of new joiners that could come online in year. This is not in the forecast but should be considered. There is also a risk regarding the full achievement of savings which is assumed within the forecast, however the service have successfully delivered a large proportion of the Better Living and Targeted review savings.



# PLACE Summary

Forecast £2.8m which would be an overspend of 20% of Budget

Place	Revised Budget 2024-25	Actuals YTD as of Period 6	Outturn Forecast at end of September	Forecast Outturn Variance	P3 Forecast Variance	Change in Forecast Variance
	£m	£m	£m	£m	£m	£m
Environment	10.040	2.970	12.270	2.230	2.360	- 0.130
Housing and Property	0.840	2.610	1.500	0.660	0.650	0.010
Planning and Public Protection	3.040	1.930	2.900	- 0.140	0.090	- 0.230
<b>TOTAL PLACE</b>	<b>13.920</b>	<b>7.510</b>	<b>16.670</b>	<b>2.750</b>	<b>3.100</b>	<b>-0.350</b>

The significant variance within Place is driven by an overspend in Environment. There is a Parking variance of £1.5m which relates to underachievement of income for parking permits and enforcement (PCN/MTC) against budget, in conjunction with pressure from support costs to the service. The Highways pressure of £0.8m is driven by a delay in procurement of the main highways contract and associated consultancy costs, combined with underachievement of licencing and permit income against budgeted targets.

The overspend in Housing and Property of £0.7m is due to the retention of Mercury House for longer than assumed and the regeneration of Hilldene Shopping Centre creating a pressure on rental income which is partially offset by an underspend in Inclusive Growth and Regeneration.

There is a small overspend forecast across Planning and Public Protection which it is expected will be mitigated by year end

# RESOURCES Summary

There is an underspend of (£0.060m) reported at P6. This is comprised of an underspend of (£0.23m) within Resources, partially offset by an overspend of £0.17m for OneSource Shared.

	Revised Budget 2024- 25	Actuals YTD as Period 6	Outturn Forecast at end of September	Forecast Outturn Variance	P3 Forecast Variance	Change in Forecast Variance
<b>RESOURCES</b>	£m	£m	£m	£m	£m	£m
HR & OD	2.130	1.488	2.310	0.180	0.020	0.160
Customer Services Transformation & IT	0.770	1.624	0.340	-0.430	-0.130	-0.300
Finance	5.460	3.601	5.460	0.000	-0.040	0.040
Communication	0.890	0.518	0.860	-0.030	-0.010	-0.020
Non-Shared LBH	0.930	-	0.973	-0.100	0.000	-0.100
Partnerships	0.420	1.377	0.700	0.280	0.480	-0.200
Public Health	-	0.680	0.680	0.000	0.000	0.000
Public Health - Non Grant	2.740	0.659	2.610	-0.130	0.180	-0.310
oneSource Havering	11.700	2.682	11.870	0.170	0.180	-0.010
<b>TOTAL RESOURCES</b>	<b>24.360</b>	<b>11.461</b>	<b>24.300</b>	<b>-0.060</b>	<b>0.680</b>	<b>-0.740</b>

The main variance reported in Resources for period 6 remain within the Partnerships directorate due to slippage on a £250k integration saving albeit they are offset by staffing underspends/vacancy management across a number of services.

	Budget 2024-25 (£M)	Outturn Forecast at end of September (£M)	Forecast Outturn Variance (£M)
Provision for Pay award	3.000	4.000	1.000
Treasury Management	11.880	9.280	-2.600
Other Corporate Budgets	-8.100	-8.560	-0.460
<b>TOTAL CORPORATE</b>	<b>6.780</b>	<b>4.720</b>	<b>-2.060</b>

The current projected cost of the 24/25 Pay award is £4.0m which exceeds the original budget set aside by £1.0m. There are however a number of Corporate underspends which will mitigate this pressure and result in an overall Corporate underspend of (£2.060)m.

The Council has a budgeted Contingency of £1m which at this stage is assumed to be needed but could be released later in the year. There is also a budgeted £5m contribution to general reserves to help the Council move towards its target for balances.

There is a projected underspend on Treasury of £2.6m which relates partly to MRP (£1.1m) partly due to interest on cash receivable and the fact that as yet the Council has not needed to externally borrow in 2024/25 (£1.5m). There are other one off Corporate underspends on concessionary travel (£0.310m) and an overachievement on the business pool saving (£0.200m).

# Overall High Level Service Risks

Directorate	Savings	Summary of Main Risks	TOTAL Value
People	Ageing Well	121 support and placement activity/demand increases	£2m to £2.5m
People	Living Well	121 support and placement activity/demand increases, failure to achieve savings	£1.6m to £2.1m
People	Starting Well	Increased demand in LAC, CWD and Send Transport, cost of Ofsted Improvement Plan	£4.0m
Place	Place	Mercury House, Winter gritting and other costs, income from range of sources inc parking, building control etc	£2.2m
Resources	One Source	ICT cost inflation, cloud migration	£0.4m
<b>Total Services</b>			<b>£10.5m to £11.5m</b>

At this stage of the year the Council is carrying continued financial risk that has the potential to add even more pressure to the forecast. The worst case scenario would be an extra £11.5m of costs. This would be far outside the funding directive provided as exceptional financial support by central government and all possible action should be taken to avoid it.

# Overall Opportunities and Mitigations

Directorate	Service	Summary of Opportunities and Mitigations	TOTAL Value
People	Ageing Well	Additional Health funding, new site at St Georges	£0.3m to £0.5m
People	Living Well	Impact of targeted reviews, development of new accommodation offers	£0.5m to £1m
People	Starting Well	Impact of panels on reducing placement cost, temp to perm recruitment, reducing placement demand	£2.5m to £4m
Place	Place	Increased parking income over the winter	£0.1m
Resources	Resources	Savings from restructures and reduction in agency costs	£0.4m
Resources	One Source	Negotiation of cost share, increased enforcement/debt recovery income	£0.6m
<b>Total Services</b>			<b>£4.4m to £6.5m</b>

At this stage of the year services have identified £3.3m to £6.5m of potential management action to reduce spend or other savings opportunities. All efforts should be made to ensure that these opportunities are maximised as far as possible. Further actions would need to be identified to recover the overspend in full.

# Dedicated Schools Grant (DSG) Summary

Forecast £16.2m Overspend 9.6% of current year budget.

Forecast cumulative overall DSG deficit position to increase from £15.3m to £31.5m overspend by the end of financial year 24-25.

	Post-recoupment budget - LA responsible for	Forecasted Expenditure	Forecast Outturn Variance	% of budget	Notes
Schools Block	92,674	91,486	1,188	1.28%	Transfer from Schools Block to High Needs Block
Central Schools Services Block	1,747	1,747	0	0.00%	<i>expected to be nil or small underspend</i>
High Needs Block	40,660	58,086	-17,426	-42.86%	projected expenditure based on current demand
Early Years Block	34,082	34,082	0	0.00%	<i>expected to be nil or small underspend</i>
<b>DSG - overall</b>	<b>169,163</b>	<b>185,401</b>	<b>-16,238</b>	<b>-9.60%</b>	

The material variance within the DSG is in the DSG High Needs Block.

The DSG High Needs Block is a part of the funding provided by the central government to local authorities to support education for children and young people with special educational needs and disabilities (SEND). This grant funding is ring-fenced and specifically allocated to meet the needs of pupils who require additional support due to their learning difficulties or disabilities.

The forecasted overspend is reflective of the increasing demand for support, that the current central government formula of distribution does not cover for Havering and other LAs across England.

The MHCLG has extended the Statutory Override for DSG until the end of financial year 2025-26. This regulation reduces the overall financial risks posed by the deficit falling on the council unearmarked general fund reserves.

## **Total Forecast (£0.380m) Underspend.**

The HRA is forecasting an underspend of £380k, with the variance by Directorate shown below.

Resources - Public Health - HRA - £260k underspend. This the result of the service carrying vacancies and an increase in hall hire income.

Place - Housing & Property HRA - £140k underspend. There have been delays in the recruitment of staff in Housing Operations, but this has been offset by a reduction in the forecasted income expected by the Telecare Service and the inclusion of additional costs for Park Rise & St Georges. The movement this month is the result of audit fees expected for the Fraud Team. The change since last month, is due to the revision of the utility costs forecasts, following information provided by the Energy Team.

People - Living Well HRA - £20k overspend. This is due to tenant decant and removal costs.

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## APPENDIX 2 – CAPITAL MONITORING UPDATE Quarter 2

### 1. CAPITAL MONITORING

- 1.1. The Capital programme for 2024/25 through to 2027/28 was agreed at Council in February 2024. Since then slippage from 2023/24 has been added as per the capital outturn report and there have been some additions to the programme resulting in a summary programme as set out in the table below.

Summary of Existing Capital Approved Programme	Previous Years Budget £m	2024- 25 Budget £m	2025-26 Budget £m	2026-27 + Budget £m	Total Budget £m
Ageing Well	2.907	7.286	0.000	0.000	10.193
Living Well	26.920	1.745	0.375	3.078	32.118
Starting Well	2.223	32.671	17.000	19.000	70.894
<b>People</b>	<b>32.050</b>	<b>41.702</b>	<b>17.375</b>	<b>22.078</b>	<b>113.205</b>
Environment	25.247	20.846	7.854	14.000	67.947
Housing & Property (GF)	44.228	133.597	147.007	129.882	454.714
Housing & Property (HRA)	358.764	214.050	161.102	554.962	1,288.878
Planning & Public Protection	0.201	1.499	0.000	0.000	1.700
<b>Place</b>	<b>428.440</b>	<b>369.992</b>	<b>315.963</b>	<b>698.844</b>	<b>1,813.239</b>
Customer Services	7.077	0.343	0.000	0.000	7.420
Finance	0.104	2.587	0.000	0.000	2.691
Partnership Impact and Delivery	6.761	7.926	10.421	0.000	25.108
Resources - Public Health	0.012	0.325	0.000	0.000	0.337
<b>Resources</b>	<b>13.954</b>	<b>11.181</b>	<b>10.421</b>	<b>0.000</b>	<b>35.556</b>
<b>Grand Total</b>	<b>474.444</b>	<b>422.875</b>	<b>343.759</b>	<b>720.922</b>	<b>1,962.000</b>

GF / HRA Split	Previous Years Budget £m	2024- 25 Budget £m	2025-26 Budget £m	2026-27 + Budget £m	Total Budget £m
General Fund	115.680	208.825	182.657	165.960	673.122
Housing Revenue Account	358.764	214.050	161.102	554.962	1,288.878
<b>Grand Total</b>	<b>474.444</b>	<b>422.875</b>	<b>343.759</b>	<b>720.922</b>	<b>1,962.000</b>

- 1.2. Financing - The Council finances its capital expenditure through a combination of resources both internal and externally generated. Each funding stream is considered in terms of risk and affordability in the short and long term. The current and future climates have a significant influence on capital funding decisions. As a result, the planned disposals and borrowing costs are kept under regular review to ensure timing maximises any potential receipts or reduces borrowing costs.

- 1.3. Excluding previous years spend of £474.444 (shown for information in the table above), the total capital programme for 2024/25 and beyond is £1,487.556m split between the GF (£557.442m) and HRA (£930.114m). Funding for the planned capital expenditure for both the GF and HRA is set out in the 2 tables below.

<b>General Fund Financing</b>	<b>2024/25 Financing Budget £m</b>	<b>2025/26 Financing Budget £m</b>	<b>2026/27+ Financing Budget £m</b>	<b>Total Financing Budget £m</b>
Capital Receipts	43.084	45.327	82.691	<b>171.102</b>
Revenue & Reserves	2.106	0.000	0.000	<b>2.106</b>
Grants & Other Contributions	50.738	17.130	31.185	<b>99.053</b>
Borrowing	112.897	120.201	52.083	<b>285.181</b>
<b>Total GF Financing</b>	<b>208.825</b>	<b>182.657</b>	<b>165.960</b>	<b>557.442</b>

<b>HRA Financing</b>	<b>2023/24 Financing Budget £m</b>	<b>2024/25 Financing Budget £m</b>	<b>2025/26+ Financing Budget £m</b>	<b>Total Financing Budget £m</b>
Capital Receipts	51.115	54.961	152.218	<b>258.294</b>
Revenue & Reserves	11.457	10.460	32.651	<b>54.568</b>
Grants & Other Contributions	3.403	0.000	0.000	<b>3.403</b>
Borrowing	148.075	95.681	370.093	<b>613.849</b>
<b>Total HRA Financing</b>	<b>214.050</b>	<b>161.102</b>	<b>554.962</b>	<b>930.114</b>

## 2. Capital Achievements as at 30<sup>th</sup> September 2024

- 2.1. Capital expenditure as at the 30<sup>th</sup> September is £48.231m to date. Notable achievements so far for 2024/25 are as follows.

- £2.884m on the 12 Estates project to improve housing across borough.
- £5.382m spent on enhancing and increasing our existing housing stock.
- £2.362m on improving the quality of our roads and infrastructure.
- £2.351m on the Regeneration of Bridge Close.
- £1.491m on enhancing our schools and educational facilities.
- £0.555m in addition to last year's spend of £8.1m on the purchase of refuse vehicles.
- £1.030m on enabling residents to continue to live at home rather than care homes or hospital via the disabled facilities grant.
- An additional £0.751m on two buildings to provide semi-independent living for young people leaving care and adults with learning disabilities.
- £2.800m spent on Bridge Close Acquisitions.
- £10.987m spent on the Rainham & Beam Park regeneration project.
- £0.422m spent on improving parks and open spaces across the borough.

## 3. 2024/25 Capital Programme

- 3.1. The report below sets out the latest period 6 forecast position for the Council's capital programme for the 2024/25 financial year compared to the position at period 3.

	2024/25 Forecast Period 3 £m	2024/25 Forecast Period 6 £m	2024/25 Variance £m
Starting Well	30.148	6.095	(24.053)
Living Well	1.328	1.103	(0.225)
Ageing Well	7.099	4.899	(2.200)
<b>People</b>	<b>38.575</b>	<b>12.097</b>	<b>(26.478)</b>
Housing & Property (GF)	32.597	31.828	(0.769)
Housing & Property (HRA)	138.094	118.090	(20.004)
Planning & Public Protection	1.111	1.111	0.000
Environment	19.453	18.802	(0.651)
<b>Place</b>	<b>191.255</b>	<b>169.831</b>	<b>(21.424)</b>
Partnership Impact and Delivery	8.275	7.270	(1.005)
Customer Services	0.329	0.309	(0.020)
Finance	0.182	0.000	(0.182)
Public Health	0.325	0.325	0.000
<b>Resources</b>	<b>9.111</b>	<b>7.904</b>	<b>(1.207)</b>
<b>Total</b>	<b>238.941</b>	<b>189.832</b>	<b>(49.109)</b>

	2024/25 Forecast Period 3 £m	2024/25 Forecast Period 6 £m	2024/25 Variance £m
General Fund	100.847	71.742	(29.105)
Housing Revenue Account	138.094	118.090	(20.004)
<b>Total</b>	<b>238.941</b>	<b>189.832</b>	<b>(49.109)</b>

- 3.2. The forecast expenditure for 2024/25 is £189.832m with actual expenditure at the end of Period 6 standing at £48.231m. Whilst most project budgets are on track to be spent over the full MTFS period there are a number of projects where expenditure has slipped back into future years, the explanations for the main programmes that contribute towards the slippage provided below:

### 3.3. PEOPLE

#### 3.3.1. Starting Well

Programme Area /Service/ Directorate	2024/25 Forecast Period 3 £m	2024/25 Forecast Period 6 £m	2024/25 Variance £m
Childrens Social Care Programme	1.652	2.036	0.384
Education - Other	0.011	0.000	(0.011)
Schools	28.485	4.059	(24.426)
<b>Education</b>	<b>30.148</b>	<b>6.095</b>	<b>(24.053)</b>

<b>Starting Well</b>	<b>30.148</b>	<b>6.095</b>	<b>(24.053)</b>
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### Schools – Slippage of £24.426m

The Schools programme comprises of a number of grants that are awaiting allocation and have slipped into future years. Design work on three SEND Units have started at Sanders, Harrow Lodge, Harold Wood. The expansion of RJ Mitchell SEND Unit is also being consulted on.

### 3.3.2 Living Well

<b>Programme Area /Service/ Directorate</b>	<b>2024/25 Forecast Period 3 £m</b>	<b>2024/25 Forecast Period 6 £m</b>	<b>2024/25 Variance £m</b>
Leisure Other	0.055	0.105	0.050
Leisure SLM	1.273	0.998	(0.275)
<b>Housing Demand (GF)</b>	<b>1.328</b>	<b>1.103</b>	<b>(0.225)</b>
<b>Living Well</b>	<b>1.328</b>	<b>1.103</b>	<b>(0.225)</b>

There is no significant slippage forecast at this stage for Living Well.

### 3.3.3 Ageing Well

<b>Programme Area /Service/ Directorate</b>	<b>2024/25 Forecast Period 3 £m</b>	<b>2024/25 Forecast Period 6 £m</b>	<b>2024/25 Variance £m</b>
Adults Social Care - DFG	4.871	2.729	(2.142)
Adults Social Care - Other	2.228	2.170	(0.058)
<b>Adults Social Care</b>	<b>7.099</b>	<b>4.899</b>	<b>(2.200)</b>
<b>Ageing Well</b>	<b>7.099</b>	<b>4.899</b>	<b>(2.200)</b>

### Adults Social Care – DFG – Slippage of £2.142m

The DFG slippage is based on current activity levels in terms of the number of applications and adaptations projected to be carried out this year. Current forecasts will fully utilise the 2024/25 DFG allocation, but the slippage relates to previous years unspent DFG allocation balances.

## 3.4. PLACE

### 3.4.1. Housing and Property – General Fund

Programme Area /Service/ Directorate	2024/25 Forecast Period 3 £m	2024/25 Forecast Period 6 £m	2024/25 Variance £m
Mercury Land Holdings	2.772	4.441	1.669
Rainham & Beam Park	15.073	13.138	(1.935)
Regeneration - Other	2.056	2.056	0.000
Regeneration - TFL	0.050	0.050	0.000
<b>Regeneration &amp; Place Shaping</b>	<b>19.951</b>	<b>19.685</b>	<b>(0.266)</b>
Asset Management - Other	0.000	0.000	0.000
Corporate Buildings	4.092	3.812	(0.280)
Health & Safety	0.065	0.065	0.000
Pre Sale Expenses	0.376	0.153	(0.223)
Schools Building Maintenance	3.024	3.024	0.000
Schools Expansions	2.996	2.996	0.000
Vehicle Replacement	1.978	1.978	0.000
<b>Housing, Property and Assets</b>	<b>12.531</b>	<b>12.028</b>	<b>(0.503)</b>
Inclusive Growth Programme	0.115	0.115	0.000
<b>Inclusive Growth</b>	<b>0.115</b>	<b>0.115</b>	<b>0.000</b>
<b>Housing &amp; Property (GF)</b>	<b>32.597</b>	<b>31.828</b>	<b>(0.769)</b>

### MLH – Slippage of £1.669m

Forecasts for MLH have been re-profiled as a result of a number of business plans yet to be agreed relating to various sites. An additional £1.6m of acceleration relates to construction at Quarles development.

### Rainham & Beam Park – Slippage of £1.935m

The slippage relates to re-profile of any potential CPO's that would be required as a result of the project. There are currently no known CPO's that need progressing.

### 3.4.2. Housing & Property (HRA)

Programme Area /Service/ Directorate	2024/25 Forecast Period 3 £m	2024/25 Forecast Period 6 £m	2024/25 Variance £m
Bridge Close Acquisitions	31.083	19.538	(11.545)
Bridge Close Regeneration	0.646	0.686	0.040
HRA Regeneration	34.895	33.284	(1.611)
<b>Regeneration &amp; Place Shaping</b>	<b>66.624</b>	<b>53.508</b>	<b>(13.116)</b>
HRA	41.040	38.043	(2.997)
HRA Stock Adjustments	27.027	23.136	(3.891)
Housing HRA	3.403	3.403	0.000
<b>Housing, Property and Assets</b>	<b>71.470</b>	<b>64.582</b>	<b>(6.888)</b>
<b>Housing &amp; Property (HRA)</b>	<b>138.094</b>	<b>118.090</b>	<b>(20.004)</b>

### **Bridge Close Acquisitions – Slippage of £11.545m**

Negotiations are progressing on a number of acquisitions and forecasts will be updated monthly to assess timescales against cash flow assumptions. The 2024/25 forecast is based on completion of a number of acquisitions plus professional fees paid via the LLP. Acquisitions are of significant value, and forecasts are prepared against current acquisition schedule, which may be subject to change. Revised forecasts at Period 6 reflecting current predictions for conclusion of commercial negotiations for property acquisitions.

### **HRA Regeneration – Slippage of £1.611m**

£1.611m of slippage relates to acquisitions within the HRA regeneration programme. The forecast is based on the remaining properties to be bought back at Oldchurch gardens, Chippenham, Farnham and Maygreen. The majority of these purchases are now expected to complete in 2025/26.

### **HRA – Slippage of £2.997**

The largest areas of slippage relate to the two budgets the Decent Homes Works – External (£0.768m) and the Energy Saving Works (£0.516m).

### **HRA Stock Adjustments – Slippage of £3.891**

The majority of the slippage (£2.009m) relates to stock alignment budget. £1.5m for Rooftop at Ongar Way, which is now unlikely to be spent in 2024/25 and £0.510m not required for adaptations.

£2.006m of the slippage relates to the HRA Acquisition Fund - Affordable Housing. 15 properties have been approved so far for purchase, this will contribute to the forecast expenditure of £20.994m.

#### **3.4.3. Planning & Public Protection**

<b>Programme Area /Service/ Directorate</b>	<b>2024/25 Forecast Period 3 £m</b>	<b>2024/25 Forecast Period 6 £m</b>	<b>2024/25 Variance £m</b>
Enforcement	1.084	1.084	0.000
Planning TFL	0.027	0.027	0.000
<b>Planning &amp; Public Protection</b>	<b>1.111</b>	<b>1.111</b>	<b>0.000</b>
<b>Planning &amp; Public Protection</b>	<b>1.111</b>	<b>1.111</b>	<b>0.000</b>

There is no significant slippage forecast at this stage within Planning & Public Protection.

### 3.4.4. Environment

Programme Area /Service/ Directorate	2024/25 Forecast Period 3 £m	2024/25 Forecast Period 6 £m	2024/25 Variance £m
Environment - TFL	2.577	2.240	(0.337)
Highways & Street Lighting	9.440	9.070	(0.370)
Public Realm - Parks	1.999	2.024	0.025
Public Realm - Waste	5.322	5.322	0.000
Environment - Parking	0.115	0.146	0.031
<b>Environment</b>	<b>19.453</b>	<b>18.802</b>	<b>(0.651)</b>
<b>Environment</b>	<b>19.453</b>	<b>18.802</b>	<b>(0.651)</b>

There is no significant slippage forecast at this stage within Environment.

## 3.5. RESOURCES

### 3.5.1. Partnership Impact and Delivery

Programme Area /Service/ Directorate	2024/25 Forecast Period 3 £m	2024/25 Forecast Period 6 £m	2024/25 Variance £m
ICT Cloud Migration	2.280	2.080	(0.200)
ICT Modern Device Management	2.356	1.986	(0.370)
Transformation	3.639	3.204	(0.435)
<b>IT, Digital &amp; Transformation</b>	<b>8.275</b>	<b>7.270</b>	<b>(1.005)</b>
<b>Resources - Partnership Impact and Delivery</b>	<b>8.275</b>	<b>7.270</b>	<b>(1.005)</b>

There is no significant slippage forecast in Partnership Impact and Delivery.

### 3.5.2 Customer Services

Programme Area /Service/ Directorate	2024/25 Forecast Period 3 £m	2024/25 Forecast Period 6 £m	2024/25 Variance £m
Libraries	0.151	0.106	(0.045)
<b>Customer Services</b>	<b>0.151</b>	<b>0.106</b>	<b>(0.045)</b>
Cemeteries and Crematorium	0.178	0.203	0.025
<b>Bereavement &amp; Registration Services</b>	<b>0.178</b>	<b>0.203</b>	<b>0.025</b>
<b>Resources - Customer Services</b>	<b>0.329</b>	<b>0.309</b>	<b>(0.020)</b>

There is no significant slippage forecast within Customer Services.

### 3.5.3 Finance

Programme Area /Service/ Directorate	2024/25 Forecast Period 3 £m	2024/25 Forecast Period 6 £m	2024/25 Variance £m
Exchequer & Transactional Programme	0.133	0.000	(0.133)
Finance People & Place Programme	0.049	0.000	(0.049)
Contingency	0.000	0.000	0.000
<b>Corporate Finance</b>	<b>0.182</b>	<b>0.000</b>	<b>(0.182)</b>
<b>Resources - Finance</b>	<b>0.182</b>	<b>0.000</b>	<b>(0.182)</b>

There is no significant capital slippage forecast at this stage in Finance.

### 3.5.4 Public Health

Programme Area /Service/ Directorate	2024/25 Forecast Period 3 £m	2024/25 Forecast Period 6 £m	2024/25 Variance £m
Insight, Policy & Strategy	0.325	0.325	0.000
<b>Insight, Policy &amp; Strategy</b>	<b>0.325</b>	<b>0.325</b>	<b>0.000</b>
<b>Resources - Public Health</b>	<b>0.325</b>	<b>0.325</b>	<b>0.000</b>

There is no significant capital slippage forecast at this stage in Public Health.